

March 17, 2025

To, The Manager (CRD) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001	To, The Manager - Listing Department National Stock Exchange of India Ltd Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai - 400 051
Scrip Code: 522215	Symbol : HLEGLAS

SUB: Notice Convening Meeting of the Secured Creditors of HLE Glascoat Limited pursuant to order dated March 6, 2025 of the Hon'ble National Company Law Tribunal, Ahmedabad Bench

Dear Sir/ Madam,

This is further to the above intimation and captioned subject, enclosed herewith the Notice Convening Meeting of the Secured Creditors of the Company ("Notice") pursuant to NCLT Oder which is to be held on Friday, 18th April, 2025 at 02:00 p.m. at the Registered Office of the HLE Glascoat Limited at H-106, GIDC Estate, Vitthal Udyognagar, Anand-388121, Gujarat, to consider and approve 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 and other applicable provisions of the Companies Act, 2013 and other applicable provisions.

The Notice has been dispatched electronically to the Secured Creditors today, i.e. on 17th March, 2025.

The Notice with related annexures is also available on the website of the Company. The Notice with Annexures, can be accessed at:

<https://www.hleglascoat.com/wp-content/uploads/2025/03/Notice-to-Secured-Creditors-with-Annexures.pdf>

Kindly take the above on records.

Thanking You,

Yours faithfully,

For **HLE Glascoat Limited**

ACHAL S. THAKKAR
Company Secretary & Compliance Officer

Encl: As Above



HLE GLASCOAT LIMITED

(CIN: L26100GJ1991PLC016173)

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

Tel: +91 02692-236842-45, **E-mail:** share@hleglascoat.com

Website: www.hleglascoat.com

NCLT Convened Meeting of Secured Creditors

Day	Friday
Date	April 18, 2025
Time	02:00 pm (IST)
Venue	Registered Office of the Company at H-106,GIDC Estate, Vitthal Udyognagar, Anand-388121 Gujarat

HLE GLASCOAT LIMITED

(CIN: L26100GJ1991PLC016173)

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

Tel: +91 02692-236842-45, E-mail: share@hleglascoat.com

Website: www.hleglascoat.com

NOTICE CONVENING MEETING OF THE SECURED CREDITORS OF HLE GLASCOAT LIMITED

(PURSUANT TO ORDER DATED MARCH 6, 2025 OF THE
HON'BLE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH)

MEETING	
Day	Friday
Date	April 18, 2025
Time	02:00 pm (IST)
Venue of Meeting	Registered Office of the Company at H-106, GIDC Estate, Vitthal Udyognagar, Anand - 388121, Gujarat, India.

Sl. No.	Contents	Page No.
1.	Notice convening Meeting of the Secured Creditors of HLE Glascoat Limited ('The Transferee Company or 'HGL') as per the directions of the Hon'ble National Company Law Tribunal, Ahmedabad Bench	01
2.	Explanatory Statement under Section 102 read with Sections 230 to 232 of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016	05
3.	<u>Annexure 1</u> Scheme of Amalgamation of Kinam Enterprise Private Limited (the 'Transferor Company' or 'KEPL') with HLE Glascoat Limited	22
4.	<u>Annexure 2</u> Share Entitlement Ratio Report and Fairness Opinions	64
5.	<u>Annexure 3</u> Audit Committee Report adopted by the Board of Directors of HLE Glascoat Limited	85

6.	<u>Annexure 4</u> Copies of Board Resolutions of both the Applicant Companies	90
7.	<u>Annexure 5 and 5A</u> Observation Letters dated October 3, 2024 of NSE and BSE are annexed at Annexure-5. The Compliance with the observations under the said Observation Letters is annexed at Annexure 5A.	94
8.	<u>Annexure 6</u> Complaint Reports dated July 23, 2024 submitted by HGL to the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE")	108
9.	<u>Annexure 7</u> Reports of the Board of Directors of both applicant companies pursuant to Section 232(2)(c) of the Act	109
10.	<u>Annexure 8</u> Material Interest of Directors and KMPs of the Applicant Companies	116
11.	<u>Annexure 9</u> Pre Scheme and Post Scheme Shareholding Pattern of the Applicant Transferee Company	118
12.	<u>Annexure 10</u> Statutory Auditors' Certificate confirming compliance of Accounting Treatment of the Applicant Companies	130
13.	<u>Annexure 11</u> Audited Financial Statements of HGL, the Applicant Transferee Company as on March 31, 2024 and Unaudited Financial Statements for the period ended on December 31, 2024	134
14.	<u>Annexure 12</u> Audited Financial Statements as on March 31, 2024 of KEPL, the Applicant Transferor Company and Unaudited Financial Statements for the period ended on December 31, 2024	160
15.	<u>Annexure 13</u> Information pertaining to KEPL, in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018	192
16.	<u>Annexure 14</u> Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against HGL, its Promoters and Directors	199

17.	<p><u>Annexure 15 (as submitted to the stock exchanges)</u></p> <p>Additional Information as per Observation Letters dated October 3, 2024 of BSE and NSE and Requirement Letters vide e-mails dated October 04, 2023 issued by BSE and NSE and includes: (details as per the stipulations made in observation letters)</p> <p>(a) Details of assets, liabilities, net worth and revenue of the companies involved in the scheme, both pre and post Scheme;</p> <p>(b) Need and Rationale of the Scheme, Synergies of Business of the companies involved in the scheme, Impact of the scheme on the Shareholders of HGL and cost benefit analysis of the scheme;</p> <p>(c) Value of assets and liabilities of the Undertaking of the Transferor Company that is being transferred to the Transferee Company;</p> <p>(d) Comparison of revenue and net worth of the Transferor Company with the total revenue and net worth of HGL for the last three financial years</p>	200
18.	<p><u>Annexure 16</u></p> <p>NCLT Order dated March 6, 2025</p>	211
19	<p><u>Annexure 17</u></p> <p>Relevant extracts of the resolutions passed by the Committee of Independent Directors and Audit Committee</p>	228
20	Form of Proxy	230
21	Attendance Slip	231
22	Route Map for the venue of the Meeting	232

The Notice of the Meeting, Explanatory Statement and Annexures 1 to 17 constitute a single and complete set of documents and should be read in conjunction with each other, as they form an integral set of documents.

**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
Email: 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, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and 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 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.

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.

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

1. Pursuant to the Order dated 6th 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 26th 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:*

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

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 26th 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 3rd March 1992. It was changed again to HLE Glascoat Limited vide a certificate dated 5th December 2019. The equity shares of the Company got listed on 27th April 1994 with the BSE Limited and on 9th 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 31st March 2024, is as under:-

Particulars	Amount (in Rupees)
Authorised Capital	
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
TOTAL	20,60,00,000
Issued, Subscribed and Fully paid-up	
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
TOTAL	14,02,81,264

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 28th 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:

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

(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 31st 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 13th 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
Email: share@hleglascoat.com

SCHEME OF AMALGAMATION

OF

**KINAM ENTERPRISE PRIVATE LIMITED
("TRANSFEROR COMPANY")**

WITH

**HLE GLASCOAT LIMITED
("TRANSFeree COMPANY")**

AND

THEIR RESPECTIVE SHAREHOLDERS

**UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT, 2013**



PREAMBLE

A. BACKGROUND AND DESCRIPTION OF THE COMPANIES WHO ARE PARTIES TO THIS SCHEME

1. This Scheme (*as defined hereinafter*) is presented under Sections 230 to 232 and other relevant provisions of the Act (*as defined hereinafter*) read with Section 2(1B) and other applicable provisions of the Income Tax Act (*as defined hereinafter*) and other applicable law, if any, including any statutory modification, re-enactments or amendments thereof from time to time and provides for the amalgamation of the Transferor Company with the Transferee Company and dissolution of Transferor Company without winding up. Additionally, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.
2. HLE Glascoat Limited ("**Transferee Company**") is a listed public company incorporated under the provisions of the Companies Act, 1956. The Transferee Company is 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. The equity shares of the Transferee Company are listed on the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**").
3. Kinam Enterprise Private Limited ("**Transferor Company**") is a private limited company incorporated under the provisions of the Act. The Transferor Company is engaged in the business of providing efficient and reliable heat exchanger solutions to customers across various industries and the primary objective is to design, manufacture and



deliver high quality heat exchangers that meets the unique needs of customers. The Transferor Company strives to offer innovative and sustainable solutions that provide optimal thermal performance, minimize downtime, and reduce operating costs.

B. PURPOSE AND 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.



C. OVERVIEW OF THE SCHEME

This Scheme is divided into the following parts:

1. **PART A:** Definitions, Interpretations and Capital Structure;
2. **PART B:** Amalgamation of the Transferor Company with the Transferee Company; and
3. **PART C:** General Terms and Conditions.

PART A

DEFINITIONS, INTERPRETATIONS AND CAPITAL STRUCTURE

1. DEFINITIONS

- 1.1 In this Scheme, unless repugnant to the subject or meaning or context thereof, the following expressions shall have the meaning attributed to them as below:

“Act” means, the Companies Act, 2013 and the rules framed thereunder and includes any alterations, notifications, modifications and amendments made to therein or any re-enactment of thereof;

“Applicable Law(s)” means any statute, notification, by-laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, directives, notices, Permits, orders or instructions enacted or issued or sanctioned by any Appropriate Authority, including any modification or re-enactment thereof for the time being in force;

“Appointed Date” means 7 August 2023 or such other date as may be agreed between Board of Directors of the Parties;



“Appropriate Authority” means:

- (a) the government of any jurisdiction (including any central, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;
- (b) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities;
- (c) any governmental, 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 including (without limitation) SEBI, the Tribunal; and
- (d) Stock Exchanges;

“Board of Directors” or **“Board”** in relation to the Parties, means the Board of Directors of such Party, and shall, unless repugnant to the context or otherwise, include a Committee of Directors or any person authorized by the Board or such Committee of Directors;

“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;

"Income Tax Act" means the Indian Income-tax Act, 1961 read along with Income-tax Rules, 1962 and shall include any statutory modifications, re-enactments, or amendments thereof for the time being in force;

"Parties" means collectively the Transferee Company and the Transferor Company and "Party" shall mean each of them, individually;

"Permits" means all consents, licences, permits, certificates, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

"Person" means and includes an individual, proprietorship, partnership, corporation, company, unincorporated organization or association, Appropriate Authority, trust or other entity, whether incorporated or not;

"Registrar of Companies" means the Registrar of Companies, Ahmedabad, Gujarat having jurisdiction over the Parties;

"Rupee(s)" means Indian Rupee, the lawful currency of the Republic of India;

"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;

“**SEBI**” means the Securities and Exchange Board of India;

“**SEBI Circular**” means the circular issued by the SEBI, being SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, and any amendments thereof, modifications issued pursuant to Regulations 11, 37 and 94 of the SEBI LODR Regulations;

“**SEBI LODR Regulations**” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and any amendments thereof;

“**Stock Exchanges**” means the BSE Limited and the National Stock Exchange of India Limited, collectively;

“**Transferee Company**” means HLE Glascoat Limited bearing CIN L26100GJ1991PLC016173 and having its registered office at H-106, G.I.D.C. Estate, Vitthal, Udyognagar 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; and

“**Tribunal**” or “**National Company Law Tribunal**” means the National Company Law Tribunal having its bench at Ahmedabad, Gujarat having jurisdiction over the Parties, constituted under Section 408 of the Companies Act, 2013.

1.2 INTERPRETATIONS

In this Scheme, unless the context otherwise requires:

- 1.2.1 the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;



1.2.2 words in the singular shall include the plural and vice versa;
and

1.2.3 all terms and words not defined in this Scheme 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 and other Applicable Laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. **DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Tribunal, unless otherwise specified in the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. **SHARE CAPITAL STRUCTURE**

3.1 **Transferee Company**

The issued, subscribed and paid-up capital of the Transferee Company as on the date of approval of this Scheme by the Board of Directors of the Transferee Company is as under:

Particulars	Amount (in Rupees)
Authorised Capital	
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
TOTAL	20,60,00,000
Issued, Subscribed and Fully paid-up	
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
TOTAL	14,02,81,264

3.2 Transferor Company

The issued, subscribed and paid-up capital of the Transferor Company as on the date of approval of this Scheme by the Board of Directors of the Transferor Company is as under:

Particulars	Amount (in Rupees)
Authorised Capital	
70,00,000 Equity Shares of Rs.10/- each	7,00,00,000
Issued, Subscribed and Fully paid-up	
66,81,360 Equity Shares of Rs.10/- each	6,68,13,600



PART B

**AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE
TRANSFeree COMPANY**

**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.

6. **EMPLOYEES**

6.1 With effect from the Effective Date, all the employees of the Transferor Company shall become the employees of the Transferee Company on such date without any break or interruption in service and upon terms and conditions not less favourable than those on which they



are engaged by the Transferor Company, immediately preceding the Effective Date.

- 6.2 The Transferee Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Company with any Persons in relation to the employees of the Transferor Company. The Transferee Company agrees that the services of all such employees with the Transferor Company prior to the transfer shall be taken into account for the purposes of all existing benefits (including any leave encashment benefits) to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits.
- 6.3 In so far as the existing provident fund, gratuity fund and pension and/ or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits, if any, created by the Transferor Company for its employees (collectively referred to as the "**Funds**"), the Funds and such of the investments made by the Funds being transferred to the Transferee Company, in terms of the Scheme shall be transferred to the Transferee Company and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. The Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above, the Transferee Company may, subject to necessary approvals and permissions, continue to contribute to



relevant funds of the Transferor Company, until such time that the Transferee Company creates its own fund, at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to the funds created by the Transferee Company. Subject to the relevant law, rules and regulations applicable to the Funds, the Board of Directors or any committee thereof of the Transferee Company may decide to continue to make the said contributions to the Funds of the Transferor Company. Upon transfer of the aforesaid Funds of the Transferor Company, the existing trust, if any created for such Funds by the Transferor Company shall stand dissolved and no further act or deed shall be required to this effect.

- 6.4 It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous and not interrupted for the purpose of the said Fund or Funds.

7. BORROWING LIMITS, CORPORATE APPROVALS

- 7.1 With effect from the Effective Date, the borrowing and investment limits of the Transferee Company under the Act shall be deemed without any further act or deed to have been enhanced by the borrowing and investment limits of the Transferor Company, such limits being incremental to the existing limits of the Transferee Company.
- 7.2 Any corporate approvals obtained by the Transferor Company, whether for purposes of compliance or otherwise, shall stand transferred to the Transferee Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Transferee Company.



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.



10. DIVIDENDS

- 10.1 The Parties shall be entitled to declare and pay dividends, whether interim or final, to its shareholders in respect of the accounting period prior to the Effective Date consistent with the past practice, or in the ordinary course.
- 10.2 Upon the Scheme becoming effective, on and from the Appointed Date, the profits of the Transferor Company shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit.
- 10.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Transferee Company, subject to such approval of the shareholders, as may be required.

11. INTER-SE TRANSACTIONS

With effect from the Effective Date, all inter-se contracts solely between the Parties (i.e., not having any other third Person other than the Parties) shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company. With effect from the Effective Date, there will be no accrual of income or expenses on account of any transactions in the nature of sale or transfer of any goods, material or services, between the Transferor



Company and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any inter-se loans, deposits or balances between the Transferor Company and the Transferee Company.

12. PROFITS, BONUS/ RIGHTS SHARES

- 12.1 With effect from the Appointed Date, the Transferor Company shall not without the prior written consent of the Transferee Company, utilise, adjust or claim adjustment of profits/ reserves, as the case may be earned/ incurred or suffered after the Appointed Date.
- 12.2 The Transferor Company shall not after the Appointed Date, issue or allot any further securities, by way of rights or bonus or otherwise without the prior written consent of the Board of Directors of the Transferee Company.

13. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

- 13.1 With effect from the date of approval of the Scheme by the respective Board of Directors of the Parties and up to and including the Effective Date:
- 13.1.1 the Transferor Company shall carry on its business in ordinary course with reasonable diligence and business prudence and in the same manner as the Transferor Company had been doing hitherto;
- 13.1.2 further the Transferor Company shall not undertake any additional financial commitments of any nature



whatsoever, including borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its respective affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or Encumber or deal in any of its properties/assets, etc except:

- (a) when the same is expressly provided in this Scheme; or
- (b) when the same is in the ordinary course of business as carried on, by the Transferor Company; or
- (c) when written consent of the Transferee Company has been obtained in this regard;

13.1.3 the Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Transferee Company may require to carry on the relevant business of the Transferor Company and to give effect to the Scheme.

13.2 The Transferor Company with effect from the Appointed Date and up to and including the Effective Date:

13.2.1 shall be deemed to have been carrying on and to be carrying on all business and activities and stand possessed of all the assets, rights, title, interest, authorities, contracts, investments and strategic



decisions of the Transferor Company for and on account of and in trust for, the Transferee Company;

13.2.2 all profits and income accruing to the Transferor Company, and losses and expenditure incurred by it (including taxes but excluding advance taxes, if any, accruing or paid in relation to any profits or income), relating to the Transferor Company for the period from the Appointed Date based on the accounts of the Transferor Company shall for all purposes be treated as the profits, income, losses or expenditure, as the case may be, of the Transferee Company; and

13.2.3 any of the rights, powers, authorities, privileges, attached, exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, all of the obligations, duties and commitments attached, undertaken by the Transferor Company shall be deemed to have been undertaken for and on behalf of the Transferee Company.

13.3 The transfer and vesting of the assets, liabilities and obligations of the Transferor Company and the continuance of the proceedings by or against the Transferor Company under this Scheme shall not affect any transaction or proceedings already completed by the Transferor Company on or before the Effective Date in accordance with the Scheme, to the end and intent that, the Transferee Company accepts all acts, deeds and things done and executed by and or on behalf of the Transferor Company as acts, deeds and



things done and executed by and on behalf of the Transferee Company.

14. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE 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 polices 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.

16. **CONCLUDED TRANSACTIONS**

The transfer of assets, properties and liabilities above and the continuance of proceedings by or against the Transferee Company above shall not affect any transaction or proceedings already concluded in the Transferor Company, on or after the Appointed Date till the Effective Date.

17. **OTHER ENTITLEMENTS**

17.1 On and from the Effective Date and till such time that the bank accounts of the Transferor Company have been transferred in favour of the Transferee Company or the Transferor Company's name has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee Company.



- 17.2 All cheques and other negotiable instruments (including but not limited to bank guarantee(s), letter(s) of credit), payment orders, electronic fund transfers like NEFT, RTGS etc. received or presented for encashment, in the name of Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company. Similarly, the bankers of the Transferee Company shall honour cheques issued by Transferor Company for payment after the Effective Date.
- 17.3 Upon the coming into effect of this Scheme the resolutions, if any, of Transferor Company, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company..

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.



PART C

GENERAL TERMS AND CONDITIONS

19. **APPLICATION AND PETITION BEFORE THE TRIBUNAL**

19.1 The Parties shall make the requisite company applications under Sections 230 to 232 of the Act and other applicable provisions of the Act to the Tribunal for seeking sanction of this Scheme.

19.2 Each of the Parties (acting through their respective Boards of Directors) shall, with all reasonable dispatch, make applications to the Tribunal, under the relevant provisions of Applicable Law, if any, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective shareholders and/or creditors and for sanctioning the Scheme with such modifications, as may be approved by the Tribunal.

20. **MODIFICATIONS OR AMENDMENTS TO THE SCHEME**

20.1 The Parties by their respective Board of Directors may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the Tribunal and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors) subject to the approval of the Tribunal or any other authorities under the Applicable Law. The Parties by their respective Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out



of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

- 20.2 In the event any of the conditions that may be imposed by the Tribunal, while sanctioning the Scheme, which the Board of Directors of the Parties may find unacceptable for any reason, then the Parties shall mutually agree to withdraw from the Scheme or any alternative course of action.
- 20.3 Subject as provided hereinafter, if any part of this Scheme is held invalid, ruled illegal by the Tribunal or any other Appropriate Authority of the competent jurisdiction, or becomes unenforceable for any reason whatsoever, whether under present or future laws, then it is the intention of the Parties that such part shall be severable from the remainder of this Scheme and this 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 this Scheme, as will best preserve for the Parties the benefits and obligations of this Scheme, including but not limited to such part.

21. **CONDITIONS PRECEDENT**

- 21.1 Unless otherwise decided (or waived) by Parties, the Scheme is conditional upon and subject to the following conditions precedent:
- 21.1.1 receipt of no-objection letters from the Stock Exchanges in respect of the Scheme and the transaction contemplated herein under Regulation 37 of the SEBI LODR Regulations, which in form and substance is acceptable to the Parties, each acting reasonably and in good faith;



- 21.1.2 the Scheme being approved by the requisite majorities of the shareholders and creditors of the Parties, as required under Applicable Laws and/or as may be directed by the Tribunal or any other authority as may be prescribed or notified;
- 21.1.3 the sanction of the Scheme by the Tribunal under Sections 230 to 232 of the Act being obtained by the Parties; and
- 21.1.4 the certified copies of the orders of the Tribunal referred to in this Scheme being filed with the Registrar of Companies by the Parties.
- 21.2 It is hereby clarified that submission of this Scheme to the Tribunal and to the Appropriate Authority for their respective approvals is without prejudice to all rights, interests, title, or defences that Parties may have under or pursuant to all Applicable Laws.
- 21.3 On the approval of this Scheme by the shareholders of the Parties and such other classes of Persons of the Parties, if any, pursuant to Clause 21.1.2 above, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Scheme.

22. **EFFECT OF NON-RECEIPT OF APPROVALS**

- 22.1 In case this Scheme is not sanctioned by the Tribunal and/or Appropriate Authority or in the event any of consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in this Scheme not being obtained or complied or for



any other reason, this Scheme cannot be implemented, this Scheme shall become null and void and be of no effect.

- 22.2 In the event of revocation/ withdrawal/ nullity of the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Parties or their respective shareholders or creditors or employees or any other Person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with Applicable Law or in accordance with any agreement entered by the Parties and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

23. **PROPERTY IN TRUST**

Notwithstanding anything contained in this Scheme, on and after the Effective Date, until any property, asset, license, Permit, contract, agreement and rights and benefits arising therefrom pertaining to the Transferor Company are transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority or otherwise, in favour of the Transferee Company, the Transferee Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, Permit, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, Permit, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities, the Transferee Company will continue to hold the property and/or the asset, license, Permit, contract or agreement and rights and benefits



arising therefrom in trust for and on behalf of the Transferor Company.

24. **FACILITATION PROVISIONS**

For the purpose of giving effect to the amalgamation order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Transferee Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme.

25. **REPEALS AND SAVINGS**

Any direction or order given by the Tribunal or other Appropriate Authority under the provisions of the Act and any act done by the Transferor Company and the Transferee Company, based on such directions or order shall be deemed to be in accordance with and consistent with the provisions of the Act.

26. **COST, CHARGES AND EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or



incurred in connection with the amalgamation of the Transferor Company into the Transferee Company, as set out in Part B of this Scheme and matters incidental thereto, shall be borne as agreed between the Parties.

27. **COMPLIANCE WITH APPLICABLE LAWS**

The Parties undertake to comply with all Applicable Laws including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission, of the Central Government, Stock Exchanges, SEBI, as may be required or any other statutory or regulatory authority, which by law may be required for the implementation of this Scheme or which by law may be required in relation to any matters connected with this Scheme.



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Strictly Private and Confidential

Report Ref No: RVA2324BOMREP133

Date: 13/02/2024

The Audit Committee and The Board of Directors,
HLE Glascoat Limited
Primary, H-106, Phase-IV GIDC,
Vitthal Udyog Nagar, Anand,
Gujarat - 388121

The Board of Directors,
Kinam Enterprise Private Limited
746-3, Parikrama Apartment,
Luncikui, Navsari,
Gujarat - 396445

Sub: Recommendation of Share Exchange Ratio for the proposed amalgamation of Kinam Enterprise Private Limited into HLE Glascoat Limited

Dear Sir / Madam,

We refer to our engagement letter dated September 8, 2023, read with addendum letter dated February 2, 2024, whereby HLE Glascoat Limited ("HLE") and Kinam Enterprise Private Limited ("KEPL") have jointly appointed RBSA Valuation Advisors LLP ("RBSA"/ "Valuer") for recommendation of fair equity share exchange ratio ("Share Exchange Ratio") for the proposed amalgamation of KEPL into HLE ("Proposed Amalgamation"), on a 'going concern' basis pursuant to Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme").

HLE and KEPL are hereinafter jointly referred to as the "Clients".

The Share Exchange Ratio for the purpose of this report refers to the number of equity shares which would be issued by HLE to the equity shareholders of KEPL as a consideration for the Proposed Amalgamation pursuant to the Scheme.

For the purpose of this report, we have considered the valuation date as February 12, 2024 ("Valuation Date"). We have carried out the valuation of the Companies (as defined below) on a 'Going-Concern Value' premise.

BACKGROUND OF COMPANIES

HLE Glascoat Limited

HLE is a public limited company incorporated in 1991 and 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. The equity shares of HLE are listed on the BSE Limited ("BSE") and The National Stock Exchange of India Limited ("NSE"). HLE holds 0.5% equity of KEPL. The consolidated revenue of HLE for the year ended March 31, 2023, was INR 9,397.76 Mn and profit after tax of INR 698.07 Mn. For the nine months ended December 31, 2023, HLE had consolidated revenue of INR 6,679.41 Mn and profit after tax of INR 260.87 Mn.

Kinam Enterprise Private Limited

KEPL is a private limited company incorporated in the year 2023 and holds 100% equity of Kinam Process Equipments Private Limited ("KPEPL"). KEPL does not have any material business operations apart from holding investment in KPEPL.

Head Office: 912, Venus Atlantis Corporate Park, Anandnagar Main Road, Prahaladnagar, Ahmedabad – 380015 Tel: +91 79 4050 6000
Corporate Office: 1121, Solitaire Corp. Park, Chakala, Andheri Kurla Road, Andheri (E), Mumbai - 400 093 Tel: +91 22 6130 6000



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Kinam Process Equipments Private Limited

KPEPL is a private limited company incorporated in the year 2023 and holds 34.44% of the equity of Kinam Engineering Industries Private Limited ("KEIPL"). KPEPL does not have any material business operations apart from holding investment in KEIPL.

Kinam Engineering Industries Private Limited

KEIPL is a private limited company and was incorporated in October 2023 with the sole purpose of effecting succession of the business of M/s Kinam Engineering Industries ("KEI") into itself. After succession of business of KEI, effective January 1, 2024, KEIPL carries out business of providing efficient and reliable heat exchanger solutions to customers across various industries.

M/s Kinam Engineering Industries

KEI, a partnership firm based out of Mumbai, is primarily engaged in the business of manufacturing and sale of heat exchangers and other related products for the chemical, petrochemical, fertilizers, refineries, pharmaceutical, biotech, oil, paper, steel, cosmetics, and textile industries. The business of the firm has been succeeded into KEIPL effective January 1, 2024.

HLE, KEPL, KPEPL and KEIPL are hereinafter jointly referred to as the "Companies".

HLE Transaction

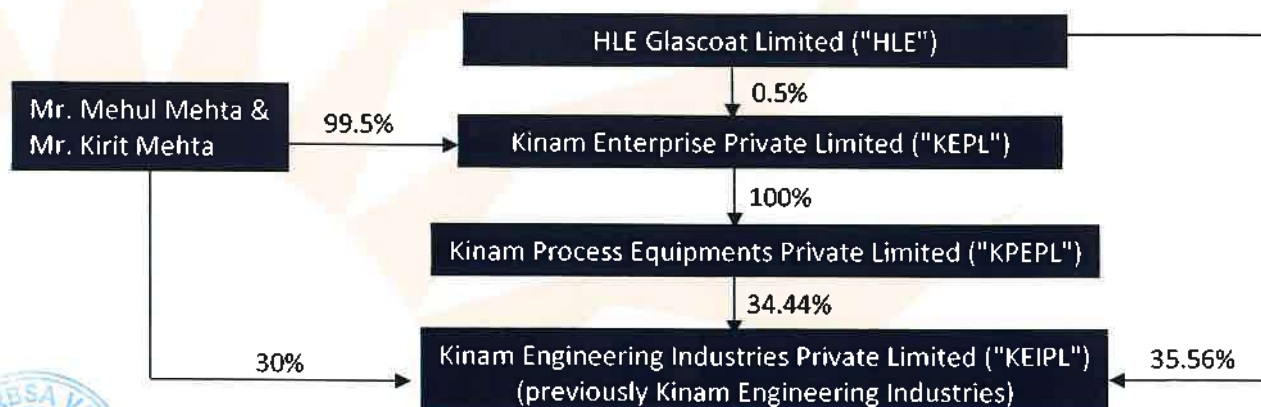
On August 7, 2023, HLE announced that it would acquire 70% equity of KEI in two phases (together referred to as the "HLE Transaction"). In the first phase, HLE acquired a 35.56% profit share and ownership interest in KEI in an all-cash deal. In second phase, balance 34.44% stake is to be acquired through the Scheme whereby KEPL would amalgamate into HLE.

Phase 1 of the acquisition was completed on September 26, 2023, for a consideration of ~ INR 800 Mn. The implied value of KEI based on the HLE Transaction was ~ INR 2,250 Mn for 100% of equity stake (INR 800 Mn/35.56% equity stake).

We understand from the management of the Clients (the "Management") that:

- the key terms of the HLE Transaction were negotiated between the parties on an arm's length basis and the transaction was in nature of orderly transaction;
- the business activities of KEIPL (erstwhile KEI) have been carried out in the normal and ordinary course of business between August 2023 and the Valuation Date.

The following is the present holding structure of the Companies forming part of the valuation exercise,



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SCOPE AND PURPOSE OF THIS REPORT

We understand that the Management is envisaging amalgamation of KEPL into HLE pursuant to the Scheme in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment, or amendments thereof for the time being in force and in the manner provided in the Scheme. We understand that the Scheme shall be in accordance with Section 2(1B) of the Income Tax Act, 1961.

As a consideration for the Proposed Amalgamation, equity shares of HLE would be issued to equity shareholders of KEPL. On the Scheme becoming effective, investment in equity shares of KEPL held by HLE shall stand extinguished.

In this connection, the Management have appointed RBSA, a Registered Valuer Entity, to submit a report recommending the Share Exchange Ratio to Audit Committee / Board of Directors of HLE and KEPL for the Proposed Amalgamation (hereinafter referred to as "Report") pursuant to the Scheme.

We understand that the appointed date for the Proposed Amalgamation as per the Scheme shall be August 7, 2023, or such other date as may be agreed by the Board of Directors of the Companies.

We would like to emphasize that certain terms of the Proposed Amalgamation are stated in our Report, however the detailed terms of the Proposed Amalgamation are explained in the Scheme document to be submitted with relevant authorities in relation to the Proposed Amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying Scheme.

We have been provided with the financial statements of the Companies for the period ended December 31, 2023. The Management has informed us that there are no other unusual/abnormal events in the Companies materially impacting their operating/ financial performance after financial statement date until the Report Date. Further, we have been informed by the Management that to the best of their knowledge, material information regarding the business of each of the Companies has been disclosed to us.

We have been informed by the Management that:

- i. there would not be any capital variation in the Companies till the Proposed Amalgamation becomes effective, without approval of the shareholders and other relevant authorities.
- ii. till the Proposed Amalgamation becomes effective, neither of the Companies will declare any substantial dividend.
- iii. there would be no significant variation between the draft Scheme and final Scheme approved and submitted with the relevant authorities.

We have relied on the above while arriving at the Share Exchange Ratio for the Proposed Amalgamation.



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SOURCES OF INFORMATION

In connection with this exercise, we have received/ obtained the following information about the Companies from the Management:

- Limited reviewed consolidated financial statements of HLE for the nine months period ended December 31, 2023;
- Special purpose audited financial statements of the KEPL and KEIPL for the period ended December 31, 2023;
- Limited reviewed financial statements of KEI and KPEPL for the period ended December 31, 2023;
- Audited financial statements of HLE and KEI for the year ended March 31, 2022, and March 31, 2023;
- Projected financial statements of KEIPL (erstwhile KEI), which the Management believes to be their best estimate of the expected performance of the KEPL ("Management Projections");
- Draft Scheme;
- Other relevant information, documents, and explanations to inter-alia understand the historical and expected future performance of the Companies;

In addition, we have also relied on information available in public domain and subscribed databases.

Besides above information and documents, there may be other information provided by/ on behalf of the Management which may not have been perused by us in detail, if not considered relevant for the defined scope. The Clients have been provided with the opportunity to review the draft Report (excluding the recommended Share Exchange Ratio) as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Report.

The Management of HLE has informed us that Navigant Corporate Advisors Limited has been appointed to provide fairness opinion on the Share Exchange Ratio for the purpose of the Proposed Amalgamation. At the request of HLE, we have had discussions with them in respect of our valuation analysis.

PROCEDURES ADOPTED

In connection with this exercise, we have adopted the following procedures to carry out the valuation. Procedures adopted for our analysis included such substantive steps as we considered necessary under the circumstance, including, but not limited to the following:

- Discussion with the Management to *inter-alia*:
 - Understand the business and fundamental factors that affect the business of the Companies;
 - Understand historical financial performance, current state of affairs and expected future financial performance of the Companies;
- Analysis of information shared by the Management including the following:
 - Financial statements of the Companies;
 - Management Projections;
 - Considered data available in public domain related to the Companies;
- Undertook Industry Analysis:
 - researched publicly available market data including economic factors and industry trends that may impact the valuation.
 - analyzed industry trends and valuation multiples of comparable companies using proprietary databases subscribed by us.
- Selected valuation methodology/(ies) as considered appropriate by us, in accordance with the applicable Valuation Standards.
- Obtained and analyzed market prices, volume data and other relevant information for HLE;



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- Considered the draft Scheme;
- Arrived at the relative equity value per share of HLE and KEPL to determine Share Exchange Ratio for the Proposed Amalgamation.

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

This Report is subject to the limitations detailed in our engagement letter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the Valuation Date. Due to possible changes in market forces and circumstances, this Report can only be regarded as relevant as at the Valuation Date.

This Report has been prepared for the purpose stated herein and should not be relied upon for any other purpose. Clients are the only authorized users of this Report and are restricted for the purposes indicated in the engagement letter. This restriction does not preclude the Clients from providing a copy of the Report to third party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this Report. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Clients or Companies, their directors, employees or agents.

While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the Client's existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date and (iii) are based on the data detailed in the section - Sources of Information. We have been informed by the Management that the business activities of the Companies have been carried out in the normal and ordinary course between December 31, 2023, and the Report date and that no material changes have occurred in their respective operations and financial position between December 31, 2023, and the Report date.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic, and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. Events occurring after the Valuation Date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.



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During the course of the valuation, we were provided with both written and verbal information including market, financial and operating data. We have evaluated the information provided to us by/ On behalf of the Management through inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Accordingly, such information, estimates or opinions are not offered as our predictions or our assurance that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Because events and circumstances frequently do not occur as expected, there will usually be differences between predicted and actual results, and those differences may be material. We take no responsibility for the achievement of the predicted results as it is dependent on actions, plans and assumptions of the Management.

Valuation may be based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point in time. However, we do not provide assurance on the achievability of the results projected by the Management as events and circumstances do not occur as expected and differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected as the achievement of the projected results is inter-alia dependent on actions, plans and assumptions of the Management and macro-economic and other external factors which are beyond the control of the Management.

The Management has warranted us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the Management concerning the financial data, operational data, and other information, except as specifically stated to the contrary in the Report. In no event we shall not be liable for any loss, damages, cost, or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the Clients, the Companies, their directors, employee, or agents.

We are not aware of any contingency, commitment or material issue which could materially affect the Companies' economic environment and future performance and therefore, the equity value of the Companies.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. This Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited / unaudited balance sheets of the Companies, if any. No responsibility is assumed for matters of a legal nature. We have not carried out any physical verification of the assets and liabilities of the Companies and take no responsibility for the identification of such assets and liabilities.

This Report does not look into the business/commercial reasons behind the Proposed Amalgamation nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the Proposed Amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

We have also relied on data from external sources to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and/or reproduced in its proper form and context.



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Any person/ party intending to provide finance/ invest in the shares/ businesses of the Companies/ their holding companies/ subsidiaries/ group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Clients) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to us.

It should be understood that the valuation of any entity or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we have relied on explanations provided by the Management and have made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Companies. This valuation could fluctuate with lapse of time, changes in prevailing market conditions and prospects, industry performance and general business and economic conditions, financial and otherwise, of the companies, and other factors which generally influence the valuation of the Companies and their assets.

It should be noted that we have not examined any other matter including economic rationale for the proposed Scheme per se or accounting, legal or tax matters involved in the proposed Scheme.

The valuation analysis and result are governed by concept of materiality.

The fee for the engagement is not contingent upon the results reported.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any document other than in connection with the Proposed Amalgamation, without our prior written consent. In addition, this Report does not in any manner address the prices at which equity shares of HLE will trade following announcement of the Proposed Amalgamation and we express no opinion or recommendation as to how the shareholders of either company should vote at any shareholders' meeting(s) to be held in connection with the Proposed Amalgamation.

DISCLOSURE OF RV INTEREST OR CONFLICT, IF ANY AND OTHER AFFIRMATIVE STATEMENTS

We do not have any financial interest in the Clients, nor do we have any conflict of interest in carrying out this valuation. Further, the information provided by the Management has been appropriately reviewed in carrying out the valuation.

SHAREHOLDING PATTERN

HLE

The issued and subscribed equity share capital of HLE as of December 31, 2023, is INR 136.5 Mn consisting of 6,82,65,480 equity shares of face value of INR 2/- each. The shareholding pattern is as follows:

Particulars	No. of Equity Shares	Shareholding %
Promoters and Promoter Group	4,55,28,472	66.69%
Public	2,27,37,008	33.31%
Total	6,82,65,480	100.00%

Source: www.bseindia.com



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KEPL

The issued and subscribed equity share capital of KEPL as of December 31, 2023, is INR 66.8 Mn consisting of 66,81,360 equity shares of face value of INR 10/- each. The shareholding pattern is as follows:

Particulars	No. of Equity Shares	Shareholding %
Mr. Mehul Mehta	33,23,977	49.75%
Mr. Kirit Mehta	33,23,976	49.75%
HLE Glascoat Limited	33,407	0.50%
Total	66,81,360	100.00%

Source: Management Information

VALUATION APPROACH & METHODOLOGY

The Scheme contemplates amalgamation of KEPL into HLE. Arriving at the Share Exchange Ratio for the Proposed Amalgamation would require determining the value of equity shares of HLE and KEPL on a relative basis. These values are to be determined independently, but on a relative basis for the Companies, without considering the effect of the Proposed Amalgamation.

For the purpose of arriving at valuation of the Companies, we have considered the valuation base as 'Fair Value'. Our valuation, and this Report, is based on the premise of 'going concern value'. Any change in the valuation base, or the premise could have significant impact on our valuation exercise, and therefore, this Report.

It may be noted that the Institute of Chartered Accountants of India (ICAI) on June 10, 2018, has issued the ICAI Valuation Standards ("ICAI VS") effective for all the valuation reports issued on or after July 1, 2018. ICAI VS are mandatory for a valuation done under the Companies Act, 2013. We have given due cognizance to the same in carrying out the valuation exercise.

Intended Users: This Report is intended for consumption of the Board of Directors of HLE and KEPL and may be submitted to their shareholders and relevant regulatory and judicial authorities as may be mandatorily required under the laws of India, in connection with the Proposed Amalgamation.

It should be understood that the valuation of any entity or business is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we have relied on explanations provided by the Management and have made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Management/ Companies. This valuation could fluctuate with the passage of time, changes in prevailing market conditions and prospects, industry performance and general business and economic conditions financial and otherwise, of the Companies, and other factors which generally influence the valuation of Companies and their assets.

ICAI VS 301 specifies that generally, the following three approaches can be used for valuation of business to determine the value of the equity shares of a company/ business,

- Income Approach
- Market Approach
- Asset Approach

There are several commonly used and accepted methods, within the market approach, income approach and asset approach, for determining the Share Exchange Ratio, which have been considered in the present case, to the extent relevant and applicable, and subject to the availability of the relevant information.



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Income Approach - Discounted Cash Flow ("DCF") Method

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalized) amount.

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the explicit forecast period and the perpetuity value at an appropriate discount factor. The terminal value represents the total value of the available cash flow for all periods subsequent to the horizon period. The terminal value of the business at the end of the horizon period is estimated, discounted to its present value equivalent, and added to the present value of the available cash flow to estimate the value of the business.

Such DCF analysis involves determining the following:

- a. Estimating future free cash flows: Free cash flows to firm are the cash flows expected to be generated by the company/ business that are available to the providers of the company's capital – both debt and equity.
- b. Appropriate discount rate to be applied to cash flows i.e., the cost of capital: This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

Market Approach

Under this approach, value of a company is assessed on the basis of its market price (i.e. if its shares are quoted on a stock exchange) or basis multiples derived using comparable (i.e., similar) listed companies or transactions in similar companies. Following are the methods under Market Approach:

Market Price Method:

Under this method, the value of shares of a company is determined by taking the average of the market capitalization of the equity shares of such company as quoted on a recognized stock exchange over reasonable period of time where such quotations are arising from the shares being regularly and freely traded in an active market, subject to the element of speculative support that may be inbuilt in the market price.

Comparable Companies Multiple ("CCM") Method:

Under this method, value of a business / company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. The market price, as a ratio of the comparable company's attributes such as book net worth, earnings, capital employed, etc. is used to derive an appropriate multiple. This multiple is then applied to the attribute of the asset being valued to indicate the value of the subject asset. This valuation is based on the 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.



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Comparable Companies' Transaction Multiple ("CTM") Method

Under this method, value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable transactions. This valuation is based on the principle that transactions 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.

Price of Recent Investment ("PORI") Method

Under this valuation method, the price of recent investment in the business by an independent party can be considered as fair value for valuation, if no material changes have taken place since the date of such investment.

Asset Approach

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is generally used in cases where the firm is to be liquidated i.e., it does not meet the 'going concern' criteria or in cases where the assets base dominates earnings capability and not in the ongoing operations of the business. A scheme of amalgamation would normally be proceeded with, on the assumption that the Companies would continue as going concerns and an actual realization of the operating assets is not contemplated. In such a going concern scenario, the relative earning power is of importance to the basis of merger, with the values arrived at on the net asset basis being of limited relevance.

Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bonafide manner. The valuation approaches/methods used, and the values arrived at using such approaches / methods by us have been discussed below.

Valuation Methodology adopted for HLE:

- In the present case, since the shares of HLE are listed on stock exchanges, information relating to its future financial performance is price sensitive. Further, we understand from the Management, having regard to the business in which HLE operates, projecting medium to long term financials on a reliable basis, is difficult and involves considerable subjectivity and hence projections of HLE have not been made available for the present exercise. In absence of availability of projections and business plans, we have not applied income approach for valuation of HLE.
- As per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR"), as amended, the issuance of shares under schemes in case of allotment of shares by listed companies only to a select group of shareholders or shareholders of unlisted companies, pursuant to such schemes, shall follow the pricing provisions of the said regulations and the relevant date for the purpose of computing pricing shall be the date of the Board meeting in which the scheme is approved.
- The SEBI ICDR regulations provide that if the equity shares of the issuer company have been listed on a stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:



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- a. the 90 trading days' volume weighted average price of the equity shares quoted on the stock exchange preceding the relevant date, or
- b. the 10 trading days' volume weighted average prices of the equity shares quoted on the stock exchange preceding the relevant date.

Accordingly, we have considered higher of 90 trading days / 10 trading days volume weighted average price as on the relevant date for valuation of HLE.

- The equity shares of HLE are listed on NSE and BSE and are traded frequently on NSE. In this circumstance, for arriving at the market price, we have considered prices over appropriate period up to February 12, 2024. We have also considered the market price considering the relevant date as August 4, 2023, being the day prior to the date of announcement of the HLE Transaction.
- Considering the stage of operations of HLE, industry within which it operates and the present profitability, we have considered the Enterprise Value/Earnings before interest depreciation, tax, and amortization ('EV/EBITDA') multiple of listed comparable companies, after appropriate adjustment for HLE specific factors. We have relied on publicly available information and subscribed databases to arrive at the comparable company multiple.
- CTM method has not been used for valuation of HLE due to lack of information in the public domain on comparable transactions of similar scale. Further, the transaction multiples may include acquirer specific considerations, synergy benefits, control premium and minority adjustments.

Valuation Methodology adopted for KEPL:

- Since equity shares of KEPL are not listed, Market Price method is not applicable.
- Considering that KEPL is an investment holding company with no material business operations, its adjusted net asset value has been adopted for valuation of its equity shares considering *inter-alia* the fair value of investment in KPEPL and KEIPL.

Valuation Methodology adopted for KEIPL:

- The management of KEPL has provided Management Projections, which represents their best estimate of the expected performance of KEIPL. Considering the aforementioned, Income Approach – DCF method has been adopted for the valuation of KEIPL.
- Considering the stage of operations of KEIPL, industry within which it operates and the present profitability, we have considered the Enterprise Value/Earnings before interest depreciation, tax, and amortization ('EV/EBITDA') multiple of listed comparable companies, after appropriate adjustment for KEIPL specific factors, to arrive at its value. We have relied on publicly available information and subscribed databases to arrive at the comparable company multiple.
- We have also considered the value of KEIPL arrived under the HLE Transaction based on PORI method for valuation.
- The valuation of KEIPL, considering DCF Method and EV/EBITDA Multiple method is marginally higher than the HLE Transaction value for acquisition of 35.56% equity stake of KEI at an implied value of INR 2,250 Mn for 100% equity stake in KEI. Considering *inter-alia*, the aforementioned for the purpose of this Report, the fair value of equity of KEIPL has been estimated to be INR 2,250 Mn based on PORI Method.



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For the present valuation analysis, the amalgamation of the Companies is proceeded with on the assumption that the Companies would merge as going concern and an actual realization of the operating assets is not contemplated. In such a going concern scenario, the relative earning power, as reflected under the Income and/or Market approach, is of greater importance to the basis of amalgamation, with the values arrived at on the net assets being of limited relevance. Hence, while we have calculated and presented for information purposes, the value of the shares of HLE under the Asset Approach based on the book values of the net assets appearing in the consolidated balance sheet as of December 31, 2023, we have considered it appropriate not to give any weightage to the same in arriving at the Share Exchange Ratio.

Attention may be drawn to Regulation 158 of the SEBI ICDR which specifies that preferential issue of equity shares to shareholders of an unlisted entity pursuant to a National Company Law Tribunal approved scheme shall conform with the pricing provisions of preferential issue specified under Regulation 164 of the said regulations. Further, it may be noted that Regulation 164 specifies the base price for issue of shares on a preferential basis. In the Proposed Amalgamation, KEPL, (being an unlisted entity) is merging into HLE, a listed entity. We have therefore given due cognizance to the base price derived using the formula prescribed under SEBI ICDR for determining the price used for the swap ratio for the Proposed Amalgamation.

BASIS OF SHARE EXCHANGE RATIO

The transaction contemplates amalgamation of KEPL into HLE on a going concern value premise, pursuant to the Scheme. Arriving at the Share Exchange Ratio for the Proposed Amalgamation would require determining the value of the equity shares of the Companies, independently but on a relative basis, and without considering the Proposed Amalgamation. The Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of the Companies based on the various approaches/ methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses, having regard to information base, key underlying assumptions, and limitations.

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion by the Valuer and judgment taking into account all the relevant factors. There will always be several factors, e.g., present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets, but which will strongly influence the worth of a share.

The determination of a Share Exchange Ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single Share Exchange Ratio. The Share Exchange Ratio rendered in this Report only represents our recommendation based upon information received till the date of this Report, furnished by the Management (or its representatives) and other sources, others may place a different value. The final responsibility for the determination of the Share Exchange Ratio at which the Proposed Amalgamation shall take place will be with the Board of Directors who should take into account other factors such as their own assessment of the proposed transaction and input of other advisors.

We have independently applied the methodologies, as considered appropriate, and arrived at the relative value per share of the Companies to determine the Share Exchange Ratio for the Proposed Amalgamation.



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The computation of the Share Exchange Ratio is as under:

Valuation Approach	HLE		KEPL	
	INR per share	Weight	INR per share	Weight
Income Approach				
<i>DCF Method</i>	NA	0%	NA	0%
Market Approach:				
<i>Market Price Method</i>				
- Preferential Issue Price (ended Feb 12, 2024)	540.36	0%	NA	0%
- Preferential Issue Price (ended Aug 4, 2023)	643.03	100% ¹	NA	0%
<i>Comparable Companies Multiple Method</i>	547.36	0% ²	NA	0%
Asset Approach:				
<i>Adjusted Net Assets Value Method</i>	50.84	0%	115.08	100%
Relative Value per share	643.03	100%	115.08	100%
Share Exchange Ratio (Rounded Off)		5.59		

NA – Not Applicable

¹ HLE Transaction was approved in the board meeting held on August 7, 2023. As of the Valuation Date, market price of HLE is lower than the preferential issue price considering the relevant date as August 4, 2023. Considering the aforementioned and that the present transaction is part of the HLE Transaction, we have considered it appropriate to provide 100% weight to preferential issue price worked out as of August 4, 2023.

² Considering that the value per share of HLE under Comparable Companies Method is lower than the concluded value per share under the Market Price Method, no weight has been assigned to the CCM Method.

On the basis of the foregoing and on consideration of the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Share Exchange Ratio for the amalgamation of KEPL into HLE:

100 (One Hundred) fully paid-up equity shares of face Value of INR 2 each of HLE Glascoat Limited for every 559 (Five Hundred and Fifty-Nine) fully paid-up Equity Shares of face Value INR 10 each of Kinam Enterprise Private Limited.

Respectfully submitted,

RBSA Valuation Advisors LLP

Registered Valuer

Registration No.: IBBI/RV-E/05/2019/110



Samir D. Shah

Partner

IBBI Membership No.: IBBI/RV/06/2019/12263

Date: 13/02/2024

Place: Mumbai

**FAIRNESS OPINION REPORT ON VALUATION FOR THE PROPOSED SCHEME
OF AMALGAMATION**

OF

KINAM ENTERPRISE PRIVATE LIMITED

WITH

HLE GLASCOAT LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

By



Navigant

Navigant Corporate Advisors Limited

804, Meadows, Sahar Plaza Complex,

J.B. Nagar, Andheri Kurla Road,

Andheri East, Mumbai-400 059

Email Id- navigant@navigantcorp.com

Web: www.navigantcorp.com

13th February, 2024

SEBI Registered Category I Merchant Banker

SEBI Registration No. INM000012243



Page 1 of 8

Notice to Reader

Navigant Corporate Advisors Limited (“Navigant” / “NCAL” or “Authors of the Report”) is a SEBI registered ‘Category I’ Merchant Banker in India and was engaged by Board of Directors of **HLE GLASCOAT LIMITED (“HLE ” or “Transferee Company”)** to prepare an Independent Fairness Opinion Report (“**Report**”) with respect to providing an independent opinion and assessment as to Fairness of Valuation Report and Swap Ratio determined by RBSA Corporate Advisors LLP, **Registered Valuer (SFA) (“Valuer” / “Independent Valuer”)** an Independent Valuer for the purpose of intended proposed Merger of **KINAM ENTERPRISE PRIVATE LIMITED (“KEPL” or “Transferor Company”)** into **HLE** pursuant to a Scheme of Amalgamation under section 230 to 232 and other applicable Clauses of the Companies Act, 2013 (“Scheme”).

HLE and KEPL are collectively referred to as “Companies”.

The Report has been prepared on the basis of the review of information provided to Navigant and specifically the Report on Swap Ratio (hereinafter referred as Valuation Report) prepared by Valuer as an Independent Valuer. The Report does not give any valuation or suggest any Swap Ratio; however, this Report is limited to provide its Fairness Opinion on the Valuation Report.

The information contained in this Report is selective and is subject to updates, expansions, revisions and amendments. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent.

This Report is based on data and explanations provided by the Management and certain other data culled out from various websites believed to be reliable. Navigant has not independently verified any of the information contained herein. Neither the Company nor Navigant, nor affiliated Bodies Corporate, nor the Directors, Shareholders, Managers, Employees or Agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information contained in the Report. All such Parties and Entities expressly disclaim any and all liability for or based on or relating to any such information contained in, or errors in or omissions from, this Report or based on or relating to the Recipients’ use of this Report.



Date: 13th February, 2024

To,
HLE GLASCOAT LIMITED
H-106 GIDC Estate, Vithal Udyognagar, Gujarat, 388121

Dear Members of the Board,

Engagement Background

We understand that the Board of Directors of **KINAM ENTERPRISE PRIVATE LIMITED** (“**KEPL**” or “**Transferor Company**”) and **HLE GLASCOAT LIMITED** (“**HLE**” or “**Transferee Company**”) are considering a Scheme of Amalgamation between KEPL and HLE and their respective Shareholders (“the Scheme”) under the provisions of Sections 230 to 232 of the Companies Act, 2013, as may be applicable, and also read with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961, as may be applicable, for Merger of KEPL into HLE on a going concern basis.

We understand that the Valuation as well as the Swap Ratio thereof is based on the Valuation Report dated 13th February, 2024 issued by RBSA Corporate Advisors LLP, **Registered Valuer (SFA)** (“**Valuer**”/ “**Independent Valuer**”) (**IBBI Registration No. IBBI/RV/06/2019/12263**).

We, Navigant Corporate Advisors Limited, a SEBI registered Category-I Merchant Banker, have been engaged by HLE to give a Fairness Opinion (“Opinion”) on Valuation Report dated 13th February, 2024 issued by RBSA Corporate Advisors LLP, **Registered Valuer (SFA)** (“**Valuer**”/ “**Independent Valuer**”) (**IBBI Registration No. IBBI/RV/06/2019/12263**).

Background of the Companies

• **KINAM ENTERPRISE PRIVATE LIMITED (KEPL)**

- “**KINAM ENTERPRISE PRIVATE LIMITED**” was incorporated as a Private Limited Company under the name and style “**KINAM ENTERPRISE PRIVATE LIMITED**” on 26th June, 2023 in the State of Gujarat, vide Certificate of Incorporation Number U43229GJ2023PTC14234 issued by the Registrar of Companies.
- KEPL is engaged in the business of providing efficient and reliable heat exchanger solutions to customers across various industries and the primary objective is to design, manufacture and deliver high quality heat exchangers that meets the unique needs of customers. The Transferor Company strives to offer innovative and sustainable solutions that provide



optimal thermal performance, minimize downtime, and reduce operating costs. Currently KEPL does not have any material business operations apart from holding investment in KPEPL.

○ **Shareholding Pattern:**

Name of the Shareholders	No of Shares	% Shareholding
Kirit Mehta	33,23,977	49.75%
Mehul Mehta	33,23,976	49.77%
HLE Glascoat Limited	33,407	0.50%
Total	66,81,360	100.00%

● **HLE GLASCOAT LIMITED**

- **“HLE GLASCOAT LIMITED”** was incorporated on 26th June,1991 in the State of Gujarat, vide Certificate of Incorporation Number L26100GJ1991PLC016173 issued by the Registrar of Companies.
- HLE is 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.
- HLE is a Listed Company having its shares listed and traded on BSE Limited and the National Stock Exchange of India Limited (“NSE”).
- The Registered Office of HLE is situated at H-106 GIDC Estate, Vithal Udyognagar, Gujarat, 388121.
- The shareholding pattern of HLE as of 31st December, 2023 is as under:

Name of the Shareholders	No of Shares	% Shareholding
Promoters	4,55,28,472	66.69%
Public	2,27,37,008	33.31%
Total	6,82,65,480	100.00



Transaction Overview and Rational

It is proposed to amalgamate KEPL into HLE. This arrangement would inter alia have 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.

Information relied upon:

We have prepared the Fairness Opinion Report on the basis of the information provided to us and inter alia the following:

Share Exchange Ratio Report by RBSA Corporate Advisors LLP, Registered Valuer (SFA) ("Valuer"/ "Independent Valuer") (IBBI Registration No. IBBI/RV/06/2019/12263) dated 13th February, 2024;

- Other information and explanations as provided by the Management.

Further, we had discussions on such matters which we believe are necessary or appropriate for the purpose of issuing the Valuation Report.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed to be good and marketable and we would urge the Company to carry out the independent assessment of the same prior to entering into any transaction, after giving due weightage to the results of such assessment.



We have been informed that all information relevant for the purpose of issuing the Fairness Opinion Report has been disclosed to us and we are not aware of any material information that has been omitted or that remains undisclosed.

Our Opinion and Analysis is limited to the extent of review of the Valuation Report by the Valuer and the Draft Scheme Document. In connection with the opinion, we have

- A) Reviewed the Draft Scheme Document and the Valuation Report by the Valuer dated 13th February, 2024.
- B) Reviewed Audited financial statements of KEPL for the period ended 31st December, 2023;
- C) Reviewed Memorandum and Articles of Association of HLE and KEPL;
- D) Reviewed Limited Reviewed financial statements of KEI and KPEPL for the period ended 31st December 2023;
- E) Reviewed Draft Scheme of Amalgamation;
- F) Held discussions with the Valuer, in relation to the approach taken to Valuation and the details of various methodologies utilized by them in preparing the Valuation Report and recommendations;
- G) Reviewed historical Stock Prices and Trading Volumes of HLE at BSE and NSE;
- H) Reviewed such other information and explanations as we have required and which have been provided by the Management of KEPL and HLE.

This Opinion is intended only for the sole use and information of HLE and in connection with the Scheme, including for the purpose of obtaining Judicial and Regulatory Approvals for the Scheme or the purpose of complying with the SEBI Regulations and requirement of Stock Exchanges on which the Company is listed, and for no other purpose. We are not responsible in any way to any Person/Party/Statutory Authority for any decision of such Person or Party or Authority based on this opinion. Any Person/Party intending to provide finance or invest in the Shares/Business of either KEPL and/or HLE or their Subsidiaries /Joint Ventures/Associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

For the purpose of this Assignment, Navigant has relied on the Valuation Certificate for the proposed "Scheme of Arrangement" of KEPL and HLE and their respective Shareholders and information and explanation provided to it, the accuracy whereof has not been evaluated by Navigant. Navigant's work does not constitute certification or due diligence of any past working results and Navigant has relied upon the information provided to it as set out in working results of the aforesaid reports.

Navigant has not carried out any physical verification of the Assets and Liabilities of the Companies and takes no responsibility on the identification and availability of such Assets and Liabilities.



We hereby give our consent to present and disclose the Fairness Opinion in the Board /General Meetings of KEPL and HLE and to the Stock Exchanges and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed scheme of Arrangement with the provisions of any Law including Companies, Taxation and Capital Market related Laws or as regards any Legal implications or issues arising thereon.

The information contained in this Report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The Report has been prepared solely for the purpose of giving a Fairness Opinion on Valuation Certificate issued for the proposed Scheme of Arrangement between KEPL and HLE and their respective Shareholders, and may not be applicable or referred to or quoted in any other context.

Our opinion is dependent on the information provided to us being complete and 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 does not involve 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. As such 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 this date.

We have assumed that the Final Scheme will not differ in any material respect from the Draft Scheme Document shared with us.

We do not express any Opinion as to any tax or other consequences that might arise from the Scheme on KEPL and HLE and their respective Shareholders, nor does our Opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective Companies have obtained such advice as they deemed necessary from qualified Professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which KEPL and HLE and/or their Associates/ Subsidiaries, are or may be Party.

The Company has been provided with an opportunity to review the Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion. Our Opinion is not intended to and does not constitute a recommendation to any Shareholder as to how such holder should vote or act in connection with the Scheme or any matter thereto.



Our Fairness Opinion:

Based upon Valuation work carried out by RBSA Corporate Advisors LLP, Registered Valuer (SFA) (“Valuer”/ “Independent Valuer”) we are of the Opinion that the purpose of the proposed Merger of KEPL into HLE are fair, from a financial point of view.

The fairness of the Proposed Merger is tested by:

- (1) Considering whether the Valuation Methods adopted by RBSA Corporate Advisors LLP, Registered Valuer (SFA) (“Valuer”/ “Independent Valuer”) depict a correct picture on the value of shares of all companies;
- (2) Calculating the Fair Market Value of Companies;
- (3) Considering qualitative factors such as economies of scale of operations, synergy benefits that may result from the proposed Merger of KEPL into HLE .

In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined in the valuation report, dated 13th February, 2024 issued by RBSA Corporate Advisors LLP., it has been recommended by the Valuer that the fair exchange ratio for the proposed amalgamation shall be as follows:

“100 (One Hundred) Equity Shares of Rs. 2 each fully paid up of HLE for every 559 (Five hundred and Fifty Nine) equity shares of Rs. 10/- each fully paid up of KEPL.

The rationale for Share Exchange Ratio as explained above, will be issued as assumed by RBSA Corporate Advisors LLP, Registered Valuer (SFA) (“Valuer”/ “Independent Valuer”) is justified.

We are in opinion that, RBSA Corporate Advisors LLP, Registered Valuer (SFA) (“Valuer”/ “Independent Valuer”) is justified by taking the Fair Value of Companies, and covers each aspect of valuation.

This being of our best of professional understanding, we hereby sign the Fairness Opinion Report on Valuation.

For Navigant Corporate Advisors Limited



Sarthak Vijlani

Managing Director

Date: 13.02.2024, Place: Mumbai

REPORT ON RECOMMENDATIONS OF THE AUDIT COMMITTEE OF HLE GLASCOAT LIMITED ON THE DRAFT SCHEME OF AMALGAMATION BETWEEN HLE GLASCOAT LIMITED AND KINAM ENTERPRISE PRIVATE LIMITED ADOPTED AT THE MEETING HELD ON FEBRUARY 13, 2024 AT 05:45 PM AT H-106, A18 RD, PHASE -IV, GIDC, VITTHAL UDYOGNAGAR, ANAND, GUJARAT 388121

PRESENT

Yatish Parekh	Chairman
Sandeep Randery	Member
Jayesh Shah	Member
Aalap Patel	Member

In Attendance

Mr. Naveen Kandpal	Chief Financial Officer
Mr. Achal Thakkar	Company Secretary & Compliance Officer

Background

A meeting of Audit Committee of HLE Glascoat Limited was held on 13th February, 2024 to consider and recommend to the Board of Directors the Scheme of Amalgamation between Kinam Enterprise Private Limited ("**Transferor Company**") and HLE Glascoat Limited ("**Transferee Company**") (hereinafter referred to as "**Scheme**") to be implemented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") and other applicable laws.

The Transferee Company is a listed public company incorporated under the provisions of the Companies Act, 1956. The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited.

The Transferor Company is a private limited company incorporated under the provisions of the Act.

This report of the Audit Committee is made in order to comply with the requirements of the Securities and Exchange Board of India ("**SEBI**") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and Clause 2 (c) of Para A of Part I of the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("**SEBI Master Circular**") and as amended from time to time.

The Report of Audit Committee is made in order to comply with the requirements of the relevant applicable para of the SEBI Master Circular as amended from time to time, after considering the following documents:

1. Draft Scheme of Arrangement;
2. Valuation Report dated 13th February, 2024 issued by M/s. **RBSA Valuation Advisors LLP** ("**Registered Valuer**");
3. Fairness Opinion dated 13th February, 2024 issued by Navigant Corporate Services Private Limited, Category I Merchant Banker providing the Fairness Opinion on the Valuation Report ("**Fairness Opinion**");
4. Certificate from the Statutory Auditors of the Company i.e. M/s. M. M. Nissim & Co., Chartered Accountants confirming that the Scheme is in compliance with applicable accounting treatment notified under Companies Act, 2013 and other generally accepted principles;
5. Certificate from the Statutory Auditors of the Company i.e. M/s. M.M. Nissim & Co., Chartered Accountants, certifying the undertaking clearly stating the reasons for non-applicability of conditions specified in Paragraph 10(b) read with Paragraph 10(a) of Part I of the SEBI Master Circular;
6. Audited financials statements of Kinam Enterprise Private Limited for the period ended 31st December, 2023;
7. Audited financial statements of HLE Glascoat Limited for the preceding three financial years (FY2020-21, FY2021-22 and FY2022-23).
8. Standalone and consolidated Financial Results for the half year ended September 30, 2023 and December 31, 2023 of HLE Glascoat Limited, subjected to limited review by the Statutory Auditors.

The salient features of the Scheme are as under:

1. The appointed date for the purpose of the Scheme was August 7, 2023;
2. 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;
3. Upon the Scheme becoming effective and upon the amalgamation of the Transferor Company with the Transferee Company in terms of this Scheme the investment in equity shares of the Transferor Company held by the Transferee Company shall stand cancelled in the books of the Transferee Company;
4. 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**");
5. 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;
 6. With effect from the Effective Date, all inter-se contracts solely between the Parties (i.e., not having any other third Person other than the Parties) shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company. With effect from the Effective Date, there will be no accrual of income or expenses on account of any transactions in the nature of sale or transfer of any goods, material or services, between the Transferor Company and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any inter-se loans, deposits or balances between the Transferor Company and the Transferee Company;
 7. 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;

Comments by the Audit Committee on the Scheme

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

Need for the Amalgamation and Rationale of the Scheme

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.

Synergies of Business of the companies involved in the Scheme

The background and information of the Company and the Transferor Company is as under:

- (a) The Transferee Company is 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;
- (b) The Transferor Company is engaged in the business of providing efficient and reliable heat exchanger solutions to customers across various industries and the primary objective is to design, manufacture and deliver high quality heat exchangers that meets the unique needs of customers. The Transferor Company strives to offer innovative and sustainable solutions that provide optimal thermal performance, minimize downtime, and reduce operating costs; and
- (c) Upon amalgamation, the benefits the benefits/ rationale as mentioned above shall be derived by the Transferee Company.

Impact of the Scheme on the Transferee Company and its Shareholders

- (a) Pursuant to the Scheme, the amalgamation of the Transferor Company with the Company will result in benefits and/ or synergies to the Company as listed above in this report;
- (b) In consideration for the amalgamation of the Transferor Company with the Transferee Company, the shareholders of the Transferor Company will receive 100 equity of face value Rs. 2 each of the Transferee Company for every 559 equity shares, as on the Effective Date (as defined in the Scheme) held by the shareholders of the Transferor Company. Further, there will be no change in the economic interest of the shareholders of the Transferee Company, before and after Scheme;
- (c) Upon the Scheme becoming effective and upon the amalgamation of the Transferor Company with the Transferee Company in terms of this Scheme the investment in equity shares of the Transferor Company held by the Transferee Company shall stand cancelled in the books of the Transferee Company;
- (d) The aforesaid consideration has been arrived at basis the Valuation Report issued by RBSA Valuation Advisors LLP ("Registered Valuer") and the same has been confirmed by the Fairness Opinion issued by Navigant Corporate Services Private Limited, Category I Merchant Banker.
- (e) Considering the above exchange ratio the pre and post shareholding of the Transferee Company will be as follows



Category	Pre Scheme	Post Scheme
Promoter and Promoter Group	66.69%	65.55%
Public	33.31%	34.45%
Total	100.00%	100.00%

- (f) Upon the Scheme becoming effective, the Transferor Company shall be dissolved without being wound up and the shareholders of the Transferor Company shall become shareholders of the Transferee Company; and
- (g) After the effectiveness of the Scheme and subject to receipt of regulatory and other approvals, the equity shares of the Transferee Company issued as consideration pursuant to the Scheme, shall be listed on BSE Limited and the National Stock Exchange of India Limited.
- (h) Based on the above the Committee is of the view that the Scheme is in the interest of the Shareholders.

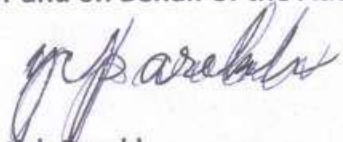
Cost Benefit Analysis of the Scheme

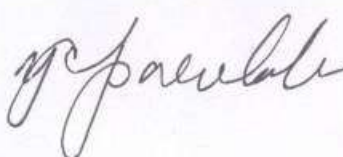
Although the Scheme would lead to incurring of some costs towards its implementation, however, the benefits of the Scheme over a longer period would far outweigh such costs for the stakeholders of the Company as described hereinabove.

Recommendation of the Audit Committee

Taking into consideration the draft Scheme, Valuation Report, Fairness Opinion and draft certificate(s) issued by Statutory Auditors of the Transferee Company, need and rationale of the Scheme, synergies of the business of the companies, impact of the Scheme on the Transferee Company and its shareholders, cost benefit analysis of the Scheme and other documents placed before the Audit Committee, the Audit Committee recommends the draft Scheme for the favorable consideration and approval by the Board of Directors of the Company.

For and on Behalf of the Audit Committee of HLE Glascoat Limited


Yatish Parekh
 Chairman - Audit Committee
 DIN: 00168488
 Place: Anand
 Date: February 13, 2024



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF HLE GLASCOAT LIMITED AT ITS MEETING HELD ON FEBRUARY 13, 2024 AT H-106, A18 RD, PHASE -IV, GIDC, VITTHAL UDYOGNAGAR, ANAND, GUJARAT 388121

CONSIDERATION AND APPROVAL OF THE SCHEME OF ARRANGEMENT

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 read with the provisions of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**") and other applicable provisions of the regulations and guidelines issued by the Securities and Exchange Board of India ("**SEBI**") and Reserve Bank of India ("**RBI**") from time to time, and the applicable provisions of the Memorandum and Articles of Association of the Company and subject to the approval of shareholders, creditors, the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("**NCLT**") and further subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions and on the recommendation of the Audit Committee, Independent Directors and the Board of Directors of the Company do hereby consider and approve the draft scheme of amalgamation between HLE Glascoat Limited ("**Transferee Company**") and Kinam Enterprise Private Limited ("**Transferor Company**") providing for the Amalgamation of Kinam Enterprise Private Limited with HLE Glascoat Limited; and various other matters consequential or otherwise integrally connected therewith ("**Scheme**").

"RESOLVED FURTHER THAT the appointed date for the purpose of the said Scheme shall be August 7, 2023."

"RESOLVED FURTHER THAT the Board hereby notes that pursuant to the approval of the Scheme and as stated in the Scheme, the Transferor Company shall be dissolved without winding-up."

"RESOLVED FURTHER THAT in connection with the Scheme—

- a. The valuation report dated 13th February, 2024 issued by RBSA Valuation Advisors LLP ("**Valuation Report**") recommending the share exchange ratio and the Fairness Opinion letter dated 13th February, 2024 on the Valuation Report, issued by Navigant Corporate Services Private Limited, a Category I Merchant Banker, as placed before the meeting and as recommended by the Audit Committee and the Independent Directors, be and are hereby considered and accepted by the Board and the share exchange ratio of 100 fully paid up equity shares of HLE Glascoat Limited for every 559 fully paid up equity shares held by the shareholders in Kinam Enterprise Private Limited, be and is hereby approved and in the opinion of the Board, the said share exchange ratio and the Scheme is fair and reasonable and will be advantageous and beneficial to all the stakeholders of the Company;
- b. The Auditors' certificate certifying the compliance of the accounting treatment proposed in the Scheme of Arrangement with the applicable accounting standards, as placed before the meeting, be and is hereby considered and taken on record;




- c. BSE Limited where the existing securities of the Company are listed, be and is hereby designated as the Designated Stock Exchange.”

“RESOLVED FURTHER THAT Mr. Himanshu Patel, Managing Director, Mr. Aalap Patel, Whole-time Director, Mr. Harsh Patel, Whole-time Director and Mr. Achal Thakkar, Company Secretary and Compliance Officer be and are hereby jointly and severally authorized to do all acts, deeds, things and execute documents as may be necessary, required, warranted and expedient to give effect to the above resolution including to make revision, modifications, alterations, if any, required in respect of the draft Scheme of Arrangement as may be directed / advised by the statutory authorities and/or directed by the NCLT in this regard and without prejudice to generality of the above, to undertake the following actions:

- a. Make application(s) to the BSE Limited and National Stock Exchange of India Limited (collectively “Stock Exchanges”) and SEBI to obtain their no-objection letter(s) on the Scheme;
- b. Make application(s)/petition(s) to the NCLT for seeking direction(s) to convene or to dispense with the meeting of the shareholders and creditors of the Company for approving the Scheme, and for confirming the Scheme and execute affidavits, undertaking and confirmations as may be required in connection therewith;
- c. Approve and issue the notice of meeting(s), advertisement(s) and other documents to be circulated to the shareholders, creditors, income tax authorities, Regional Director, Registrar of Companies and such authorities as may be required in connection with the Scheme;
- d. Engage and appoint advocates/practicing professionals to represent the Company in connection with the Scheme before NCLT and other statutory authorities and to engage the services of consultants / experts / advisors, as may be required in connection with the Scheme and to approve and make payment of such remuneration to any such person as may be agreed with any of them;
- e. Execute and file necessary forms, returns and reports with the Registrar of Companies, Ahmedabad in connection with the Scheme;
- f. Make application(s) to the depositories for the credit of the securities issued pursuant to the Scheme and to the Stock Exchanges, where existing securities of the Company are listed, for seeking listing and trading approval for the equity shares issued pursuant to the Scheme;
- g. Make application(s) to any statutory or other authorities for securing their consents/permissions for the Scheme;
- h. Approve and make payment of or reimburse costs, expenses and other charges including stamp duty and registration fees payable or paid in connection with the Scheme;
- i. Carry out and give effect to any modification or revision or alteration in the Scheme as may be required or directed by the Stock Exchanges, SEBI, NCLT and other authorities.”

“RESOLVED FURTHER THAT certified true copy of the above resolution be forwarded to the authorities concerned.”

For, HLE Glascoat Limited


Mr. Achal Thakkar
Company Secretary
PAN: AGKPT7146G



KINAM ENTERPRISE PVT. LTD.

Designers & Manufacturers of shell & Tube Heat Exchangers,
Corrugated Tube Heat Exchanger, Pressure Vessels & Allied Process Equipment's.

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF KINAM ENTERPRISE PRIVATE LIMITED ON FEBRUARY 13, 2024 AT H-106, A18 RD, PHASE-IV, GIDC, VITTHAL UDYOGNAGAR, ANAND, GUJARAT 388121

CONSIDERATION AND APPROVAL OF THE SCHEME OF ARRANGEMENT:

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 as amended and the provision of the Memorandum and Articles of the Association of the Company and subject to the requisite approval of the shareholders/ creditors of the Company and the sanction of the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") or such other competent authority, as may be applicable, the consent of the Board be and is hereby accorded to the Scheme of Amalgamation between HLE Glascoat Limited ("**Transferee Company**") and Kinam Enterprise Private Limited ("**Transferor Company**") providing for the Amalgamation of Kinam Enterprise Private Limited with HLE Glascoat Limited; and various other matters consequential or otherwise integrally connected therewith ("**Scheme**").

"RESOLVED FURTHER THAT, the draft Scheme as placed before the Board and initialed by the Chairman of the Meeting for the purposes of identification be and is hereby approved".

"RESOLVED FURTHER THAT the appointed date for the purpose of the said Scheme shall be August 7, 2023."

"RESOLVED FURTHER THAT the Board hereby notes that pursuant to the approval of the Scheme and as stated in the Scheme, the Transferor Company shall be dissolved without winding-up."

"RESOLVED FURTHER THAT in connection with the Scheme the valuation report dated 13th February, 2024 issued by RBSA Valuation Advisors LLP ("**Valuation Report**") recommending the share exchange ratio and the Fairness Opinion letter dated 13th February, 2024 on the Valuation Report, issued by Navigant Corporate Services Private Limited, a Category I Merchant Banker, as placed before the meeting, be and are hereby considered and accepted by the Board and the share exchange ratio of 100 fully paid up equity shares of HLE Glascoat Limited for every 559 fully paid up equity shares held by the shareholders in Kinam Enterprise Private Limited, be and is hereby approved and in the opinion of the Board, the said share exchange ratio and the Scheme is fair and reasonable and will be advantageous and beneficial to all the stakeholders of the Company;

"RESOLVED FURTHER THAT Mr. Kirit Mehta, Director, Mr. Mehul Mehta, Director, and Mr. Harsh Patel, Director be and are hereby jointly and severally authorized to do all acts, deeds, things and execute documents as may be necessary, required, warranted and expedient to give effect to the above resolution including to make revision, modifications, alterations, if any, required in respect of the draft Scheme as may be directed / advised by the statutory authorities and/or directed by the NCLT in this regard and without prejudice to generality of the above, to undertake the following actions:

Regd.Off. :746.3 Parikram Apartment, A Luncikui 62437 Navasari,
Navsari-396445, Gujarat,India.

Contact No:-9820126068, Email Id- rohit@kinam.in, CIN.NO:-U43229GJ2023PTC142341.

KINAM ENTERPRISE PVT. LTD.

Designers & Manufacturers of shell & Tube Heat Exchangers,
Corrugated Tube Heat Exchanger, Pressure Vessels & Allied Process Equipment's.

- (a) Filing of application with the Tribunal or such other competent authority and holding meeting of the shareholders/creditors of the Company as may be directed by the Tribunal to give effect to the scheme
- (b) Filing of petitions for the confirmation of the scheme by the Tribunal or such other competent authority;
- (c) For such above purposes to engage advocates and practicing professionals if considered necessary, also engage services of counsel(s) declare and file all pleadings, reports and sign vakalatnama and issue public advertisements and notices;
- (d) Obtaining approval from such other authorities and parties including the share holders, term loan lenders, financial institution, as may be considered necessary, to the said Scheme;
- (e) To settle any question or difficulty that may arise with regard to the implementation of the above Scheme, and to give effect to the above resolution;
- (f) To make alteration to the Scheme as may be expedient or necessary which does not materially change the substance of the scheme;
- (g) To sign all applications, vakalatnama, petitions, documents, relating to scheme;
- (h) To do all acts and things as may be considered necessary and expedient in relation thereto.

“RESOLVED FURTHER THAT certified true copy of this resolution be forwarded to all such authorities as may be necessary and such authorised may be requested to act thereon unless this resolution is amended or rescinded by the Company”

For Kinam Enterprise Private Limited

For KINAM ENTERPRISE PVT. LTD



Director

Kirit Narbheram Mehta Director

DIN: 10213333.

Regd.Off. :746.3 Parikram Apartment, A Luncikui 62437 Navasari,
Navsari-396445, Gujarat,India.

Contact No:-9820126068, Email Id- rohit@kinam.in , CIN.NO:-U43229GJ2023PTC142341.

DCS/AMAL/AK/R37/3343/2024-25

October 03, 2024

The Company Secretary,
HLE Glascoat Ltd
H -106, Phase IV,
G I D C Estate,
Vitthal Udyognagar,
Anand, Gujarat, 388121

Dear Sir,

Sub: Observation letter regarding the Scheme of Amalgamation of Kinam Enterprise Private Limited (“Transferor Company”/ “KEPL”) with HLE Glascoat Limited (“Transferee Company”/ “HGL”) and their respective shareholders and creditors

We are in receipt of the Scheme of Amalgamation of Kinam Enterprise Private Limited (“Transferor Company”) with HLE Glascoat Limited (“Transferee Company”) and their respective shareholders and creditors under Section 230 to 232 of the Companies Act, 2013 as required under SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 37 & 94(2) of SEBI LODR Regulations 2015 along with SEBI/HO/DDHS/DDHS DivI/P/CIR/2022/0000000103 dated July 29, 2022 (SEBI Circular) and Regulation 94A(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated October 01, 2024 has inter alia given the following comment(s) on the draft scheme of Amalgamation:

1. “The proposed scheme of amalgamation and arrangement shall be in compliance with the provisions of Regulation 11 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.”
2. “The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon’ble NCLT and shareholders, while seeking approval of the scheme.”
3. “The Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”
4. “The Companies involved in the Scheme shall ensure that no changes to the draft Scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.”
5. “Company shall duly comply with various provisions of the SEBI Circulars issued from time to time. The Companies involved in the Scheme shall duly comply with various provisions of SEBI Master circular dated June 20, 2023, and also ensure that all the liabilities of the Transferor Company are transferred to the Transferee Company.”
6. “Company is advised that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.”



Page 1 of 4

7. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
8. "The Company is advised to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, to enable them to make an informed decision"
 - Need for the merger, Rationale of the Scheme, Synergies of businesses of the entities involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme.
 - Value of assets and liabilities of Transferor Company that are being transferred to Transferee Company and post -merger balance sheet of HGL
 - Detailed terms of agreement entered between HGL and promoters of KEPI with respect to acquisition of 70% of stake in Kinam Engineering Industries Private Limited.
 - Pre and Post Scheme shareholding of HGL along with reasons for showing promoters of KEPL as public shareholders of HGI.
 - Impact of amalgamation on revenue generating capacity of HGL.
 - Details of transaction entered between Transferee Company and Kinam Engineering Industries Private Limited.
 - Conditions imposed by Lending Scheduled Commercial Banks while giving their NOC to the scheme.
9. "Company is advised that the details of the proposed scheme under consideration as provided by Company to the stock exchange shall be prominently disclosed in the notice sent to the shareholders."
10. "Company is advised that the proposed equity shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."
11. "Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
12. "Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
13. "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
14. "The listed entity involved in the proposed scheme shall disclose the No-Objection letter of the Stock Exchanges on its website within 24 hours of receiving the same."



15. "It is to be noted that the petitions are filed by the company before Hon'ble 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 June 20, 2023.

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, Byelaws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do 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.

JP. 8V

Yours faithfully,


Sabah Vaze
Senior Manager


Jayanti Pradhan
Assistant Manager

National Stock Exchange Of India Limited

Ref: NSE/LIST/40414

October 03, 2024

The Company Secretary
HLE Glascoat Limited
H-106, GIDC, Vitthal Udyognagar,
Anand- 388121, Gujarat

Kind Attn.: Ms. Achal S. Thakkar

Dear Madam,

Sub: Observation Letter for Draft Scheme of Amalgamation of Kinam Enterprise Private Limited (“Transferor company”) with HLE Glascoat Limited (“Transferee company”) and their respective shareholders under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder.

We are in receipt for Draft Scheme of Amalgamation of Kinam Enterprise Private Limited (“Transferor company”) with HLE Glascoat Limited (“Transferee company”) and their respective shareholders under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder.

Based on our letter reference no. NSE/LIST/40414 dated July 05, 2024, submitted to SEBI pursuant to SEBI Master Circulars dated June 20, 2023 read with Regulation 37 and 94(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations), SEBI vide its letter dated October 01, 2024, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a) *The Company shall ensure that the proposed composite Scheme of Amalgamation and Arrangement shall be in compliance with the provisions of Regulation 11 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
- b) *The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- c) *The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Companies and the Stock Exchanges.*
- d) *The entities involved in the proposed scheme shall not make any changes in the draft scheme subsequent to filing the draft scheme with SEBI by the Stock Exchange(s), except those mandated by the regulators/ authorities/ tribunal.*

- e) *The Company shall ensure compliance with the SEBI circulars issued from time to time and the entities involved in the Scheme shall duly comply with various provisions of the SEBI Master Circular dated June 20, 2023 and also ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*
- f) *The Company shall ensure that information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- g) *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- h) *The Companies shall disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, so that public shareholders can make an informed decision in the matter:*
- i. Need for the merger, Rationale of the scheme, Synergies of business of the entities involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme.*
 - ii. Value of Assets and liabilities of KEPL that are being transferred to HGL and Post-Merger Balance sheet of HGL.*
 - iii. Detailed terms of agreement entered between HGL and Promoters of KEPL with respect to acquisition of 70% of stake in Kinam Engineering Industries Private Limited.*
 - iv. Pre and post scheme shareholding of HGL along with reasons for showing promoters of KEPL as public shareholders of HGL.*
 - v. Impact of scheme on revenue generating capacity of HGL.*
 - vi. Details of transactions entered between Transferee Company and Kinam Engineering Industries Private Limited.*
 - vii. Conditions imposed by Lending Scheduled Commercial Banks while giving their NOC to the Scheme.*
- i) *The Company shall ensure that the details of proposed scheme under consideration as provided by the Company to the Stock Exchanges shall be prominently disclosed in the notice sent to the shareholders.*
- j) *The Company shall ensure that the proposed equity shares to be issued in terms of the “Scheme” shall mandatorily be in demat form only.*
- k) *The Company shall ensure that the “Scheme” shall be acted upon subject to the Company complying with the relevant clauses mentioned in the scheme document.*

- l) *The Company shall ensure that no changes to the draft scheme shall be made without specific written consent of SEBI, except those mandated by the regulators/authorities/ tribunals.*
- m) *The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- n) *The Company shall ensure that all the applicable provisions of the Companies Act, 2013, rules and regulations thereunder are complied, including obtaining the consent from the creditors for the proposed scheme.*
- o) *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.*

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 National Stock Exchange of India Limited again for its comments/observations/representations.

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 37 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

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

The validity of this “Observation Letter” shall be six months from October 03, 2024, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Priya Iyer
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

Compliance status report

Compliance status report stating the compliance with each point of Observation Letter for draft Scheme of Amalgamation of Kinam Enterprise Private Limited (“Transferor Company”) with HLE Glascoat Limited (“Transferee Company” or “Company”) and their respective shareholders (“Scheme”) under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder.

In connection with the captioned subject, we would like to submit the compliance status with respect to observation letter dated October 3, 2024 as under:

Sr. No.	Observations	Compliance Yes/No /NA	Remarks if any
a)	The Company shall ensure that the proposed composite Scheme of Amalgamation and Arrangement shall be in compliance with the provisions of Regulation 11 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	Yes	Complied
b)	The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.	Yes	The same is provided at Annexure-14 to the Notice of the Meetings.
c)	The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Companies and the Stock Exchanges.	Yes	The Company has complied with the requirements of Master Circular on schemes of arrangement bearing reference no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 Dated 20th June 2023, as amended, (“SEBI Master Circular”) with respect to uploading of documents on its website and shall ensure further compliance, as may be applicable.
d)	The entities involved in the proposed scheme shall not make any changes in the draft scheme subsequent to filing the draft scheme with SEBI by the Stock Exchange(s), except those mandated by the regulators/ authorities/ tribunal.	Yes	The Company undertakes to not make any changes to the draft Scheme except those mandated by the regulators/ authorities/ tribunals, if any, will be made without specific written consent of SEBI.
e)	The Company shall ensure compliance with the SEBI circulars issued from time to time and the entities involved in the Scheme shall duly comply with various	Yes	The Company confirms that it has complied with the applicable SEBI circulars including SEBI Master Circular dated June 20, 2023 and undertakes further compliance, if any, from

Anand Works (Regd Office):
 H-106, GIDC, Vitthal Udyognagar,
 Anand - 388 121, Gujarat, India.
 Phone: +91 2692 236842 to 45

Maroli Works:
 A-6, Maroli Udyognagar, At Post: Maroli
 Bazar, Navsari - 396 436, Gujarat, India.
 Phone: +91 2637 270150 to 59

Silvassa Works:
 Survery No. 183/P1, Zaroli Road, Village: Naroli,
 Silvassa, Dadra & Nagar Haveli - 390 230, India.
 Phone: +91 98251 15813 / +91 98251 25953



	provisions of the SEBI Master Circular dated June 20, 2023 and also ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.		time to time.
f)	The Company shall ensure that information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.	Yes	Complied with. The same is provided at Annexure-13 to the Notice of the Meetings.
g)	The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.	Yes	The Company states that the financials of the companies considered for the purposes of share exchange ratio report dated February 13, 2024 in connection with the Scheme were not older than period of 6 months.
h)	<p>The Companies shall disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, so that public shareholders can make an informed decision in the matter:</p> <p>i. Need for the merger, Rationale of the scheme, Synergies of business of the entities involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme.</p> <p>ii. Value of Assets and liabilities of KEPL that are being transferred to HGL and Post-Merger Balance sheet of HGL.</p> <p>iii. Detailed terms of agreement entered between HGL and Promoters of KEPL with respect to acquisition of 70% of stake in Kinam Engineering Industries Private Limited.</p>	Yes	<p>The Company has disclosed the prescribed information as mentioned in the observation letter dated October 3, 2024, as a part of the explanatory statement or notice or proposal accompanying resolution to be passed while seeking approval u/s 230 to 232 of the Companies Act 2013.</p> <p>i. Complied with. The same is provided at Annexure-3 to the Notice of the Meetings.</p> <p>ii. Complied with. The same is provided at Annexure 15(c) to the Notice of the Meetings.</p> <p>iii. Complied with. The same is provided at below: HLE and KEPL entered into an agreement in 2023 by way of which the following action items were undertaken (amongst others): - HLE acquired 35.56% partnership interest in Kinam Engineering Industries ("Firm"), a partnership firm between Mr. Kirit</p>

Anand Works (Regd Office):
H-106, GIDC, Vitthal Udyognagar,
Anand - 388 121, Gujarat, India.
Phone: +912692 236842 to 45

Maroli Works:
A-6, Maroli Udyognagar, At Post: Maroli
Bazar, Navsari - 396 436, Gujarat, India.
Phone: +91 2637 270150 to 59

Silvassa Works:
Survey No. 183/P1, Zaroli Road, Village: Naroli,
Silvassa, Dadra & Nagar Haveli - 395 230, India.
Phone: +91 98251 15813 / +91 98251 25953

	<p>iv. Pre and post scheme shareholding of HGL along with reasons for showing promoters of KEPL as public shareholders of HGL.</p>	<p>Mehta, Mr. Mehul Mehta and Kinam Process Equipments Private Limited ("KPEPL"), a wholly owned subsidiary of KEPL.</p> <ul style="list-style-type: none"> - HLE acquired 0.5% equity shares of KEPL. - A new company, Kinam Engineering Industries Private Limited ("KEIPL"), was incorporated with the same shareholding structure as that of the partnership interest of the Firm, and the business of the Firm was succeeded to KEIPL. Accordingly, HLE acquired 35.56% shares of KEIPL. - The parties agreed to merge KEPL with HLE, once the afore-mentioned action items were complete. <p>iv. Complied with. The Pre & Post scheme Shareholding of HGL is provided at Annexure-9 to the Notice of the Meetings. The reasons for showing promoters of KEPL as public shareholders of HGL are: The Scheme provides for the amalgamation of the unlisted entity i.e. Kinam Enterprise Private Limited ("Transferor Company") with listed entity i.e. HLE Glascoat Limited ("Transferee Company"). In consideration, the shareholders of the Transferor Company (except the Transferee Company itself) (hereinafter referred to as "Promoters of the Transferor Company") will be allotted shares of the Transferee Company, which will constitute 1.71% of the paid-up share capital of the Transferee Company (post amalgamation). It is further submitted that there is no arrangement providing any special rights to the Promoters of the Transferor Company with respect to the Transferee Company (post Scheme). Also, the eligibility conditions for promoter classification under Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not complied. In view of the above, the Promoters of the Transferor Company will not be classified as promoters of the Transferee Company pursuant to the Scheme.</p>
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Anand Works (Regd Office):
H-106, GIDC, Vitthal Udyognagar,
Anand - 388 121, Gujarat, India.
Phone: +91 2692 236842 to 45

Maroli Works:
A-6, Maroli Udyognagar, At Post: Maroli
Bazar, Navsari - 396 436, Gujarat, India.
Phone: +91 2637 270150 to 59

Silvassa Works:
Survery No. 183/P1, Zaroli Road, Village: Maroli,
Silvassa, Dadra & Nagar Haveli - 396 236, India.
Phone: +91 98251 15813 / +91 98251 25953



	<p>v. Impact of scheme on revenue generating capacity of HGL.</p> <p>vi. Details of transactions entered between Transferee Company and Kinam Engineering Industries Private Limited.</p> <p>vii. Conditions imposed by Lending Scheduled Commercial Banks while giving their NOC to the Scheme.</p>		<p>v. The proposed Scheme is expected to enhance the revenue-generating capacity of HGL. By consolidating Kinam Enterprise Private Limited into HGL, the combined entity will benefit from improved operational efficiency, streamlined business processes, and enhanced synergies. The integration will eliminate redundancies, reduce overhead costs, and optimize the allocation of resources, thereby increasing profitability. The improved financial strength and operational capabilities will enable HGL to pursue new business opportunities, expand into new markets, and enhance overall revenue growth, contributing to long-term value creation for all stakeholders. The same is also mentioned in the rationale for the Scheme.</p> <p>vi. The same is provided at Annexure-5A(i) to the Notice of the Meetings.</p> <p>vii. The Company has received No Objection Certificates (NOCs) from all its secured lenders regarding the proposed Scheme. These NOCs are either unconditional or subject to the Company's compliance with the sanction terms and conditions outlined in the relevant financing agreements and documents. Copies of the NOC letters are available on the Company's website at www.hleglascoat.com.</p>
i)	The Company shall ensure that the details of proposed scheme under consideration as provided by the Company to the Stock Exchanges shall be prominently disclosed in the notice sent to the shareholders.	Yes	Complied with. The same is provided at Annexure-1 to the Notice of the Meetings.
j)	The Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.	Yes	The Company states that the proposed shares to be issued in terms of the Scheme shall be in dematerialised form.
k)	The Company shall ensure that the "Scheme" shall be acted upon subject to the Company complying with the relevant clauses mentioned in the scheme.	Yes	The Company states that the Scheme shall be acted upon only after complying with the relevant clauses mentioned in the Scheme document.

Anand Works (Regd Office):
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Bazar, Navsari - 396 436, Gujarat, India.
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Silvassa, Dadra & Nagar Haveli - 396 230, India.
Phone: +91 98251 15813 / +91 98251 25953

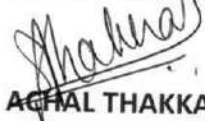


l)	The Company shall ensure that no changes to the draft scheme shall be made without specific written consent of SEBI, except those mandated by the regulators/authorities/tribunals.	Yes	The Company states that no changes to the draft Scheme except those mandated by the regulators/ authorities/ tribunals, if any, will be made without specific written consent of SEBI.
m)	The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.	Yes	The Company has filed the Company Application along with a copy of the Scheme with the NCLT, wherein, the observation letter dated October 3, 2024 issued by BSE Limited and National Stock Exchange of India Limited on the Scheme were annexed to the said Company Application to bring the observations to the notice of the NCLT.
n)	The Company shall ensure that all the applicable provisions of the Companies Act, 2013, rules and regulations thereunder are complied, including obtaining the consent from the creditors for the proposed scheme.	Yes	The Company states that it will comply with applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder and NCLT directions.
o)	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.	Yes	The Company will comply with necessary directions from stock exchanges/ SEBI and Hon'ble NCLT in this regard.

Thanking you,

Yours faithfully,

For HLE Glascoat Limited



AGHAL THAKKAR
Company Secretary



Date: 15/03/2025

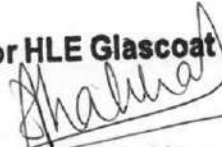
Place: Anand

Details of transactions entered between Transferee Company and Kinam Engineering Industries Private Limited.

Value of Transactions

Nature of Transactions	Entities in which KMPs/ relatives are Interested			
	Qtr ended	Qtr ended	Qtr ended	YTD
	30.06.2024	30.09.2024	31.12.2024	31.12.2024
1. Service / Material Purchased (net of purchase return)				
Kinam Engineering Industries Private Limited		1,683,500		1,683,500
2. Service / Material Sold (net of sales return)				
Kinam Engineering Industries Private Limited	217,937	-8,869	3,408,000	3,617,068

For HLE Glascoat Limited


Acha S. Thakkar
 Company Secretary

Date: July 23, 2024

BSE Limited,
 Phiroze Jeejeebhoy Towers,
 Dalal Street,
 Mumbai 400 001.
 Scrip Code: 522215

National Stock Exchange of India
 Ltd., Exchange Plaza, 5th Floor,
 Bandra-Kurla Complex, Bandra (E),
 Mumbai 400 051.
 Scrip Code: HLEGLAS

Dear Sir/Madam,

Sub: Complaint Report in terms of the SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Circular")

Ref.: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the proposed Scheme of Amalgamation between HLE Glascoat Limited (Transferee Company) and Kinam Enterprise Private Limited ("Scheme of Amalgamation")

In connection with the captioned Scheme of Amalgamation, please find below the detailed complaint report in terms of requirement of the SEBI Circular for the period from 27.06.2024 to 17.07.2024.

Part A

(for the period from 27.06.2024 to 17.07.2024)a

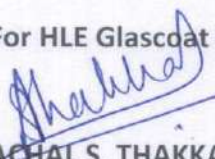
Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0

Part B

(for the period from 27.06.2024 to 17.07.2024)

Sr. No.	Name of complainant	Date of complaint	Status
----- Not Applicable -----			

For HLE Glascoat Limited


ACHAL S. THAKKAR
 Company Secretary
 PAN: AGKPT7146G



REPORT UNDER SECTION 232(2)(c) OF THE COMPANIES ACT, 2013

The Board of Directors ("Board") of HLE Glascoat Limited ("Transferee Company" or "Company") at its Board meeting held on February 13, 2024 had approved the Scheme of Amalgamation pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act 2013, as amended from time to time ("Act") and other applicable laws between the Kinam Enterprise Private Limited ("Transferor Company") and the Company (the "Scheme").


As per Section 232(2)(c) of the Companies Act 2013, a report is required to be adopted by the Board explaining the effect of the Scheme on promoters and non-promoter shareholders, creditors, employees, directors and key managerial personnel of the Company, laying out in particular, the entitlement of shares and share exchange ratio, specifying any special valuation difficulties, if any ("Report"). Accordingly, this Report of the Board has been prepared to comply with the requirements of Section 232(2)(c) of the Companies Act, 2013 ("Act").

Having regard to the applicability of the aforesaid provisions, the following documents were taken note of:

➤ Draft Scheme:

Brief synopsis of the Scheme are as follows:

- a. The Appointed Date for the purpose of the Scheme was August 7, 2023;
- b. 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;
- c. Upon the Scheme becoming effective and upon the amalgamation of the Transferor Company with the Transferee Company in terms of this Scheme the investment in equity shares of the Transferor Company held by the Transferee Company shall stand cancelled in the books of the Transferee Company;
- d. 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");


Anand Works (Regd Office):
H-106, GIDC, Vitthal Udyognagar,
Anand - 388 121, Gujarat, India.
Phone: +91 2692 236842 to 45

Maroli Works:
A-6, Maroli Udyognagar, At Post: Maroli
Bazar, Navsari - 396 436, Gujarat, India.
Phone: +91 2637 270150 to 59

Silvassa Works:
Survey No. 183/P1, Zaroli Road, Village: Naroli,
Silvassa, Dadra & Nagar Haveli - 396 230, India.
Phone: +91 98251 15813 / +91 98251 25953

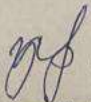
- e. Consequent to the amalgamation and as an integral part of the Scheme, upon the Scheme becoming effective, the Authorized Share Capital of the Transferor Company of Rs 7,00,00,000 (Rupees Seven Crore Only) will be reclassified, altered and combined with the authorised share capital of the Transferee 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;
- f. With effect from the Effective Date, all inter-se contracts solely between the Parties (i.e., not having any other third Person other than the Parties) shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company. With effect from the Effective Date, there will be no accrual of income or expenses on account of any transactions in the nature of sale or transfer of any goods, material or services, between the Transferor Company and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any inter-se loans, deposits or balances between the Transferor Company and the Transferee Company;
- g. On the 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;
- Independent Valuation Report dated 13th February, 2024 issued by M/s. RBSA Valuation Advisors LLP ("Registered Valuer")
- Recommendation of the Audit Committee

Effect of the Scheme in terms of Section 232(2)(c) of the Act:**a. Promoter and non-promoter shareholders**

Upon amalgamation of the Transferor Company with the Transferee Company, the shareholders of the Transferor Company will receive 100 equity of face value Rs. 2 each of the Transferee Company for every 559 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 (except the Transferee Company), as on the Effective Date (as defined in the Scheme).

The new shares issued shall rank pari-passu with the existing equity shares of Transferee Company.

Furthermore, as a consequence of the amalgamation, the issuance of shares to the shareholders of the Transferor Company shall result in a dilution of approximately 1.74% in the equity shareholding of the Transferee Company. This dilution shall reflect the proportionate reduction in the percentage of ownership held by the existing shareholders of the Transferee Company, arising from the allotment of new equity shares to the shareholders of the Transferor Company in accordance with the terms set forth in the Scheme.



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Anand - 388 121, Gujarat, India
Phone: +91 2692 236842 to 45

Maroli Works:
A-6, Maroli Udyognagar, At Post: Maroli
Bazar, Navsari - 396 436, Gujarat, India.
Phone: +91 2637 270150 to 59

Silvassa Works:
Survey No. 183/P1, Zaroli Road, Village: Naroli,
Silvassa, Dadra & Nagar Haveli - 396 230, India.
Phone: +91 98251 15813 / +91 98251 25953

1.74% in the equity shareholding of the Transferee Company. This dilution shall reflect the proportionate reduction in the percentage of ownership held by the existing shareholders of the Transferee Company, arising from the allotment of new equity shares to the shareholders of the Transferor Company in accordance with the terms set forth in the Scheme.

Other than above, there will be no change in the economic interest of the shareholders of the Transferee Company, before and after Scheme;

Upon amalgamation of the Transferor Company with the Transferee Company, the investment in equity shares of the Transferor Company held by the Transferee Company shall stand cancelled in the books of the Transferee Company.

b. **Creditors**

Upon amalgamation of the Transferor Company with the Transferee Company, no rights of the creditors of the Transferee Company are being affected pursuant to the Scheme. The liability towards the existing creditors of the Transferee Company is neither being reduced nor being varied or extinguished. The creditors of the Transferee Company will in no way be affected by the amalgamation of the Transferor Company with the Transferee Company.

c. **Employees, Directors and Key Managerial Personnel**

The Scheme will not have any adverse effect on the rights and interests of the employees, key managerial personnel and directors of the Transferee Company.

Share Exchange Ratio and Valuation difficulties:

- i. For the purpose of arriving at the recommended Share Exchange Ratio, the Valuation Reports were obtained by the Company.
- ii. The independent registered valuers appointed to determine the Share Exchange Ratio for the Amalgamation have not expressed any difficulty while determining the same.
- iii. The independent valuers have considered the Asset Approach Method and the Market Approach Method, to arrive at the recommended Share Exchange Ratio for the Scheme.
- iv. The recommendation of the Share Exchange Ratio for the Amalgamation has been approved by the Board of Directors of the Company.

For and Behalf of HLE Glascoat Limited



Yatish Parekh
Chairman and Independent Director
(DIN: 00168488)

Place: February 13, 2024

Date: Anand

KINAM ENTERPRISE PVT. LTD.

Designers & Manufacturers of shell & Tube Heat Exchangers,
Corrugated Tube Heat Exchanger, Pressure Vessels & Allied Process Equipment's.

REPORT UNDER SECTION 232(2)(c) OF THE COMPANIES ACT, 2013

The Board of Directors ("Board") of Kinam Enterprise Private Limited ("Transferor Company" or "Company") at its Board meeting held on February 13, 2024 had approved the Scheme of Amalgamation pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act 2013, as amended from time to time ("Act") and other applicable laws between the HLE Glascoat Limited ("Transferee Company") and the Company (the "Scheme").

As per Section 232(2)(c) of the Companies Act 2013, a report is required to be adopted by the Board explaining the effect of the Scheme on promoters and non-promoter shareholders, creditors, employees, directors and key managerial personnel of the Company, laying out in particular, the entitlement of shares and share exchange ratio, specifying any special valuation difficulties, if any ("Report"). Accordingly, this Report of the Board has been prepared to comply with the requirements of Section 232(2)(c) of the Companies Act, 2013 ("Act").

Having regard to the applicability of the aforesaid provisions, the following documents were taken note of:

➤ Draft Scheme:

Brief synopsis of the Scheme are as follows:

- a. The Appointed Date for the purpose of the Scheme was August 7, 2023;
- b. 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;
- c. 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 who holds shares in the Transferor Company and which will get cancelled upon Scheme being effective), 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

Regd.Off. :746.3 Parikram Apartment, A Luncikui 62437 Navasari,
Navsari-396445, Gujarat,India.

Contact No:-9820126068, Email Id- rohit@kinam.in, CIN.NO:-U43229GJ2023PTC142341.



KINAM ENTERPRISE PVT. LTD.

Designers & Manufacturers of shell & Tube Heat Exchangers,
Corrugated Tube Heat Exchanger, Pressure Vessels & Allied Process Equipment's.

- ("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");
- d. 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 combined with the authorised share capital of the Transferee Company and authorised share capital of the Transferee Company 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;
- e. With effect from the Effective Date, all inter-se contracts between the Transferor Company and the Transferee Company (i.e., not having any other third Person other than the Parties) shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company. With effect from the Effective Date, there will be no accrual of income or expenses on account of any transactions in the nature of sale or transfer of any goods, material or services, between the Transferor Company and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any inter-se loans, deposits or balances between the Transferor Company and the Transferee Company;
- f. On the Scheme becoming effective, the Transferor Company shall stand dissolved without winding up and the Board of Directors 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;
- Independent Valuation Report dated 13th February, 2024 issued by M/s. RBSA Valuation Advisors LLP ("Registered Valuer")

Effect of the Scheme in terms of Section 232(2)(c) of the Act:

a. Promoter and non-promoter shareholders

Upon the Scheme becoming effective, the entire business, assets, liabilities, and undertakings of the Transferor Company shall be transferred to and vested in the Transferee Company.

Upon amalgamation of the Transferor Company with the Transferee Company, the shareholders of the Transferor Company will receive 100 equity of face value Rs. 2 each

Regd.Off. :746.3 Parikram Apartment, A Luncikui 62437 Navasari,
Navsari-396445, Gujarat,India.

Contact No:-9820126068, Email Id- rohit@kinam.in, CIN.NO:-U43229GJ2023PTC142341.



KINAM ENTERPRISE PVT. LTD.

Designers & Manufacturers of shell & Tube Heat Exchangers,
Corrugated Tube Heat Exchanger, Pressure Vessels & Allied Process Equipment's.

of the Transferee Company for every 559 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 (except the Transferee Company), as on the Effective Date (as defined in the Scheme).

The new shares issued shall rank pari-passu with the existing equity shares of Transferee Company.

There will be no change in the economic interest of the shareholders of the Transferor Company, before and after Scheme;

Upon amalgamation of the Transferor Company with the Transferee Company, the investment in equity shares of the Transferor Company held by the Transferee Company shall stand cancelled in the books of the Transferee Company.

b. Creditors

Upon amalgamation of the Transferor Company with the Transferee Company, no rights of the creditors of the Transferor Company are being affected pursuant to the Scheme.

The liabilities of Unsecured Creditors shall be fully assumed by the Transferee Company. There shall be no compromise or arrangement affecting their rights. The unsecured creditors shall not be adversely affected as the Transferee Company has sufficient net worth and assets to discharge all liabilities.

There are no Secured Creditors of the Transferor Company.

Therefore, the liability towards the existing creditors of the Transferor Company is neither being reduced nor being varied or extinguished. The creditors of the Transferor Company will in no way be affected by the amalgamation of the Transferor Company with the Transferee Company.

c. Employees, Directors and Key Managerial Personnel

The Scheme will not have any adverse effect on the rights and interests of the employees, key managerial personnel and directors of the Transferee Company.

Effect on Employees

- All employees of the Transferor Company shall become employees of the Transferee Company without interruption in their service.

Regd.Off. :746.3 Parikram Apartment, A Luncikui 62437 Navasari,
Navsari-396445, Gujarat,India.

Contact No:-9820126068, Email Id- rohit@kinam.in, CIN.NO:-U43229GJ2023PTC142341.



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- Their existing terms and conditions of employment shall remain unchanged.
- Employee benefits such as provident fund, gratuity, leave encashment, and other entitlements shall be protected and transferred to the Transferee Company.

Effect on Key Managerial Personnel (KMPs)

- There are no key managerial personnel in the Transferor Company.

Effect on Directors

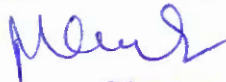
- Upon the Scheme becoming effective and with effect from the Appointed Date, the Directors of the Transferor Company shall cease to hold office as Directors of the Transferor Company, except for Mr. Harsh Himanshu Patel, who is also Whole-time Director of the Transferee Company.

Share Exchange Ratio and Valuation difficulties:

- i. For the purpose of arriving at the recommended Share Exchange Ratio, the Valuation Reports were obtained by the Company.
- ii. The independent registered valuers appointed to determine the Share Exchange Ratio for the Amalgamation have not expressed any difficulty while determining the same.
- iii. The independent valuers have considered the Asset Approach Method, to arrive at the recommended Share Exchange Ratio for the Scheme.
- iv. The recommendation of the Share Exchange Ratio for the Amalgamation has been approved by the Board of Directors of the Company.

For and Behalf of Kinam Enterprise Private Limited

For KINAM ENTERPRISE PVT. LTD



Director

Mehul Mehta

Director (DIN: 10213334)

Place: Anand

Date: 13th February 2024



Regd.Off. :746.3 Parikram Apartment, A Luncikui 62437 Navasari,
Navsari-396445, Gujarat,India.

Contact No:-9820126068, Email Id- rohit@kinam.in , CIN.NO:-U43229GJ2023PTC142341.

The shareholding of Directors and KMP of HLE Glascoat Limited in HLE Glascoat Limited as on 31.12.2024				
Sr. No	DIN	Name	Designation	% of share holding in HGL
1	00202312	Mr. Himanshu Patel	Managing Director	24.87%
2	06858672	Mr. Aaiap Patel	Executive Director	1.38%
3	00141873	Mr. Nilesh Patel	Non-Executive Director	25.18%
4	00141863	Mr. Harsh Patel	Wholetime Director	12.94%
5	07651296	Ms. Vijayanti Punjabi	Independent Director	0%
6	00168488	Mr. Yatish Parekh	Chairperson-Independent Director	0%
7	07663581	Mr. Sandeep Randery	Independent Director	0%
8	03570056	Mr. Jayesh Shah	Independent Director	0%
9		Mr. Achal Thakkar	Company Secretary	0%
10		Mr. Naveen Kandpal	Chief Financial Officer	0%

The shareholding of Directors and KMP of HLE Glascoat Limited in Kinam Enterprise Private Limited as on 31.12.2024				
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Sr. No	DIN	Name	Designation	% of share holding in KEPL
1	00202312	Mr. Himanshu Patel	Managing Director	0%
2	06858672	Mr. Aalap Patel	Executive Director	0%
3	00141873	Mr. Nilesh Patel	Non-Executive Director	0%
4	00141863	Mr. Harsh Patel	Wholetime Director	0%
5	07651296	Ms. Vijayanti Punjabi	Independent Director	0%
6	00168488	Mr. Yatish Parekh	Chairperson-Independent Director	0%
7	07663581	Mr. Sandeep Randery	Independent Director	0%
8	03570056	Mr. Jayesh Shah	Independent Director	0%
9		Mr. Achal Thakkar	Company Secretary	0%
10		Mr. Naveen Kandpal	Chief Financial Officer	0%

Date: 15.03.2025

Place: Anand



For HLE Glascoat Limited

Achal Thakkar
Achal Thakkar

Company Secretary

Anand Works (Regd Office):
H-106, GIDC, Vitthal Udyognagar,
Anand - 388 121, Gujarat, India.
Phone: +91 2692 236842 to 45

Maroli Works:
A-6, Maroli Udyognagar, At Post: Maroli
Bazar, Navsari - 396 436, Gujarat, India.
Phone: +91 2637 270150 to 59

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Phone: +91 98251 15813 / +91 98251 25953

KINAM ENTERPRISE PVT. LTD.

Designers & Manufacturers of shell & Tube Heat Exchangers,
Corrugated Tube Heat Exchanger, Pressure Vessels & Allied Process Equipment's.

The shareholding of Directors and KMP of Kinam Enterprise Private Limited Kinam Enterprise Private Limited in as on 31.12.2024				
Sr. No	DIN	Name	Designation	% of share holding in HGL
1	10213333	Mr. Kirit Mehta	Director	49.75%
2	10213334	Mr. Mehul Mehta	Director	49.75%
3	00141863	Mr. Harsh Patel	Director	0.00%

The shareholding of Directors and KMP of Kinam Enterprise Private Limited in HLE Glascoat Limited as on 31.12.2024				
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Sr. No	DIN	Name	Designation	% of share holding in KEPL
1	10213333	Mr. Kirit Mehta	Director	0.00%
2	10213334	Mr. Mehul Mehta	Director	0.00%
3	00141863	Mr. Harsh Patel	Director	12.94%

For HLE Glascoat Limited



Harsh Patel

Director

Date: 15.03.2025

Place: Anand

Regd.Off. :746.3 Parikram Apartment, A Luncikui 62437 Navasari,
Navsari-396445, Gujarat,India.

Contact No:-9820126068, Email Id- rohit@kinam.in , CIN.NO:-U43229GJ2023PTC142341.

Pre Scheme Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.	Name of Listed Entity: HLE Glascoat Limited
2.	Scrip Code/Name of Scrip/Class of Security: 522215
3.	Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c) a. If under 31(1)(b) then indicate the report for Quarter ending b. If under 31(1)(c) then indicate date of allotment/extinguishment
4.	Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-

Particulars	Yes*	No*
1. Whether the Listed Entity has issued any partly paid up shares?		No
2. Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3. Whether the Listed Entity has any shares against which depository receipts are issued?		No
4. Whether the Listed Entity has any shares in locked-in?		No
5. Whether any shares held by promoters are pledged or otherwise encumbered?		No

* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

GENERATED ON :02/01/2025 NSDL : 31/12/2024 CDSL :31/12/2024



For HLE Glascoat Limited

 Achal S. Thakkar
 Company Secretary

HLE Glascoat Limited

Table I - Summary Statement holding of specified securities

Category	(i) Category of shareholder	(ii) Nos. of shareholder	(iii) Nos. of fully paid up equity shares held	(iv) No. of Partly paid-up equity shares held	(v) No. of underlying Depository Receipts held	(vi) Total nos. shares held	(vii) Shareholding as a % of total no. of shares (calculate as per SCRR, 1957)	(viii) Number of Voting Rights held in each class of securities			(ix) No. of Shares Underlying convertible securities (including Warrants)	(x) Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	(xi) Number of Locked in shares		(xii) Number of Shares pledged or otherwise encumbered		(xiii) Number of equity shares held in dematerialised form (MIV)
								(a) Class X	(b) Class Y	(c) Total			(a) No. (a)	(b) As a % of total Shares held(b)	(a) No. (a)	(b) As a % of total Shares held(b)	
(A)	Promoter & Promoter Group	7	45528472	0	0	45528472	66.6933	45528472	0	66.6933	0	0.0000	0	0.0000	0	0.0000	45528472
(B)	Public	83428	22737008	0	0	22737008	33.3067	22737008	0	33.3067	0	0.0000	0	0.0000	0	0.0000	20242508
(C)	Non Promoter - Non Public	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(C1)	Shares Underlying DRs	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Total	83435	68265480	0	0	68265480	100.0000	68265480	0	100.0000	0	0.0000	0	0.0000	0	0.0000	65770980

GENERATED ON :02/01/2025 NSDL : 31/12/2024 CDSL : 31/12/2024



HLE Glascoat Limited

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

	Category & Name of the shareholders (i)	Entity Type	PAN	(ii)	(iii)	No. of fully paid up equity shares held (iv)	Partly paid-up equity shares held (v)	No. of shares underlying Depository Receipts (vi)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (viii) As a	Number of Voting Rights held in each class of securities			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (xi) = (vii)+(x)/(xiv)	Number of equity shares held in dematerialised form (xiv)
										No of Voting Rights	Total as a % of Total Voting Rights (ix)	Total Rights (x)		
1	Indian													
(a)	Individuals / Hindu Undivided Family													
	Nilesh Khushalbhai Patel	Promoters	AEPPP0511A		7	45528472	0	0	66.6933	45528472	0	66.6933	45528472	
	Himanshu Khushalbhai Patel	Promoters	ABGPP6292C		1	17186114	0	0	25.1754	17186114	0	25.1754	17186114	
	Harsh Himanshubhai Patel	Promoters	ABGPP6293D		1	16978535	0	0	24.8713	16978535	0	24.8713	16978535	
	Swara Rajeev Patel	Promoters	AFLLP2383R		1	8832173	0	0	12.9380	8832173	0	12.9380	8832173	
	Aalap Nilesh Patel	Promoters	APKPP4669K		1	1460025	0	0	2.1387	1460025	0	2.1387	1460025	
	Kishoriben Nilesh Patel	Promoters	AAAMPP2866N		1	944165	0	0	1.3831	944165	0	1.3831	944165	
	Priti Himanshubhai Patel	Promoters	AJPPP3580N		1	81110	0	0	0.1188	81110	0	0.1188	81110	
(b)	Central Government / State Government(s)				0	0	0	0	0.0000	0	0	0.0000	0	
(c)	Financial Institutions / Banks				0	0	0	0	0.0000	0	0	0.0000	0	
(d)	Any Other (Specify)				0	0	0	0	0.0000	0	0	0.0000	0	
	Sub Total (A)(1)				7	45528472	0	0	66.6933	45528472	0	66.6933	45528472	
2	Foreign													
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)				0	0	0	0	0.0000	0	0	0.0000	0	
(b)	Government				0	0	0	0	0.0000	0	0	0.0000	0	
(c)	Institutions				0	0	0	0	0.0000	0	0	0.0000	0	
(d)	Foreign Portfolio Investor				0	0	0	0	0.0000	0	0	0.0000	0	
(e)	Any Other (Specify)				0	0	0	0	0.0000	0	0	0.0000	0	
	Sub Total (A)(2)				0	0	0	0	0.0000	0	0	0.0000	0	
	Total Shareholding Of Promoter And Promoter Group (A) = (A)(1)+(A)(2)				7	45528472	0	0	66.6933	45528472	0	66.6933	45528472	

Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note :

(1) PAN would not be displayed on website of Stock Exchange(s)

(2) The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

GENERATED ON :02/01/2025

NSDL : 31/12/2024

CDSL :31/12/2024



HLE Glascoat Limited

Table III - Statement showing shareholding pattern of the Public shareholder

Category & Name of the shareholders (i)	PAN (ii)	Nos. of shareholders (iii)	No. of fully paid up equity shares held (iv)	Partly paid-up equity shares held (v)	No. of shares underlying Depository Receipts (vi)	Shareholding % as per SCRR, 1957 As a % of (A+B+C2) (viii) As a	Number of Voting Rights held in each class of securities (ix)			Total as a % of Total Voting Rights (xi)=	Number of equity shares held in dematerialised form (xiv)
							No of Voting Rights Class eg: X	Class eg: Y	Total		
1											
(a) Institutions (Domestic)											
Mutual Fund		1	2401016	0	0	3.5172	2401016	0	2401016	3.5172	2401016
Dsp Small Cap Fund	AAAID0430B	1	2401016	0	0	3.5172	2401016	0	2401016	3.5172	2401016
(b) Venture Capital Funds		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(c) Alternate Investment Funds		1	15	0	0	0.0000	15	0	15	0.0000	15
(d) Banks		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(e) Insurance Companies		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(f) Provident Funds/ Pension Funds		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(g) Asset Reconstruction Companies		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(h) Sovereign Wealth Funds		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(i) NBFCs registered with RBI		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(j) Other Financial Institutions		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(k) Any Other (Specify)		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
Sub Total (B)(1)		2	2401031	0	0	3.5172	2401031	0	2401031	3.5172	2401031
2											
(a) Institutions (Foreign)											
(e) Foreign Direct Investment		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(b) Foreign Venture Capital Investors		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(c) Sovereign Wealth Funds		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(d) Foreign Portfolio Investors Category I		21	2738976	0	0	4.0122	2738976	0	2738976	4.0122	2738976
Malabar India Fund Limited	AAF6M589C	1	2633804	0	0	3.8582	2633804	0	2633804	3.8582	2633804
(e) Foreign Portfolio Investors Category II		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(f) Overseas Depositories(holding DRs) (balancing figure)		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(g) Any Other (Specify)		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
Sub Total (B)(2)		21	2738976	0	0	4.0122	2738976	0	2738976	4.0122	2738976
3											
(a) Central Government/ State Government(s)		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(b) Central Government / President of India		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(c) State Government / Governor		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(d) Shareholding by Companies or Bodies		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(e) Corporate where Central / State Government is a promoter		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(f) Sub Total (B)(3)		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(g) Non-institutions		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(h) Associate companies / Subsidiaries		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(i) Directors and their relatives (excluding Independent Directors and nominee Directors)		0	0	0	0	0.0000	0	0	0.0000	0.0000	0
(j) Key Managerial Personnel		0	0	0	0	0.0000	0	0	0.0000	0.0000	0



HLE Glascoat Limited																							
Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder																							
S.No.	Category & Name of the shareholders	PAN	(i)	(ii)	Nos. of sharehold-ers	No. of fully paid up equity shares held	(IV)	Partly paid-up equity shares held	(V)	No. of underly-ing Depository Receipts held	(VI)	Sharehold-ing % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Total as a % of (A+B+C)	Underly-ing Outstanding securities (including convertible securities)	(X)	Converting % assuming full conversion of convertible securities (XI) =	Number of Locked in shares	Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form (XIV)
													Class eg: X	Class eg: Y	Total						No. (a)	As a % of total Shares held(b)	
1	Custodian/DR Holder Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021				0	0	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0	0	0	0
2	Total Non-Promoter- Non Public Shareholding (C)=				0	0	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0	0	0	0

Note :

- (1) PAN would not be displayed on website of Stock Exchange(s).
(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII) is not applicable in the above format.
(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.

GENERATED ON :02/01/2025

NSDL : 31/12/2024

CDSL :31/12/2024



Post Scheme Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.	Name of Listed Entity: HLE Glascoat Limited
2.	Scrip Code/Name of Scrip/Class of Security: 522215
3.	Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c) a. If under 31(1)(b) then indicate the report for Quarter ending b. If under 31(1)(c) then indicate date of allotment/extinguishment
4.	Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-

Particulars	Yes*	No*
1 Whether the Listed Entity has issued any partly paid up shares?		No
2 Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3 Whether the Listed Entity has any shares against which depository receipts are issued?		No
4 Whether the Listed Entity has any shares in locked-in?		No
5 Whether any shares held by promoters are pledge or otherwise encumbered?		No

* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

GENERATED ON :02/01/2025 NSDL : 31/12/2024 CDSL :31/12/2024



For HLE Glascoat Limited

(Signature)

Achal S. Thakkar
Company Secretary

HLE Glascoat Limited

Table I - Summary Statement holding of specified securities

Category	Category of shareholder (ii)	Nos. of shareholders (iii)	No. of fully paid up equity shares held (iv)	No. of Partly paid-up equity shares held (v)	No. of shares underlying Depositor Receipts (vi)	Total nos. shares held (vii) =	Sharehold ing as a % of total no. of shares (calculate as per SCRIP, 1957) (viii) As a	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstandi ng convertibl e securities (including Warrants) (ix)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (x) = (vii)+(x) As	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in demateriali sed form (xiv)
								No of Voting Rights Class eg: X	Class eg: y Total (ix)	Total as a % of (A+B+C)			No. (a) held(b)	As a % of total Shares held(b)	No. (a) held(b)	As a % of total Shares held(b)	
(A)	Promoter & Promoter Group	7	45528472	0	0	45528472	65.5500	45528472	0	65.5500	0	0.0000	0	0.0000	0	0.0000	45528472
(B)	Public	83430	23926266	0	0	23926266	34.4500	23926266	0	34.4500	0	0.0000	0	0.0000	0	0.0000	21431766
(C)	Non Promoter - Non Public	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(C1)	Shares Underlying DRs	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Total	83437	69454738	0	0	68265480	100.0000	68265480	0	100.0000	0	0.0000	0	0.0000	0	0.0000	66960738

GENERATED ON :02/01/2025

MSDL : 31/12/2024

CDSL



HLE Glascoat Limited

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

	Category & Name of the shareholders (I)	Entity Type	PAN	(II)	(III)	(IV)	(V)	(VI)	Total nos. shares held (VII) = (VI) + (V)	Shareholding g % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII) As a % (VIII) As a %	Number of Voting Rights held in each class of securities				Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X)	Number of equity shares held in dematerialised form (XIV)
											No of Voting Rights		Total as a % of Total Voting Rights	Total as a % of Total Voting Rights		
											No of Voting Rights Class eg: X	Total Class eg: Y				
1	Indian															
(a)	Individuals / Hindu Undivided Family				7	45528472	0	0	45528472	65.5513	45528472	0	65.5513	45528472	45528472	
	Nilesh Khushalibhai Patel	Promoters	AEPPP0511A		1	17186114	0	0	17186114	24.7443	17186114	0	24.7443	17186114	17186114	
	Himanshu Khushalibhai Patel	Promoters	ABGPP6292C		1	16978535	0	0	16978535	24.4455	16978535	0	24.4455	16978535	16978535	
	Harsh Himanshubhai Patel	Promoters	ABGPP6293D		1	8832173	0	0	8832173	12.7164	8832173	0	12.7164	8832173	8832173	
	Swara Rajeev Patel	Promoters	AFPPP2383R		1	1460025	0	0	1460025	2.1021	1460025	0	2.1021	1460025	1460025	
	Aalap Nilesh Patel	Promoters	APKPP4669K		1	944165	0	0	944165	1.3594	944165	0	1.3594	944165	944165	
	Kishoriben Nilesh Patel	Promoters	AAAPP2866N		1	81110	0	0	81110	0.1168	81110	0	0.1168	81110	81110	
	Priti Himanshubhai Patel	Promoters	AJPPP3580N		1	46350	0	0	46350	0.0667	46350	0	0.0667	46350	46350	
(b)	Central Government / State Government(s)				0	0	0	0	0	-	0	0	-	0	0	
(c)	Financial Institutions / Banks				0	0	0	0	0	-	0	0	-	0	0	
(d)	Any Other (Specify)				0	0	0	0	0	-	0	0	-	0	0	
	Sub Total (A)(1)				7	45528472	0	0	45528472	65.5513	45528472	0	65.5513	45528472	45528472	
2	Foreign															
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)				0	0	0	0	0	-	0	0	-	0	0	
(b)	Government				0	0	0	0	0	-	0	0	-	0	0	
(c)	Institutions				0	0	0	0	0	-	0	0	-	0	0	
(d)	Foreign Portfolio Investor				0	0	0	0	0	-	0	0	-	0	0	
(e)	Any Other (Specify)				0	0	0	0	0	-	0	0	-	0	0	
	Sub Total (A)(2)				0	0	0	0	0	-	0	0	-	0	0	
	Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)				7	45528472	0	0	45528472	65.5513	45528472	0	65.5513	45528472	45528472	

Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note :

(1) PAN would not be displayed on website of Stock Exchange(s)

(2) The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

GENERATED ON :02/01/2025

NSDL : 31/12/2024

CDSL :31/12/2024



HLE Glascoat Limited

Table III - Statement showing shareholding pattern of the Public shareholder

Category & Name of the shareholders	PAN	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = Total nos. shares held	(viii) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a	Number of equity shares held in dematerialised form (XIV)
										No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts		
					(IV)	(V)	(VI)	(VII)	(VIII) As a %	Class eg: X	Class eg: Y	Total	(IX)	(X)
1														
(a) Institutions (Domestic)														
Mutual Fund					2401016	0	0	2401016	3.4570	2401016	0	2401016	3.4570	2401016
Dsp Small Cap Fund	AAAUD0430B	1	1	2401016	0	0	0	2401016	3.4570	2401016	0	2401016	3.4570	2401016
Venture Capital Funds					15	0	0	15	0.0000	15	0	15	0.0000	15
Alternate Investment Funds					0	0	0	0	-	0	0	0	-	0
Banks					0	0	0	0	-	0	0	0	-	0
Insurance Companies					0	0	0	0	-	0	0	0	-	0
Provident Funds/ Pension Funds					0	0	0	0	-	0	0	0	-	0
Asset Reconstruction Companies					0	0	0	0	-	0	0	0	-	0
Sovereign Wealth Funds					0	0	0	0	-	0	0	0	-	0
NBFCs registered with RBI					0	0	0	0	-	0	0	0	-	0
Other Financial Institutions					0	0	0	0	-	0	0	0	-	0
Any Other (Specify)					0	0	0	0	-	0	0	0	-	0
Sub Total (B)(1)		2	2	2401031	0	0	0	2401031	3.4570	2401031	0	2401031	3.4570	2401031
2														
Institutions (Foreign)														
Foreign Direct Investment					0	0	0	0	-	0	0	0	-	0
Foreign Venture Capital Investors					0	0	0	0	-	0	0	0	-	0
Sovereign Wealth Funds					0	0	0	0	-	0	0	0	-	0
Foreign Portfolio Investors Category I				21	2738976	0	0	2738976	3.9435	2738976	0	2738976	3.9435	2738976
Malabar India Fund Limited	AAFCM6589C	1	1	2633804	0	0	0	2633804	3.7921	2633804	0	2633804	3.7921	2633804
Foreign Portfolio Investors Category II				0	0	0	0	0	-	0	0	0	-	0
Overseas Depositories(holding DRs) (balancing figure)				0	0	0	0	0	-	0	0	0	-	0
Any Other (Specify)				0	0	0	0	0	-	0	0	0	-	0
Sub Total (B)(2)		21	21	2738976	0	0	0	2738976	3.9435	2738976	0	2738976	3.9435	2738976
3														
Central Government/ State Government(s)														
Central Government / President of India				0	0	0	0	0	-	0	0	0	-	0
State Government / Governor				0	0	0	0	0	-	0	0	0	-	0
Corporate where Central / State Government is a promoter				0	0	0	0	0	-	0	0	0	-	0
Sub Total (B)(3)		0	0	0	0	0	0	0	-	0	0	0	-	0
Non-institutions														
Associate companies / Subsidiaries				0	0	0	0	0	-	0	0	0	-	0
Directors and their relatives (excluding Independent Directors and nominee Directors)				0	0	0	0	0	-	0	0	0	-	0
Key Managerial Personnel				0	0	0	0	0	-	0	0	0	-	0



HLE Glascoat Limited																	
Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder																	
S.No.	Category & Name of the shareholders	PAN	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = Total nos. of shares held	(viii) As a % of SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Number of Locked In shares	Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form (XIV)
											Class eg: X	Class eg: Y	Total (A+B+C)		No. (a)	As a % of total Shares held(b)	
1	Custodian/DR Holder Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021		0	0	0	0	0	0	0	0.0000	0	0	0	0.0000	0	NA	0
2	Total Non-Promoter- Non Public Shareholding (C) = (C)(1)+(C)(2)		0	0	0	0	0	0	0	0.0000	0	0	0	0.0000	0	NA	0

Note :

- (1) PAN would not be displayed on website of Stock Exchange(s).
(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII) is not applicable in the above format.
(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.



GENERATED ON :02/01/2025 NSDL : 31/12/2024 CDSL :31/12/2024

Certificate No: MMN/C/2023-2024/Feb/055

To,
Board of Directors,
HLE Glascoat Limited
H - 106, G.I.D.C. Estate,
Vitthal Udyognagar, District Anand,
Gujarat - 388 121, India.

**INDEPENDENT AUDITOR'S CERTIFICATE ON EXAMINATION OF THE PROPOSED
ACCOUNTING TREATMENT SPECIFIED IN CLAUSE 14 OF THE SCHEME OF
AMALGAMATION**

1. This certificate is issued in accordance with your email dated February 20, 2024, requesting us to certify the accounting treatment specified in clause 14 of the Scheme of Amalgamation (hereinafter referred to as "the Scheme") between HLE Glascoat Limited (hereinafter referred to as "the Company") and Kinam Enterprise Private Limited.

Managements' Responsibility for the Statement

2. The responsibility for the preparation of the Scheme document between HLE Glascoat Limited and Kinam Enterprise Private Limited in terms of the provisions of Sections 230 to 232 of Companies Act, 2013 and its compliance with the relevant laws and regulations, including accounting treatment specified in clause 14 of the scheme, is that of the Management of the Company.

Auditor's Responsibility

3. Pursuant to the said letter, it is our responsibility to examine and report whether the accounting treatment specified in the Scheme complies with the applicable Accounting Standards and other Generally Accepted Accounting Principles.
4. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of ethics issued by the Institute of Chartered Accountants of India.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform audits and Reviews of Historical Financial Information and other Assurance and Related Services Engagements.
6. We have verified the following
 - a. The document of Scheme of Amalgamation
 - b. Clause 14 of the Scheme in compliance with Ind AS 103 "Business Combinations".



Opinion

7. Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment of "Business Combination under Common Control" contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

Restriction on Use

8. This certificate is issued on specific request of Company solely for the purpose of for onward submission to the Stock Exchange(s) and SEBI with a view to obtain the no-objection as required under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For M M Nissim & Co LLP
Chartered Accountants
FRN: 107122W/W100672



Hiren P Muni
Partner
Membership No: 142067
UDIN: 24142067BKHJBA8537
Date: 23rd February, 2024



501

Regd. Office : Barodawala Mansion,
B-Wing, 3rd Floor,
81, Dr. Annie Besant Road,
Worli, Mumbai - 400 018.
Tel. : +91 22 2496 9900
Fax : +91 22 2496 9995
LLPIN : AAT - 7548
Website : www.mmnissim.com

Certificate No: MMN/C/2024-2025/Nov/42

To
Board of Directors
Kinam Enterprise Private Limited
Parikrama Apartment A
Luncikui 62437, Navsari
Gujarat - 396 445, India

**INDEPENDENT AUDITOR'S CERTIFICATE ON EXAMINATION OF THE PROPOSED
ACCOUNTING TREATMENT SPECIFIED IN CLAUSE 14 OF THE SCHEME OF
AMALGAMATION**

1. This certificate is issued in accordance with your email dated November 20, 2024, requesting us to certify the accounting treatment based on the Scheme of Amalgamation (hereinafter referred to as "the Scheme") between HLE Glascoat Limited and Kinam Enterprise Private Limited (hereinafter referred to as "the Company").

Managements' Responsibility for the Statement

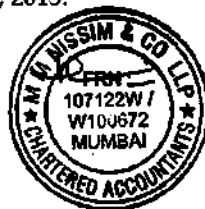
2. The responsibility for the preparation of the Scheme document between HLE Glascoat Limited and Kinam Enterprise Private Limited in terms of the provisions of Sections 230 to 232 of Companies Act, 2013 and its compliance with the relevant laws and regulations, including accounting treatment of the scheme, is that of the Management of the Company.

Auditor's Responsibility

3. Pursuant to the said letter, it is our responsibility to examine and report whether the accounting treatment specified in the Scheme complies with the applicable Accounting Standards and other Generally Accepted Accounting Principles.
4. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of ethics issued by the Institute of Chartered Accountants of India.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform audits and Reviews of Historical Financial Information and other Assurance and Related Services Engagements.
6. We have verified the following
 - a. The document of Scheme of Amalgamation
 - b. Requirement of compliance with Ind AS 103 "Business Combinations".

Opinion

7. Based on our examination and according to the information and explanations given to us, we confirm that there will be no accounting entries in the books of the Transferor Company in view of the dissolution as per the accounting treatment of "Business Combination under Common Control" contained in the aforesaid scheme and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

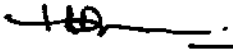


502

Restriction on Use

8. This certificate is issued on specific request of Company solely for the purpose of for onward submission to the National Company Law Tribunal - Ahmedabad for the purpose of the said scheme and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For M M Nissim & Co LLP
Chartered Accountants
FRN: 107122W/W100672





Hiren P Muni
Partner
Membership No: 142067
UDIN: 24142067BKHJFM2377
Date: 30th November 2024

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF THE STANDALONE FINANCIAL RESULTS

To
The Board of Directors,
HLE GLASCOAT LTD.

Opinion

1. We have audited the accompanying statement of Standalone financial results of HLE GLASCOAT Ltd ("the Company") for the quarter and year ended 31st March, 2024 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, the statement :
 - a) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
 - b) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS"), and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended 31st March 2024.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial results for the quarter and year ended 31st March 2024 under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our Audit opinion.

Management's Responsibilities for the Standalone Financial Results

4. This statement, which includes the standalone financial result is the responsibility of the Company's Board of Directors and has been approved by them for issuance. The statement has been prepared on the basis of the Standalone Financial Statements for the three months and year ended 31st March 2024. This responsibility includes preparation and presentation of the Standalone Financial Results for the quarter and year ended 31st March 2024 that give a true and fair view of the net profit and



relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

5. In preparing the standalone financial results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors are responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Standalone Financial Results

7. Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 standalone financial results.
8. 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 standalone financial results, 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 Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
 - Evaluate the appropriateness and the reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
 - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists



- Conclude on the appropriateness of the Board of Directors 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 ability of the Company 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 statement 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 standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

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.

Other Matters

9. The standalone financial results include the results for the quarter ended 31st March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For M M NISSIM & CO. LLP
Chartered Accountants
(Reg.No.107122W / W100672)

T. K. K. K.
N KASHINATH
Partner
M.No. 036490
UDIN:
Silvassa
27th May, 2024



UDIN :- 24036490BKGR22083

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2024

₹ in lakhs (except EPS)

S. No.	Particulars	STANDALONE				
		Quarter Ended			Year Ended	
		31-Mar-24	31-Dec-23	31-Mar-23	31-Mar-24	31-Mar-23
	AUDITED	UNAUDITED	AUDITED	AUDITED	AUDITED	
I	Revenue from operations	16,559.72	14,182.49	21,109.72	59,070.85	64,944.35
II	Other income	70.97	1,164.79	903.78	1,514.34	1,195.14
III	Total Income (I + II)	16,630.69	15,347.28	22,013.50	60,585.19	66,139.49
IV	Expenses:					
	(a) Cost of materials consumed	7,812.43	6,927.81	10,501.13	34,078.32	35,048.03
	(b) Changes in inventories of finished goods and work-in-progress	1,894.41	328.40	1,607.35	(2,153.21)	391.17
	(c) Power and Fuel	531.65	581.91	745.96	2,377.91	2,673.65
	(d) Labour Charges	1,344.10	1,471.41	1,654.24	5,462.17	5,400.63
	(e) Employee benefits expense	1,384.95	1,413.04	1,392.85	5,507.59	4,905.71
	(f) Finance costs	865.60	828.63	861.33	2,663.73	2,154.59
	(g) Depreciation and amortisation expense	351.26	357.28	327.69	1,397.36	1,257.30
	(h) Other expenses	2,055.41	2,250.40	2,063.55	7,584.40	7,087.13
	Total expenses	16,239.81	14,158.88	19,154.10	56,918.27	58,918.21
V	Profit before exceptional and extraordinary items and tax (III - IV)	390.88	1,188.40	2,859.40	3,666.92	7,221.28
VI	Exceptional items (Refer Note 8)	-	343.82	-	530.97	-
VII	Profit before extraordinary items and tax (V - VI)	390.88	844.58	2,859.40	3,135.95	7,221.28
VIII	Extraordinary items	-	-	-	-	-
IX	Profit before tax (VII - VIII)	390.88	844.58	2,859.40	3,135.95	7,221.28
X	Tax expense:					
	(a) Current tax	215.81	96.38	459.99	782.42	1,564.73
	(b) Deferred tax	(161.66)	(194.59)	162.87	(310.31)	214.27
XI	Profit for the period (IX - X)	336.73	942.79	2,236.54	2,663.84	5,442.28
XII	Profit Before Tax for the period from Continuing Operations	477.14	878.76	2,860.82	3,497.83	7,321.83
XIII	Tax Expense / (credit) of Continuing Operations	54.15	(98.21)	622.86	472.11	1,779.00
XIV	Profit for the period from Continuing Operations (XII - XIII)	422.99	976.97	2,237.96	3,025.72	5,542.83
XV	Loss Before Tax for the period from Discontinued Operations (Refer Note 3)	(86.26)	(34.18)	(1.42)	(361.88)	(100.55)
XVI	Tax expense of Discontinued Operations	-	-	-	-	-
XVII	Loss for the period from Discontinued Operations (XV - XVI)	(86.26)	(34.18)	(1.42)	(361.88)	(100.55)
XVIII	Profit for the Period (XIV + XVII)	336.73	942.79	2,236.54	2,663.84	5,442.28
XIX	Other Comprehensive income					
	(a) Items that will not be reclassified to the Statement of Profit and Loss					
	(i) Remeasurements of Defined benefit plans	(44.00)	0.22	19.55	(43.34)	1.02
	(ii) Income tax relating to items that will not be reclassified to the Statement of Profit and Loss	11.08	(0.06)	(4.92)	10.91	(0.26)
XX	Total Comprehensive income for the period	303.81	942.95	2,251.17	2,631.41	5,443.04
XXI	Paid up equity share capital (Face value of ₹ 2/- each)	1,365.31	1,365.31	1,365.31	1,365.31	1,365.31
XXII	Other Equity				33,407.68	31,527.19
XXIII	Earnings per equity share (EPS): (₹ Per share)					
	a. From Continuing Operations					
	Basic	0.62	1.43	3.28	4.43	8.12
	Diluted	0.62	1.43	3.28	4.43	8.12
	b. From Discontinued Operations					
	Basic	(0.13)	(0.05)	(0.00)	(0.53)	(0.15)
	Diluted	(0.13)	(0.05)	(0.00)	(0.53)	(0.15)



STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2024**NOTES:**

- 1) The above standalone financial results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their Meeting held on 27th May, 2024. These financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the rules thereunder and in terms of the SEBI Circular dated 5th July, 2016.
- 2) The statutory auditors of the Company have carried out an audit of the above standalone financial results for the quarter and year ended 31st March, 2024 and have issued an unqualified audit report.
- 3) The Board of Directors had resolved for the closure and winding down of the Chemical Business operations. The Company has completed the disposal process of the assets of the Chemical business by March 31, 2024 hence the Chemical Business operations are discontinued w.e.f. March 31, 2024.
The results of the discontinued operations included in the above results for the year ended 31st March, 2024 are as follows:
Total Income ₹ 802.55 lakhs, Expenses ₹ 1164.43 lakhs, Loss ₹ (361.88) lakhs, Assets ₹ Nil, Liabilities ₹ Nil
- 4) The figures for the quarter ended 31st March, 2024 and 31st March, 2023 are balancing figures between the audited figures in respect of the full financial year and the year-to-date figures upto the third quarter of the relevant financial year.
- 5) As per Ind AS-108 "Operating Segments" issued by the Institute of Chartered Accountants of India, if financial results contain standalone financial results and consolidated financial results, no separate disclosure on segment information is required to be given in the standalone financial results. Accordingly, segment information has been disclosed in the Consolidated Financial Results of the Company.
- 6) The Company on 26th September 2023, had completed the acquisition of 35.56% profit share with a controlling interest in Kinam Engineering Industries (Kinam) (a partnership firm). The Company had also acquired 0.50% equity shareholding in Kinam Enterprise Private Limited (KEPL). The Board has approved an additional acquisition of 34.44% profit share and increase in controlling interest, subject to fulfillment of certain obligations and NCLT approval, by way of amalgamation of KEPL into the Company.
- 7) A Business Succession Agreement and a Shareholders Agreement have been executed on 10th January, 2024 effective from 1st January, 2024 between Kinam Engineering Industries, its partners and Kinam Engineering Industries Private Limited (KEIPL), a company incorporated on 9th October, 2023, for the business succession and functioning of KEIPL.
- 8) Exceptional item represents transaction cost related to acquisition of a subsidiary during the period / Year.
- 9) The Board has recommended dividend @ 55 % (₹ 1.10) per equity share and declared dividend @ 9.5 % (₹ 0.19) per preference share at its meeting held on 27th May, 2024.
- 10) Previous period figures have been re-grouped/re-classified, wherever necessary.

For, HLE Glascoat Limited

Mr. Himanshu Patel
Managing Director
Silvassa, Dated 27th May 2024



STANDALONE BALANCE SHEET AS AT 31 MARCH 2024

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
I) ASSETS		
1) Non-Current Assets		
a) Property, plant and equipment	22,184.25	21,556.73
b) Right of use assets	704.21	768.69
c) Capital work-in-progress	1,586.24	192.10
d) Investment property	132.31	137.17
e) Other intangible assets	212.90	286.36
f) Financial assets		
(i) Investments	22,809.97	14,596.82
(ii) Others financial assets	139.95	124.76
g) Non current tax assets (net)	1,196.81	991.67
h) Other non-current assets	204.67	78.35
2) Current Assets		
a) Inventories	20,626.87	18,245.19
b) Financial assets		
(i) Trade receivables	13,238.21	17,181.82
(ii) Cash and cash equivalents	347.04	3.99
(iii) Bank balances other than cash and cash equivalents	658.97	1,048.57
(iv) Loans	23.91	23.58
(v) Others financial assets	246.01	919.05
c) Other current assets	1,007.01	1,594.97
TOTAL ASSETS	85,319.33	77,749.82
II) EQUITY AND LIABILITIES		
1) Equity		
a) Equity share capital	1,365.31	1,365.31
b) Other equity	33,407.68	31,527.19
Total Equity	34,772.99	32,892.50
2) LIABILITIES		
i) Non-Current Liabilities		
a) Financial liabilities		
(i) Borrowings	14,670.75	9,837.24
(ii) Lease liabilities	201.93	265.10
(iii) Other financial liabilities	1,491.68	2,048.74
b) Other non-current liabilities	-	-
c) Provisions	123.15	62.61
d) Deferred tax liabilities (net)	1,061.88	1,372.19
ii) Current Liabilities		
a) Financial liabilities		
(i) Borrowings	19,245.30	14,256.14
(ii) Lease liabilities	63.18	55.33
(iii) Trade payables		
Outstanding dues of micro enterprises and small enterprises	619.50	126.04
Outstanding dues of creditors other than micro enterprises and small enterprises	7,243.43	9,211.74
(iv) Other financial liabilities	1,462.46	1,429.91
b) Other current liabilities	4,006.35	5,896.22
c) Provisions	356.73	296.06
Total Liabilities	50,546.34	44,857.32
TOTAL EQUITY AND LIABILITIES	85,319.33	77,749.82

For, HLE Glascoat Limited


 Mr. Himanshu Patel
 Managing Director
 Silvassa, Dated 27th May 2024



STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH 2024

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX	3,135.95	7,221.28
Adjustment for :		
Depreciation	1,397.36	1,257.30
Finance cost	2,663.73	2,154.59
Foreign currency unrealised (gain) (Net)	545.01	(168.46)
Share of loss/(profit) in subsidiary	(191.78)	71.40
Expected credit loss provision	60.00	25.01
Provision for doubtful advances	-	11.02
Interest income	(71.39)	(41.99)
Dividend income	(809.10)	(663.08)
Deferred income	(12.09)	-
Bad debts written off	0.94	0.03
Remeasurements of defined benefit plans	(43.34)	1.02
Net gain on sale of investments	(26.83)	-
Sundry balance/provision written back	(124.95)	(8.14)
(Gain)/loss on sale & disposal of fixed assets	239.50	(41.32)
	3,627.06	2,597.38
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	6,763.01	9,818.66
Trade receivables	3,882.54	(8,980.19)
Other current assets	587.96	396.77
Other financial assets	121.10	(240.16)
Loans and advances	(0.33)	(6.44)
Inventories	(2,381.67)	1,174.62
Trade payable	(1,476.46)	(1,049.52)
Provisions	121.21	82.75
Other financial liabilities	(45.01)	219.39
Other liabilities	(1,764.92)	1,738.03
	(955.58)	(6,664.75)
CASH GENERATED FROM OPERATIONS	5,807.43	3,153.91
Direct taxes paid	(976.66)	(1,893.83)
NET CASH FROM OPERATING ACTIVITIES	4,830.77	1,260.08
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE including capital work in progress and capital advance	(4,119.41)	(3,863.60)
Proceeds from sale of property, plant and equipment	1.40	118.44
Investment in subsidiaries	(8,213.15)	1,093.89
Share of /profit/(loss) in subsidiary	191.78	(71.40)
Increase in Fixed deposits with banks	392.11	112.13
Sales of investments (Net)	26.83	-
Interest income	70.90	36.05
Dividend income	809.10	663.08
	(10,840.44)	(1,911.41)
NET CASH USED IN INVESTING ACTIVITIES		
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from working capital facilities (Net)	4,701.61	5,629.35
Proceeds from long-term borrowings	9,303.87	514.26
Repayment of Inter-corporate loan (Net)	-	(150.00)
Repayments of term loans	(4,448.04)	(2,211.56)
Redemption of preference share	(747.74)	(747.74)
Interest paid	(1,706.06)	(1,709.25)
Dividend paid	(750.92)	(682.65)
	6,352.72	642.41
NET CASH FROM FINANCING ACTIVITIES		
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	343.05	(8.92)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	3.99	12.91
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	347.04	3.99

For HLE Glascoat Limited


Mr. Himanshu Patel
Managing Director
Silvassa, Dated 27th May 2024



INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL RESULTS

To
The Board of Directors,
HLE GLASCOAT LTD.

Opinion

1. We have audited the accompanying Consolidated financial results of HLE Glascoat Ltd (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the quarter and year ended 31st March, 2024 ("the Statement"), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on separate audited financial statements of the subsidiary, the aforesaid consolidated financial results:
 - a) include the financial results of the following entities

Sr.No	Name of the Entity	Country of Incorporation	Relationship
1	HLE Glascoat Ltd.	India	Parent
2	HL Equipments (Partnership Firm)	India	Subsidiary
3	Thaletec GmbH	Germany	Wholly Owned Subsidiary
4	Thaletec USA Inc.	USA	Step-Down Subsidiary
5	Kinam Engineering Industries	India	Subsidiary upto 31 st December 2023
6	Kinam Engineering Industries Pvt. Ltd.	India	Subsidiary w.e.f. 1 st January, 2024
7	Kinam Enterprise Pvt. Ltd.	India	Subsidiary w.e.f. 1 st October 2023
8	Kinam Process Equipment Pvt. Ltd.	India	Step-Down Subsidiary w.e.f. 1 st October 2023

- b) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net profit and consolidated other comprehensive income and other financial information for the quarter and year ended 31st March 2024.



Basis for opinion

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

Management's Responsibilities for the Consolidated Financial Results

4. This statement which includes Consolidated Financial Results is the responsibility of the Holding Company's Board of Directors and has been approved by them for issuance. The statement has been prepared on the basis of the Consolidated Financial Statements for the three months and year ended 31st March 2024. This responsibility includes preparation and presentation of the Consolidated Financial Results that give a true and fair view of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Ind AS prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the firm/companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each firm/company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Management and the Directors of the Holding Company, as aforesaid.
5. In preparing the consolidated financial results, the respective Management and Board of Directors of the firm/companies included in the Group are responsible for assessing the ability of each firm/company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Management and Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.
6. The respective Management and Board of Directors of the firm/companies included in the Group are responsible for overseeing the financial reporting process of each firm/company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

7. Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 consolidated financial results.

8. 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 consolidated financial results, 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 Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates by the Management and Board of Directors.
 - Evaluate the appropriateness and the reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
 - Conclude on the appropriateness of the Management and Board of Directors 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 ability of the Group 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 statement 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 Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entity included in the consolidated financial results, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors 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.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

9. The Statement includes the financial results and other financial information of six subsidiaries whose financial results have been audited by us.

The consolidated audited financial results include the financial results of a foreign subsidiary, Thaletec GmbH, whose financial information have been prepared in accordance with accounting principles generally accepted in its country which have been audited by local auditors under generally accepted accounting standards applicable in its country. The Parent Company's management has converted the financial information from accounting principles generally accepted in their respective country to accounting principles generally accepted in India.


The consolidated audited financial results include the financial results of a foreign step-down subsidiary (Thaletec USA Inc) whose financial information have been prepared in accordance with accounting principles generally accepted in its country which have been certified by the Parent company's management under generally accepted accounting standards applicable. The Parent Company's management has converted the financial information from accounting principles generally accepted in its country to accounting principles generally accepted in India. According to the information and explanations given to us by the Management, these financial results are not material to the Group for these financial results.

We did not audit the financial results and other financial information of one wholly owned foreign subsidiary and its step-down subsidiary whose financial results reflect Group's share of total assets of Rs. 17,070.23 Lakh as on 31st March 2024, total revenue of Rs. 8,272.76 Lakh and Rs. 29,134.24 Lakh, total comprehensive income of Rs. 173.22 Lakh and Rs. 1,152.96 Lakh respectively for the quarter and year ended 31st March 2024, as considered in the consolidated financial results.

Our opinion on the consolidated financial results is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

10. The consolidated financial results include the results for the quarter ended 31st March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us, except its foreign and stepdown subsidiaries.

For M M NISSIM & CO, LLP
Chartered Accountants
(Reg.No.107122W / W100672)


N KASHINATH
Partner
M.No.036490
UDIN:
Silvassa
27th May, 2024



UDIN:- 24036490BKGTSA5192

Page 4 of 4

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2024

₹ in lakhs (except EPS)

S. No.	Particulars	CONSOLIDATED				
		Quarter Ended			Year Ended	
		31-Mar-24	31-Dec-23	31-Mar-23	31-Mar-24	31-Mar-23
	AUDITED	UNAUDITED	AUDITED	AUDITED	AUDITED	
I	Revenue from operations	30,689.79	23,923.12	29,834.18	96,792.02	93,202.30
II	Other income	196.77	402.92	294.18	881.62	802.73
III	Total Income (I + II)	30,886.56	24,326.04	30,128.36	97,673.64	94,005.03
IV	Expenses:					
	(a) Cost of materials consumed	11,361.50	10,915.92	13,000.28	45,357.49	42,097.43
	(b) Changes in inventories of finished goods and work-in-progress	4,182.22	(683.16)	1,449.14	(1,318.24)	776.07
	(c) Power and Fuel	1,199.44	1,172.66	1,426.55	4,743.43	4,224.47
	(d) Labour Charges	1,774.47	1,748.77	1,890.07	6,516.35	6,189.69
	(e) Employee benefits expense	4,972.88	4,576.87	4,385.92	17,744.82	14,721.93
	(f) Finance costs	1,033.74	969.55	895.32	3,057.97	2,304.61
	(g) Depreciation and amortisation expense	694.91	733.24	579.07	2,631.06	2,269.88
	(h) Other expenses	3,550.67	3,724.37	3,246.03	12,542.08	11,488.14
	Total expenses	28,769.83	23,158.22	26,872.38	91,274.96	84,072.22
V	Profit before exceptional and extraordinary items and tax (III - IV)	2,116.73	1,167.82	3,255.98	6,398.68	9,932.81
VI	Exceptional items (Refer Note 8)	-	343.82	-	530.97	-
VII	Profit before extraordinary items and tax (V - VI)	2,116.73	824.00	3,255.98	5,867.71	9,932.81
VIII	Extraordinary items	-	-	-	-	-
IX	Profit before tax (VII - VIII)	2,116.73	824.00	3,255.98	5,867.71	9,932.81
X	Tax expense:					
	(a) Current tax	785.00	421.24	837.29	2,188.89	2,590.49
	(b) Short provision of earlier year	11.25	-	2.12	11.25	2.72
	(c) Deferred tax	(159.76)	(194.66)	137.78	(421.29)	358.95
XI	Profit for the period (IX - X)	1,480.24	597.42	2,278.79	4,088.86	6,980.65
XII	Profit Before Tax for the period from Continuing Operations	2,202.99	858.18	3,257.40	6,229.59	10,033.36
XIII	Tax Expense of Continuing Operations	636.49	226.58	977.19	1,778.85	2,952.16
XIV	Profit for the period from Continuing Operations (XII - XIII)	1,566.50	631.60	2,280.21	4,450.74	7,081.20
XV	Loss Before Tax for the period from Discontinued Operations (Refer Note 3)	(86.26)	(34.18)	(1.42)	(361.88)	(100.55)
XVI	Tax expense of Discontinued Operations	-	-	-	-	-
XVII	Loss for the period from Discontinued Operations (XV - XVI)	(86.26)	(34.18)	(1.42)	(361.88)	(100.55)
XVIII	Profit for the Period (XIV + XVII)	1,480.24	597.42	2,278.79	4,088.86	6,980.65
XIX	Other Comprehensive Income					
	(a) Items that will not be reclassified to the Consolidated Statement of Profit and Loss					
	(i) Remeasurements of Defined benefit plans	(296.13)	70.41	153.24	(86.50)	234.13
	(ii) Income tax relating to items that will not be reclassified to the Consolidated Statement of Profit and Loss	88.66	(22.20)	(47.01)	22.68	(73.70)
	(b) Items that will be reclassified to the Consolidated Statement of Profit and Loss					
	(i) Exchange difference in translating the financial statements of foreign components	(305.77)	493.79	249.23	102.21	857.64
	(ii) Income tax relating to items that will be reclassified to the Consolidated Statement of Profit and Loss	-	-	-	-	-
XX	Total Comprehensive income for the period (XVIII+XIX)	967.00	1,139.42	2,634.25	4,127.25	7,998.72



STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2024

₹ in lakhs (except EPS)

S. No.	Particulars	CONSOLIDATED				
		Quarter Ended		Year Ended		
		31-Mar-24	31-Dec-23	31-Mar-23	31-Mar-24	31-Mar-23
	AUDITED	UNAUDITED	AUDITED	AUDITED	AUDITED	
XXI(A)	Profit attributable to:					
	Owners of the company	993.30	300.05	2,278.76	2,968.71	6,981.37
	Non-controlling interest	486.94	297.37	0.03	1,120.15	(0.72)
XXI(B)	Other comprehensive income attributable to:					
	Owners of the company	(499.36)	542.00	355.46	52.27	1,018.07
	Non-controlling interest	(13.88)	-	-	(13.88)	-
XXI(C)	Total comprehensive income for the year attributable to:					
	Owners of the company	493.94	842.05	2,634.22	3,020.98	7,999.44
	Non-controlling interest	473.06	297.37	0.03	1,106.27	(0.72)
XXII	Paid up equity share capital (Face value of ₹ 2 /- each)	1,365.31	1,365.31	1,365.31	1,365.31	1,365.31
XXIII	Other Equity				40,314.83	31,304.32
XXIV	Earnings per equity share (EPS): (₹ Per share)					
	a. From Continuing Operations					
	Basic	2.29	0.93	3.34	6.52	10.37
	Diluted	2.29	0.93	3.34	6.52	10.37
	b. From Discontinued Operations					
	Basic	(0.13)	(0.05)	(0.00)	(0.53)	(0.15)
	Diluted	(0.13)	(0.05)	(0.00)	(0.53)	(0.15)

NOTES:

- The above consolidated financial results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 27th May 2024. These financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the rules thereunder and in terms of the SEBI Circular dated 5th July, 2016.
- The statutory auditors of the Holding Company have carried out an audit of the above consolidated financial results for the quarter and year ended 31st March, 2024 and have issued an unqualified audit report.
- The Board of Directors had resolved for the closure and winding down of the Chemical Business operations. The Company has completed the disposal process of the assets of the Chemical business by 31st March, 2024, hence the Chemical Business operations are discontinued w.e.f. 31st March, 2024.
The performance of the discontinued operations included in the above results for the year ended 31st March, 2024 are as follows:
Total Income ₹ 802.55 lakhs, Expenses ₹ 1164.43 lakhs, Loss ₹ (361.88) lakhs, Assets ₹ Nil, Liabilities ₹ Nil

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2024

- 4) The figures for the quarter ended 31st March, 2024 and 31st March, 2023 are balancing figures between the audited figures in respect of the full financial year and the year-to-date figures upto the third quarter of the relevant financial year.
- 5) The Company on 26th September 2023, had completed the acquisition of 35.56% profit share with a controlling interest in Kinam Engineering Industries (Kinam) (a partnership firm). The Company had also acquired 0.50% equity shareholding in Kinam Enterprise Private Limited (KEPL). The Board has approved an additional acquisition of 34.44% profit share and increase in controlling interest, subject to fulfillment of certain obligations and NCLT approval, by way of amalgamation of KEPL into the Company.
- 6) A Business Succession Agreement and a Shareholders Agreement have been executed on 10th January 2024 to be effective from 1st January, 2024 between Kinam Engineering Industries, its partners and Kinam Engineering Industries Private Limited (KEIPL), a company incorporated on 9th October, 2023, for the business succession and functioning of KEIPL.
- 7) The consolidated financial results for the quarter and year ended 31st March, 2024, include the financial results of Kinam Engineering Industries, Kinam Engineering Industries Private Limited, Kinam Enterprise Private Limited and Kinam Process Equipment Private Limited. The financial results and the financial position for the quarter and year ended 31st March, 2024 are not comparable with the financial results for the quarter and year ended 31st March, 2023 and the financial position as at 31st March, 2023 to that extent.
- 8) Exceptional item represents transaction cost related to acquisition of a subsidiary during the period / year.
- 9) The Board has recommended dividend @ 55 % (₹ 1.10) per equity share and declared dividend @ 9.5 % (₹ 0.19) per preference share at its meeting held on 27th May, 2024.
- 10) Previous period figures have been re-grouped/re-classified, wherever necessary.

For, HLE Glascoat Limited



Mr. Himanshu Patel
Managing Director
Date: 27th May 2024
Place: Silvassa

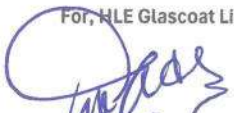


SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE YEAR ENDED 31st MARCH, 2024

₹ in Lakhs

Particulars	CONSOLIDATED				
	Quarter Ended			Year Ended	
	31-Mar-24	31-Dec-23	31-Mar-23	31-Mar-24	31-Mar-23
	AUDITED	UNAUDITED	AUDITED	AUDITED	AUDITED
1) Segment Revenue:					
a) Filtration, Drying and Other Equipment	11,515.90	9,219.49	11,332.38	37,366.66	34,418.83
b) Glass Lined Equipment	12,768.75	11,605.06	18,185.04	49,675.65	57,907.86
c) Heat Transfer Equipment	5,946.91	2,922.68	-	8,869.59	-
d) Unallocable Revenue	458.23	175.89	316.76	880.12	875.61
Total	30,689.79	23,923.12	29,834.18	96,792.02	93,202.30
2) Segment Results:					
Profit before interest and tax					
a) Filtration, Drying and Other Equipment	1,564.72	1,175.25	1,638.39	5,135.20	4,442.90
b) Glass Lined Equipment	426.03	601.91	2,417.96	2,900.09	8,063.98
c) Heat Transfer Equipment	1,255.18	860.43	-	2,160.27	-
Total	3,245.93	2,637.59	4,056.35	10,195.56	12,506.88
Less : Finance Costs	1,033.74	969.55	895.32	3,057.97	2,304.61
Less : Other Unallocable Expense net of Unallocable (Income)	95.46	844.04	(94.95)	1,269.88	269.46
Total	2,116.73	824.00	3,255.98	5,867.71	9,932.81
3) Segment Assets:					
a) Filtration, Drying and Other Equipment	41,397.09	42,828.79	32,410.58	41,397.09	32,410.58
b) Glass Lined Equipment	55,949.99	56,996.03	53,181.17	55,949.99	53,181.17
c) Heat Transfer Equipment	20,948.39	18,200.08	-	20,948.39	-
Unallocable Assets	1,900.22	3,968.24	3,855.75	1,900.22	3,855.75
Total	1,20,195.69	1,21,993.14	89,447.50	1,20,195.69	89,447.50
4) Segment Liabilities:					
a) Filtration, Drying and Other Equipment	7,367.49	9,018.97	7,390.41	7,367.49	7,390.41
b) Glass Lined Equipment	22,015.62	22,816.90	23,819.76	22,015.62	23,819.76
c) Heat Transfer Equipment	6,165.69	6,208.62	-	6,165.69	-
Unallocable Liabilities	34,976.54	37,269.73	25,554.44	34,976.54	25,554.44
Total	70,525.34	75,314.22	56,764.61	70,525.34	56,764.61

For, HLE Glascoat Limited



Mr. Himanshu Patel
 Managing Director
 Date: 27th May 2024
 Place: Silvassa



CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2024

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
I) ASSETS		
1) Non-Current Assets		
a) Property, plant and equipment	31,467.22	29,902.09
b) Right of use assets	3,008.32	1,406.15
c) Capital work-in-progress	1,943.06	290.53
d) Investment property	132.31	137.17
e) Goodwill	4,034.69	51.30
f) Other intangible assets	15,472.03	326.52
g) Financial assets;		
(i) Others financial assets	500.17	133.55
h) Deferred tax assets (Net)	11.01	-
i) Non current tax assets (net)	1,395.19	1,200.91
j) Other non-current assets	204.67	78.35
2) Current Assets		
a) Inventories	31,214.90	26,847.33
b) Financial assets;		
(i) Trade receivables	23,718.02	24,279.85
(ii) Cash and cash equivalents	3,328.58	268.24
(iii) Bank balances other than cash and cash equivalents	1,218.33	1,358.22
(iv) Loans	23.91	23.58
(v) Others financial assets	274.12	963.82
c) Other current assets	2,249.16	2,179.89
TOTAL ASSETS	1,20,195.69	89,447.50
II) EQUITY AND LIABILITIES		
1) Equity		
a) Equity share capital	1,365.31	1,365.31
b) Other equity	40,314.83	31,304.32
c) Non controlling interest	7,990.21	13.26
Total Equity	49,670.35	32,682.89
2) LIABILITIES		
i) Non-Current Liabilities		
a) Financial liabilities		
(i) Borrowings	14,670.75	9,837.24
(ii) Lease liabilities	2,367.09	736.76
(iii) Other financial liabilities	1,491.68	2,048.74
b) Other non-current liabilities	8.59	12.49
c) Provisions	2,082.53	1,853.29
d) Deferred tax liabilities (net)	1,173.33	1,602.95
ii) Current Liabilities		
a) Financial liabilities		
(i) Borrowings	21,576.05	14,872.00
(ii) Lease liabilities	348.01	230.57
(iii) Trade payables		
- Outstanding dues of micro enterprises and small enterprises	1,126.42	126.18
- Outstanding dues of creditors other than micro enterprises and small enterprises	9,934.38	11,351.96
(iv) Other financial liabilities	2,326.29	2,086.59
b) Other current liabilities	12,276.98	10,819.41
c) Provisions	1,005.49	915.68
d) Income tax liabilities	137.75	270.75
Total Liabilities	70,525.34	56,764.61
TOTAL EQUITY AND LIABILITIES	1,20,195.69	89,447.50

For, HLE Glascoat Limited

 Mr. Himanshu Patel
 Managing Director
 Date: 27th May 2024
 Place: Silvassa



CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	₹ in Lakhs	
	Year ended 31 March 2024	Year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX	5,867.71	9,932.81
Adjustment for:		
Depreciation	2,550.72	2,269.88
Finance cost	3,057.97	2,304.61
Foreign currency unrealised (gain) (Net)	545.01	(168.46)
Expected credit loss	89.20	25.03
Provision for doubtful advances	-	11.32
Interest income	(91.96)	(47.57)
Dividend income	-	-
Rent Income	-	(37.60)
Deferred income	(15.99)	(0.92)
Bad debts written off	0.94	0.03
Remeasurements of defined benefit plans	(57.72)	234.13
Net gain on sale of investments	(26.83)	-
Sundry balance/provision written back	(126.25)	(30.87)
(Gain)/loss on sale & disposal of fixed assets	238.95	(84.14)
	<u>6,164.04</u>	<u>4,475.44</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	12,031.75	14,408.25
Trade receivables	1,665.11	(8,882.70)
Other current assets	569.70	315.59
Other financial assets	(110.82)	(261.42)
Loans and advances	(0.33)	(6.30)
Inventories	(1,433.75)	(29.22)
Trade payable	(1,348.08)	(2,264.50)
Provisions	288.07	(317.75)
Other non current financial liabilities	78.12	425.03
Other current financial liabilities	29.72	-
Other liabilities	171.66	388.44
	<u>(90.60)</u>	<u>(10,632.83)</u>
CASH GENERATED FROM OPERATIONS	11,941.15	3,775.42
Direct taxes paid	(2,595.28)	(3,287.83)
NET CASH FROM OPERATING ACTIVITIES	9,345.87	487.59
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE including capital work in progress and capital advance	(5,436.66)	(4,846.29)
Proceeds from sale of property, plant and equipment	2.43	717.54
Increase in Fixed deposits with banks	862.65	45.75
Sales of investments (Net)	26.83	-
Interest income	77.94	41.22
Dividend income	-	-
NET CASH USED IN INVESTING ACTIVITIES	(4,466.81)	(4,041.78)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from working capital facilities (Net)	4,838.16	5,695.03
Proceeds from long-term borrowings	9,304.85	514.26
Repayment of Inter-corporate loan (Net)	-	(150.00)
Proceeds from Issue of share capital/share warrants	668.14	-
Repayments of term loans	(4,456.93)	(2,194.53)
Redemption of preference share	(747.74)	(747.74)
Net movement in capital/equity	(8,541.62)	729.23
Interest paid	(2,124.90)	(1,840.52)
Dividend paid	(750.92)	(681.86)
Contribution by Non controlling interest	(9.29)	5.58
NET CASH FROM FINANCING ACTIVITIES	(1,820.25)	1,329.45
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	3,058.81	(2,224.74)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	268.24	2,492.98
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR ON THE ACQUISITION OF SUBSIDIARY	1.53	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	3,328.58	268.24

For, HLE Glascoat Limited


Mr. Himanshu Patel
Managing Director
Date: 27th May 2024
Place: Silvassa



STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON 31st DECEMBER, 2024

₹ in lakhs (except EPS)

S. No.	Particulars	STANDALONE					
		Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-24	30-Sep-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Mar-24
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
I	Revenue from operations	13,037.76	11,447.95	14,182.49	35,612.07	42,511.13	59,070.85
II	Other income	93.04	94.39	1,164.79	1,062.21	1,443.37	1,514.34
III	Total Income (I + II)	13,130.80	11,542.34	15,347.28	36,674.28	43,954.50	60,585.19
IV	Expenses:						
	(a) Cost of materials consumed	9,694.73	7,010.93	6,927.81	22,971.98	26,265.89	34,078.32
	(b) Changes in inventories of finished goods and work-in-progress	(2,846.21)	(1,401.36)	328.40	(4,377.65)	(4,047.62)	(2,153.21)
	(c) Power and Fuel	564.73	500.60	581.91	1,542.84	1,846.26	2,377.91
	(d) Labour Charges	1,245.23	1,257.06	1,471.41	3,663.18	4,118.07	5,462.17
	(e) Employee benefits expense	1,446.52	1,504.42	1,413.04	4,358.14	4,122.64	5,507.37
	(f) Finance costs	704.24	712.54	828.63	2,203.92	1,798.13	2,663.73
	(g) Depreciation and amortisation expense	369.57	366.96	357.28	1,096.69	1,046.10	1,397.36
	(h) Other expenses	1,775.89	1,510.10	2,250.40	4,845.43	5,528.99	7,584.62
	Total expenses	12,954.70	11,461.25	14,158.88	36,304.53	40,678.46	56,918.27
V	Profit before exceptional and extraordinary items and tax (III - IV)	176.10	81.09	1,188.40	369.75	3,276.04	3,666.92
VI	Exceptional items	-	-	343.82	-	530.97	530.97
VII	Profit before extraordinary items and tax (V - VI)	176.10	81.09	844.58	369.75	2,745.07	3,135.95
VIII	Extraordinary items	-	-	-	-	-	-
IX	Profit before tax (VII - VIII)	176.10	81.09	844.58	369.75	2,745.07	3,135.95
X	Tax expense:						
	(a) Current tax	-	-	96.38	-	566.61	782.42
	(b) Deferred tax	45.24	75.78	(194.59)	90.43	(148.65)	(310.31)
XI	Profit for the period (IX - X)	130.86	5.31	942.79	279.32	2,327.11	2,663.84
XII	Profit Before Tax for the period from Continuing Operations	176.10	81.09	878.76	369.75	3,020.69	3,135.95
XIII	Tax Expense / (credit) of Continuing Operations	45.24	75.78	(98.21)	90.43	417.96	(72.11)
XIV	Profit for the period from Continuing Operations (XII - XIII)	130.86	5.31	976.97	279.32	2,602.73	3,025.72
XV	Loss Before Tax for the period from Discontinued Operations	-	-	(34.18)	-	(275.62)	(361.88)
XVI	Tax expense of Discontinued Operations	-	-	-	-	-	-
XVII	Loss for the period from Discontinued Operations (XV - XVI)	-	-	(34.18)	-	(275.62)	(361.88)
XVIII	Profit for the Period (XIV + XVII)	130.86	5.31	942.79	279.32	2,327.11	2,663.84
XIX	Other Comprehensive income						
	(a) Items that will not be reclassified to the Statement of Profit and Loss						
	(i) Remeasurements of Defined benefit plans	(3.63)	(3.63)	0.22	(10.89)	0.66	(43.34)
	(ii) Income tax relating to items that will not be reclassified to the Statement of Profit and Loss	-	-	(0.06)	-	(0.17)	10.91
XX	Total Comprehensive income for the period	127.23	1.68	942.95	268.43	2,327.60	2,631.41
XXI	Paid up equity share capital (Face value of ₹ 2 /- each)	1,365.31	1,365.31	1,365.31	1,365.31	1,365.31	1,365.31
XXII	Other Equity	-	-	-	-	-	33,407.68
XXIII	Earnings per equity share (EPS): (₹ Per share)						
	a. From Continuing Operations						
	Basic	0.19	0.01	1.43	0.41	3.81	4.43
	Diluted	0.19	0.01	1.43	0.41	3.81	4.43
	b. From Discontinued Operations						
	Basic	-	-	(0.05)	-	(0.40)	(0.53)
	Diluted	-	-	(0.05)	-	(0.40)	(0.53)

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON 31st DECEMBER, 2024

NOTES:

- 1) The above standalone financial results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their Meeting held on 10th February, 2025, . These financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the rules thereunder and in terms of the SEBI Circular dated 5th July, 2016.
- 2) The statutory auditors of the Company have carried out a limited review of the above standalone financial results for the quarter and nine months ended 31st December, 2024 and have issued an unqualified review report.
- 3) As per Ind AS-108 "Operating Segments" issued by the Institute of Chartered Accountants of India, if financial results contains standalone financial results and consolidated financial results, no separate disclosure on segment information is required to be given in the standalone financial results. Accordingly, segment information has been disclosed in the Consolidated Financial Results of the Company.
- 4) Previous period figures have been re-grouped/re-classified, wherever necessary.

For, HLE Glascoat Limited



Mr. Himanshu K. Patel
Managing Director
Date: 10th February, 2025
Place: Maroli



LIMITED REVIEW REPORT ON UNAUDITED STANDALONE FINANCIAL RESULTS OF HLE GLASCOAT LTD FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER 2024.

To
The Board of Directors,
HLE GLASCOAT LTD.

1. We have reviewed the accompanying Statement of unaudited standalone financial results ("the Statement") of HLE Glascoat Ltd ("the Company") for the quarter and nine months ended 31st December 2024, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (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 the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Regulation 33 of the Listing Regulations. 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 Engagement (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 financial results are free of material misstatement. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. 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 prepared in accordance with applicable accounting standards, as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder 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 M M Nissim & Co LLP
Chartered Accountants
(Reg. No. 107122W/W100672)



Hiren P Muni
Partner
Mem. No. 142067
Place: Maroli

UDIN:- 25142067BMNARF1436
Date : 10th February, 2025.



STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON 31st DECEMBER, 2024

₹ in lakhs (except EPS)

S. No.	Particulars	CONSOLIDATED					
		Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-24	30-Sep-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Mar-24
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	
I	Revenue from operations	23,102.89	23,577.87	23,923.12	69,387.96	66,108.78	96,792.02
II	Other income	193.30	138.77	402.92	510.45	685.29	881.62
III	Total Income (I + II)	23,296.19	23,716.64	24,326.04	69,898.41	66,794.07	97,673.64
IV	Expenses:						
	(a) Cost of materials consumed	13,265.26	10,985.43	10,915.92	34,460.24	33,996.48	45,424.83
	(b) Changes in inventories of finished goods and work-in-progress	(3,691.79)	(1,521.41)	(683.16)	(5,596.23)	(5,500.46)	(1,318.24)
	(c) Power and Fuel	1,177.47	980.57	1,172.66	3,220.20	3,543.99	4,743.43
	(d) Labour Charges	1,602.47	1,787.98	1,748.77	4,972.14	4,741.88	6,516.35
	(e) Employee benefits expense	4,705.53	4,742.40	4,576.87	14,431.56	12,745.52	17,747.90
	(f) Finance costs	878.29	865.23	969.55	2,687.71	2,024.23	3,057.97
	(g) Depreciation and amortisation expense	738.20	730.30	733.24	2,194.56	1,936.15	2,631.06
	(h) Other expenses	3,480.12	3,192.91	3,724.37	9,741.63	9,024.33	12,471.66
	Total expenses	22,155.55	21,763.41	23,158.22	66,111.81	62,512.12	91,274.96
V	Profit before exceptional and extraordinary items and tax (III - IV)	1,140.64	1,953.23	1,167.82	3,786.60	4,281.95	6,398.68
VI	Exceptional items	-	-	343.82	-	530.97	530.97
VII	Profit before extraordinary items and tax (V - VI)	1,140.64	1,953.23	824.00	3,786.60	3,750.98	5,867.71
VIII	Extraordinary items	-	-	-	-	-	-
IX	Profit before tax (VII - VIII)	1,140.64	1,953.23	824.00	3,786.60	3,750.98	5,867.71
X	Tax expense:						
	(a) Current tax	256.09	541.51	421.24	1,134.13	1,403.89	2,188.89
	(b) Provision of earlier year	22.17	100.85	-	123.02	-	11.25
	(c) Deferred tax	(165.80)	(131.27)	(194.66)	(482.89)	(261.53)	(421.29)
XI	Profit for the period (IX - X)	1,028.18	1,442.14	597.42	3,012.34	2,608.62	4,088.86
XII	Profit Before Tax for the period from Continuing Operations	1,140.64	1,953.23	858.18	3,786.60	4,026.60	6,229.59
XIII	Tax Expense of Continuing Operations	112.46	511.09	226.58	774.26	1,142.36	1,778.85
XIV	Profit for the period from Continuing Operations (XII - XIII)	1,028.18	1,442.14	631.60	3,012.34	2,884.24	4,450.74
XV	Loss Before Tax for the period from Discontinued Operations	-	-	(34.18)	-	(275.62)	(361.88)
XVI	Tax expense of Discontinued Operations	-	-	-	-	-	-
XVII	Loss for the period from Discontinued Operations (XV - XVI)	-	-	(34.18)	-	(275.62)	(361.88)
XVIII	Profit for the Period (XIV + XVII)	1,028.18	1,442.14	597.42	3,012.34	2,608.62	4,088.86
XIX	Other Comprehensive income						
	(a) Items that will not be reclassified to the Consolidated Statement of Profit and Loss						
	(i) Remeasurements of Defined benefit plans	(18.34)	(18.35)	70.41	(54.90)	209.63	(86.50)
	(ii) Income tax relating to items that will not be reclassified to the Consolidated Statement of Profit and Loss	2.37	2.38	(22.20)	7.08	(65.98)	22.68
	(b) Items that will be reclassified to the Consolidated Statement of Profit and Loss						
	(i) Exchange difference in translating the financial statements of foreign components	(787.31)	781.40	493.79	(186.48)	407.98	102.21
	(ii) Income tax relating to items that will be reclassified to the Consolidated Statement of Profit and Loss	-	-	-	-	-	-
XX	Total Comprehensive income for the period (XVIII+XIX)	224.90	2,207.57	1,139.42	2,778.04	3,160.25	4,127.25
XXI(A)	Profit attributable to:						
	Owners of the company	849.40	1,268.91	300.05	2,458.68	2,232.37	2,968.71
	Non-controlling interest	178.78	173.23	297.37	553.66	376.25	1,120.15
XXI(B)	Other comprehensive income attributable to:						
	Owners of the company	(798.64)	770.06	542.00	(220.39)	551.63	52.27
	Non-controlling interest	(4.64)	(4.63)	-	(13.91)	-	(13.88)
XXI(C)	Total comprehensive income for the year attributable to:						
	Owners of the company	50.76	2,038.97	842.05	2,238.29	2,784.00	3,020.98
	Non-controlling interest	174.14	168.60	297.37	539.75	376.25	1,106.27
XXII	Paid up equity share capital (Face value of ₹ 2 /- each)	1,365.31	1,365.31	1,365.31	1,365.31	1,365.31	1,365.31
XXIII	Other Equity	-	-	-	-	-	40,314.83
XXIV	Earnings per equity share (EPS): (₹ Per share)						
	a. From Continuing Operations						
	Basic	1.51	2.11	0.93	4.41	4.23	6.52
	Diluted	1.51	2.11	0.93	4.41	4.23	6.52
	b. From Discontinued Operations						
	Basic	-	-	(0.05)	-	(0.40)	(0.53)
	Diluted	-	-	(0.05)	-	(0.40)	(0.53)



Anand Works (Regd Office):
H-106, GIDC, Vitthal Udyognagar,
Anand - 388 121, Gujarat, India.
Phone: +91 2692 236842 to 45

Maroli Works:
A-6, Maroli Udyognagar, At Post: Maroli
Bazar, Navsari - 396 436, Gujarat, India.
Phone: +91 2637 270150 to 59

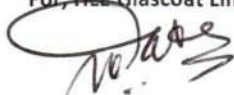
Silvassa Works:
Survey No. 183/P1, Zaroli Road, Village: Naroli,
Silvassa, Dadra & Nagar Haveli - 396 230, India.
Phone: +91 98251 15813 / +91 98251 25953

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON 31st DECEMBER, 2024

NOTES:

- 1) The above consolidated financial results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their Meeting held on 10th February, 2025. These financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the rules thereunder and in terms of the SEBI Circular dated 5th July, 2016.
- 2) The statutory auditors of the Company have carried out a limited review of the above consolidated financial results for the quarter and nine months ended 31st December, 2024 and have issued an unqualified review report.
- 3) The consolidated financial results for the quarter and nine months ended 31st December, 2024, includes the financial results of Kinam Engineering Industries, Kinam Engineering Industries Private Limited, Kinam Enterprise Private Limited and Kinam Process Equipment Private Limited. The financial results for the quarter and nine months ended 31st December, 2024 are not comparable with the financial results for the quarter and nine months ended 31st December, 2023 to that extent.
- 4) The Consolidated Statement includes the results of the following subsidiaries:
 - a) Thaletec GmbH
 - b) Thaletec USA Inc.
 - c) Kinam Engineering Industries
 - d) Kinam Engineering Industries Private Limited
 - e) Kinam Enterprise Private Limited
 - f) Kinam Process Equipment Private Limited
 - g) Thaletec (Formerly known as HL Equipments)
- 5) Previous period figures have been re-grouped/re-classified, wherever necessary.

For, HLE Glascoat Limited



Mr. Himanshu K. Patel
Managing Director
Date: 10th February, 2025
Place: Maroli

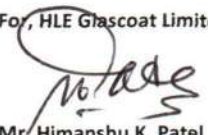


SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND NINE MONTHS ENDED ON 31st
DECEMBER, 2024

₹ in lakhs

Particulars	CONSOLIDATED					
	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-24	30-Sep-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Mar-24
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1) Segment Revenue:						
a) Filtration, Drying and Other Equipment	7,111.06	6,495.48	9,219.49	20,488.36	25,850.76	37,366.66
b) Glass Lined Equipment	13,669.43	14,439.93	11,605.06	41,426.74	36,906.90	49,675.65
c) Heat Transfer Equipment	2,232.85	2,473.60	2,922.68	6,815.89	2,929.23	8,869.59
d) Unallocable Revenue	89.55	168.86	175.89	656.97	421.89	880.12
Total	23,102.89	23,577.87	23,923.12	69,387.96	66,108.78	96,792.02
2) Segment Results:						
Profit before interest and tax						
a) Filtration, Drying and Other Equipment	821.08	699.41	1,175.25	2,447.82	3,572.60	5,135.20
b) Glass Lined Equipment	1,000.92	1,936.89	601.91	3,536.10	2,474.06	2,900.09
c) Heat Transfer Equipment	231.19	255.42	860.43	687.06	860.43	2,160.27
Total	2,053.19	2,891.72	2,637.59	6,670.98	6,907.09	10,195.56
Less : Finance Costs	878.29	865.23	969.55	2,687.71	2,024.23	3,057.97
Less : Other Unallocable Expenditure net off Unallocable income	34.26	73.26	844.04	196.67	1,131.88	1,269.88
Total	1,140.64	1,953.23	824.00	3,786.60	3,750.98	5,867.71
3) Segment Assets:						
a) Filtration, Drying and Other Equipment	34,402.15	30,467.71	42,828.79	34,402.15	42,828.79	33,165.00
b) Glass Lined Equipment	55,917.76	56,134.60	56,996.03	55,917.76	56,996.03	55,949.99
c) Heat Transfer Equipment	35,655.48	29,684.79	18,200.08	35,655.48	18,200.08	29,180.48
Unallocable Assets	2,272.26	2,148.96	3,968.24	2,272.26	3,968.24	1,900.22
Total	1,28,247.65	1,18,436.06	1,21,993.14	1,28,247.65	1,21,993.14	1,20,195.69
4) Segment Liabilities:						
a) Filtration, Drying and Other Equipment	13,141.05	7,541.84	9,018.97	13,141.05	9,018.97	7,367.49
b) Glass Lined Equipment	19,843.49	20,891.06	22,816.90	19,843.49	22,816.90	22,015.62
c) Heat Transfer Equipment	11,798.67	6,118.99	6,208.62	11,798.67	6,208.62	6,165.69
Unallocable Liabilities	31,761.02	32,410.90	37,269.73	31,761.02	37,269.73	34,976.54
Total	76,544.23	66,962.79	75,314.22	76,544.23	75,314.22	70,525.34

For, HLE Glascoat Limited


Mr. Himanshu K. Patel
Managing Director
Date: 10th February, 2025
Place: Maroli



Anand Works (Regd Office):
H-106, GIDC, Vitthal Udyognagar,
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Phone: +91 2692 236842 to 45

Maroli Works:
A-6, Maroli Udyognagar, At Post: Maroli
Bazar, Navsari - 396 436, Gujarat, India.
Phone: +91 2637 270150 to 59

Silvassa Works:
Survey No. 183/P1, Zaroli Road, Village: Naroli,
Silvassa, Dadra & Nagar Haveli - 396 230, India.
Phone: +91 98251 15813 / +91 98251 25953

**LIMITED REVIEW REPORT ON UNAUDITED CONSOLIDATED FINANCIAL RESULTS OF
HLE GLASCOAT LTD FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER
2024**

Independent Auditor's Review Report

To,
The Board of Directors,
HLE Glascoat Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of HLE Glascoat Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter and nine month ended 31st December 2024 ("the Statement"), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").
2. This Statement is the responsibility of the Holding Company's Management and is approved by the Holding Company's Board of Directors. The statement, as it relates to the quarter and nine months ended 31st December 2024, has been compiled from the related Consolidated Financial Statements prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued there under and other accounting principles generally accepted in India and in compliance with the Regulation 33 of the Listing Regulations. 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 Engagement (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 financial results are free of material misstatement. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.



4. The statement includes the results of the following entities:

Sr. No.	Name of the Entity	Country of Incorporation	Relationship
1.	HLE Glascoat Limited	India	Parent
2.	Thaletec (Partnership Firm - Previously known as HL Equipments)	India	Subsidiary
3.	Thaletec GmbH	Germany	Wholly Owned Subsidiary
4.	Thaletec USA Inc.	USA	Step-Down Subsidiary
5.	Kinam Engineering Industries (Partnership Firm)	India	Subsidiary from 26 th September 2023 to 11 th November 2024 (date of Dissolution)
6.	Kinam Engineering Industries Pvt. Ltd.	India	Subsidiary w.e.f. 1 st January 2024
7.	Kinam Enterprise Pvt. Ltd	India	Subsidiary w.e.f. 1 st October 2023
8.	Kinam Process Equipment Pvt. Ltd	India	Step-Down Subsidiary w.e.f. 1 st October 2023

5. The Statement includes the financial results and other financial information of five subsidiaries whose financial results have been reviewed by us.

The statement includes the interim financial results and other financial information of one foreign subsidiary and its step-down subsidiary whose interim financial results reflect Group's share of total revenue of Rs. 7,937.85 lakh and Rs. 27,257.26 lakh, total comprehensive income of Rs.599.32 lakh and Rs. 2,837.25 lakh respectively for the quarter and nine months ended 31st December 2024, as considered in the consolidated financial results.

The financial information of the foreign subsidiary have been prepared in accordance with accounting principles generally accepted in its country which have been reviewed by local auditors under generally accepted accounting standards applicable in its country. The Parent Company's management has converted the financial information from accounting principles generally accepted in their respective country to accounting principles generally accepted in India.

The financial information of the step-down subsidiary have been prepared in accordance with accounting principles generally accepted in its country which have been reviewed by the Parent company's management under generally accepted accounting standards applicable. The Parent Company's management has converted the financial information from accounting principles generally accepted in its country to accounting principles generally accepted in India. According to the information and explanations given to us by the Management, these financial results of the step-down subsidiary are not material to the Group.

We have reviewed these conversion adjustments made by the Parent company's management. Our conclusion on the Statement is not modified in respect of these matters.

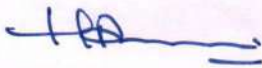


6. Based on our review conducted as stated in paragraph 3 above , nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting practices and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M M NISSIM & CO LLP

Chartered Accountants

(Firm Regn. No. 107122W/W100672)



Hiren P Muni

Partner

Mem. No.: 142067

Place: Maroli

UDIN: 251420670MNAQC124

Date: 10th February 2025



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KINAM ENTERPRISE PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the Separate financial statements (also known as Standalone Financial Statements) of **Kinam Enterprise Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the period ended on that date, and a summary of material 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 Standalone 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 Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2024, and its loss (financial performance including Other Comprehensive Income), the Changes in Equity and its Cash Flows for the period ended on that date.

2. Basis for Opinion

We conducted our audit of the Standalone Financial Statements 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 Standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

3. Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our 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.

4. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, Changes in Equity and Cash Flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

5. Auditor's Responsibility for the audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone financial statements.

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

- Identify and assess the risks of material misstatement of the Standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. However, as per the Notification No. GSR 583(E) dated 13th June 2017 issued by Ministry of Corporate Affairs the relevant Section 143(3)(i) of the Act, is not applicable to the Company.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to 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 Standalone Financial Statements, including the disclosures, and whether the Standalone 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.

6. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, based on our audit, 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.



- f) We are not required to report on adequacy of the Internal Financial Control with respect to the financial statements of the company and the operating effectiveness of such controls, vide Notification No. GSR 583(E) dated 13th June 2017 issued by Ministry of Corporate Affairs.
- g) We are not required to report as per the provisions u/s 197(16) of the Act since the company is a private limited company and the provisions of section 197 are not applicable to the company.
- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. As per the information and explanations provided to us by the management and based on our audit, the Company does not have any pending litigations as of the period end;
 - ii. The Company has no long-term contracts including derivative contracts; and
 - iii. The Company is not required to transfer amounts to the Investor Education and Protection Fund.
 - iv. (a) As represented to us by the management and to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries''), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (''Ultimate Beneficiaries'') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) As represented to us by the management and to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (''Funding Parties''), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (''Ultimate Beneficiaries'') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the above representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

 - v. The Company has not proposed any dividend in the current period. Therefore, Section 123 of the Companies Act, 2013 is not applicable to the Company.



- vi. Based on our examination which included test checks, the company has used accounting software viz. Tally ERP9 for maintaining its books of account which has a inbuilt feature of recording audit trail (edit log) facility and the same has been operated from 3rd January, 2024 for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For M M Nissim & Co LLP
Chartered Accountants
Firm Reg.No.107122W / W100672



N Kashinath
Partner

Mem.No.036490

UDIN: 24036490BKGTTB4160

Place: Silvassa

Date: 27th May 2024



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KINAM ENTERPRISE PRIVATE LIMITED

- (i) (a) The Company does not have any Property, Plant and Equipment and Intangible Assets and hence reporting under clauses (i)(a),(b),(c) and (d) of the order are not applicable.
- (b) No proceedings have been initiated during the period or are pending against the Company as at 31st March 2024 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988, as amended and rules made thereunder.
- (ii) (a) The Company does not have any Inventory and hence reporting under clauses (ii)(a) of the order is not applicable.
- (b) The Company has not been sanctioned any working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause (ii)(b) of the order is not applicable to the Company.
- (iii) The Company has made investment in shares of a company. The Company has not provided any guarantee or security and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the period.
- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the period and hence reporting under clauses (iii)(a),(c),(d),(e) and (f) of the order are not applicable.
- (b) In our opinion, the investment made in company is, prima facie, not prejudicial to the company's interest.
- (iv) In our opinion, in respect of investments made ,the Company has complied with the provisions of Section 186 of the Act.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended. Accordingly, the provisions of clause 3(v) of Para 3 of the Order are not applicable to the Company.
- (vi) The Company is not required to maintain the cost records pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Act and hence reporting under clause (vi) of the order is not applicable.
- (vii) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the period since effective 1st July 2017, these statutory dues has been subsumed into GST.
- (a) The Company is regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, duty of customs, cess and any other statutory dues with appropriate authorities, where applicable. There are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable.



- (b) According to the records of the Company, there are no statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2024 on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the period.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the period.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not availed any term loans during the period and hence reporting under clause (ix) (c) of the order is not applicable.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the period for long-term purposes by the Company.
- (e) The Company does not have any subsidiary and hence reporting under clause (ix) (e) of the order is not applicable.
- (f) The Company does not have any subsidiary and hence reporting under clause (ix) (f) of the order is not applicable.
- (x) (a) The Company has not raised any moneys by way of Initial public offer or further public offer (Including debt instruments), during the period and hence reporting under Clause (x) (a) of Para 3 of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of share or fully convertible debentures (fully, partially or optionally convertible) during the year and accordingly provisions of clause (x)(b) of Para 3 of the Order are not applicable to the Company.
- (xi) (a) On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any material fraud on the Company has been noticed or reported during the period, nor have we been informed of any such case by the management.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the period.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the period.



- (xii) The Company is not a Nidhi Company and accordingly provisions of clause (xii) of Para 3 of the order are not applicable to the Company.
- (xiii) On the basis of our examination and according to the information and explanations given to us, we report that all the transaction with the related parties are in compliance with Section 188 of the Act, and the details have been disclosed in the Standalone Financial Statements in Note 11 as required by the applicable Indian Accounting standards.
- (xiv) The company is not required to appoint internal auditor in accordance with Section 138(1) of the Act and hence reporting under clause (xiv) (a) and (b) of Para 3 of the order are not applicable to the Company.
- (xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non -cash transactions with directors or persons connected with the directors and hence provisions of Sec 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, provisions of clause (xvi)(a) of Para 3 of the Order are not applicable to the Company.
- (b) During the period, the Company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, provisions of clause (xvi)(b) of Para 3 of the Order are not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the Regulations made by the Reserve Bank of India and accordingly the provisions of clause (xvi)(c) of Para 3 of the Order is not applicable to the Company.
- (d) The group does not have any CIC as a part of the group and accordingly reporting under clause (xvi)(d) of Para 3 of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses of Rs. 9.12 lakhs during the period covered by our audit.
- (xviii) There has been no resignation of the statutory auditors of the Company during the period.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



(xx) The Company is not required to spent the amount towards Corporate Social Responsibility (CSR). Accordingly, reporting under clause (xx) of the Order is not applicable for the period.

For M M Nissim & Co LLP
Chartered Accountants
Firm Reg.No.107122W / W100672



N Kashinath
Partner
Mem.No.036490
UDIN: 24036490BKGTTB4160
Place: Silvassa
Date: 27th May 2024



Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Standalone Balance Sheet as at March 31, 2024

₹ in Lakhs

Particulars	Note No.	As at March 31, 2024
I) Assets		
1) Non-current assets		
a) Financial assets		
- Investments	2	668.14
2) Current assets		
a) Financial assets		
- Cash & cash equivalents	3	0.41
b) Deferred tax assets	4	1.96
Total assets		670.51
II) Equity and liabilities		
1) Equity		
a) Equity share capital	5	668.14
b) Other equity	6	(9.12)
Total equity		659.02
2) Liabilities		
i) Current liabilities		
a) Financial liabilities		
- Borrowings	7	0.50
b) Others current liabilities	8	10.99
Total liabilities		11.49
Total equity and liabilities		670.51
Material accounting policies	1	

Accompanying notes are an integral part of these financial statements

As per our report of even date attached For and on behalf of the Board

For M M Nissim & Co LLP

Chartered Accountants

Firm Reg. No. 107122W/W100672


N. Kashinath
Partner

Membership No. 036490

Silvassa, Dated 27th May, 2024





Mehul Mehta

Director

DIN - 10213334

Silvassa, Dated 27th May, 2024



Kirit Mehta

Director

DIN - 10213333

Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Standalone Statement of Profit and Loss for the period ended March 31, 2024

₹ in Lakhs

Particulars	Note No.	Period ended March 31, 2024
I) Income		
a) Revenue from operations		-
b) Other income		-
Total income (a+b)		-
II) Expenses		
a) Cost of materials consumed		-
b) Changes in inventories of finished goods and work-in-progress		-
c) Employee benefits expense		-
d) Finance costs		-
e) Depreciation and amortisation expense		-
f) Other expenses	9	11.08
Total expenses (a to f)		11.08
III) Loss before tax (I-II)		(11.08)
IV) Tax expenses		
a) Current tax		-
b) Deferred tax		(1.96)
Total tax expenses (a+b)		(1.96)
V) Loss for the period (III-IV)		(9.12)
VI) Other comprehensive income/(loss)		
a) Items that will not be reclassified to the Statement of Profit and Loss		-
b) Items that will be reclassified to the Statement of Profit and Loss		-
Total other comprehensive income/(loss) for the period, net of tax (a+b)		-
VII) Total comprehensive loss for the period (V + VI)		(9.12)
VIII) Earnings per equity share [nominal value of share ₹ 10/- each]		
Basic EPS	10	(0.18)
Diluted EPS	10	(0.18)

Material accounting policies

1

Accompanying notes are an integral part of these financial statements

As per our report of even date attached

For and on behalf of the Board

For M M Nissim & Co LLP

Chartered Accountants

Firm Reg. No. 107122W/W100672

N. Kashinath
Partner

Membership No. 036490

Silvassa, Dated 27th May, 2024Mehul Mehta
Director
DIN - 10213334Silvassa, Dated 27th May, 2024Kirit Mehta
Director
DIN - 10213333

Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Standalone Statement of changes in equity for the period ended March 31, 2024

A. Equity share capital

Share Capital	Nos.	₹ in Lakhs
		Amount
Issue of equity shares on incorporation	66,81,360	668.14
Balance as at March 31, 2024	66,81,360	668.14

B. Other equity

Particulars	Reserves and Surplus	₹ in Lakhs
	Retained earnings	Total
Loss during the period	(9.12)	(9.12)
Other comprehensive income (net of tax)	-	-
Balance as at March 31, 2024	(9.12)	(9.12)

As per our report of even date attached

For and on behalf of the Board

For M M Nissim & Co LLP

Chartered Accountants

Firm Reg. No. 107122W/W100672


N. Kashinath

Partner

Membership No. 036490

Silvassa, Dated 27th May, 2024





Mehul Mehta

Director

DIN - 10213334

Silvassa, Dated 27th May, 2024



Kirit Mehta

Director

DIN - 10213333

Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Standalone Statement of Cash Flow for the period ended March 31, 2024

Particulars	₹ in Lakhs
	Period ended March 31, 2024
Cash flow from operating activities:	
Net loss before tax	(11.08)
Adjustment for:	
Depreciation	-
Operating (loss) before working capital changes	(11.08)
Other liabilities	10.99
Cash (used in) operations	(0.09)
Direct taxes paid	-
Net cash (used in) operating activities	(0.09)
Cash flow from investing activities	
Investment in a company	(668.14)
Net cash (used in) investing activities	(668.14)
Cash flow from financing activities	
Proceeds from issue of equity share capital	668.14
Proceeds from borrowings	0.50
Net cash from financing activities	668.64
Net increase in cash and cash equivalents	0.41
Cash and cash equivalents at the beginning of period	-
Cash and cash equivalents at the end of the period	0.41

Footnotes to Cash Flow Statement:

(i) The above cash flow statement has been prepared under the indirect method.

(ii) Reconciliation of financing liabilities:

Particulars	Period ended March 31, 2024
Opening balance	
Cash flow movement	
Cash inflow from current borrowings	0.50
Closing balance	0.50

As per our report of even date attached
For M M Nissim & Co LLP
Chartered Accountants
Firm Reg. No. 107122W/W100672


N. Kashinath

Partner

Membership No. 036490

Silvassa, Dated 27th May, 2024



For and on behalf of the Board



Mehul Mehta

Director

DIN - 10213334

Silvassa, Dated 27th May, 2024



Kirit Mehta

Director

DIN - 10213333

Notes to the standalone financial statements as at 31st March, 2024

Note 1 -Material Accounting Policies under IND AS

A) Corporate Information

Kinam Enterprise Private Limited (the 'Company') was incorporated on 26th June, 2023 under the provisions of the Companies Act, 2013 and is a private limited company domiciled in India. The registered office of the Company is at 746.3 Parikrama Apartment A, Luncikui 62437, Navsari Gujarat - 396445.

The principle business activity of the Company inter alia is manufacture of general engineering products including Heat transfer equipment, Pressure & storage vessels, Filtration & drying equipments and perform engineering and related technical and consultancy services.

B) Basis of preparation of financial statements

i. Statement of compliance

These separate financial statements (also known as Standalone Financial Statements) have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

ii. Basis of preparation and presentation

The Financial Statement is presented in Indian Rupee ("₹") and all values are rounded off to Rupees Lakhs unless otherwise stated.

The financial statements of the Company for the period ended 31st March, 2024 were approved for issue in accordance with a resolution of the directors on 27th May, 2024.

C) Summary of Material Accounting Policies:

1) Financial assets

Financial assets of the Company comprise investment and cash & cash equivalents.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Profit or Loss.



Notes to the standalone financial statements as at 31st March, 2024

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Financial assets are measured at amortized cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit or loss.

Financial assets at fair value through OCI (FVTOCI)

Financial assets are mandatorily measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income (OCI). On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognized in OCI is reclassified to Profit or Loss.

Financial assets at fair value through profit or loss (FVTPL)

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss.

Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.



Notes to the standalone financial statements as at 31st March, 2024

2) Financial Liabilities

The Company's financial liabilities include loans and borrowings.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial Liabilities classified as Amortised Cost:

All Financial Liabilities other than derivatives are measured at amortised cost at the end of subsequent accounting periods. Interest expense that is not capitalised as part of costs of assets is included as Finance costs in Profit or Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in of profit or loss.

D) Recent Accounting Pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Notes to the Standalone Financial Statements as at March 31, 2024

Note 2

Investments

₹ in Lakhs

Particulars	Face value	Number of Securities held	As at
			March 31, 2024
Unquoted - Investment (At FVTPL)			
Kinam Process Equipments Private Limited	10	66,81,400	668.14
Total			668.14

Note 3

Cash and cash equivalents (as per cash flow statement)

₹ in Lakhs

Particulars	As at
	March 31, 2024
Cash on hand	-
Balance with banks	0.41
Total	0.41

Note 4

Deferred tax assets

₹ in Lakhs

Particulars	As at
	March 31, 2024
Deferred tax assets	1.96
Total	1.96

Particulars	Recognised in the Statement of Profit and Loss	As at
		March 31, 2024
Deferred tax assets in relation to:		
Business loss	1.96	1.96
Total	1.96	1.96



Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Notes to the Standalone Financial Statements as at March 31, 2024

Note 5

Equity share capital

Share Capital	Number of Share	₹ in Lakhs
		As at March 31, 2024
Authorised capital		
Equity share of ₹ 10/- each	70,00,000	700.00
Issued, subscribed and fully paid-up		
66,81,360 equity shares of ₹ 10/- each	66,81,360	668.14
Reconciliation of number of equity share outstanding		
Issue of equity shares on incorporation	66,81,360	668.14
Outstanding at the end of the period	66,81,360	668.14

Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. 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.

The details of shareholder holding more than 5% shares as at March 31, 2024 are as follows:

Shareholder Name	As at March 31, 2024	
	Number of Share	% holding
Kirit N Mehta	33,23,977	49.75%
Mehul K Mehta	33,23,976	49.75%

The details of the shares held by promoters as at March 31, 2024 are as follows:

Shareholder Name	As at March 31, 2024	
	Number of Share	% holding
Kirit N Mehta	33,23,977	49.75%
Mehul K Mehta	33,23,976	49.75%



Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Notes to the Standalone Financial Statements as at March 31, 2024

Note 6

Other equity		₹ in Lakhs
Particulars		As at March 31, 2024
Retained earnings		(9.12)
Total other equity		(9.12)

The movement in other equity:

(i) Retained earnings

Add: Loss for the period	(9.12)
Balance at the end of the period	(9.12)

Nature and purpose of each component of equity

(i) Retained earnings

Accumulated balance of total comprehensive income for the period

Note 7

Borrowings (Current)		₹ in Lakhs
Particulars		As at March 31, 2024
Loan from a Director (refer footnote)		0.50
Total		0.50

Footnote:

The loan taken from a director is interest free and is repayable on demand.

Note 8

Current Liabilities		₹ in Lakhs
Particulars		As at March 31, 2024
Liabilities for expenses		10.99
Total		10.99



Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Notes to the Standalone Financial Statements for the period ended March 31, 2024

Note 9

Other Expenses

Particulars	₹ in Lakhs Period ended March 31, 2024
Legal and Professional Fees	10.83
Audit fees	0.25
Total	11.08

Note 10

Earnings per share

Particulars	₹ in Lakhs Period ended March 31, 2024
Loss after tax	
Loss for the period	(9.12)
Weighted average number of equity shares for the purpose of calculation of earnings per share	51,11,423
Earnings per equity share	
Basic EPS	(0.18)
Diluted EPS	(0.18)

Note 11

Related party disclosures

The disclosure for related parties as per Ind AS-24, notified under section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time) are as follows:

Names of related parties and description of relationship:

Key Management Personnel (KMP)	Mr. Mehul K. Mehta (Director)
	Mr. Kirit N. Mehta (Director)
	Mr. Harsh H. Patel (Director)
Entities in which KMPs are interested, with whom the Company has transactions	HLE Glascoat Limited
	Kinam Process Equipments Private Limited
	Kinam Engineering Industries Private Limited



Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Notes to the Standalone Financial Statements for the period ended March 31, 2024

Transactions with related parties (excluding reimbursements)

Nature of Transactions	Transactions	Payable / (Receivable) / Closing Balances
	Period ended March 31, 2024	As at 31st March 2024
I. Key management personnel :		
Loan	0.50	0.50
Equity share subscribed	664.80	664.80
II. Entities in which KMPs are interested, with whom the Company has transactions:		
Business support expenses	10.74	10.74
Equity share subscribed	3.34	3.34
Investment in Kinam Process Equipments Private Limited	668.14	668.14

Footnotes:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than unsecured loan at the period end are unsecured and interest free. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates. No balances has been written off during the period.

Note 12

ADDITIONAL / EXPLANATORY INFORMATION:

a) Contingent Liabilities not provided for:

N.A.

b) Other statutory information is as follows:

(i) The Company does not have any Benami property nor any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the period.



Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Notes to the Standalone Financial Statements for the period ended March 31, 2024

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The Company has not recorded any transaction in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Company has not been declared a wilful defaulter by any bank or financial institution or any of the lenders.

c) Requirements under Schedule III of The Companies Act, 2013 are disclosed to the extent applicable.

d) Previous year's figures are not given, as this is the first year of the formation of the Company.

As per our report of even date attached

For and on behalf of the Board

For M M Nissim & Co LLP

Chartered Accountants

Firm Reg. No. 107122W/W100672



N. Kashinath

Partner

Membership No. 036490

Silvassa, Dated 27th May, 2024



Mehul Mehta

Director

DIN - 10213334

Silvassa, Dated 27th May, 2024



Kirit Mehta

Director

DIN - 10213333

Kinam Enterprise Private Limited
CIN: U43229GJ2023PTC142341
Standalone Balance Sheet as at December 31, 2024

₹ in Lakhs

Particulars	Note No.	As at Dec 31, 2024
I) Assets		
1) Non-current assets		
a) Financial assets		
- Investments	2	668.14
2) Current assets		
a) Financial assets		
- Cash & cash equivalents	3	0.51
b) Deferred tax assets	4	1.96
Total assets		670.61
II) Equity and liabilities		
1) Equity		
a) Equity share capital	5	668.14
b) Other equity	6	(9.62)
Total equity		658.52
2) Liabilities		
i) Current liabilities		
a) Financial liabilities		
- Borrowings	7	1.35
b) Others current liabilities	8	10.74
Total liabilities		12.09
Total equity and liabilities		670.61

For and on behalf of the Board

For **KINAM ENTERPRISE PVT. LTD**

Mehul

Director

Mehul Mehta

Managing Director

DIN - 10213334

Silvassa, Dated 20th January, 2024



Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Standalone Statement of Profit and Loss for the period ended December 31, 2024

Particulars	Note No.	₹ in Lakhs Period ended Dec 31, 2024
I) Income		
a) Revenue from operations		-
b) Other income		-
Total income (a+b)		-
II) Expenses		
a) Cost of materials consumed		-
b) Changes in inventories of finished goods and work-in-progress		-
c) Employee benefits expense		-
d) Finance costs		-
e) Depreciation and amortisation expense		-
f) Other expenses	9	0.50
Total expenses (a to f)		0.50
III) Loss before tax (I-II)		(0.50)
IV) Tax expenses		
a) Current tax		-
b) Deferred tax		-
Total tax expenses (a+b)		-
V) Loss for the period (III-IV)		(0.50)
VI) Other comprehensive income/(loss)		
a) Items that will not be reclassified to the Statement of Profit and Loss		-
b) Items that will be reclassified to the Statement of Profit and Loss		-
Total other comprehensive income/(loss) for the period, net of tax (a+b)		-
VII) Total comprehensive loss for the period (V + VI)		(0.50)
VIII) Earnings per equity share [nominal value of share ₹ 10/- each]		
Basic EPS	10	(0.01)
Diluted EPS	10	(0.01)

For and on behalf of the Board

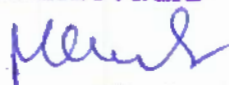
For KINAM ENTERPRISE PVT. LTD

Mehul Mehta

Managing Director

DIN - 10213334

Silvassa, Dated 20th January, 2024


Director



Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Standalone Statement of Cash Flow for the period ended December 31, 2024

₹ in Lakhs	
Particulars	Period ended Dec 31, 2024
Cash flow from operating activities:	
Net loss before tax	(0.50)
Adjustment for:	
Depreciation	-
Operating (loss) before working capital changes	(0.50)
Other liabilities	(0.25)
Cash (used in) operations	(0.75)
Direct taxes paid	-
Net cash (used in) operating activities	(0.75)
Cash flow from investing activities	
Investment in a company	-
Net cash (used in) investing activities	-
Cash flow from financing activities	
Proceeds from issue of equity share capital	-
Proceeds from borrowings	0.85
Net cash from financing activities	0.85
Net increase in cash and cash equivalents	0.10
Cash and cash equivalents at the beginning of period	0.41
Cash and cash equivalents at the end of the period	0.51

Footnotes to Cash Flow Statement:


(i) The above cash flow statement has been prepared under the indirect method.

(ii) Reconciliation of financing liabilities:

Particulars	Period ended Dec 31, 2024
Opening balance	
Cash flow movement	
Cash inflow from current borrowings	1.35
Closing balance	1.35

For and on behalf of the Board

For KINAM ENTERPRISE PVT. LTD



Mehul Mehta

Managing Director

DIN - 10213334

Silvassa, Dated 20th January, 2024



Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Standalone Statement of changes in equity for the period ended December 31, 2024

A. Equity share capital

Share Capital	Nos.	₹ in Lakhs
		Amount
Issue of equity shares on incorporation	66,81,360	668.14
Balance as at December 31, 2024	66,81,360	668.14

B. Other equity

Particulars	Reserves and Surplus	₹ in Lakhs
	Retained earnings	
Loss during the period	(0.50)	(0.50)
Other comprehensive income (net of tax)	-	-
Balance as at December 31, 2024	(0.50)	(0.50)

For and on behalf of the Board

For KINAM ENTERPRISE PVT. LTD



Mehul Mehta

Managing Director

DIN - 10213334

Silvassa, Dated 20th January, 2024

Director



Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Notes to the Standalone Financial Statements as at December 31, 2024

Note 2

Investments

Particulars	Face value	Number of Securities held	₹ in Lakhs
			As at Dec 31, 2024
Unquoted - Investment (At FVTPL)			
Kinam Process Equipments Private Limited	10	66,81,360	668.14
Total			668.14

Note 3

Cash and cash equivalents (as per cash flow statement)

Particulars	₹ in Lakhs
	As at Dec 31, 2024
Cash on hand	-
Balance with banks	0.51
Total	0.51

Note 4

Deferred tax assets

Particulars	₹ in Lakhs
	As at Dec 31, 2024
Deferred tax assets	1.96
Total	1.96

Particulars	Recognised in the Statement of Profit and Loss	As at Dec 31, 2024
Deferred tax assets in relation to:		
Business loss	-	-
Total	-	-

Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Notes to the Standalone Financial Statements as at December 31, 2024

Note 5

Equity share capital		₹ in Lakhs
Share Capital	Number of Share	As at Dec 31, 2024
Authorised capital		
Equity share of ₹ 10/- each	70,00,000	700.00
Issued, subscribed and fully paid-up		
66,81,360 equity shares of ₹ 10/- each	66,81,360	668.14
Reconciliation of number of equity share outstanding		
Issue of equity shares on incorporation	66,81,360	668.14
Outstanding at the end of the period	66,81,360	668.14

Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. 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.

The details of shareholder holding more than 5% shares as at December 31, 2024 are as follows:

Shareholder Name	As at December 31, 2024	
	Number of Share	% holding
Kirit N Mehta	33,23,977	49.75%
Mehul K Mehta	33,23,976	49.75%

The details of the shares held by promoters as at December 31, 2024 are as follows:

Shareholder Name	As at December 31, 2024	
	Number of Share	% holding
Kirit N Mehta	33,23,977	49.75%
Mehul K Mehta	33,23,976	49.75%

Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Notes to the Standalone Financial Statements as at December 31, 2024

Note 6

Other equity		₹ in Lakhs
Particulars		As at Dec 31, 2024
Retained earnings		(9.62)
Total other equity		(9.62)

The movement in other equity:

(i) Retained earnings		
Add: Loss for the period		(9.62)
Balance at the end of the period		(9.62)

Nature and purpose of each component of equity

(i) Retained earnings

Accumulated balance of total comprehensive income for the period

Note 7

Borrowings (Current)		₹ in Lakhs
Particulars		As at Dec 31, 2024
Loan from a Director (refer footnote)		1.35
Total		1.35

Footnote:

The loan taken from a director is interest free and is repayable on demand.

Note 8

Current Liabilities		₹ in Lakhs
Particulars		As at Dec 31, 2024
Liabilities for expenses		10.74
Total		10.74

Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Notes to the Standalone Financial Statements for the period ended December 31, 2024

Note 9

Other Expenses	₹ in Lakhs
Particulars	Period ended Dec 31, 2024
Bank Charges	0.04
Audit Fees	0.05
Professional Fees	0.42
Total	0.50

Note 10

Earnings per share	₹ in Lakhs
Particulars	Period ended Dec 31, 2024
Loss after tax	
Loss for the period	(0.50)
Weighted average number of equity shares for the purpose of calculation of earnings per share	51,11,423
Earnings per equity share	
Basic EPS	(0.01)
Diluted EPS	(0.01)

Note 11**Related party disclosures**

The disclosure for related parties as per Ind AS-24, notified under section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time) are as follows:

Names of related parties and description of relationship:

Key Management Personnel (KMP)	Mr. Mehul K. Mehta (Director)
	Mr. Kirit N. Mehta (Director)
	Mr. Harsh H. Patel (Director)
Entities in which KMPs are interested, with whom the Company has transactions	HLE Glascoat Limited
	Kinam Process Equipments Private Limited
	Kinam Engineering Industries Private Limited

Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Notes to the Standalone Financial Statements for the period ended December 31, 2024

Transactions with related parties (excluding reimbursements)

Nature of Transactions	Transactions	Payable/ (Receivable)/ Closing Balances
	Period ended Dec 31, 2024	As at 31st December 2024
I. Key management personnel :		
Loan	0.85	1.35
Equity share subscribed	-	664.80
II. Entities in which KMPs are interested, with whom the Company has transactions:		
Business support expenses	-	10.74
Equity share subscribed	-	3.34
Investment in Kinam Process Equipments Private Limited	-	668.14

Footnotes:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than unsecured loan at the period end are unsecured and interest free. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates. No balances has been written off during the period.

Note 12

ADDITIONAL / EXPLANATORY INFORMATION:

a) Contingent Liabilities not provided for:

N.A.

b) Other statutory information is as follows:

(i) The Company does not have any Benami property nor any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the period.

Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Notes to the Standalone Financial Statements for the period ended December 31, 2024

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The Company has not recorded any transaction in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

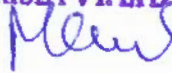
(viii) The Company has not been declared a wilful defaulter by any bank or financial institution or any of the lenders.

c) Requirements under Schedule III of The Companies Act, 2013 are disclosed to the extent applicable.

d) Previous year's figures are not given, as this is the first year of the formation of the Company.

For and on behalf of the Board

For KINAM ENTERPRISE PVT. LTD



Director

Mehul Mehta

Managing Director

DIN - 10213334

Silvassa, Dated 20th January, 2024



KINAM ENTERPRISE PVT. LTD.

Designers & Manufacturers of shell & Tube Heat Exchangers,
Corrugated Tube Heat Exchanger, Pressure Vessels & Allied Process Equipment's.

ABRIDGED PROSPECTUS

This abridged prospectus ('Abridged Prospectus') has been prepared solely as per the requirements of the SEBI Circular no. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 ("SEBI 2022 Circular") and SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time ("SEBI Master Circular"), in connection with the Scheme of amalgamation between HLE Glascoat Limited ("Transferee Company") and Kinam Enterprise Private Limited ("Transferor Company") and their respective Shareholders and Creditors under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act 2013 ("the act") ("Scheme") filed before the Hon'ble National Company Law Tribunal, Ahmedabad bench.

This abridged prospectus discloses applicable information as prescribed in the format for Abridged Prospectus provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 pertaining to Kinam Enterprise Private Limited, being an unlisted company in the Scheme.

This Abridged Prospectus shall be considered as a part of and should be read together with the Scheme, and the Notice & the Explanatory Statement sent to the shareholders of HLE Glascoat Limited ("Transferee Company").

THIS ABRIDGED PROSPECTUS CONTAINS 7 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Noting in this abridged prospectus constitutes and offer or an invitation by or on behalf of either the Transferor Company or the Transferee Company to subscribe for or purchase any of the securities of the Transferor Company or the Transferee Company. This abridged prospectus should be read together with the Scheme and the notice sent to the shareholders and secured creditors of the Transferee Company.

KINAM ENTERPRISE PRIVATE LIMITED
Registered Office: 746.3, Parikrama Apartment, A Luncikui, 62437, Navsari, 396445 Gujarat, India. Telephone: 9820126068 ; Email: rohit@kinam.in CIN: U43229GJ2023PTC142341 Contact Person: Mr. Kirit N Mehta / Mr. Mehul K Mehta
PROMOTERS
1. Mr. Kirit N Mehta 2. Mr. Mehul K Mehta
DETAILS OF THE SCHEME
The Scheme of amalgamation between HLE Glascoat Limited ("Transferee Company") and Kinam Enterprise Private Limited ("Transferor Company") under Sections 230 to 232 of the Companies Act, 2013 and other applicable laws. The Scheme of amalgamation providing for the Amalgamation of Kinam Enterprise Private Limited (KEPL) with HLE Glascoat Limited (HGL) and various other matters consequential or otherwise integrally connected therewith ("Scheme") from the Appointed Date.



Regd.Off. :746.3 Parikram Apartment, A Luncikui 62437 Navasari,
Navsari-396445, Gujarat,India.

Contact No:-9820126068, Email Id- rohit@kinam.in, CIN.NO:-U43229GJ2023PTC142341.

KINAM ENTERPRISE PVT. LTD.

Designers & Manufacturers of shell & Tube Heat Exchangers,
Corrugated Tube Heat Exchanger, Pressure Vessels & Allied Process Equipment's.

The Share exchange ratio for the amalgamation of KEPL into HGL as stated in Clause 8 of the Scheme is:

100 (One Hundred) Equity Shares of Rs.2 each fully paid up of HLE Glascoat Limited for every 559 (Five Hundred Fifty-Nine) equity shares of Rs.10/- each fully paid up of Kinam Enterprise Private Limited.

The Transferee Company shall make application for issue and listing of the said shares issued upon the Scheme becoming effective.

The Transferor Company shall dissolve without winding-up upon the Scheme becoming effective.

STATUTORY AUDITORS

M/s M M Nissim & Co. LLP
Chartered Accountants
Barodawala Manison, B wing, 3rd Floor, 81, Dr. Annie Besant Road,
Worli, Mumbai – 400 018.
Phone No.: +91-22-24969900; Fax: +91-22-24969995; Email : mail@mmnissim.com

ISSUE DETAILS , LISTING AND PROCEDURE

The procedure with respect to public issue/ offer would not be applicable being the Scheme. Hence the procedure with respect to a General Information Document is not applicable.

PRICE INFORMATION OF BOOK RUNNING LEAD MANAGER(S) – Not Applicable

Details of the Merchant Banker	Not Applicable
Credit Rating	Not Applicable
Statutory Auditors of KEPL	M/s M M Nissim & Co. LLP Chartered Accountants Barodawala Manison, B wing, 3 rd Floor, 81, Dr. Annie Besant Road, Worli, Mumbai – 400 018. Phone No.: +91-22-24969900; Fax: +91-22-24969995; Email : mail@mmnissim.com
Registrar to the issue of KEPL	Not Applicable

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included: Not Applicable

Name of Syndicate Members	Not Applicable
Name of Credit Rating Agency and the rating or grading obtained, if any.	Not Applicable
Name of Debenture trustee, if any.	Not Applicable
Self-Certified Syndicate Banks	Not Applicable



Regd.Off. :746.3 Parikram Apartment, A Luncikui 62437 Navasari,
Navsari-396445, Gujarat,India.

2

Contact No:-9820126068, Email Id- rohit@kinam.in , CIN.NO:-U43229GJ2023PTC142341.

KINAM ENTERPRISE PVT. LTD.

Designers & Manufacturers of shell & Tube Heat Exchangers,
Corrugated Tube Heat Exchanger, Pressure Vessels & Allied Process Equipment's.

Non-Syndicate Registered Brokers	Not Applicable
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents depository participants and stock brokers who can accept application from investor (as applicable)	Not Applicable

PROMOTERS OF KINAM ENTERPRISE PRIVATE LIMITED

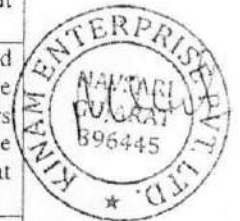
Kinam Enterprise Private Limited ("Transferor Company") is a private limited company incorporated under the provisions of the Act. The Transferor Company is engaged in the business of providing efficient and reliable heat exchanger solutions to customers across various industries and the primary objective is to design, manufacture and deliver high quality heat exchangers that meets the unique needs of customers. The Transferor Company strives to offer innovative and sustainable solutions that provide optimal thermal performance, minimize downtime, and reduce operating costs.

Shareholding pattern of Kinam Enterprise Private Limited as on December 31, 2024

Sr. No.	Particulars	Number of shares	% holding of total share capital
1.	Promoter & Promoter Group		66,47,953
	Name	No. of shares	
	Kirit N Mehta	33,23,977	
	Mehul K Mehta	33,23,976	99.50%
2.	Public	33,407	0.50%
	Total	66,81,360	100.00%

BOARD OF DIRECTORS OF KINAM ENTERPRISE PRIVATE LIMITED

Sr. No.	Name of Directors & KMPs	Designation	Other Directorships	Experience and Education Qualification
1	Kirit Narbheram Mehta DIN: 10213333	Director	i. Kinam Process Equipments Private Limited	He is a qualified Mechanical Engineer. He has more than 43 years of experience in the business of Heat Exchangers equipment.
2	Mehul Kirit Mehta DIN: 10213334	Director	i. Kinam Process Equipments Private Limited ii. Kinam Engineering Industries Private Limited	He is a qualified Mechanical Engineer. He has more than 23 years of experience in the business of Heat Exchangers equipment.
3	Harsh Himanshu Patel DIN: 00141863	Director	i. HLE Glascoat Limited ii. HLE Engineers Private Limited	He is a qualified Chemical Engineer from the University of



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		iii. Yashashi Rasayan Private Limited	Mumbai and has completed his MBA from the State University of New Jersey in 2002. He has more than 23 years of experience in the business of chemicals and engineering.
		iv. Kinam Engineering Industries Private Limited	
		v. Kinam Process Equipments Private Limited	
		vi. Thaletec LLP - Designated Partner	
		vii. Yash Speciality Chemicals LLP - Designated Partner	

Mr. Harsh Patel Director of the Transferee Company is also Director of the Transferor Company. The Transferee Company holds 33,407 equity shares of the Transferor Company.

BUSINESS MODEL / BUSINESS OVERVIEW AND STRATEGY

HLE Glascoat Limited ("Transferee Company") a listed company (listed on BSE and NSE), is a manufacturer of process equipment for the chemical and pharmaceutical industries. Over the years, it has established itself as a market leader in Filtration and Drying Equipment and is a leading manufacturer of Glass Lined Equipment. It manufactures a wide range of chemical processing equipment in an equally wide range of materials for some of the most demanding chemical engineering applications.

Kinam Enterprise Private Limited ("Transferor Company") is a private limited company incorporated under the provisions of the Act. The Transferor Company is engaged in the business of providing efficient and reliable heat exchanger solutions to customers across various industries and the primary objective is to design, manufacture and deliver high quality heat exchangers that meets the unique needs of customers. The Transferor Company strives to offer innovative and sustainable solutions that provide optimal thermal performance, minimize downtime, and reduce operating costs.

Business Strategy:

The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company and dissolution of Transferor Company without winding up.

OBJECT OF THE SCHEME:

Kindly refer to the brief details of the Scheme given under the section titled 'DETAILS OF THE SCHEME'.

DETAILS OF MEANS OF FINANCE: Not Applicable

DETAILS AND REASONS FOR NON-DEPLOYMENT OR DELAY IN DEPLOYMENT OF PROCEEDS OR CHANGES IN UTILISATION OF ISSUE PROCEEDS OF PAST PUBLIC ISSUES / RIGHTS ISSUE, IF ANY, IN THE PRECEDING 10 YEARS: Not Applicable

NAME OF MONITORING AGENCY, IF ANY: Not Applicable

TERMS OF ISSUANCE OF CONVERTIBLE SECURITY, IF ANY: Not Applicable



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KINAM ENTERPRISE PVT. LTD.

Designers & Manufacturers of shell & Tube Heat Exchangers,
Corrugated Tube Heat Exchanger, Pressure Vessels & Allied Process Equipment's.

SHAREHOLDING PATTERN AS ON DECEMBER 31, 2024

Sr. no.	Particulars	Number of shares	% Holding of total share capital
1.	Promoter & Promoter Group	66,47,953	99.50%
2.	Public	33,407	0.50%
	Total	66,81,360	100.00%

NUMBER / AMOUNT OF EQUITY SHARES PROPOSED TO BE SOLD BY SELLING SHAREHOLDERS, IF ANY: Not Applicable

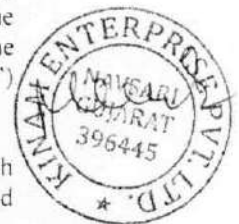
AUDITED/ UNAUDITED FINANCIALS

Particulars	as at 31 st December 2024	as at 30 th September 2024*	Since inception 26 th June 2023 to 31 st March 2024*
Total income from operations (net)	0	0	0
Net Profit / (Loss) before tax and extraordinary items	-	-	-
Net Profit / (Loss) after tax and extraordinary items	-	-	-
Equity Share Capital	6,68,13,600	6,68,13,600	6,68,13,600
Reserves and Surplus / Other Equity	-	-	-
Net worth	6,68,13,600	6,68,13,600	6,68,13,600
Basic earnings per share (₹)	(0.01)	-	-
Diluted earnings per share (₹)	(0.01)	-	-
Return on net worth (%)	-	-	-
Net asset value per share (₹)	-	-	-

*audited not annualized

The Transferor Company has one wholly-owned Subsidiary Company in the name of Kinam Process Equipments Private Limited. HLE Glascoat Limited only holds 0.5% of the Company, based on the control of one of the director/ promoter of HGL, the Company is considered as the company under same control and thus considered as the subsidiary of HGL. Consequently Kinam Process Equipment Private Limited ("KPEPL") is considered step down subsidiary of HGL.

In view of the above, the financials of the Company and KPEPL are consolidated with that of the HLE Glascoat Limited, in terms of AS 103 (Business Combination) and Ind AS-27 (Consolidation and Separate Financial Statements).



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KINAM ENTERPRISE PVT. LTD.

Designers & Manufacturers of shell & Tube Heat Exchangers,
Corrugated Tube Heat Exchanger, Pressure Vessels & Allied Process Equipment's.

CONSOLIDATED AUDITED/ UNAUDITED FINANCIALS

Rs. In lakhs

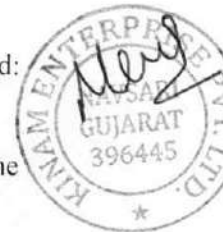
Particulars	as at 31 st December 2024	as at 30 th September 2024*	FY 2023-24
Total income from operations (net)	69387.96	23577.87	96792.02
Net Profit / (Loss) before tax and extraordinary items	3786.60	1953.23	5867.71
Net Profit / (Loss) after tax and extraordinary items	3012.34	1442.14	4088.86
Equity Share Capital	1365.31	1365.31	1365.31
Reserves and Surplus / Other Equity	41802.20	41751.44	40314.83
Net worth	51703.42	51473.27	49670.35
Basic earnings per share (₹)	4.41	2.11	5.99
Diluted earnings per share (₹)	4.41	2.11	5.99
Return on net worth (%)	5.83	3.85	8.23
Net asset value per share (₹)	75.74	75.40	72.76

INTERNAL RISK FACTORS

1. The Transferor Company is an unlisted company and its equity shares are not available for trading on the stock exchange.
2. It is yet to begin its commercial activities and is currently engaged in investment activity.
3. The success of the Transferor Company is largely dependent upon the knowledge and experience of its Promoters and Key Management Personnel. Any loss of Key Management Personnel could adversely affect the business, operation and financial conditions of the Transferor Company.
4. The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company and dissolution of Transferor Company without winding up.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

- A. Total number of outstanding litigations against and by our 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 / Group companies in last 5 financial years including outstanding action, if any: **Nil**
- D. Brief details of outstanding criminal proceedings against Promoters: **Nil**



KINAM ENTERPRISE PVT. LTD.

Designers & Manufacturers of shell & Tube Heat Exchangers,
Corrugated Tube Heat Exchanger, Pressure Vessels & Allied Process Equipment's.

RATIONALE AND BENEFITS OF SCHEME OF ARRANGEMENT

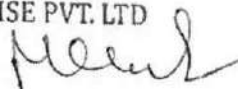
- i. The consolidation as a single entity shall provide several benefits like reducing the number of legal entities, reducing the multiplicity of legal and regulatory compliances and reduction of costs, which would be beneficial for all stakeholders;
- ii. Simplification of the shareholding structure and reduction in the shareholding tiers;
- iii. 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;
- iv. Enhance shareholder value accruing from consolidation of business, thus contributing to the overall growth prospects of the Transferee Company;
- v. The amalgamation is in the interest of all the companies, their respective shareholders, creditors and employees.

DECLARATION

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 SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all the statements in this Abridged Prospectus are true and correct.

For, Kinam Enterprise Private Limited
For KINAM ENTERPRISE PVT. LTD

Mehul Melita
Director
DIN:10213334


Director



Place: March 15, 2025
Date: Anand

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Navsari-396445, Gujarat,India.

Contact No:-9820126068, Email Id- rohit@kinam.in, CIN.NO:-U43229GJ2023PTC142341.

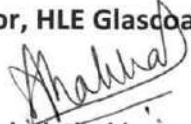
Date: 15th March, 2024

Declaration

This is to declare and confirm the following:

- (i) Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company and its Promoters and Directors. - **NIL**

For, HLE Glascoat Limited


Acha Thakkar
Company Secretary





R. T. PATEL & CO.

CHARTERED ACCOUNTANTS
FRN-128881 W

CA Rajesh T. Patel

M.Com., L.L.M., F.C.A., DISA(ICAI)
PAN - AMWPP1473E
MEM No. 124929

Annexure A

Details of assets, liabilities, revenue and net worth of the companies involved in the scheme, both pre and post scheme of arrangement, along with a write up on the history of the Transferor Company

Kinam Enterprise Private Limited (“**Transferor Company**”) was incorporated on 26th June, 2023 in Gujarat to carry out the business of providing efficient and reliable heat exchanger solutions to customers across various industries and the primary objective is to design, manufacture and deliver high quality heat exchangers that meets the unique needs of customers.

HLE Glascoat Limited (“**Transferee Company**”) was incorporated on 26th August, 1991 is a listed company (listed on BSE and NSE) and engaged in the business of manufacturing of process equipment for the chemical and pharmaceutical industries. Over the years, it has established itself as a market leader in Filtration and Drying Equipment and is a leading manufacturer of Glass Lined Equipment. It manufactures a wide range of chemical processing equipment in an equally wide range of materials for some of the most demanding chemical engineering applications.

The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company and dissolution of Transferor Company without winding up

Particulars	Since Inception (26 th June, 2023 to Dec 31, 2023)
Equity Paid up Capital	668.14
Reserves and surplus	-
Non-controlling Interest	-
Net Worth	668.14
Miscellaneous Expenditure	-
Secured Loans	-
Unsecured Loans	0.50
Tangible Fixed Assets + Capital WIP	-
Investments	668.14



For, R. T. PATEL & Co.
CHARTERED ACCOUNTANTS

RtPatel
CA. R. T. Patel
Proprietor

Cash and Cash Equivalent	0.50
Income from Operations	-
Total Income	-
Total Expenditure	-
Profit before Tax	-
Profit after Tax	-
Cash profit	-
EPS	-
Book value	10

Please note that post Scheme the Transferor Company will cease to exist

Place: ANAND

Date: 05th April 2024



For R T Patel & Co

For, R. T. PATEL & Co.
CHARTERED ACCOUNTANTS

RtPatel

Rajesh T Patel, CA, R. T. Patel
Chartered Accountants Proprietor

Membership No: 124929

Firm Reg No: 0128881W

UDIN No.: **24124929BKACQG1620**

REPORT ON RECOMMENDATIONS OF THE AUDIT COMMITTEE OF HLE GLASCOAT LIMITED ON THE DRAFT SCHEME OF AMALGAMATION BETWEEN HLE GLASCOAT LIMITED AND KINAM ENTERPRISE PRIVATE LIMITED ADOPTED AT THE MEETING HELD ON FEBRUARY 13, 2024 AT 05:45 PM AT H-106, A18 RD, PHASE -IV, GIDC, VITTHAL UDYOGNAGAR, ANAND, GUJARAT 388121

PRESENT

Yatish Parekh	Chairman
Sandeep Randery	Member
Jayesh Shah	Member
Aalap Patel	Member

In Attendance

Mr. Naveen Kandpal	Chief Financial Officer
Mr. Achal Thakkar	Company Secretary & Compliance Officer

Background

A meeting of Audit Committee of HLE Glascoat Limited was held on 13th February, 2024 to consider and recommend to the Board of Directors the Scheme of Amalgamation between Kinam Enterprise Private Limited ("**Transferor Company**") and HLE Glascoat Limited ("**Transferee Company**") (hereinafter referred to as "**Scheme**") to be implemented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") and other applicable laws.

The Transferee Company is a listed public company incorporated under the provisions of the Companies Act, 1956. The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited.

The Transferor Company is a private limited company incorporated under the provisions of the Act.

This report of the Audit Committee is made in order to comply with the requirements of the Securities and Exchange Board of India ("**SEBI**") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and Clause 2 (c) of Para A of Part I of the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("**SEBI Master Circular**") and as amended from time to time.

The Report of Audit Committee is made in order to comply with the requirements of the relevant applicable para of the SEBI Master Circular as amended from time to time, after considering the following documents:

1. Draft Scheme of Arrangement;
2. Valuation Report dated 13th February, 2024 issued by M/s. **RBSA Valuation Advisors LLP** ("**Registered Valuer**");
3. Fairness Opinion dated 13th February, 2024 issued by Navigant Corporate Services Private Limited, Category I Merchant Banker providing the Fairness Opinion on the Valuation Report ("**Fairness Opinion**");
4. Certificate from the Statutory Auditors of the Company i.e. M/s. M. M. Nissim & Co., Chartered Accountants confirming that the Scheme is in compliance with applicable accounting treatment notified under Companies Act, 2013 and other generally accepted principles;
5. Certificate from the Statutory Auditors of the Company i.e. M/s. M.M. Nissim & Co., Chartered Accountants, certifying the undertaking clearly stating the reasons for non-applicability of conditions specified in Paragraph 10(b) read with Paragraph 10(a) of Part I of the SEBI Master Circular;
6. Audited financials statements of Kinam Enterprise Private Limited for the period ended 31st December, 2023;
7. Audited financial statements of HLE Glascoat Limited for the preceding three financial years (FY2020-21, FY2021-22 and FY2022-23).
8. Standalone and consolidated Financial Results for the half year ended September 30, 2023 and December 31, 2023 of HLE Glascoat Limited, subjected to limited review by the Statutory Auditors.

The salient features of the Scheme are as under:

1. The appointed date for the purpose of the Scheme was August 7, 2023;
2. 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;
3. Upon the Scheme becoming effective and upon the amalgamation of the Transferor Company with the Transferee Company in terms of this Scheme the investment in equity shares of the Transferor Company held by the Transferee Company shall stand cancelled in the books of the Transferee Company;
4. 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**");
5. 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;
 6. With effect from the Effective Date, all inter-se contracts solely between the Parties (i.e., not having any other third Person other than the Parties) shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company. With effect from the Effective Date, there will be no accrual of income or expenses on account of any transactions in the nature of sale or transfer of any goods, material or services, between the Transferor Company and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any inter-se loans, deposits or balances between the Transferor Company and the Transferee Company;
 7. 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;

Comments by the Audit Committee on the Scheme

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

Need for the Amalgamation and Rationale of the Scheme

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.

Synergies of Business of the companies involved in the Scheme

The background and information of the Company and the Transferor Company is as under:

- (a) The Transferee Company is 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;
- (b) The Transferor Company is engaged in the business of providing efficient and reliable heat exchanger solutions to customers across various industries and the primary objective is to design, manufacture and deliver high quality heat exchangers that meets the unique needs of customers. The Transferor Company strives to offer innovative and sustainable solutions that provide optimal thermal performance, minimize downtime, and reduce operating costs; and
- (c) Upon amalgamation, the benefits the benefits/ rationale as mentioned above shall be derived by the Transferee Company.

Impact of the Scheme on the Transferee Company and its Shareholders

- (a) Pursuant to the Scheme, the amalgamation of the Transferor Company with the Company will result in benefits and/ or synergies to the Company as listed above in this report;
- (b) In consideration for the amalgamation of the Transferor Company with the Transferee Company, the shareholders of the Transferor Company will receive 100 equity of face value Rs. 2 each of the Transferee Company for every 559 equity shares, as on the Effective Date (as defined in the Scheme) held by the shareholders of the Transferor Company. Further, there will be no change in the economic interest of the shareholders of the Transferee Company, before and after Scheme;
- (c) Upon the Scheme becoming effective and upon the amalgamation of the Transferor Company with the Transferee Company in terms of this Scheme the investment in equity shares of the Transferor Company held by the Transferee Company shall stand cancelled in the books of the Transferee Company;
- (d) The aforesaid consideration has been arrived at basis the Valuation Report issued by RBSA Valuation Advisors LLP ("Registered Valuer") and the same has been confirmed by the Fairness Opinion issued by Navigant Corporate Services Private Limited, Category I Merchant Banker.
- (e) Considering the above exchange ratio the pre and post shareholding of the Transferee Company will be as follows



Category	Pre Scheme	Post Scheme
Promoter and Promoter Group	66.69%	65.55%
Public	33.31%	34.45%
Total	100.00%	100.00%

- (f) Upon the Scheme becoming effective, the Transferor Company shall be dissolved without being wound up and the shareholders of the Transferor Company shall become shareholders of the Transferee Company; and
- (g) After the effectiveness of the Scheme and subject to receipt of regulatory and other approvals, the equity shares of the Transferee Company issued as consideration pursuant to the Scheme, shall be listed on BSE Limited and the National Stock Exchange of India Limited.
- (h) Based on the above the Committee is of the view that the Scheme is in the interest of the Shareholders.

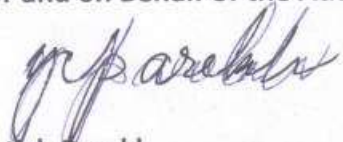
Cost Benefit Analysis of the Scheme

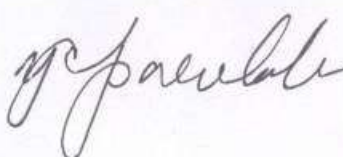
Although the Scheme would lead to incurring of some costs towards its implementation, however, the benefits of the Scheme over a longer period would far outweigh such costs for the stakeholders of the Company as described hereinabove.

Recommendation of the Audit Committee

Taking into consideration the draft Scheme, Valuation Report, Fairness Opinion and draft certificate(s) issued by Statutory Auditors of the Transferee Company, need and rationale of the Scheme, synergies of the business of the companies, impact of the Scheme on the Transferee Company and its shareholders, cost benefit analysis of the Scheme and other documents placed before the Audit Committee, the Audit Committee recommends the draft Scheme for the favorable consideration and approval by the Board of Directors of the Company.

For and on Behalf of the Audit Committee of HLE Glascoat Limited


 Yatish Parekh
 Chairman - Audit Committee
 DIN: 00168488
 Place: Anand
 Date: February 13, 2024



HLE GLASCOAT LIMITED

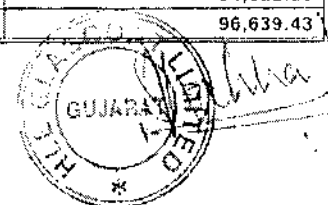
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Post Merger Balance Sheet of Transferee Company & book value of Transferor Company

₹ in Lakhs

	ASSETS	Book Value of Assets and Liabilities of the Transferor Company	Post Merger Balance Sheet of the Transferee Company as at 31st December, 2023
1)	Non-Current Assets		
a)	Property, plant and equipment	-	21,992.87
b)	Right of use assets	-	720.28
c)	Capital work-in-progress	-	1,294.04
d)	Investment property	-	133.52
e)	Other intangible assets	-	233.51
f)	Financial assets:		
	(i) Investments	668.14	30,524.02
	(ii) Others financial assets	-	121.68
g)	Non current tax assets (net)	-	1,249.36
h)	Other non-current assets	-	296.91
2)	Current Assets		
a)	Inventories	-	23,622.04
b)	Financial assets:		
	(i) Trade receivables	-	13,707.23
	(ii) Cash and cash equivalents	0.50	11.90
	(iii) Bank balances	-	1,068.69
	(iv) Loans	-	21.31
	(v) Others financial assets	-	443.38
c)	Other current assets	-	1,198.69
	TOTAL ASSETS	668.64	96,639.43

	EQUITY AND LIABILITIES	Book Value of Assets and Liabilities of the Transferor Company	Post Merger Balance Sheet of the Transferee Company as at 31st December, 2023
A	Equity		
a)	Equity share capital	23.79	1,389.10
b)	Other equity	644.35	40,727.37
	Total Equity	668.14	42,116.47
B	LIABILITIES		
1)	Non-Current Liabilities		
a)	Financial liabilities		
	(i) Borrowings	-	14,733.82
	(ii) Lease liabilities	-	221.12
	(iii) Other financial liabilities	-	1,420.08
b)	Other non-current liabilities	-	48.69
c)	Provisions	-	98.61
d)	Deferred tax liabilities (Net)	-	1,223.54
2)	Current Liabilities		
a)	Financial liabilities		
	(i) Borrowings	0.50	21,144.10
	(ii) Lease liabilities	-	58.01
	(iii) Trade payables	-	8,276.23
	(iv) Other financial liabilities	-	1,420.95
b)	Other current liabilities	-	5,585.60
c)	Provisions	-	294.61
	Total Liabilities	0.50	54,522.96
	TOTAL EQUITY AND LIABILITIES	668.64	96,639.43



The financial details and capital evolution of the transferee/resulting and transferor/demerged companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: **HLE Glascoat Limited (Standalone) – Transferee/Resulting Company**

(Rs. in Lakhs)

Particulars	Nine month ended December 31, 2023	Half year ended September 30, 2023	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	YTD Dec 23	YTD Sep 23	2022-23	2021-22	2020-21
Equity Paid up Capital	1,365.31	1,365.31	1,365.31	1,365.31	1,307.55
Reserves and surplus	33,103.87	32,911.84	31,527.19	26,766.80	15,147.94
Non-controlling Interest	-	-	-	-	-
Net Worth	34,469.18	34,277.15	32,892.50	28,132.11	16,455.49
Miscellaneous Expenditure	-	-	-	-	-
Secured Loans	35,877.42	31,760.15	23,439.76	18,757.09	7,356.27
Unsecured Loans	-	-	-	155.37	-
Tangible Fixed Assets + Capital WIP	23,286.91	22,697.11	21,748.83	16,924.10	10,594.12
Income from Operations	42,511.13	28,328.64	64,946.44	50,848.93	42,071.11
Total Income	43,954.50	28,714.25	66,112.09	52,235.24	43,271.44
Total Expenditure	41,209.43	26,626.61	58,890.81	44,138.39	36,122.27
Profit before Tax	2,745.07	2,087.64	7,221.28	8,096.85	7,149.17
Profit after Tax	2,327.11	1,384.32	5,442.28	6,176.48	5,234.73
Cash profit	3,373.21	2,073.14	6,699.58	7,085.66	6,071.28
EPS	3.81	2.38	8.12	47.02	38.63
Book value	50.49	50.21	48.18	206.05	125.85



Name of the Company: **HLE Glascoat Limited (Consolidated) – Transferee/Resulting Company**

(Rs. in Lakhs)

Particulars	Nine month ended December 31, 2023	Half year ended September 30, 2023	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	YTD Dec 23	YTD Sep 23	2022-23	2021-22	2020-21
Equity Paid up Capital	1,365.31	1,365.31	1,365.31	1,365.31	1,307.55
Reserves and surplus	33,337.57	33,060.25	31,304.32	23,987.53	12,161.49
Non-controlling Interest	11,976.04	11,662.90	13.26	8.40	11.84
Net Worth	46,678.92	46,088.46	32,682.89	25,361.24	13,480.88
Miscellaneous Expenditure	-	-	-	-	-
Secured Loans	37,033.50	33,095.44	24,055.62	19,312.64	7,356.27
Unsecured Loans	651.02	610.60	-	150.00	175.00
Tangible Fixed Assets + Capital WIP	33,028.84	31,961.07	30,192.62	25,948.73	11,173.15
Income from Operations	66,108.78	42,160.73	93,152.21	65,221.82	48,448.93
Total Income	66,794.07	42,568.06	93,957.37	66,025.38	48,842.25
Total Expenditure	63,043.09	39,453.93	84,024.56	56,682.68	41,118.17
Profit before Tax	3,750.98	2,926.98	9,932.81	8,431.28	7,724.08
Profit after Tax	1,142.36	2,011.20	6,980.65	5,823.34	5,337.10
Cash profit	3,078.51	3,214.11	9,250.53	6,945.92	6,198.09
EPS	4.23	2.95	10.37	44.44	39.41
Book value	68.38	67.51	47.88	185.75	103.10



Name of the Company: **Kinam Enterprise Private Limited – Transferor Company**

Particulars	Since Inception (26 th June, 2023 to Dec 31, 2023)
Equity Paid up Capital	6,68,13,600
Reserves and surplus	-
Non-controlling Interest	-
Net Worth	6,68,13,600
Miscellaneous Expenditure	-
Secured Loans	-
Unsecured Loans	50,000
Tangible Fixed Assets + Capital WIP	-
Income from Operations	-
Total Income	-
Total Expenditure	-
Profit before Tax	-
Profit after Tax	-
Cash profit	-
EPS	-
Book value	10



IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT - 2

ITEM No.301
CA(CAA)/2(AHM)2025

Orders under Section 230 - 232 of Co.Act,2013

IN THE MATTER OF:

Kinam Enterprise Private Limited
HLE Glascoat Limited

.....Applicant

.....Respondent

Order delivered on: 06/03/2025

Coram:

Mrs. Chitra Hankare, Hon'ble Member(J)
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open Court, vide separate sheet.

Sdk

DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

Sdk

CHITRA HANKARE
MEMBER (JUDICIAL)



**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
DIVISION BENCH
COURT-2**

CA(CAA)2/(AHM)/2025

[Company Application under Sections 230-232 read with other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016]

Memo of Parties

Kinam Enterprise Private Limited
(CIN U43229GJ2023PTC142341)

A company incorporated under the Companies Act, 2013 and having its registered office at 7463, Parikrama Apartment, A-Luncikui, 62437, Navsari-396445, in the State of Gujarat.

...Applicant Company
No.1/ Transferor Company

HLE Glascoat Limited
(CIN L26100GJ1991PLC016173)

A company incorporated under the Companies Act, 1956 and having its registered office at H-106, G.I.D.C. Estate, Vithal Udyognagar-388121, Dist. Anand, in the State of Gujarat.

...Applicant Company
No.2/Transferee Company

Order pronounced on 06.03.2025

Coram:

**MRS. CHITRA HANKARE
HON'BLE MEMBER (JUDICIAL)**

**DR. VELAMUR G. VENKATA CHALAPATHY
HON'BLE MEMBER (TECHNICAL)**

Sd/-

Sd/-

**Appearance:**

For the Applicant Companies: Ms. Swati Soparkar, Advocate

JUDGMENT

1. This company application has been filed jointly by applicant companies, viz. Kinam Enterprise Private Limited (Transferor Company) and HLE Glascoat Limited (Transferee Company). The scheme of arrangement provides for amalgamation of both the companies. The said Scheme is placed on record as "Annexure-J" to the application.
2. It is represented that registered offices of both the applicant companies are situated within the territorial jurisdiction of Registrar of Companies, Ahmedabad, Gujarat, which is falling under the jurisdiction of this Tribunal.
3. The Board of Directors for both the applicant companies have approved the Scheme through Board Resolutions passed on 13.02.2024 passed in their respective Board Meetings. The Affidavits in support of the joint application were sworn by Mr. Achal Thakkar and Kirit Narbheram Mehta, authorized signatory of applicant companies, duly authorized vide Board Resolutions passed by the Applicant Companies.
4. The applicant companies in this Company Application have sought for the following reliefs:

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	Equity Shareholders	Preference Shareholders	Secured Creditors	Unsecured Creditors
Kinam Enterprise Private Limited (Transferor Company)	Dispensation of meeting	N.A	N.A	Dispensation of meeting
HLE Glascoat Limited (Transferee Company)	Directions to convene meeting	N.A	Directions to convene meeting	Dispensation of meeting

5. Kinam Enterprise Private Limited (Applicant Company No.1/ Transferor Company):

- i. From the certificate of incorporation filed, it is evident that Kinam Enterprise Private Limited (CIN- U43229GJ2023PTC142341) was incorporated on 26.06.2023 under the provisions of Companies Act, 2013 and its registered office is situated in the State of Gujarat. The main objects of the company inter alia are to design, manufacture, and deliver high-quality heat exchangers, etc.
- ii. The details of Share Capital as on 31.03.2024 are as under:-

Particulars	Amount (INR)
Authorized Share Capital	
70,00,000 Equity Shares of Rs.10/- each	7,00,00,000
Total	7,00,00,000
Issued, subscribed and Fully paid-up share capital	
66,81,360 equity shares of Rs.10/- each	6,68,13,600
Total	6,68,13,600

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- iii. There are 3 (Three) Equity Shareholders. All the Equity Shareholders of the said company have approved the proposed Scheme of arrangement in the form of written consent letters on affidavit and have further waived their right to attend the meeting. The consent affidavits are placed on record alongwith the application. In view thereof, the applicant company has prayed that convening of the meetings of the Equity Shareholders of the Transferor Company be dispensed with.
- iv. There are no Secured creditors as on September 30, 2024. Certificates from Harsh B Shah & Associates, Chartered Accountants confirming the same are placed on record. In view of the same, the meetings of the Secured Creditors of the Applicant Transferor Company are not necessary.
- v. The Applicant Company No. 1, has 3 (Three) Unsecured Creditors and the total value of unsecured debt is Rs. 1,71,050/- as on September 30, 2024. All the Unsecured Creditors of the said company have approved the proposed Scheme of arrangement in the form of written consent letters on affidavit and have further waived their right to attend the meeting. The consent affidavits are placed on record alongwith the application. In view thereof, the applicant company has prayed that convening of the meetings of the Unsecured Creditors of the Transferor Company be dispensed with.
- vi. The applicant company has also produced certificates issued by Harsh B Shah & Associates, Chartered Accountants confirming the list of the Equity Shareholders, Secured Creditors and

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Unsecured Creditors of the Applicant company as on September 30, 2024 and further confirming the fact of receipt of the written approval from the respective shareholders/creditors.

6. HLE Glascoat Limited (Applicant Company No.2/Transferee Company):

- i. From the certificate of incorporation filed, it is evident that HLE Glascoat Limited (CIN- L26100GJ1991PLC016173) Transferee Company was incorporated on 26.08.1991 under the name and style of Shri Glasteel Equipments Limited, under the provisions of Companies Act, 1956 and its registered office is situated in the state of Gujarat. The name of the company was changed to Swiss Glascoat Equipments Limited vide a fresh certificate dated 03.03.1992. It was changed again to HLE Glascoat Limited vide a certificate dated 05.12.2019. The main objects of the company inter alia are to carry on the business as manufacturers, producers, traders, etc. of all classes kinds, types, nature and description of glass lined, exotic metals, equipment, tanks, trays pipes and accessories, etc.
- ii. The details of Share Capital as on the date of filing this application are as under:-

Particulars	Amount (INR)
Authorized Share Capital	
9,00,00,000 Equity Shares of Rs.2/- each	18,00,00,000
26,00,000 cumulative preference shares of Rs. 10/- each	2,60,00,000

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Total	20,60,00,000
Issued, subscribed and paid-up share capital	
6,82,65,480 equity shares of Rs.2/- each	13,65,30,960
Total	13,65,30,960

The Applicant Transferee Company, is a listed public limited company. The shares are listed on BSE Limited and National Stock Exchange of India Limited.

- iii. The Applicant Transferee Company, is a listed public limited company. It has more than 80,000 Shareholders as on September 30, 2024. A certificate from R.T. Patel & Co., Chartered Accountants confirming the shareholding pattern of the Applicant Transferee Company as on September 30, 2024 as submitted on the Stock Exchanges is placed on record. The Applicant stated that a meeting of the Equity Shareholders of the said company be directed to be convened and held in order to obtain the approval to the scheme.
- iv. There are no Preference Shareholders as on September 30, 2024. Certificates from R.T. Patel & Co., Chartered Accountants confirming the same are placed on record. In view of the same, the meetings of the Preference Shareholders of the Applicant Transferee Company are not necessary.
- v. There are 6 (Six) Secured Creditors in the Applicant Transferee Company and total value of secured debt is Rs. 311.11 Crores as on September 30, 2024. A Certificate from R.T. Patel & Co., Chartered Accountants for the same is annexed with the petition.

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The Applicant stated that a meeting of the Secured Creditors be directed to be convened and held in order to obtain their approval to the Scheme.

- vi. There are approx. 1016 (One Thousand Sixteen) unsecured creditors and the cumulative value of the unsecured debt is Approx. Rs. 92,82,19,239/- (Rupees Ninety Two Crore Eighty Two Lakhs Nineteen Thousand Two Hundred Thirty Nine Only) as on September 30, 2024. The Applicant submitted that, the rights and interest of the said unsecured creditors are not affected as a result of the Scheme. No compromise is offered to them under the Scheme. There is excess of Assets over the Liabilities of the said company nearly Rs. 347.73 crores in Pre-Scheme scenario and the same shall be Rs. 424.08 crores in Post Scheme situation, based on the financials as on 31st March, 2024. A certificate from independent Chartered Accountant confirming the above is also annexed. Therefore, it is prayed that the meeting of the Unsecured Creditors be dispensed with.
- vii. The applicant company has also produced certificates issued by R.T. Patel & Co., Chartered Accountants confirming the list of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Company as on September 30, 2024.
7. The applicant companies have produced Valuation Report dated 13.02.2024 from RBSA Valuation Advisors LLP, the Registered Valuer recommending the Share Entitlement Ratio and also produced Fairness Opinion dated 13.02.2024 from M/s Navigant

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Corporate Advisors Limited confirming the recommended entitlement ratio to be fair

8. The Transferee Company i.e. HLE Glascoat Limited is a listed public limited company and the equity shares of the Transferee Company are listed on BSE Limited and the National Stock Exchange of India Limited. Pursuant to Regulation 37 of the SEBI (LODR) Regulations 2015 and SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, the proposed Scheme of Arrangement, along with all requisite documents and information was submitted to the Stock Exchanges. Both the Stock Exchanges have issued their 'No adverse observations' and 'No objection' letters, respectively, dated October 03, 2024.

9. The scheme provides for Amalgamation of the Transferor Company viz. Kinam Enterprise Private Limited with the Transferee Company viz. HLE Glascoat Limited. This company application is filed on 13.12.2024. The Board of Directors of both the companies have agreed upon the Appointed Date as 7th August 2023. The 'appointed date' is significantly ante-dated beyond a year from the date of filing. It is submitted that the said delay has been caused by the lapse of substantial time to obtain the observation/ no objection letters. The Scheme of Arrangement was submitted to the Stock Exchanges on 29.02.2024 and 02.03.2024, for obtaining no objection letter. However, the said observation letters were made available on 03.10.2024. It is further submitted that the said appointed date of 7th August 2023, has been determined by Board of Directors of all the Applicant Companies and that the same is not against the public interest. The applicants have annexed the Scheme of

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Arrangement with the petition and the material provisions of the proposed scheme are mentioned in the petition including Consideration at clause 8.

10. Rationale for the Scheme of Arrangement:


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

- a. 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; Optimum utilisation of resources by pooling in the managerial, technical and administrative resources and efforts;
- b. simplification of the shareholding structure and reduction in the shareholding tiers;
- c. 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
- d. enhance shareholder value accruing from consolidation of business, thus contributing to the overall growth prospects of the Transferee Company.

- 11.** It is submitted that the Statutory Auditor i.e. M M Nissim & Co. LLP, of the applicant companies has examined the Scheme in terms of provisions of Sections 230 to 232 of Companies Act, 2013 and the rules made thereunder and certified that the Accounting Standards are in compliance with Section 133 of the Companies Act, 2013. The

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accounting treatment is proposed in clause 14 of the Scheme reflecting Accounting Treatment in the books of the Applicant Transferee Company.

- 12.** It is submitted that the Scheme is in the interest of the companies and their respective shareholders, creditors, employees and all other concerned and the Scheme shall not in any manner be prejudicial to the interest of concerned shareholders directors or creditors or key managerial personnel or any other stakeholder of either of the companies or general public at large.
- 13.** It is submitted that there are no investigation/proceedings against the applicant companies under Sections 210 to 226 of the Companies Act, 2013 as well as Sections 235 to 251 of the Companies Act, 1956 or the like are pending. The scheme does not contain any provision for restructuring its debts. The provisions of the Competition Act, 2002 are not applicable.
- 14.** Taking into consideration, the application filed by the Applicant Companies and the documents filed therewith as well as the position of law, we pass the following order:-

ORDER

- i. Company Application i.e., CA(CAA)2/(AHM)2025, is allowed.
- ii. In relation of Applicant Company No.1/ Transferor Company i.e. Kinam Enterprise Private Limited:-
 - a. With respect to Equity Shareholders

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Convening of the meeting of the Equity Shareholders of the company is hereby dispensed with, in view of their consent affidavits.

b. With respect to Preference Shareholders

Since there are no Preference Shareholders, the question of convening/holding the meeting of the Applicant Transferor Company does not arise.

c. With respect to Secured Creditors

Since there are no Secured Creditors, the question of convening/holding the meeting of the Applicant Transferor Company does not arise.

d. With respect to Unsecured Creditors

Convening of the meeting of the Unsecured Creditors of the company is hereby dispensed with, in view of their consent affidavits.

vii. In relation of Applicant Company No.2/Transferee Company i.e. HLE Glascoat Limited:-

a. With respect to Equity Shareholders

The meetings of the Equity Shareholders shall be convened within 45 days through Video Conferencing or other Audio Visual Modes for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme.

b. With respect to Preference Shareholders

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Since there are no Preference Shareholders, the question of convening/holding the meeting of the Applicant Transferee Company does not arise.

c. With respect to Secured Creditors

The meetings of the Secured Creditors shall be convened within 45 days through Physical mode/Video Conferencing or other Audio Visual Modes for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme.


d. With respect to Unsecured Creditors

The meeting of the Unsecured Creditors of the Applicant Transferee Company is dispensed with as it would not have any bearing on the scheme in view of the certification provided by the applicant/CA regarding excess of assets over the liabilities in post scheme scenario.

- viii. In terms of Section 103 of the Companies Act, 2013 the quorum for the meeting of the Equity Shareholders is prescribed as 30 (Thirty). Quorum for the meeting of the Secured Creditors is prescribed as 03 (Three), present either through authorised representative or by proxy.
- ix. Mr. Darshan Hemant Pathak, PCS shall be the Chairperson for the aforesaid meetings, and in any adjourned meeting;
- x. Mr. Nimish Mehta, PCS is appointed as Scrutinizer for the aforesaid meetings.


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- xi. At least one month before the date of the aforesaid meetings, an advertisement about convening of the said meeting, indicating the date, place and time as aforesaid, shall be published in "Business Standard" (National Edition) in English language as well as Vernacular language, in the State where the Equity shareholders are residing. The publication shall indicate the time within which copies of the Scheme of Arrangement and explanatory statement shall be made available to the concerned persons free of charge from the registered office of the Applicant Transferee Company. The publication shall also indicate that the statement required to be furnished pursuant to Section 102 of the Act read with Sections 230 to 232 of the Act can be obtained free of charge from the registered office of the Company.
- xii. The Transferee Company shall ensure that the equity shareholders (including overseas, if any) who have not received notice of meeting or physical copy, can access/download the said notice from its website. The said notice will mention the procedure to register and vote on the resolution proposed.
- xiii. The Chairperson appointed for the aforesaid meetings shall issue advertisements and send out notices of the meetings referred to above. The Chairperson is free to avail the services of the Applicant Transferee Company or any agency for carrying out the aforesaid directions. The Chairperson shall have all powers under the Articles

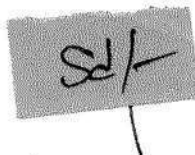
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of Association of the of the Applicant Transferee Company and also under the Rules in relation to the conduct of meetings, including for deciding any procedural question that may arise at the meeting or adjournment thereof proposed at the said meeting, amendment(s) to the aforesaid scheme or resolutions, if any, proposed at the aforesaid meetings by any person(s) and to ascertain the decision of the sense of the meetings of Equity Shareholders and Secured Creditors of the Applicant Transferee Company.

- xiv. The Chairperson shall file an affidavit not less than 7 (seven) days before the date fixed for holding of the meeting and to report to this Tribunal that the directions regarding issuance of notices and advertisements of meetings have been duly complied with as per Rule 12 of Companies (CAA) Rules, 2016.
- xv. It is further ordered that the Chairman shall report to this Tribunal on the result of the said meeting in Form No. CAA.4, verified by his affidavit as per Rule 14 of the Rules in Form No. CAA.4 within 7 (seven) days after the conclusion of the meetings.
- xvi. We direct the applicants to pay a sum of Rs.50,000/- to the Chairman and a sum of Rs.25,000/- to the Scrutinizer as their fees.
- xvii. In compliance of sub-section (5) of Section 230 and Rule 8 of the Companies (CAA) Rules, 2016, the applicant companies shall send a notice in Form No.CAA.3 along





with a copy of the Scheme of Amalgamation, explanatory statement and the disclosures mentioned under Rule 6, to (i) the Central Government through the Regional Director, North Western Region; (ii) the Registrar of Companies, Gujarat, Ahmedabad; (iii) Income Tax Department along with full details of assessing officer and PAN numbers of both the Applicant Companies with copy also to the Principal Chief Commissioner of Income Tax Office, (iv) concerned Stock Exchanges, viz. BSE Limited and National Stock Exchange of India Limited for the Applicant Transferee Company; (v) Securities and Exchange Board of India for the Applicant Transferee Company and further to; (vi) the Reserve Bank of India for the Applicant Transferee Company; (vii) Official Liquidator for the Applicant Transferor Company, to such other sectoral regulatory authorities who may govern the working of the Applicant Companies, stating that representations, if any, to be made by them shall be made within a period of 30 days from the date of receipt of such notice, failing which it shall be presumed that they have no objection to make on the proposed Scheme. The said notices shall be sent forthwith by email or by registered post or by speed post or by courier or by hand delivery at the office of the authority as required by sub-rule (2) of Rule 8 of the Companies (CAA) Rules, 2016. The aforesaid authorities, who desire to make any representation under sub-section (5) of Section 230 of the Act, shall send the same to this Tribunal with a copy of the same to be supplied to the Applicant Companies.

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- xviii. All the aforesaid directions are to be complied with strictly in accordance with the applicable law including forms and formats contained in the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 as well as the provisions of the Companies Act, 2013 by the Applicants.
- xix. The applicant companies shall file a compliance affidavit with the Registry with regard to the directions given in this order.

Company Application i.e. CA(CAA)2/(AHM)/2025, is disposed of accordingly.



Sd/H

DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

GP-LRA



Sd/-

CHITRA HANKARE
MEMBER (JUDICIAL)

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE INDEPENDENT DIRECTORS' COMMITTEE MEETING OF HLE GLASCOAT LIMITED HELD ON FEBRUARY 13, 2024 AT H-106, GIDC ESTATE, VITTHAL UDYOGNAGAR, ANAND, GUJARAT, PIN 388121,

REVIEW OF THE VALUATION REPORT (RBSA VALUATION ADVISORS LLP), THE FAIRNESS OPINION (NAVIGANT CORPORATE ADVISORS LIMITED) AND THE DRAFT SCHEME OF AMALGAMATION BETWEEN HLE GLASCOAT LIMITED AND KINAM ENTERPRISE PRIVATE LIMITED.

The Chairperson informed to the Committee that, the Board had approved the acquisition of Kinam Engineering Industries, a firm engaged in the business of manufacture and sale of heat exchangers and other related products for the chemical, petrochemical, fertilizers, refineries, pharmaceutical, biotech, oil, paper, steel, cosmetics and textile industries, in a phased manner, at the Board Meeting held on 7th August, 2023.

As a part of the process of acquisition, the Committee considered and recommended to the Board the Valuation Report (RBSA Valuation Advisors LLP) and Fairness Opinion (Navigant Corporate Advisors Limited), for the purpose of scheme of amalgamation, pursuant to the provisions of the applicable laws. Further, as a part of the process of acquisition, the Committee reviewed and recommended to the Board the draft Scheme of Amalgamation between the Company (HLE Glascoat Limited) and Kinam Enterprise Private Limited, pursuant to the provisions of the applicable laws.

The Valuation Report, Fairness Opinion, Certificate issued by the Statutory Auditors for non-applicability of majority of public shareholders' approval, Scheme of amalgamation along with other necessary documents were placed before the Committee for their consideration and recommendation.

The Committee considered and in-principally approved the agenda item and further recommended the same to the Board for its approval.

Date: 15.11.2024

Place: Anand



For HLE Glascoat Limited

Shakun
Achal Thakkar
Company Secretary

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE AUDIT COMMITTEE OF HLE GLASCOAT LIMITED AT ITS MEETING HELD ON FEBRUARY 13, 2024 AT H-106, A18 RD, PHASE -IV, GIDC, VITTHAL UDYOGNAGAR, ANAND, GUJARAT 388121

CONSIDERATION AND APPROVAL OF THE SCHEME OF ARRANGEMENT

The Chairperson informed to the Committee that the Board had approved the acquisition of Kinam Engineering Industries, a firm engaged in the business of manufacture and sale of heat exchangers and other related products for the chemical, petrochemical, fertilizers, refineries, pharmaceutical, biotech, oil, paper, steel, cosmetics and textile industries, in a phased manner, at the Board Meeting held on 7th August, 2023.

As a part of the process of acquisition, the Committee considered and recommended to the Board for its approval, the Valuation Report (RBSA Valuation Advisors LLP) and Fairness Opinion (Navigant Corporate Advisors Limited), for the purpose of scheme of amalgamation, pursuant to the provisions of the applicable laws. Further, as a part of the process of acquisition, the Committee reviewed and recommended to the Board for its approval the draft Scheme of Amalgamation between the Company (HLE Glascoat Limited) and Kinam Enterprise Private Limited, pursuant to the provisions of the applicable laws.

The Valuation Report, Fairness Opinion, Certificate issued by the Statutory Auditors for non-applicability of majority of public shareholders' approval, scheme of amalgamation along with other necessary documents were placed before the Committee for their consideration and recommendation.

The Committee considered and in-principally approved the agenda item and further recommended the same to the Board for its approval.

Date: 15.11.2024

Place: Anand



For HLE Glascoat Limited

Achal Thakkar
Achal Thakkar
Company Secretary

**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. ofand 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 18th 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 of2025

Name :

Address:

Signature of the secured creditor.....

Signature of the Proxy.....

Affix Rs. 1 Revenue Stamp

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.

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, Website: www.hleglascoat.com

ATTENDANCE SLIP

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

Attendance by (Please tick appropriate box) <input type="checkbox"/> Secured Creditor <input type="checkbox"/> Proxy <input type="checkbox"/> Authorised Representative	Name Address Value of debt
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I/ We hereby record my presence at the NCLT convened Secured Creditors meeting of the Company, held on 18th 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

