

NIEL:SCY:

Dated: 19.04.2022

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra East,
MUMBAI – 400051
Security Symbol: NAHARINDUS

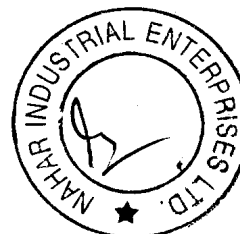
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI – 400001
Scrip Code: 519136

Sub: Notice of NCLT convened meeting of the Equity shareholders and Creditors (secured and unsecured) of Nahar Industrial Enterprises Limited in the scheme of Arrangements regarding Amalgamation of Cotton County Retail Limited with Nahar Industrial Enterprises Limited ("Scheme").

Dear Sirs,

1. This is to inform you that in Company Application No. CA (CAA) No. 2/Chd/Pb/2022, the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT") vide its order dated 05.04.2022 has directed the company to convene the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Company for the purpose of considering, and if thought fit, approving, the proposed Scheme of Arrangement for Amalgamation of Cotton County Retail Limited ('Transferor Company') with Nahar Industrial Enterprises Limited ('Transferee Company') and their respective shareholders and creditors ('Scheme') pursuant to the provisions of section 230-232 of the Companies Act, 2013 and other applicable provisions of the Act, 2013 and rules framed there under.
2. In pursuance of the NCLT order and as directed therein and in compliance with the applicable provisions of the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") further notice is hereby given that meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Company will be held through video conferencing ("VC")/ other audio visual means ("OAVM") as under:

Meeting of	Day and Date of meeting	Time of meeting
Equity shareholders	Saturday, 28 th May, 2022	10.00 AM (IST)
Secured Creditors	Saturday, 28 th May, 2022	12.30 PM (IST)
Unsecured Creditors	Saturday, 28 th May, 2022	02.00 PM (IST)



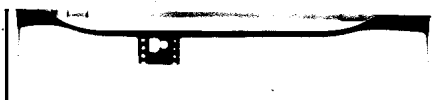
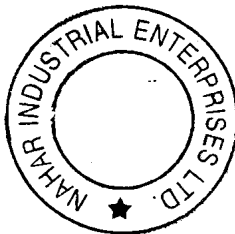
3. The details such as manner of (i) casting vote through e-voting and (ii) attending the meeting VC/OAVM have been set out in the Notice of the Meeting. The Remote e-voting starts for all meetings on Wednesday, 25th May, 2022 (9.00 AM) and ends on Friday, 27th May, 2022 (5.00 PM).
4. An Equity shareholder, whose name is recorded in the Register of Members or in the Register of Beneficial Owners as on Saturday, 21st May, 2022 ("cut-off-date") only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the notice and attend the meeting of the equity shareholders. Voting rights of an equity shareholder/ beneficial owner shall be in proportion to his/ her/ its shareholding in the paid-up equity share capital of the Company as on the cut-off-date.
5. The creditors (secured and unsecured) of the Company outstanding as at 31.10.2021 only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the notice and attend the meetings. Voting rights of the secured and unsecured creditors shall be in proportion to the outstanding amount due by the Company as on 31.10.2021.
6. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the authorized agency to provide e-voting facilities to Equity shareholders as well as creditors, both secured and unsecured, of the company.
7. In terms of Tribunal order and as directed therein, the Copy of the Notice, Scheme, Explanatory Statement and other Annexure is being sent to Equity Shareholders and Creditors (secured and unsecured) of the company under Sections 230 and 232 read with section 102 and other applicable provisions of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. The notice(s) are available on the website of the company at www.owmnahar.com. In accordance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, copy of Notice convening the meeting of Equity shareholders is enclosed herewith.

We request you to take the above on record and disseminate the above intimation on your website.

Thanking you,
Yours faithfully,

For NAHAR INDUSTRIAL ENTERPRISES LIMITED


MUKESH SOOD
COMPANY SECRETARY
Encl: As above





NAHAR INDUSTRIAL ENTERPRISES LIMITED

Registered Office : Focal Point, Ludhiana – 141010, Punjab, India
Phone : +91 161 2672590 , Fax: +91 161 2674072
CIN : L15143PB1983PLC018321
Website : www.ownahar.com
Email : share@ownahar.com, msod@ownahar.com

NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF NAHAR INDUSTRIAL ENTERPRISES LIMITED PURSUANT TO ORDER DATED APRIL 5, 2022 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH, CHANDIGARH

MEETING

Day	Saturday
Date	28.05.2022
Time	10.00 AM
Venue/ Mode of Meeting	Through Video Conference/Other Audio-Visual Means
Cut off date for e-voting	21.05.2022
Remote e-voting start date and time	Wednesday, 25th May, 2022 (9.00 AM)
Remote e-voting end date and time	Friday, 27th May, 2022 (5.00 PM)

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
CHANDIGARH BENCH, AT CHANDIGARH
Company Application No. CA (CAA) No. 2/Chd/Pb/2022**

In the matter of the Companies Act, 2013

And

**In the matter of Sections 230-232 read with Section 66 and other applicable
provisions of the Companies Act, 2013 read with Companies (Compromises,
Arrangements and Amalgamations) Rules, 2016**

And

In the matter of Scheme of Arrangement

BETWEEN

**COTTON COUNTY RETAIL LIMITED
(Applicant Company 1/ Transferor Company)**

WITH

**NAHAR INDUSTRIAL ENTERPRISES LIMITED
(Applicant Company 2/ Transferee Company)**

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Cotton County Retail Limited, a Company incorporated under the Companies Act, 1956 having Corporate Identity Number: U51311PB2001PLC024753 and its Registered office at Premises of Nahar Industrial Enterprises Limited, Focal Point, Ludhiana – 141010, Punjab, India **Applicant Company 1/ Transferor Company**

Nahar Industrial Enterprises Limited, a Company incorporated under the Companies Act, 1956 having Corporate Identity Number: L15143PB1983PLC018321 and its Registered office at Focal Point, Ludhiana – 141010, Punjab, India **Applicant Company 2/Transferee Company**

NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF THE TRANSFEE COMPANY

To

The Equity Shareholders of Nahar Industrial Enterprises Limited

Notice is hereby given that in the above mentioned Company Application, the Hon'ble National Company Law Tribunal, Chandigarh Bench, Chandigarh ('Tribunal') by an Order dated April 05, 2022 has directed that a meeting of the equity shareholders of the Transferee Company, will be held for the purpose of considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement for Amalgamation of Cotton County Retail Limited ('Transferor Company') with Nahar Industrial Enterprises Limited ('Transferee Company') and their respective shareholders and creditors ('Scheme') pursuant to the provisions of section 230-232 of the Companies Act, 2013 and the other applicable provisions of the Companies Act, 2013 and rules framed thereunder.

Pursuant to the said Order of Tribunal and as directed therein, the meeting of the equity shareholders of the Transferee Company i.e. Nahar Industrial Enterprises Limited ('Meeting') will be held on Saturday, 28th May, 2022 at 10.00 AM through Video Conference ("VC")/ Other Audio-Visual Means ("OAVM") ("Meeting") in

compliance with the applicable provisions of the Companies Act, 2013 ("Companies Act"); General Circulars No. 14/2020 dated April 8, 2020; No. 17/2020 dated April 13, 2020; No. 20/2020 dated May 5, 2020, No. 39/2020 dated December 31, 2020, No. 19/2021 and 20/2021 dated December 8, 2021 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as the "**MCA Circulars**"); and Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, as amended (collectively referred to as the "**Circulars issued by the SEBI**") and the said equity shareholders are requested to attend the Meeting. At the Meeting, the following resolution will be considered and if thought fit, be passed, with or without modification :

"RESOLVED THAT pursuant to the provisions of Section 230 read with Section 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made there under (including any statutory modification or re-enactment thereof), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (including any statutory modification or re-enactment thereof), the Securities Exchange Board of India Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended from time to time; the Observation Letters issued by BSE Limited - Letter No. DCS/AMAL/TL/R37/2154/2021-22 dated November 26, 2021 and National Stock Exchange of India Limited - Letter No. NSE/LIST/26721_II dated November 26, 2021 and subject to the provisions of the Memorandum and Articles of Association of the company and subject to the approval of the Hon'ble National Company Law Tribunal, Chandigarh Bench, Chandigarh ('NCLT') and 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 Hon'ble NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to mean and include one or more committee(s) constituted / to be constituted by the Board or any other person authorized by it to exercise its powers including the powers conferred by this Resolution), approval of the equity shareholders of the Transferee Company be and is hereby accorded to the proposed Scheme of Arrangement for Amalgamation of Cotton County Retail Limited with Nahar Industrial Enterprises Limited and their respective shareholders and creditors ('Scheme'), which was circulated along with this notice."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the amalgamation embodied in the Scheme and to accept such modifications, amendments, limitations and / or conditions, if any, which may be required and / or imposed by the Hon'ble NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

TAKE FURTHER NOTICE THAT

1. This Meeting is held through VC/OAVM pursuant to the Order passed by the NCLT and in compliance with the MCA Circulars and the Circulars issued by SEBI. Physical attendance of the equity shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the equity shareholders will not be available for the present Meeting and hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Sections 112 and 113 of the Companies Act, 2013, authorized representatives of institutional/corporate shareholders may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the

Meeting provided that such equity shareholder sends a copy of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting and/ or to vote through remote e-voting.

2. The notice of the Meeting and the Scheme of Amalgamation together with the documents accompanying the same, including the explanatory statement is being sent to the shareholders of the company as on 31.03.2022 through electronic mode whose email addresses are registered with the Transferee Company/Depositories and through courier or registered post to those equity shareholders who have not registered their e-mail IDs with Depositories/ Company.
3. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, i.e. 21st May, 2022 only shall be entitled to exercise his/her/its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an equity shareholder as on the cut-off date, should treat the Notice for information purpose only. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the Meeting as per section 103 of the Companies Act, 2013.
4. The Transferee Company has extended the remote e-voting facility for its equity shareholders, to enable them to cast their votes electronically. The instructions for remote e-voting and e-voting at the Meeting are appended to the Notice. The equity shareholders opting to cast their votes by remote e-voting and voting during the Meeting through VC/OAVM are requested to read the instructions in the Notes below carefully. In case of remote e-voting, the votes should be cast in the manner described in the instructions.

Remote E-voting Period	
Commencement of Voting	Wednesday, 25th May, 2022 (9.00 AM)
End of Voting	Friday, 27th May, 2022 (5.00 PM)

5. A copy of the said Scheme, statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("CAA Rules") along with all annexures to such statement are enclosed herewith. A copy of this Notice and the accompanying documents are also placed on the website of the Company i.e. www.owmnahar.com; the website of Central Depository Services (India) Limited i.e. www.cdslindia.com, being the agency appointed by the Company to provide the e-voting and other facilities for convening of the Meeting; and the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com.
6. Copies of the said Scheme and explanatory statement under Section 230 of the Companies Act, 2013 read with Rule 6(3) of the CAA Rules can be obtained free of charge on any day (except Saturday, Sunday and public holidays) at the registered office of the Transferee Company at Focal Point, Ludhiana – 141010, Punjab, India.
7. In terms of the directions contained in the Order, the notice convening the Meeting will be published through advertisement in the newspapers i.e. "Financial Express" (English) and Punjabi Jagran (Punjabi) both in All India Editions.
8. The Hon'ble Tribunal has appointed Mr. Justice Mahavir Singh Chauhan (Retd.) as the Chairperson for the Meeting, including for any adjournment(s) thereof. The Tribunal has also appointed Mr. Abhinav Sood, Advocate, as the Alternate Chairperson for the meeting including for any adjournment(s) thereof and appointed Mr. Khushvinder Singhal, Advocate, as the Scrutinizer for the Meeting, including for any adjournment(s) thereof.
9. The above-mentioned Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent

sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

10. Relevant documents referred to in the notice and the explanatory statement are open for inspection by the members of the Transferee Company namely Nahar Industrial Enterprises Limited, Registered Office: Focal Point, Ludhiana – 141010, Punjab between 11.00 a.m. to 12.00 p.m. (IST) on any working day up to the date of the Meeting. Equity shareholders desiring inspection of these documents through electronic mode may send their request in writing to the Transferee Company at Email id: share@owmnahar.com and the Transferee Company would provide inspection to such equity shareholders.
11. The equity shareholders of the Transferee Company can join the Meeting 15 minutes before the scheduled time of commencement of the Meeting by following the procedure mentioned in this notice.

For Nahar Industrial Enterprises Limited

Sd/-

Place : Ludhiana
Date: April 11, 2022

Mukesh Sood
Company Secretary

NOTES

1. The details of the process and manner for remote e-voting are explained herein below:- Information and instructions for Remote e-voting by Individual Shareholders holding shares of the Transferee Company in demat mode:
 - a. As per SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on “e-Voting facility provided by Listed entities”, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / website of Depositories / DPs in order to increase the efficiency of the voting process.
 - b. Individual demat account holders would be able to cast their vote without having to register again with the e-voting Service Provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
 - c. Pursuant to above said SEBI Circular, Login method for e-voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of Shareholders Login Method

- | | |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none">i) Users who have opted for CDSL's Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URLs for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasiii) After successful login the Easi/Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting Service Providers for casting votes along with links of the respective e-voting service provider i.e. CDSL/NSDL/KARVY/LINK INTIME as per information provided by Issuer/ Company. Additionally, we are providing links to ESP so that the user can visit the ESP's site directly.iii) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/Easi |
|--|--|

Registration

- iv) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress during or before the Meeting.
- Individual Shareholders i) If you are already registered for National Securities Depository Limited ('NSDL') IDeAS facility, please visit the e-Services website of NSDL. holding securities in Demat mode with NSDL Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
- ii) If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- iii) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository website wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
- Individual Shareholders i) You can also login using the login credentials of your demat account (holding securities in demat mode) login through their Depository Participants through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository sites after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

- d. Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- e. Login method for e-voting and joining virtual meeting for shareholders
- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and applicable provisions of SS-2 issued by ICSI, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice convening meeting of the equity shareholders.
 - II. The Notice is being sent by E-mail to those members who have registered their E-mail address with the Company/Depository Participants.
 - III. The instructions for shareholders voting electronically are as under:
 - i. The voting period begins on 25.05.2022 (09.00 a.m.) and ends on 27.05.2022 (05.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21.05.2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - iii. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
 - iv. Click on "Shareholders" module.
 - v. Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

Or

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login-Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST eservices, click on e-Voting option and proceed directly to cast your vote electronically.
 - vi. Next enter the Image Verification as displayed and Click on Login.
 - vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

viii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (SQN) in the PAN Field. - If the sequence number is less than 8 digits; enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. The persons entitled to vote on cut-off date may obtain details of sequence number from the company /RTA.
Dividend Bank Details or Date of Birth	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to Login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank Details field as mentioned in instructions (v).

- ix. After entering these details appropriately, click on “SUBMIT” tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that the company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN 220409001 for the relevant NAHAR INDUSTRIAL ENTERPRISES LIMITED on which you choose to vote.
- xiii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take print of the votes cast by clicking on 'CLICK HERE TO PRINT' option on the voting page.
- xviii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Facility for Non-Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of account(s) should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded
- Alternatively non-individual shareholders are required to send the relevant board resolution/ authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, at least 48 hours before the meeting to the Scrutinizer by email at the email id: kvsinghal@gmail.com or to the Transferee Company at the email Id: share@owmnahar.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

2. Instructions for e-voting for shareholders casting votes during the Meeting:-

- The procedure for e-voting during the Meeting is same as the instructions mentioned above for remote e-voting.
- Only those shareholders, who are present in the Meeting through VC/OAVM facility and have not casted their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the Meeting.
- If any Votes are cast by the shareholders through the e-voting system available during the Meeting and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes casted by such shareholders shall be considered as invalid, as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- Shareholders who have voted through remote e-voting will be eligible to attend the Meeting. However, they will not be eligible to vote during the Meeting.
- The voting rights of members shall be in proportion to their shareholding in the Transferee Company as on the Cut-Off date.

3. Instructions with respect to participation by VC/OAVM are as follows:

- The procedure for attending Meeting & e-voting on the day of Meeting is same.
- The link for VC/OAVM to attend meeting will be available where the EVSN of the Transferee Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the Meeting.
- Shareholders are encouraged to join the Meeting through laptops/tablets for better experience.
- The shareholders will be required to allow Camera and use internet with good bandwidth to avoid any disturbance during the Meeting.

- Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
 - Shareholders who would like to express their views/ask questions during the Meeting are requested to register themselves as a speaker by sending their request at least 10 days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at share@owmnahar.com. The shareholders who do not wish to speak during the Meeting but have queries are encouraged to send their queries in advance 10 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number to share@owmnahar.com. These queries will be responded appropriately by the Transferee Company.
 - Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 - Only those shareholders, who are present in the Meeting through VC/OAVM facility and have not casted their vote on the Resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the Meeting.
 - The Members can join the Meeting in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the Meeting through VC/OAVM would be on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the Meeting without restriction on account of first come first served basis.
4. Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting:
 - For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email at share@owmnahar.com.
 - For Demat shareholders - please update your email ID and mobile no. with your respective depository participant (DP).
 - For individual Demat shareholders - please update your email ID and mobile no. with your respective depository participant (DP) which is mandatory while e-voting and joining virtual meeting through depository.
 - The company secretary shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.
 5. The NCLT has appointed Mr. Khushvinder Singhal to act as scrutinizer to scrutinize votes cast either at the Meeting through e-voting or through remote e-voting and submit a report on votes cast to the Chairman of the Meeting.
 6. Subject to receipt of requisite majority of votes in favour of the Scheme as per Sections 230 to 232 of the Act and in terms of the Circular dated March 10, 2017 bearing reference No. CFD/DIL3/ CIR/2017/21 issued by Securities and Exchange Board of India ("**SEBI**"), as amended from time to time the Resolution proposed in the Notice shall be deemed to have been passed on the date of the Meeting.

7. In case you have any queries or issues regarding e-voting, you may refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542). All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400 013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.
8. The Scrutinizer shall prepare his consolidated Scrutinizer's report and submit his report to the Chairman of the Meeting or a person authorized by him in writing within two working days from the conclusion of the Meeting. The scrutinizer's decision on the validity of the votes cast shall be final. The results together with scrutinizer report shall be placed on the Transferee Company's website www.ownahar.com and on the website of CDSL at www.evotingindia.com immediately after the results are declared and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Transferee Company are listed. As per the Order of Tribunal, the chairperson shall report the result of the NCLT convened meeting to the tribunal within 7 days from the date of the conclusion of the meeting with regard to the proposed scheme.
9. Shareholders who have not registered their email address with the Company's Registrar & share Transfer Agent or with their respective Depository Participants and who wish to receive the notice of the Meeting of the Company and all other communications sent by the company electronically can registered their email IDs by submitting their detail i.e. Ledger Folio No., complete address, e-mail address, self-attested copy of pan card, bank details etc.to the company's Registrar or to the company.

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
CHANDIGARH BENCH, AT CHANDIGARH
Company Application No. CA (CAA) No. 2/Chd/Pb/2022
In the matter of the Companies Act, 2013**

And

**In the matter of Sections 230-232 read with Section 66 and other applicable provisions of the
Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations)
Rules, 2016**

And

In the matter of Scheme of Arrangement

BETWEEN

**COTTON COUNTY RETAIL LIMITED
(Applicant Company 1/ Transferor Company)**

WITH

**NAHAR INDUSTRIAL ENTERPRISES LIMITED
(Applicant Company 2/ Transferee Company)**

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

AND

Cotton County Retail Limited, a Company incorporated under the Companies Act, 1956 having Corporate Identity Number: U51311PB2001PLC024753 and its Registered office at Premises of Nahar Industrial Enterprises Limited, Focal Point, Ludhiana – 141010, Punjab, India **Applicant Company 1/ Transferor Company**

Nahar Industrial Enterprises Limited, a Company incorporated under the Companies Act, 1956 having Corporate Identity Number: L15143PB1983PLC018321 and its Registered office at Focal Point, Ludhiana – 141010, Punjab, India **Applicant Company 2/ Transferee Company**

STATEMENT UNDER SECTIONS 230 AND 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 (“ACT”) AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 (“CAA RULES”) TO THE NOTICE OF THE MEETING OF EQUITY SHAREHOLDERS OF NAHAR INDUSTRIAL ENTERPRISES LIMITED, TRANSFEE COMPANY, CONVENED PURSUANT TO ORDER OF THE HON’BLE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH, CHANDIGARH (“TRIBUNAL”) DATED APRIL 05, 2022 (“TRIBUNAL ORDER”)

1. The Scheme of Arrangement for amalgamation between Cotton County Retail Limited (the Transferor Company”) and Nahar Industrial Enterprises Limited (the Transferee Company) and their respective shareholders and creditors is referred to as the “Scheme” or “this Scheme” and the Transferor Company and the Transferee Company are within the jurisdiction of National Company Law Tribunal (NCLT), Chandigarh Bench. Cotton County Retail Limited is the “Applicant No.1” and Nahar Industrial Enterprises Limited is the “Applicant No.2” in Company Application No. CA (CAA) No. 2/Chd/Pb/2022. Cotton County Retail Limited and Nahar Industrial Enterprises Limited are hereinafter collectively referred to as the Companies.

2. Capital terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.
3. This is an Explanatory Statement accompanying the Notice convening the meeting of equity shareholders of Nahar Industrial Enterprises Limited ("**Company**" or "**Transferee Company**"), for the purpose of their considering and if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement for Amalgamation of Cotton County Retail Limited ("**Transferor Company**") with Nahar Industrial Enterprises Limited ("**Transferee Company**" or "**Company**") and their respective shareholders and creditors ("**Scheme**"). The Scheme provides for Amalgamation of Transferor Company with the Transferee Company and consequent dissolution of the Transferor Company without winding up; under Sections 230 to 232 and other applicable provisions of the Act.
4. Pursuant to order dated April 05, 2022 in Company Application CA (CAA) No. 2/Chd/Pb/2022 ("**Order**") passed by the Chandigarh Bench of the NCLT, the meeting of the equity shareholders of the Transferee Company to be held on Saturday, 28th May, 2022 at 10.00 AM ("**Meeting**") through video conferencing or other audio-visual means ("**VC/OAVM**")
5. A copy of the Scheme as approved by the Board of Directors of the Transferee Company, after undertaking SEBI directions notified to the company by stock exchanges is enclosed as **Annexure 1**. The proposed Scheme, in its present form or with any modification approved or imposed or directed by the NCLT is envisaged to be effective from the Appointed Date (as defined in the Scheme) but shall be made operative from the Effective Date (as defined in the Scheme).
6. The Scheme was placed before the Audit Committee and Board of Directors of the Transferee Company at their respective meetings held on August 27, 2021. In accordance with the SEBI Circular, the Audit Committee of the Transferee Company recommended the Scheme to the Board of Directors of the Transferee Company inter-alia taking into account:
 - a. The valuation report dated August 27, 2021, prepared by Mr. Pankaj Bhalla, Chartered Accountant, a Registered Valuer (IBBI Registration No. IBBI/RV/06/ 2020/13265), setting out the recommended share exchange ratio, enclosed herewith as **Annexure 2**;
 - b. The fairness opinion dated August 27, 2021, prepared by Master Capital Services Limited, a SEBI registered Category-1 Merchant Banker, providing the fairness opinion on the share exchange ratio, enclosed herewith as **Annexure 3**; and
 - c. The certificate from the statutory auditors of the Transferee Company, M/s. K R Aggarwal & Associates. Chartered Accountants, confirming that the accounting treatment as specified in the Scheme is in compliance with the applicable Accounting Standards notified under the Companies Act
7. As per order dated April 5, 2022 of NCLT, Chandigarh Bench, Chandigarh, Quorum of the meeting of the equity shareholders of the Transferee Company is 18590 in number or 40% in value of the equity shareholders. It is also directed that if the required Quorum is not present at the commencement of meeting, then the meeting will be adjourned for 30 minutes, and thereafter the persons present and voting shall be deemed to constitute the quorum.
8. Subject to receipt of requisite majority of votes in favour of the Scheme as per Sections 230 to 232 of the Act and in terms of the Circular dated March 10, 2017 bearing reference No. CFD/DIL3/ CIR/2017/21 issued by Securities and Exchange Board of India ("**SEBI**"), as amended from time to time the Resolution proposed in the Notice shall be deemed to have been passed on the date of the Meeting.

DETAILS AS PER RULE 6(3) OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Details of the Transferee Company

Details of Nahar Industrial Enterprises Limited

Corporate identification number (CIN)	L15143PB1983PLC018321
Permanent account number (PAN)	AACCN3563A
Date of incorporation	September 27, 1983
Type of company	Public Limited Company
Registered office address	Focal Point, Ludhiana – 141010, Punjab
E-mail address	share@owmnahar.com, msood@owmnahar.com
Name of the stock exchange(s) where securities of company are listed	BSE Limited and National Stock Exchange of India Limited

2. Summary of the main objects as per the memorandum of association of the Transferee Company

The objects of the Transferee Company are set out in the Memorandum of Association.

“III. (A) MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:

5. 'To carry on the business of processors, combers, spinners, weavers, knitters, manufacturers, dyers, bleachers, finishers, laminators, balers and pressers of any fibrous or textile material whether an agricultural or animal or natural products or its by-products or chemical or synthetic fibre and more specially jute, hemp, silk, cotton, wool, mesta, nylon, terene, terylene, staple fibre or other synthetic fibre and to manufacture and product from such raw material or textile material and to carry on the business of buyers, sellers and dealers of all such raw or processed or semi processed materials and to transact all manufacturing, cutting and preparing, process and mercantile business that may be beneficial to the said business.
6. To carry on all or any of the business of manufacturer, importer, exporter, distributor and dealer in all types and grades of sugar and its allied products and by-products such as molasses, baggase, alcohol and other chemicals extracted from sugar and its allied products and by-products.'

(B) MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A):

.....

20. Subject to the provisions of the Companies Act, 2013 to amalgamate or to enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture or reciprocal with any person or persons or company or companies carrying on or engaged in any business which the company is authorized to carry on.

3. Main business carried on by the Transferee Company

The Transferee Company is a vertically integrated textile company engaged in the manufacture of cotton/ blended and dyed yarn, greige and processed fabrics. Besides Textiles, the Transferee Company is also engaged in the manufacture of sugar.

4. Details of change of name of the Transferee Company during the last five years

The Transferee Company was incorporated on September 27, 1983 as a public limited company under the name of “Oswal Fats and Oils Limited” under the Companies Act, 1956. the name of the Transferee Company was changed from “Oswal Fats and Oils Limited” to “Nahar Industrial Enterprises Limited” on

October 21, 1994. There has been no change in the name of the Transferee Company during the last five years.

5. Details of change in registered office of the Transferee Company during the last five years

There has been no change in the registered office of the Transferee Company during the last five years.

6. Details of change in objects of the Transferee Company during the last five years

There has been no change in the objects clause of the Memorandum of Association of the Transferee Company in the last five years.

7. Details of the capital structure of the Transferee Company including authorized, issued, subscribed and paid-up share capital

The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on the date of this Notice is as follows:

Particulars	Amount (Rs.)
Authorized Share Capital	
5,00,00,000 Equity Shares of Rs. 10/- each	50,00,00,000
1,25,00,000 – 5.5% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs. 100/- each	125,00,00,000
Total	175,00,00,000
Issued, Subscribed and Paid up Share Capital	
3,98,35,141 Equity Shares of Rs. 10/- each	39,83,51,410
Add: Shares Forfeited Account (amount originally paid up)	19,91,343
1,16,20,000 – 5.5% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs. 100/- each	116,20,00,000
Total	156,23,42,753

There has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company since the date of this Notice.

8. Names of the promoters of the Transferee Company along with their addresses

Sr.	Name	Address
1.	Sh. Jawahar Lal Oswal	514, College Road, Civil Lines, LUDHIANA – 141001
2.	Sh. Kamal Oswal	514, College Road, Civil Lines, LUDHIANA – 141001
3.	Sh. Dinesh Oswal	514, College Road, Civil Lines, LUDHIANA – 141001
4.	Mrs. Manisha Oswal	514, College Road, Civil Lines, LUDHIANA – 141001
5.	Sh. Rishabh Oswal	514, College Road, Civil Lines, LUDHIANA – 141001
6.	Sh. Abhinav Oswal	514, College Road, Civil Lines, LUDHIANA – 141001
7.	Mrs. Sanjana Oswal	514, College Road, Civil Lines, LUDHIANA – 141001
8.	Mrs. Ritu Oswal	514, College Road, Civil Lines, LUDHIANA – 141001
9.	Sh. Sambhav Oswal	514, College Road, Civil Lines, LUDHIANA – 141001
10.	Ms. Tanvi Oswal	514, College Road, Civil Lines, LUDHIANA – 141001
11.	Oswal Woollen Mills Limited	G.T.Road, Sherpur, LUDHIANA – 141003

12. J L Growth Fund Limited	105, Ashoka Estate, 24 Barakhamba Road, NEW DELHI - 110001
13. Vardhman Investment Limited	105, Ashoka Estate, 24 Barakhamba Road, NEW DELHI – 110001
14. Atam Vallabh Financiers Limited	105, Ashoka Estate, 24 Barakhamba Road, NEW DELHI – 110001
15. Vanaik Investors Limited	105, Ashoka Estate, 24 Barakhamba Road, NEW DELHI – 110001
16. Abhilash Growth Fund Private Ltd.	105, Ashoka Estate, 24 Barakhamba Road, NEW DELHI – 110001
17. Kovalam Investment & Trading Co. Ltd.	C/o. Oswal Woollen Mills Ltd., G.T.Road, Sherpur, LUDHIANA – 141003
18. Nagdevi Trading & Investment Co. Ltd.	105, Ashoka Estate, 24 Barakhamba Road, NEW DELHI – 110001
19. Nahar Growth Fund Private Limited	105, Ashoka Estate, 24 Barakhamba Road, NEW DELHI – 110001

9. Names of the directors of the Transferee Company along with their addresses:

Sr. Name	Category	Address
1. Sh. Jawahar Lal Oswal	Non-Executive Director	514, College Road, Civil Lines, LUDHIANA – 141001
2. Sh. Kamal Oswal	Vice Chairman-cum- Managing Director	514, College Road, Civil Lines, LUDHIANA – 141001
3. Sh. Dinesh Oswal	Non-Executive Director	514, College Road, Civil Lines, LUDHIANA – 141001
4. Sh. Abhinav Oswal	Executive Director	514, College Road, Civil Lines, LUDHIANA – 141001
5. Sh. Dinesh Gogna	Non-Executive Director	30-H, Bhai Randhir Singh Nagar, LUDHIANA – 141012
6. Sh. Navdeep Sharma	Non-Executive Director	200-E, Kitchlu Nagar, LUDHIANA – 141001
7. Dr. Suresh Kumar Singla	Independent Director	119-C, Kitchlu Nagar, LUDHIANA – 141001
8. Dr. Roshan Lal Behl	Independent Director	55, FF, HIG Flats, Sant Ishar Singh Nagar, Pakhawal Road, LUDHIANA – 141001
9. Dr. Manisha Gupta	Independent Director	270, Sun City, Amlah Road, KHANNA – 141401
10. Sh. Parvinder Singh Pruthi	Independent Director	662, Sector 11-B, CHANDIGARH – 160011
11. Sh. Ved Parkash Gaur	Independent Director	41, New Lajpat Nagar, LUDHIANA – 141001
12. Dr. Inder Mohan Chhibba	Independent Director	112-C, Ferozepur Road, Near MBD Mall, Rajguru Nagar, LUDHIANA – 141012

10. Details of the Board Meeting of the Transferee Company at which the Scheme was approved

The Board of Directors of the Transferee Company approved the Scheme at its meeting held on August 27, 2021. The details of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate in the resolution is given below:

Sr. No.	Name of the Director	Voted
1.	Sh. Jawahar Lal Oswal	Was granted leave of absence
2.	Sh. Kamal Oswal	For the resolution
3.	Sh. Dinesh Oswal	For the resolution
4.	Sh. Abhinav Oswal	For the resolution
5.	Sh. Dinesh Gogna	For the resolution
6.	Sh. Navdeep Sharma	For the resolution
7.	Dr. Vijay Asdhir*	For the resolution
8.	Dr. Suresh Kumar Singla	For the resolution
9.	Dr. Roshan Lal Behl	For the resolution
10.	Dr. Manisha Gupta	For the resolution
11.	Sh. Parvinder Singh Pruthi	For the resolution
12.	Sh. Ved Parkash Gaur	For the resolution
13.	Dr. Inder Mohan Chhibba**	---

* Ceased to be an Independent Director with effect from September 30, 2021

** appointed as an Independent Director with effect from September 20, 2021

11. Extent of shareholding of directors and key managerial personnel of the Transferee Company

The details of the present directors and KMP of the Transferee Company and their respective shareholdings in the Companies as on the date of this Notice are as follows:

Name of Directors /KMP	Designation	Shares held in the the Transferor Company	Shares held in the the Transferee Company
Sh. Jawahar Lal Oswal	Chairman	Nil	1000
Sh. Kamal Oswal	Vice Chairman-cum- Managing Director	Nil	1294
Sh. Dinesh Oswal	Non Executive Director	Nil	1000
Sh. Abhinav Oswal	Executive Director	Nil	1000
Sh. Dinesh Gogna	Non-Executive Director	1	Nil
Sh. Navdeep Sharma	Non-Executive Director	Nil	1
Dr. Suresh Kumar Singla	Independent Director	Nil	Nil
Dr. Roshan Lal Behl	Independent Director	Nil	Nil
Dr. Manisha Gupta	Independent Director	Nil	Nil
Sh. Parvinder Singh Pruthi	Independent Director	Nil	Nil
Sh. Ved Parkash Gaur	Independent Director	Nil	Nil
Dr. Inder Mohan Chhibba	Independent Director	Nil	Nil
Sh. Bharat Bhushan Gupta	Chief Financial Officer	1	205
Sh. Mukesh Sood	Company Secretary	Nil	Nil

12. Disclosure about effect of the Scheme on the material interests of directors, Key Managerial Personnel (KMP) and debenture trustee of the Transferee Company

The Directors or KMPs of the Transferee Company do not have any other interest in the Scheme except to the extent of their shareholding, if any, in any of Companies involved in the Scheme. Further, the Transferee Company does not have any debentures. Therefore, the question on the effect of the Scheme on the material interests of the debenture trustee does not arise.

13. Effect of the Scheme on following parties in relation to the Transferee Company

Sr. No.	Category of stakeholder	Effect of the Scheme
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(a)	Equity Shareholders	
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Upon coming into effect of the Scheme and in consideration for the amalgamation, the Transferee Company shall, without any further application or deed, issue and allot its equity shares, credited as fully paid up, to all the equity shareholders holding fully paid up equity shares of the Transferor Company whose names appear in the register of members of the Transferor Company and / or whose names appear as the beneficial owner of the shares of the Transferor Company in the records of the depository, as on the record date, to be fixed for the purpose of reckoning names of the equity shareholders of the Transferor Company ("Transferor Company Shareholders") as per Clause 14 of the Scheme. The equity shares held by the Transferee Company in the Transferor Company shall stand cancelled as an integral part of the Scheme and no equity shares of the Transferee Company shall be allotted in respect of such equity shares.

The equity shares of the Transferee Company to be allotted to the members of the Transferor Company shall be allotted in the following ratio:

3 (Three) fully paid up equity shares of face value Rs. 10 (Rupees ten only) each of the Transferee Company, to be issued for every 10 (Ten) fully paid up equity shares of face value Rs. 10 (Rupees ten only) each held by the Transferor Company Shareholders.

Further, the authorized share capital of the Transferor Company shall be consolidated and vested in and merge with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 18.2 of the Scheme.

(b)	Preference Shareholders	
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The Transferor company is holding 76,20,000-5.5% Non-Convertible Non-Cumulative redeemable preference shares (NCNCRPS) of Rs. 100/- each in Transferee Company. Upon the scheme becoming effective, in view of amalgamation of Transferor Company with Transferee Company all NCNCRPS held by Preference shares by the Transferor Company in the Transferee Company shall be extinguished or shall be deemed to be extinguished by the Transferee Company without any further act,

		instrument or deed integral part of the Scheme. There will be no impact on the remaining Preference Shares of the Transferee Company.
(c)	Key Managerial Personnel (KMP)	No rights of the Key Managerial Personnel (KMP) of the Transferee Company are being affected as a result of the Scheme.
(d)	Directors	The directors of the Transferee Company or their relatives do not have any other interest in the Scheme except to the extent of their shareholding, if any. The Scheme will have no effect on the office of the existing Directors of the Transferee Company. All the directors of the Transferor Company shall cease to be directors of the Transferee Company on the effective date without affecting their rights as shareholder, if any, in the Transferor Company. However, if any such director is a director of the Transferee Company, he/she would continue to hold his/her office in the Transferee Company as per the terms of his/her appointment in the Transferee Company. Further, no change in the Board of Directors of the Transferee Company is envisaged on account of the Scheme. It is clarified that, the composition of the Board of Directors of the Transferee Company may change by appointments, retirements or resignations in accordance with the provisions of the Act, SEBI Listing Regulations and Memorandum and Articles of Association of the Transferee Company.
(e)	Promoters	Refer to point (a) above for details regarding the effect on the shareholders. The promoters of the Transferee Company, subject to applicable laws, from time to time, shall continue to remain promoters after the Scheme becomes effective.
(f)	Non-Promoter Shareholders	Refer point (a) above, para 37 and Annexure VIII for details regarding the effect on the non-promoter shareholders.
(g)	Creditors	The creditors of the Transferee Company will not be affected in any manner by the Scheme.
(h)	Depositors	The Transferee Company does not have any deposits. Therefore, the question on the effect of the Scheme on depositors does not arise.
(i)	Debenture Holders	The Transferee Company does not have any debentures. Therefore, the question on the effect of the Scheme on debenture holders does not arise.
(j)	Debenture Trustee and Depositor Trustee	The Transferee Company does not have any debentures or depositors. Therefore, the question on the effect of the Scheme on the debenture trustee or a depositor trustee does not arise.
(k)	Employees	No rights of the employees of the Transferee Company are being affected as a result of the Scheme.

14. Amount due to unsecured creditors by the Transferee Company

The amount due from the Transferee Company to its unsecured creditors as on 31st October, 2021 is Rs.131,97,82,928/-.

15. Details of investigation / proceedings pending against the Transferee Company under the Companies Act, 2013

There are no proceedings pending inquiry or investigation under companies Act, 2013

16. Details of the Transferor Company**Details of Cotton County Retail Limited**

Corporate identification number (CIN)	U51311PB2001PLC024753
Permanent account number (PAN)	AABCC7574P
Date of incorporation	November 5, 2001
Type of company	Public Limited Company
Registered office address	Premises of Nahar Industrial Enterprises Limited, Focal Point, Ludhiana – 141010, Punjab
E-mail address	share@owmnahar.com, msood@owmnahar.com
Name of the stock exchange(s) where securities of company are listed	Not Listed on any Stock Exchange

17. Summary of the main objects as per the memorandum of association of the Transferee Company

The objects of the Transferee Company are set out in the Memorandum of Association.

“III. (A) MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:

1. To carry on as importers and exporters, of all kinds of yarns and textiles, wholesale and retail dealers, marketers, processors, as principals, as agents, as licensees or as Franchisee of Garments, Textile Goods, Hosiery Goods, of all kinds of cloth, Cotton Goods and Readymade Goods of every kind.

(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE:

.....

22. To amalgamate with or take any other company or companies having object altogether or in part similar to those of this Company.

18. Main business carried on by the Transferor Company

The Transferor company was engaged in the business of manufacturing and retailing of readymade garments. The Transferor company started incurring losses from FY 2012 due to stiff competition and non viability of operations and slowly closed down its business of manufacturing and retailing of garments in FY 2019-20. The Transferee Company is not carrying any business activities.

19. Details of change of name of the Transferor Company during the last five years

The Transferor Company was originally incorporated as Creative Textrade Private Limited on 5.11.2001. The word 'Private' was deleted under section 31 of the Companies Act, 1956 and converted into Public Limited Company vide Order dated 10.05.2006 issued by the Registrar of Companies, Punjab, H.P. and Chandigarh. The name of the company was changed to Nahar Retail Limited on 16.10.2006 and Cotton County Retail Limited w.e.f. 16.5.2008. There has been no change in the name of the Transferor Company

during the last five years. The Transferor Company is an Associate Company of the Transferee company.

20. Details of change in registered office of the Transferor Company during the last five years

There has been no change in the registered office of the Transferor Company during the last five years.

21. Details of change in objects of the Transferor Company during the last five years

Clause No. 41 was inserted in the objects clause of the Memorandum of Association of the Transferor Company on 30.6.2017 passed by the shareholders.

41. To make investments, subscribe, acquire, buy, hold, sell or otherwise deal in shares, stocks, bonds, debentures, units or securities of any company, association, other bodies or any authority(ies) which also includes investment in mutual funds, debt, equity or any kind of scheme including portfolio management services etc. in such manner as may be determined from time to time.

22. Details of the capital structure of the Transferor Company including authorized, issued, subscribed and paid-up share capital

The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on the date of this Notice is as follows:

Particulars Amount (Rs.)

Authorized Share Capital

3,05,00,000 Equity Shares of Rs. 10/- each	30,50,00,000
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Total	30,50,00,000
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Issued, Subscribed and Paid up Capital

2,14,63,240 Equity Shares of Rs. 10/- each	21,46,32,400
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Total	21,46,32,400
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There has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company since the date of this Notice.

23. Names of the promoters of the Transferor Company along with their addresses

Sr. Name	Address
1. Sh. Kamal Oswal	514, College Road, Civil Lines, LUDHIANA – 141001
2. Sh. Rishabh Oswal	514, College Road, Civil Lines, LUDHIANA – 141001
3. Nahar Industrial Enterprises Limited	Focal Point, LUDHIANA – 141010
4. J L Growth Fund Limited	105, Ashoka Estate, 24 Barakhamba Road, NEW DELHI - 110001
5. Vardhman Investment Limited	105, Ashoka Estate, 24 Barakhamba Road, NEW DELHI - 110001
6. Atam Vallabh Financiers Limited	105, Ashoka Estate, 24 Barakhamba Road, NEW DELHI - 110001
7. Vanaik Investors Limited	105, Ashoka Estate, 24 Barakhamba Road, NEW DELHI - 110001
8. Abhilash Growth Fund Private Limited	105, Ashoka Estate, 24 Barakhamba Road, NEW DELHI - 110001
9. Kovalam Investment & Trading Co. Ltd.	C/o. Oswal Woollen Mills Ltd., G.T.Road, Sherpur, LUDHIANA - 141003

24. Names of the directors of the Transferor Company along with their addresses:

Sr.	Name	Category	Address
1.	Sh. Kamal Oswal	Non-Executive Director	514, College Road, Civil Lines, LUDHIANA – 141001
2.	Sh. Rishabh Oswal	Non-Executive Director	514, College Road, Civil Lines, LUDHIANA – 141001
3.	Sh. Dinesh Gogna	Non-Executive Director	30-H, Bhai Randhir Singh Nagar, LUDHIANA – 141012
4.	Sh. Bharat Bhushan Gupta	Non-Executive Director	Plot No. 16, Shakti Vihar, Badi Haibowal Road, LUDHIANA – 141001
5.	Dr. Manisha Gupta	Independent Director	270, Sun City, Amloh Road, KHANNA – 141401
6.	Dr. Inder Mohan Chhibba	Independent Director	112-C, Ferozepur Road, Near MBD Mall, Rajguru Nagar, LUDHIANA – 141012
7.	Sh. Som Garg	Whole Time Director & Chief Financial officer	H.No. 599, Phase-I, Dugri Road, Urban Estate, LUDHIANA-141013

25. Details of the Board Meeting of the Transferor Company at which the Scheme was approved

The Board of Directors of the Transferor Company approved the Scheme at its meeting held on August 27, 2021. The details of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate in the resolution is given below:

Sr. No.	Name of the Director	Voted
1.	Sh. Kamal Oswal	For the resolution
2.	Sh. Rishabh Oswal	For the resolution
3.	Sh. Dinesh Gogna	For the resolution
4.	Sh. Bharat Bhushan Gupta	For the resolution
5.	Dr. Manisha Gupta	For the resolution
6.	Dr. Inder Mohan Chhibba	For the resolution
7.	Sh. Som Garg	For the resolution

26. Extent of shareholding of directors and key managerial personnel of the Transferor Company

The details of the present directors and KMP of the Transferor Company and their respective shareholdings in the Companies as on the date of this Notice are as follows:

Name of Directors / KMP	Designation	Shares held in the Transferee Company	Shares held in the Transferor Company
Sh. Kamal Oswal	Non Executive Director	1294	Nil
Sh. Rishabh Oswal	Non Executive Director	1000	Nil
Sh. Dinesh Gogna	Non Executive Director	Nil	1
Sh. Bharat Bhushan Gupta	Non Executive Director	205	1
Dr. Manisha Gupta	Independent Director	Nil	Nil
Dr. Inder Mohan Chhibba	Independent Director	Nil	Nil
Sh. Som Garg	Whole Time Director & Chief Financial Officer	Nil	1

27. Effect of the Scheme on following parties in relation to the Transferor Company

Sr. No.	Category of stakeholder	Effect of the Scheme
---------	-------------------------	----------------------

- | | | |
|-----|---------------------------------------|---|
| (a) | Equity Shareholders | <p>Upon coming into effect of the Scheme and in consideration for the amalgamation, the Transferee Company shall, without any further application or deed, issue and allot its equity shares, credited as fully paid up, to all the equity shareholders holding fully paid up equity shares of the Transferor Company whose names appear in the register of members of the Transferor Company and / or whose names appear as the beneficial owner of the shares of the Transferor Company in the records of the depository, as on the record date, to be fixed for the purpose of reckoning names of the equity shareholders of the Transferor Company ("Transferor Company Shareholders") as per Clause 14 of the Scheme. The equity shares held by the Transferee Company in the Transferor Company shall stand cancelled as an integral part of the Scheme and no equity shares of the Transferee Company shall be allotted in respect of such equity shares.</p> <p>The equity shares of the Transferee Company to be allotted to the members of the Transferor Company shall be allotted in the following ratio:</p> <p>3 (Three) fully paid up equity shares of face value Rs. 10 (Rupees ten only) each of the Transferee Company, to be issued for every 10 (Ten) fully paid up equity shares of face value Rs. 10 (Rupees ten only) each held by the Shareholders of Transferor Company .</p> <p>Further, the authorized share capital of the Transferor Company shall be consolidated and vested in and merge with the authorized share capital of the Transferee Company in the manner as stipulated in Clause 18.2 of the Scheme.</p> |
| (b) | Preference Shareholders | The transferor company has not issued any preference shares. |
| (c) | Key Managerial Personnel (KMP) | No rights of the Key Managerial Personnel (KMP) of the Transferor Company are being affected as a result of the Scheme. |
| (d) | Directors | All the directors of the Transferor company shall cease to be directors of the Transferee company on the effective date without affecting their rights as shareholder, if any, in the Transferor company. However, if any such director is a director of the Transferee company, he/she would continue to hold his/her office in the Transferee company as per the terms of his/her appointment in the Transferee company. |
| (e) | Promoters | Refer to point (a) above for details regarding the effect on the shareholders. |
| (f) | Non-Promoter Shareholders | All equity shares in the Transferor company are held by promoters. Refer point (a) above. |

- | | | |
|-----|--|---|
| (g) | Creditors | The creditors of the Transferor Company will not be affected in any manner by the Scheme. |
| (h) | Depositors | The Transferor Company does not have any deposits. Therefore, the question on the effect of the Scheme on depositors does not arise. |
| (i) | Debenture Holders | The Transferor Company does not have any debentures. Therefore, the question on the effect of the Scheme on debenture holders does not arise. |
| (j) | Debenture Trustee and Depositor Trustee | The Transferor Company does not have any debentures or depositors. Therefore, the question on the effect of the Scheme on the debenture trustee or on depositor trustee does not arise. |
| (k) | Employees | All employees in the service of Transferor company shall become the employees of the Transferee company. No rights of the employees of the Transferor Company are being affected as a result of the Scheme. |

28. Disclosure about effect of the Scheme on the material interests of directors, Key Managerial Personnel (KMP) and debenture trustee of the Transferor Company

The Directors or KMPs of the Transferor Company do not have any other interest in the Scheme except to the extent of their shareholding, if any, in any of Companies involved in the Scheme. Further, the Transferor Company does not have any debentures. Therefore, the question on the effect of the Scheme on the material interests of the debenture trustee does not arise.

29. Amount due to unsecured creditors by the Transferor Company

The amount due from the Transferor Company to its unsecured creditors as on 31st October, 2021 is Rs. 8,03,706/-

30. Details of investigation / proceedings pending against the Transferor Company under the Companies Act, 2013.

No investigation or prosecution instituted are pending under applicable provisions of the Companies Act, 2013 or erstwhile provisions of Companies Act, 1956 against the Transferor Company.

31. Relationship among the Companies who are parties to the Scheme

Both Transferor and Transferee company belong to same promoter group. The Transferor Company i.e. Cotton County Retail Limited is an Associate Company of the Transferee Company i.e. Nahar Industrial Enterprises Limited. The Transferee Company currently holds 47.66 % shareholding in the Transferor Company.

32. Rationale and the benefits of the Scheme as perceived by the Board of Directors of the Transferee Company

- (a) Both Transferor and Transferee Company belong to same promoter Group. The Transferor Company was engaged in the business of manufacturing and retailing of readymade garments. The Transferor Company used to procure its major raw material i.e. fabrics from Transferee Company. The retailing business of the Transferor company was doing well and the products of the company were widely accepted. The Transferor Company started incurring losses from FY ended 2012 due to stiff competition and non-viability of operations and slowly closed down its business of manufacturing and retailing of garments in FY 2019-20. Transferee Company is holding 47.66% equity shareholding in the Transferor Company and the balance equity shares of Transferor Company are being held by Promoters of the Transferee Company. Since the business of manufacturing and

retailing of garments of Transferor Company have been totally closed therefore, it has been thought proper to merge Transferor Company having surplus funds presently invested in the form of preference shares in Transferee Company. In this Scheme of amalgamation, the 47.66% of equity shareholding in the Transferor Company held by the Transferee Company would be cancelled without further application, act or deed. Upon the scheme becoming effective and as a consideration for the amalgamation of Transferor Company, the Transferee Company would issue equity shares to the equity shareholders of the Transferor Company in the manner stated in the scheme. This scheme would also enable the Transferee Company to finish its liabilities against the funds invested by Transferor Company in the form of preference shares. While conceiving this scheme it has also perused that there are no accumulated business losses of Transferor Company to be paid-off.

- (b) With proposed amalgamation the funds invested by Transferor Company would remain with Transferee Company, it would help the Transferee Company to face current and future challenges in a better way. The Transferee Company's holding of 47.66% in Transferor Company will be extinguished and in lieu of the funds invested by the Transferor Company only 52.34% will be acknowledged by the Transferee Company by issuing the fresh equity shares to that extent. The Net worth of Transferor Company as on 31.12.2020 is Rs. 80.40 Crores as against the total face value of equity share capital of Rs. 21.46 Crores. Thus from all angle it is a win-win situation for Transferee Company.
- (c) Simplified management structures belong to better administration and reduction in costs from more focused operational efforts, reduction in multiplicity of legal and regulatory compliances and rationalization of administrative expenses. By virtue of proposed amalgamation of Transferor Company in Transferee Company, the operation of both companies shall be brought under a single control.
- (d) The Board of Directors of Transferor Company and Transferee Company are of opinion that the proposed arrangement for amalgamation would be advantageous and beneficial to the shareholders and other stakeholders of both companies. The Scheme would not be prejudicial to the interest of Creditors (secured and unsecured) of any of the companies.

Accordingly to achieve the above objectives, the board of directors of the Transferor Company and Transferee Company have decided to make requisite applications and/or petitions before the National Company Law Tribunal, Chandigarh bench (NCLT) under sections 230 to 232 and other applicable provisions of the Companies Act, 2013, rules and regulations there under including any statutory modifications or amendments thereof, for the sanction of this Scheme, for the amalgamation of Cotton County Retail Limited (Transferor Company) with Nahar Industrial Enterprises Limited (Transferee Company) in accordance with section 2 (1B) of the Income Tax Act, 1961. This Scheme also provides for various other matters consequential to and/ or connected therewith.

33. Key salient features of the Scheme

- (a) The scheme means the Scheme of Arrangement which provides for amalgamation of the Cotton County Retail Limited/Transferor company/ (CCRL) with the Nahar Industrial Enterprises Limited/Transferee company/(NIEL) in accordance with section 230 to 232 of the Companies Act, 2013 and /or other relevant provisions of the Act in its present form or with such modifications as may be made and/or directed by the National Company Law Tribunal, Chandigarh Bench. This Scheme also provides for various other matters consequential to and/ or connected therewith.
- (b) On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up;

- (c) Upon the Scheme of Arrangement coming into effect, the Transferee Company shall in consideration of the amalgamation issue and allot to the members of the Transferor Company, holding fully paid-up Equity Shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on the Record Date, equity shares of the Transferee Company. The equity shares held by the Transferee Company either directly or through its Nominees, in the share capital of the Transferor Company as on the Effective Date shall stand cancelled as per provisions of law.
- (d) The equity shares shall be allotted to the members of Transferor Company, as per the ratio determined by the valuation experts, registered as a valuer, namely Mr. Pankaj Bhalla, Chartered Accountant, a Registered Valuer (IBBI Registration No. IBBI/RV/06/ 2020/13265), as specified in section 247 of the Companies Act, 2013 read with applicable Rules. As per the valuation report, members of the Transferor Company shall be allotted 3 (Three) Equity Shares in Transferee Company of Rs. 10 each credited as fully paid-up for every 10 (Ten) Equity shares of Rs. 10 each fully paid-up held by such member in Transferor Company.
- (e) CCRL /(Transferor company) is holding 76,20,000 - 5.5% Non-cumulative Non-convertible redeemable preference shares (NCNCRPS) of Rs. 100/- each in NIEL /(Transferee company). Upon the scheme becoming effective, in view of amalgamation of Transferor Company with Transferee Company all NCNCRPS held by CCRL in NIEL shall be extinguished or shall be deemed to be extinguished by the Transferee Company without any further act, instrument or deed.
- (f) **“Appointed Date”** means the commencement of business on **1st day of April, 2021** and is the date with effect from which the Scheme of Arrangement shall be applicable and effective for all purpose.
- (g) **“Effective Date”** means the date on which the certified copy of the Order of the National Company Law Tribunal, Chandigarh bench sanctioning the scheme is filed with the Registrar of Companies, Punjab and Chandigarh. Any reference in the Scheme to the words **“upon the Scheme becoming effective”** or **“effectiveness of the Scheme”** shall mean **“Effective date”**.
- (h) **“Record Date”** shall mean such date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the members of the Transferor Company to whom shares of the Transferee Company will be allotted pursuant to this Scheme.

Note: The above are the salient features of the Scheme. The shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereto.

34. Summary of valuation report and fairness opinions

Valuation Report

The Valuation Report dated 27th August, 2021 issued by Mr. Pankaj Bhalla, Chartered Accountant, Registered Valuer (IBBI/RV/06/2020/13265) recommended below share entitlement ratio for the Scheme:

Valuation Approach	NIEL		CCRL	
	Value per share	Weight	Value per share	Weight
Asset Approach	---	---	34/-	100%
Income Approach	---	—	—	—
Market Approach	113/-	100%	—	—
Relative Value per Share	113/-		34/-	
Exchange Ratio (Rounded off)		3		10

Share Exchange Ratio

On consideration of the determined value, we recommend that a fair ratio of exchange of equity shares on amalgamation of CCRL with NIEL would be 3 (Three) Fully paid up equity shares of Rs. 10/- each of NIEL for every 10 (Ten) Fully paid up equity shares of Rs. 10/- each of CCRL. Please refer to the Valuation Report enclosed as Annexure "II".

Fairness Opinion

The Fairness Opinion Report dated 27th August, 2021 issued by M/s. Master Capital Services Limited, a Category I Merchant Banker, has been issued in respect of the Valuation Report wherein it has been stated that the proposed share entitlement ratio as recommended by the valuer, which forms the basis of the proposed Scheme, is fair. Please refer to the Fairness Opinion enclosed as Annexure "III".

35. There shall be no debt restructuring of the Transferee Company and Transferor Company pursuant to the Scheme.

36. Pre and Post Scheme Shareholding Pattern of the Companies

Pursuant to the Scheme, the Transferee Company shall issue shares to the shareholders of the Transferor Company. The Transferor Company will stand dissolved without winding up in accordance with the Scheme. Therefore, there will not be any post-Scheme shareholding pattern of the Transferor Company. The pre-Scheme and expected post-Scheme shareholding pattern of the Transferee Company is appended below :

PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEE COMPANY

(Based on shareholding data as on December 31, 2021)

Sr.No.	Name & Category of Shareholders	Pre-Scheme		Post-Scheme	
		Total nos. shares held	Share-holding as a % of total no. of shares	Total nos. shares held	Share-holding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group	27393178	68.77	30763618	71.20
(1)	Indian				
	Sh. Jawahar Lal Oswal	1000	0.01	1000	0.00
	Sh. Kamal Oswal	1294	0.01	1294	0.01
	Sh. Dinesh Oswal	1000	0.01	1000	0.00
	Mrs. Manisha Oswal	1000	0.00	1000	0.00
	Sh. Rishabh Oswal	1000	0.00	1000	0.00
	Sh. Abhinav Oswal	1000	0.00	1000	0.00
	Mrs. Sanjana Oswal	1000	0.00	1000	0.00
	Mrs. Ritu Oswal	500	0.00	500	0.00
	Sh. Sambhav Oswal	500	0.00	500	0.00
	Ms. Tanvi Oswal	500	0.00	500	0.00
	Oswal Woollen Mills Ltd.	2094819	5.26	2094819	4.85
	J L Growth Fund Ltd.	6446456	16.18	7476586	17.30
	Vardhaman Investment Ltd.	3915131	9.83	4770131	11.04

	Atam Vallabh Financiers Ltd.	3212679	8.06	4007679	9.28
	Vanaik Investors Ltd.	2753275	6.91	3293276	7.62
	Abhilash Growth Fund Pvt. Ltd.	193545	0.49	322583	0.75
	Kovalam Investment & Trading Co. Ltd.	6168408	15.48	6189679	14.33
	Nagdevi Trading & Investment Co. Ltd.	2354279	5.91	2354279	5.45
	Nahar Growth Fund Pvt. Ltd.	245792	0.62	245792	0.57
(2)	Foreign	0	0	0	0
	Total Shareholding of Promoter and Promoter Group	27393178	68.77	30763618	71.20
(B)	Public Shareholding	12441963	31.23	12441963	28.80
(1)	Institutions	291002	0.73	291002	0.67
(2)	Non Institutions	12150961	30.50	12150961	28.13
	Total Public Shareholding	12441963	31.23	12441963	28.80
(c)	Non-Promoter Non-Public Shareholding	0	0	0	0
(1)	Shares held by Custodians and against which DRs have been issued	0	0	0	0
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	0	0	0	0
(C)	Total Non-Promoter Non-Public Shareholding	0	0	0	0
	Total (A) + (B) + (C)	39835141	100.00	43205581	100.00

PRE-SCHEME AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEROR COMPANY

(Based on shareholding data as on December 31, 2021)

Sr. No.	Name & Category of Shareholders	Pre-Scheme		Post-Scheme	
		Total nos. shares held	Share-holding as a % of total no. of shares	Total nos. shares held	Share-holding as a % of total no. of shares
(A)	Shareholding of Promoter & Promoter Group	21463240	100.00	0	0.00
(1)	Indian				
	J L Growth Fund Ltd.	3433766	16.00	0	0.00
	Vardhman Investment Ltd.	2850000	13.28	0	0.00
	Atam Vallabh Financiers Ltd.	2650000	12.35	0	0.00
	Vanaik Investors Ltd.	1800003	8.39	0	0.00
	Abhilash Growth Fund Pvt. Ltd.	430128	2.00	0	0.00
	Kovalam Investment & Trading Co. Ltd.	70902	0.33	0	0.00
	Nahar Industrial Enterprises Ltd.*	10228441	47.65	0	0.00
(2)	Foreign	0	0	0	0
	Total Shareholding of Promoter and Promoter Group	21463240	100.00	0	0.00
(B)	Public Shareholding	0	0	0	0
(1)	Institutions	0	0	0	0
(2)	Non Institutions	0	0	0	0
	Total Public Shareholding	0	0	0	0

(c)	Non-Promoter Non-Public Shareholding	0	0	0	0
(1)	Shares held by Custodians and against which DRs have been issued	0	0	0	0
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	0	0	0	0
(C)	Total Non-Promoter Non-Public Shareholding	0	0	0	0
	Total- (A) + (B) + ©	21463240	100.00	0	0.00

* 3 equity Shares held as nominee of Nahar Industrial Enterprises Limited

37. Details of approval from regulatory authorities

- (a) Pursuant to the SEBI Circular read with Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Transferee Company has filed necessary applications before the stock exchanges viz. National Stock Exchange of India Limited and BSE Limited seeking their no objection to the Scheme. The Transferee Company has received Observation Letters dated November 26, 2021 from both National Stock Exchange of India Limited and BSE Limited respectively. Copies of the Observation Letters are enclosed as **Annexure VI** and **VII** respectively.
 - (b) As required by the SEBI Circular, the Companies have filed Reports on Complaints dated 08.10.2021 with both National Stock Exchange of India Limited and BSE Limited respectively. After filing the Complaint Reports, the Transferee Company has received NIL complaints. Copies of the aforementioned Complaints Reports are enclosed as **Annexure IV** and **V**.
 - (c) The Companies have made a joint application before the NCLT, Chandigarh Bench respectively for the convening of meetings under Sections 230-232 and other applicable provisions of the Companies Act, 2013.
 - (d) A copy of the Scheme along with the explanatory statement under Sections 230(3), 232(1), 232(2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 is also being forwarded, *inter alia* to the Registrar of Companies, Chandigarh
 - (e) Audited financial statements (both standalone and consolidated) of the Transferee Company as on March 31, 2021 and provisional accounting statement of the Transferee Company as on December 31, 2021 are enclosed as **Annexure XI**.
 - (f) Audited financial statements of the Transferor Company as on March 31, 2021 and provisional accounting statement, management certified, of the Transferor Company as on December 31, 2021 are enclosed as **Annexure XII**.
 - (g) Upon the Scheme being approved by requisite majority of the shareholders and creditors of the respective Companies involved in the Scheme as per the requirement of Section 230 of the Companies Act, 2013, the Transferor Company and the Transferee Company will file a petition with the Chandigarh Bench of the NCLT for sanction of the Scheme.
38. Copies of the Reports adopted by the respective Board of Directors of the Companies pursuant to the provisions of Section 232(2)(C) of the Companies Act, 2013 are enclosed as **Annexure VIII** and **IX** respectively.

39. Details of availability of documents for inspection

The following documents will be open for obtaining extract from or for making or obtaining copies of or inspection by the equity shareholders of Transferee Company up to the date of the meeting at its registered office between 11.00 a.m. and 12.00 p.m. (IST) on all working days, except Saturdays, Sundays and public holidays. Equity shareholders desiring inspection of these documents through

electronic mode may send their request in writing to the Transferee Company at share@owmnahar.com and the Transferee Company shall provide inspection through electronic mode to such equity shareholders:

- (i) Copy of the Scheme of Amalgamation and Arrangement;
- (ii) Copies of the orders passed by the NCLT, Chandigarh Bench in Company Application No. CA (CAA) No. 2/Chd/Pb/2022 dated April 05, 2022.
- (iii) Copy of the Memorandum and Articles of Association of the Transferor Company and the Transferee Company;
- (iv) Copy of the audited financial statements of the Transferor Company for the financial year ended March 31, 2021;
- (v) Copy of the audited financial statements (both standalone and consolidated) of the Transferee Company for the financial year ended March 31, 2021;
- (vi) Copy of the provisional accounting statement (Limited reviewed) of the Transferor Company, for the period ended December 31, 2021;
- (vii) Copy of the provisional accounting statement, management certified, of the Transferor Company, for the period ended December 31, 2021;
- (viii) Copy of the Valuation Report issued by Pankaj Bhalla, registered valuer dated August 27, 2021;
- (ix) Copy of the Fairness Opinion issued by Master Capital Services Limited, a Category-1 SEBI registered merchant banker, dated August 27, 2021;
- (x) Copy of the Report of the Audit Committee of the Transferee Company dated August 27, 2021;
- (xi) Copies of the resolutions dated August 27, 2021 passed by the respective Board of Directors of the Transferor Company and the Transferee Company, approving the Scheme;
- (xii) Copies of the statutory auditors' certificates dated August 27, 2021 issued by K.R. Aggarwal & Associates, Chartered Accountants to the Transferee Company;
- (xiii) Copies of Observation Letters issued to the Transferee Company by National Stock Exchange of India Limited on November 26, 2021 and BSE Limited on November 26, 2021 ;
- (xiv) Copies of the Reports adopted by the Board of Directors of the Transferor Company and the Transferee Company, respectively pursuant to provision of Section 232(2)© of the Companies Act, 2013;
- (xv) Such other information or documents as the Board of Directors or management of the Transferee Company believes necessary and relevant for making decision for or against the Scheme.

This explanatory statement is made under Section 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. A copy of the Scheme and explanatory statement may be obtained from the registered office of Nahar Industrial Enterprises Limited / downloaded from the website of Nahar Industrial Enterprises Limited www.owmnahar.com under the 'Investor Services' segment.

For Nahar Industrial Enterprises Limited

Sd/-

Mukesh Sood
Company Secretary

Place : Ludhiana
Date: April 11, 2022

**SCHEME OF ARRANGEMENT FOR AMALGAMATION
UNDER SECTIONS 230 – 232 AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT, 2013
BETWEEN
NAHAR INDUSTRIAL ENTERPRISES LIMITED
AND
COTTON COUNTY RETAIL LIMITED
AND THEIR SHAREHOLDERS AND CREDITORS**

1. DESCRIPTION OF COMPANIES

1.1 NAHAR INDUSTRIAL ENTERPRISES LIMITED {NIEL/TRANSFeree COMPANY/AMALGAMATED COMPANY} NIEL was incorporated on 27th September, 1983 as a Public Limited company under the Companies Act, 1956 with the Registrar of Companies, Delhi and Haryana at New Delhi. The name of the company was changed to Nahar Industrial Enterprises Limited w.e.f. 21st October, 1994. The registered office of the Company was changed from NCT of Delhi to the State of Punjab w.e.f. 31st May, 1996. NIEL is having its registered office at Focal Point, Ludhiana – 141010. The Corporate Identification Number (CIN) of the Company is L15143PB1983PLC018321. NIEL is a Listed Company and equity shares of the company are listed on the BSE Ltd. and National Stock Exchange of India Ltd. NIEL is a vertically integrated textile company engaged in the manufacture of cotton/ blended and dyed yarn, greige and processed fabrics. Besides Textiles, NIEL is also engaged in the manufacture of sugar.

1.2 COTTON COUNTY RETAIL LIMITED (CCRL / TRANSFEROR COMPANY/AMALGAMATING COMPANY) CCRL was originally incorporated as Creative Textrade Private Limited on 5.11.2001. The name of the company was changed to Nahar Retail Limited on 16.10.2006 and Cotton County Retail Limited w.e.f. 16.5.2008. The Corporate Identification Number (CIN) of the company is U51311PB2001PLC024753. CCRL is having its registered office at the Premises of Nahar Industrial Enterprises Ltd., Focal Point, Ludhiana –141010. CCRL is an unlisted public Company and an Associate Company of the Transferee company.

2. RATIONALE OF THE SCHEME OF ARRANGEMENT

2.1 Both Transferor and Transferee Company belong to same promoter Group. The Transferor Company was engaged in the business of manufacturing and retailing of readymade garments. The Transferor Company used to procure its major raw material i.e. fabrics from Transferee Company. The retailing business of the Transferor company was doing well and the products of the company were widely accepted. The Transferor Company started incurring losses from FY ended 2012 due to stiff competition and non-viability of operations and slowly closed down its business of manufacturing and retailing of garments in FY 2019-20. Transferee Company is holding 47.66% equity shareholding in the Transferor Company and the balance equity shares of Transferor Company are being held by Promoters of the Transferee Company. Since the business of manufacturing and retailing of garments of Transferor Company have been totally closed therefore, it has been thought proper to merge Transferor Company having surplus funds presently invested in the form of preference shares in Transferee Company. In this Scheme of amalgamation, the 47.66% of equity shareholding in the Transferor Company held by the Transferee Company would be cancelled without further application, act or deed. Upon the scheme becoming effective and as a consideration for the amalgamation of Transferor Company, the Transferee Company would issue equity shares to the equity shareholders

of the Transferor Company in the manner stated in the scheme. This scheme would also enable the Transferee Company to finish its liabilities against the funds invested by Transferor Company in the form of preference shares. While conceiving this scheme it has also perused that there are no accumulated business losses of Transferor Company to be paid-off.

2.2 With proposed amalgamation the funds invested by Transferor Company would remain with Transferee Company, it would help the Transferee Company to face current and future challenges in a better way. The Transferee Company's holding of 47.66% in Transferor Company will be extinguished and in lieu of the funds invested by the Transferor Company only 52.34% will be acknowledged by the Transferee Company by issuing the fresh equity shares to that extent. The Net worth of Transferor Company as on 31.12.2020 is Rs. 80.40 Crores as against the total face value of equity share capital of Rs. 21.46 Crores. Thus from all angle it is a win-win situation for Transferee Company.

2.3 Simplified management structures belong to better administration and reduction in costs from more focused operational efforts, reduction in multiplicity of legal and regulatory compliance and rationalization of administrative expenses. By virtue of proposed amalgamation of Transferor Company in Transferee Company, the operation of both companies shall be brought under a single control.

2.4 The Board of Directors of Transferor Company and Transferee Company are of opinion that the proposed arrangement for amalgamation would be advantageous and beneficial to the shareholders and other stakeholders of both companies. The Scheme would not be prejudicial to the interest of Creditors (secured and unsecured) of any of the companies.

Accordingly to achieve the above objectives, the board of directors of the Transferor Company and Transferee Company have decided to make requisite applications and/or petitions before the National Company Law Tribunal, Chandigarh bench (NCLT) under sections 230 to 232 and other applicable provisions of the Companies Act, 2013, rules and regulations there under including any statutory modifications or amendments thereof, for the sanction of this Scheme, for the amalgamation of Cotton County Retail Limited (Transferor Company) with Nahar Industrial Enterprises Limited (Transferee Company) in accordance with section 2 (1B) of the Income Tax Act, 1961. This Scheme also provides for various other matters consequential to and/ or connected therewith.

PARTS OF THE SCHEME OF ARRANGEMENT

PART A DEFINITIONS

PART B SHARE CAPITAL

PART C AMALGAMATION OF CCRL (TRANSFEROR COMPANY) WITH NIEL (TRANSFEREE COMPANY)

PART D REORGANIZATION OF SHARE CAPITAL

PART E GENERAL CLAUSES, TERMS AND CONDITIONS

PART A

3. DEFINITIONS:

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

3.1 **“Act” or “The Act”** means the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamation) Rules 2016 and other applicable rules and regulations, for the time being in force, if any including any statutory modification(s) or re-enactment(s) thereof.

3.2 **“Appointed Date”** means the commencement of business on **1st day of April, 2021** and is the date

with effect from which the Scheme of Arrangement shall be applicable and effective for all purpose.

- 3.3 **“Board of Directors” or “Board”** means the Board of Directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof.
- 3.4 **“Effective Date”** means the date on which the certified copy of the Order of the National Company Law Tribunal, Chandigarh bench sanctioning the scheme is filed with the Registrar of Companies, Punjab and Chandigarh. Any reference in the Scheme to the words **“upon the Scheme becoming effective”** or **“effectiveness of the Scheme”** shall mean **“Effective date”**.
- 3.5 **“Governmental Authority”** means any applicable Central, State or Local Government, legislative body, regulatory or administrative authority, agency or commission or any, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction.
- 3.6 **“Income Tax Act, 1961”** means the Income Tax Act, 1961 including any statutory modification, re-enactment or amendments thereof for the time being in force.
- 3.7 **“Law” or “Applicable Law”** includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, tribunal, board, court of India or any other country or jurisdiction as may be applicable.
- 3.8 **“ROC”** means the Registrar of Companies, Punjab & Chandigarh.
- 3.9 **“Scheme” or “the Scheme of Arrangement” or “this Scheme”** means the Scheme of Arrangement for Amalgamation of the Transferor Company with the Transferee Company and vesting of the same in Nahar Industrial Enterprises Limited as contained herein, duly approved by the Board of Directors of respective Companies, and / or as sanctioned by the Tribunal as the case may be, with or without any alterations / modifications.
- 3.10 **“SEBI”** means the Securities and Exchange Board of India established under the Securities & Exchange Board of India Act, 1992.
- 3.11 **“SEBI circular”** means the Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 as modified by Circular No. CFD/DIL3/CIR/2017/26 dated 23rd March, 2017, modified by Circular No. CFD/DIL3/CIR/2018/2 dated 3rd January, 2018, modified by Circular No. SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated 12th September, 2019 and as also modified by Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated 3rd November, 2020 and all other applicable circulars and regulations issued by SEBI in this respect.
- 3.12 **“Transferor Company” or “Amalgamating Company”** means Cotton County Retail Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at Premises of Nahar Industrial Enterprises Limited, Focal Point, Ludhiana – 141010, Punjab.
- 3.13 **“Transferee Company” or “Amalgamated Company”** means Nahar Industrial Enterprises Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at Focal Point, Ludhiana – 141010, Punjab
- 3.14 **“Tribunal”** means the National Company Law Tribunal, Chandigarh bench having jurisdiction over amalgamated company and amalgamating company.
- 3.15 **“Tax” or “Taxes”** (including with correlative meaning the terms Tax and Taxes) means any and all taxes (direct or indirect). Surcharge, cess, duties, impositions imposed by any Government or Governmental authority, including without limitation taxes based upon or measured by gross receipts, income, profits, sales and value added services, Goods & Services Tax (GST), whether CGST, SGST, IGST, withholding taxes, payroll, excise and property taxes, stamp duty, registration fees, together with all interest, penalties with respect to such amounts.

3.16 Undertaking of the Transferor Company” means the undertaking and business of the Transferor Company on a going concern basis and shall mean and include, without limitation :-

- a. All assets whether movable or immovable, tangible or intangible, including all rights, title, interest, covenant, undertakings, including continuing rights, title and interest in connection with the land and the buildings thereon, whether leasehold or otherwise, plant and machinery, whether leased or otherwise, together with all present and future liability including contingent liabilities and debts relating to Transferor Company.
- b. All loans and advances, including accrued interest thereon relating to Transferor Company.
- c. All debts, borrowings and liabilities, including contingent liabilities, present or future, whether secured or unsecured relating to Transferor Company.
- d. All permits, quotas, rights, entitlements, licenses, tenancies, offices and depots, trademarks including brand names, patents, copyrights, domain names, privileges, and benefits of all contracts, agreements and other rights including lease rights, licenses, powers and facilities of every kind and description relating to Transferor Company.
- e. All agreements, contracts, arrangements, understandings, engagements, deeds and instruments and all rights, title, interest, claims and benefits there under of the Transferor Company.
- f. All employees at their respective offices, branches, depots, shops at their current terms and conditions relating to Transferor Company.
- g. All cash and bank balances, earnest monies and/or security deposits or other entitlements in connection with or relating to the Transferor Company.
- h. All records, file papers, product specifications and process information, computer programs, drawings, manuals, data catalogues, sales and advertising materials, lists of present and former customers and suppliers, customers' credit information, customer pricing information and other records in connection with or in relation to the Transferor Company.
- i. All present and future liabilities (including contingent liabilities) and shall include any obligations under any licenses, or permits.

The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the Regulations made there under), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time

PART B

4. SHARE CAPITAL

4.1 The Share Capital of NIEL as on 31.03.2021 is as under:-

Particulars	Amount (Rs.)
Authorized Share Capital	
i) 5,00,00,000 Equity Shares of Rs. 10/- each	50,00,00,000
ii) 1,25,00,000 – 5.5% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs. 100/- each	125,00,00,000
Total	175,00,00,000

Issued, Subscribed and Paid Up Capital

i)	3,98,35,141 Equity Shares of Rs. 10/- each	39,83,51,410
	Add: Shares Forfeited Account (amount originally paid up)	19,91,343
ii)	1,16,20,000 – 5.5% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs. 100/- each	116,20,00,000

Total		156,23,42,753
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Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of the Transferee Company, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company. The equity shares of the Company are listed on the BSE Ltd. and the National Stock Exchange of India Ltd.

4.2 The Share Capital of CCRL as on 31.03.2021 is as under:-

Particulars	Amount (Rs.)
Authorized Share Capital	
3,05,00,000 Equity Shares of Rs. 10/- each	30,50,00,000
Total	30,50,00,000
Issued, Subscribed and Paid up Capital	
2,14,63,240 Equity Shares of Rs. 10/- each	21,46,32,400
Total	21,46,32,400

Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of the Transferee Company, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company. The equity shares of CCRL are not listed on any stock exchange.

PART C**AMALGAMATION OF TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY**

5. The scheme means the Scheme of Arrangement which provides for amalgamation of the Transferor company (CCRL) with the Transferee company (NIEL) in accordance with section 230 to 232 of the Companies Act, 2013 and /or other relevant provisions of the Act in its present form or with such modifications as may be made and/or directed by the National Company Law Tribunal, Chandigarh Bench.

6. TRANSFER AND VESTING OF THE UNDERTAKING

6.1 With effect from the Appointed Date and upon the Scheme becoming effective, the Undertaking and Business of the Transferor company (including all the assets of the Transferor Company)

6.1.1 as are movable in nature, or tangible property or otherwise capable of being transferred by manual delivery / endorsement and delivery subject to all charges, if any, affecting the same or any part thereof as on the Appointed Date;

6.1.2 all its properties, assets, rights, benefits and the interests therein; and

6.1.3 all immovable properties including land together with buildings and documents of title / rights and easements in relation thereto;

shall without any further instrument, act or deed, stand transferred to the Transferee company pursuant to Sections 230 to 232 of the Act and be vested in and / or be deemed to have been vested in the Transferee Company.

- 6.2 All assets and liabilities along with debts, obligations and duties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, shall be deemed to be and shall become the assets, liabilities, debts, obligations and duties of the Transferee Company and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Section 230 to 232 and all other applicable provisions, if any of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon coming into effect of this Scheme pursuant to the provision of the Act.
- 6.3 For the purpose of the Scheme, the business of Transferor company shall include:
- 6.3.1 All the assets of Transferor company immediately before amalgamation;
- 6.3.2 All the liabilities of Transferor company immediately before amalgamation.
- 6.4 Without prejudice to the generality of the foregoing clauses hereof, the said business and undertaking shall include all properties, rights, claims whatsoever of the Transferor company and its entire undertakings, authorities, privileges, industrial and other licenses and rights in respect of the properties, both movable and immovable, lease, tenancy rights and other assets of whatsoever nature including patent rights, brands and trademarks (registered and unregistered) along with all rights of commercial nature including attached goodwill, title, interest, labels and other industrial or intellectual property rights of any nature whatsoever and howsoever named, registrations, approvals, clearances, fittings and fixtures, telephones, telex, other communications, fax connections, cash balances, reserves, security deposits, refunds, outstanding balances, stocks, investments, contracts, agreements and other rights and interest of all description in or arising out of such properties as may belong to or be in possession of the Transferor company and all books of account, documents and records relating thereto, but subject to all charges affecting the same. Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor company which shall vest in the Transferee company by virtue of the amalgamation and the Transferee company shall not be obliged to create any further or additional security thereof after the amalgamation has become effective or otherwise.
- 6.5 Any guarantee / letter of comfort / commitment letter given by Government or any Company, agency or bank in favour of the Transferor Company with regard to any loan or financial assistance shall continue to be operative in relation to the Transferee Company.
- 6.6 The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as "Insured" in the policies, as if the Transferee Company was initially a party.
- 6.7 With effect from the Appointed Date and up to the Scheme becoming effective, any statutory licenses, permission, approval, exemption schemes, or consents required to carry on operations in the Transferor Company, shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company. The benefits of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Transferor Company shall vest in and become available to the Transferee Company pursuant to the scheme.
- 6.8 All the liabilities, debts, obligations and duties of the Transferor company shall stand transferred to the Transferee company with effect from the Appointed Date without any further instrument, act or deed in accordance with section 232 of the Act, so as to become the liabilities, debts, obligations and duties of the Transferee company.

- 6.9 The Securities Premium Account, Capital Redemption Reserve Account, General Reserve Account, Surplus and any other reserves as on the Appointed Date, in the Balance Sheet of the Transferor company shall become the Securities Premium Account, Capital Redemption Reserve Account, General Reserve Account, Surplus and any other reserves of the Transferee company.
- 6.10 With effect from the Appointed Date and upon the Scheme becoming effective, the unabsorbed depreciation and unabsorbed accumulated losses, as reflected in the Balance Sheet and as determined under Income Tax Act of the Transferor company, shall be treated as unabsorbed depreciation and unabsorbed accumulated losses of the Transferee company and subject to the provisions of section 72A of the Income Tax Act, 1961 the Transferee company shall be entitled to set off and / or carry forward such unabsorbed depreciation and unabsorbed accumulated losses.

7. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

Upon coming into effect of this Scheme and subject to the provisions of the Scheme, all memorandum of understanding, contracts, schemes, assurances, licenses, insurance policies, guarantees, deeds, bonds, agreements, arrangements and other instruments of whatever nature to which the Transferor Company is a party or to be benefits to which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto. The Transferee Company shall, if so required or becomes necessary, upon coming into effect of this Scheme enter into and / or issue and / or execute deeds, writings or confirmations to give effect to the provisions in this Clause.

8. TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES

All the staff, workmen and employees in the service of the Transferor company, immediately before the transfer of the undertaking/business under the Scheme, shall become the staff, workmen and employees of the Transferee company on the basis that:

- 8.1 Their services shall be continued and shall not be interrupted by reason of the transfer of the undertaking/business.
- 8.2 The terms and conditions of service applicable to the said staff, workmen and employees after such transfer shall not in any way be less favorable to them than those applicable to them immediately before the transfer.
- 8.3 It is expressly provided that as far the Provident Fund, Gratuity Fund or any other Special Fund created or existing for the benefit of the staff, workmen and employees of the Transferor company are concerned, upon the Scheme becoming effective, the Transferee company shall stand substituted for the Transferor company for all purposes whatsoever related to the administration or operation of such funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds as per the terms provided in the respective trust deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor company in relation to such funds shall become those of the Transferee company.

It is further clarified that the services of the employees of the Transferor company shall be treated as having been continuous for the purpose of the aforesaid funds or provisions.

9. LEGAL PROCEEDINGS

With effect from the Appointed Date and upon the Scheme becoming effective, the Transferee Company undertakes to have, such legal quasi judicial or other suit, appeal or other proceedings of whatever nature initiated by or against the Transferor company, transferred in its name and to have the same continued,

prosecuted and enforced by or against the Transferee company. Any proceeding that may be taken after the Appointed Date for any other matter or cause of action concerning the Transferor company before the Effective Date shall also be taken by or against the Transferee company.

The Transferee Company further undertakes to pay all such amounts including interest, penalties, damages etc. which the Transferor Company may be called upon to pay to secure in respect of any liability or obligation relating to the Transferor Company for the period up to the Effective Date.

10. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY TILL EFFECTIVE DATE

10.1 With effect from the Appointed Date and up to the Effective Date, the Transferor company:-

- 10.1.1 shall carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee company and all the profits accruing to the Transferor company or losses arising or incurred by the Transferor company shall for all purposes be treated as the profits or losses of the Transferee company, as the case may be;
- 10.1.2 hereby undertake to carry on its business until the Effective Date with reasonable diligence and shall not without the written consent of the Transferee company alienate, charge or otherwise deal with the said undertaking or any part thereof except in the ordinary course of its business;
- 10.1.3 shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business;
- 10.1.4 shall not, without the written consent of the Transferee company, undertake any new business, issue further shares or declare any dividend.

11. DIVIDEND

- 11.1 Dividends (interim and/or final) in respect of the period commencing from the Appointed Date until the Effective Date may be declared or paid by the Transferor Company with the prior consent of the Transferee Company.
- 11.2 It is clarified, however, that the aforesaid provision in respect of declaration of dividend is an enabling provision only and shall not be deemed to confer any right on any member of the Transferor Company to demand or claim any dividend, which shall be entirely at the discretion of the Board of Directors of both the Transferor Company and the Transferee Company, subject to the provisions of the Act.

12. COMPLIANCE OF LAWS

- 12.1 This Scheme is presented and drawn up to comply with the provisions / requirements of Sections 230-232 and other applicable provisions of the Act, for the purpose of amalgamation of the Transferor Company with the Transferee Company.
- 12.2 The Scheme does not in any manner violate, override or circumscribe the provisions of the Securities Laws i.e. SEBI Act, 1992, Securities Contract (Regulation) Act, 1956, Depositories Act, 1996, Companies Act, 2013 or requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- 12.3 The amalgamation of Transferor Company with the Transferee Company in accordance with this Scheme will be in compliance of with the provisions of section 2(1B) and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand

modified to the extent determined necessary to comply with the said provisions. Such modification(s) will however not affect other clauses of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Transferor Company and the Transferee Company, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

- 12.4 The scheme shall be in compliance with the applicable SEBI Guidelines including particularly the Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and subsequent amendments thereof. The Scheme being approved by the shareholders of the Transferee Company by way of e-voting in terms of Para 9 of the SEBI Circular dated 10th March, 2017 and the scheme shall be acted upon only if votes cast by public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

13. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the properties, assets and liabilities of the Transferor Company and the continuance of proceedings by or against the Transferor Company shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intend that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

14. TRANSFEROR COMPANY'S DIRECTORS

All the directors of the Transferor company shall cease to be directors of the Transferor company on the Effective Date without affecting their rights as shareholder, if any, in the Transferor company. However, if any such director is a director of the Transferee company, he/she would continue to hold his/her office in the Transferee company as per the terms of his/her appointment in the Transferee Company.

15. CONSIDERATION/ISSUE OF SHARES

- 15.1 Upon the Scheme of Arrangement coming into effect, the Transferee Company shall in consideration of the amalgamation issue and allot to the members of the Transferor Company, holding fully paid-up Equity Shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on the Record Date, equity shares of the Transferee Company. The equity shares held by the Transferee Company either directly or through its Nominees, in the share capital of the Transferor Company as on the Effective Date shall stand cancelled as per provisions of law.

The equity shares shall be allotted to the members of Transferor Company, as per the ratio determined by the valuation experts, registered as a valuer, namely Mr. Pankaj Bhalla, Chartered Accountant, a Registered Valuer (IBBI Registration No. IBBI/RV/06/ 2020/13265), as specified in section 247 of the Companies Act, 2013 read with applicable Rules. As per the valuation report, members of the Transferor Company shall be allotted 3 (Three) Equity Shares in Transferee Company of Rs. 10 each credited as fully paid-up for every 10 (Ten) Equity shares of Rs. 10 each fully paid-up held by such member in Transferor Company.

- 15.2 All mandates or other instructions in force at the close of business on the Effective Date relating to the shares of the Transferor Company shall, unless and until revoked, be deemed to be valid and subsisting mandates or instructions to the Transferee Company in relation to the corresponding Shares of the Transferee Company to be issued and allotted pursuant to the Scheme.

- 15.3 No coupons shall be issued in respect of fractional entitlements, if any, by the Transferee Company, to the Equity Shareholders of the Transferor Company at the time of issue and allotment of equity

shares pursuant to the clause 15.1 above. In case any shareholder' holding in the Transferor Company is such that the shareholder becomes entitled, pursuant to the scheme, to a fraction of equity share of the Transferee Company, the Transferee Company shall round off the said entitlement to the nearest integer and allot equity shares accordingly.

- 15.4 The new equity shares shall be issued only in Dematerialized form to be credited to the demat account as may be notified by the Equity Shareholders of the Transferor Company. The new equity shares of the Transferee Company shall be listed on the BSE Limited and National Stock Exchange of India Limited, on which the shares of the Transferee Company are listed as on the Effective Date. The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges.
- 15.5 The shares to be issued and allotted as above by the Transferee Company to the members of Transferor Company shall rank pari-passu in all respects with the existing shares held by the members of the Transferee Company.
- 15.6 Upon the approval of the Scheme by the members of the Transferor Company and the members of the Transferee Company pursuant to Section 230-232 of the Act, it shall be deemed that the said members have also accorded all relevant consents under sections 13, 14, 42, 61 and 62 of the Act and any other relevant and applicable provisions of the Act for the issue and allotment of new equity shares by Transferee Company as provided in this Scheme.

16. ACCOUNTING TREATMENT IN THE BOOKS OF NIEL IN CASE OF AMALGAMATION

With effect from the Appointed Date and Pursuant to this scheme coming into effect, the Transferee Company shall account for the amalgamation of the Transferor Company in its books as prescribed for the Pooling of Interest Method under Ind AS103 Business Combination as notified under the Companies (Indian Accounting Standard) Rules, 2015 in the following manner :-

- 16.1 all the assets and liabilities recorded in the books of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book value as appearing in the books of the Transferor company.
- 16.2 the reserves both capital and revenue, of the Transferor Company, will be merged with those of the Transferee Company, if the same form as they appear in the financial statements of the Transferor Company subject to any corrections or adjustments as may in the opinion of the Board of Directors of the Transferee Company be required.
- 16.3 upon coming into effect of this scheme, any inter-company investment(s) in the books of Transferor Company and Transferee Company, representing shares both including equity and preference, of Transferor Company or Transferee Company will stand cancelled and no shares or consideration shall be issued by the Transferee Company in respect of such cancelled shares.
- 16.4 All Inter-company payables, receivables (including loans advances), other obligations and balances, if any, between the Transferee Company and the Transferor Company inter-se shall stand cancelled. NIEL shall accordingly not record any of such payables, receivables and balances in its books.
- 16.5 The difference between the book value of assets and liabilities and the reserves and after considering the cancellation of inter-se loan/advances payable or receivable or investment, if any as mentioned above, shall be adjusted from the capital reserve account of Transferee Company.
- 16.6 In case of any difference in accounting policy between the Transferor Company and the Transferee

Company, the impact of the same till the 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 financial position on the basis of consistent accounting policy.

- 16.7 The Transferee Company is expressly permitted to revise Transferor Company's Income Tax returns, GST returns, and Service Tax returns, issue TDS certificates and the right to claim refund of Income Tax, advance income tax credits, and adjust excess Service Tax etc. upon this Scheme becoming effective.
- 16.8 On the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as per Accounting prescribed under the Accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Act and other provisions and matters relating thereto contained in the laws relating to accounting treatment of Companies.
- 16.9 In giving effect to the accounting treatment as per the Scheme of Amalgamation in the books of the Transferee Company, it shall comply with the provisions of the Income Tax Act, 1961.
- 16.10 Notwithstanding the above, The Board of Directors of the Transferee Company in consultations with its statutory auditors, is authorised to record assets, liabilities and reserves and surplus in compliance with prevailing Accounting Standards notified under the Companies Act, 2013.

17. DISSOLUTION OF TRANSFEROR COMPANY

- 17.1 On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up;
- 17.2 On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the ROC. The Transferee Company shall make necessary filings in this regard.

PART D

18. REORGANIZATION OF SHARE CAPITAL

- 18.1 In view of the amalgamation of the Transferor Company with Transferee Company as envisaged in the part B of the scheme and as an integral part of the Scheme, the share capital of NIEL shall be reorganized in the manner as set out in this part of the scheme.
- 18.2 Upon the Scheme becoming effective, the entire authorized share capital of the Transferor Company amounting to Rs. 30,50,00,000 shall be consolidated and vested in and be merged with the authorized share capital of the Transferee company without any further act, instrument or deed by the Transferee Company and without any liability for payment of any additional fees (including fees and charges to the relevant Registrar of Companies) or stamp duty in respect of such increase as the stamp duty and fees have already been paid by the Transferor Company on such authorised capital and benefits which stands vested in the Transferee Company pursuant to the scheme becoming effective on the Effective Date.

18.3 EXTINGUISHMENT OF PREFERENCE SHARES (NCNCRPS)

- 18.3.1 CCRL /(Transferor company) is holding 76, 20,000 - 5.5% Non-cumulative Non-convertible redeemable preference shares (NCNCRPS) of Rs. 100/- each in NIEL /(Transferee company). Upon the scheme becoming effective, in view of amalgamation of Transferor company with Transferee company all NCNCRPS held by CCRL in NIEL shall be extinguished or shall be deemed to be extinguished by the Transferee Company without any further act, instrument or deed.
- 18.3.2 Upon the Scheme becoming effective, the subscribed and paid up preference share capital of

Transferee Company to the extent held by the Transferor Company shall stand extinguished, without any payment of consideration or any other distribution to the Transferor Company pursuant to the amalgamation of Transferor Company with Transferee Company.

18.3.3 Pursuant to the extinguishment of the Preference Shares as stated above, any arrears of dividend on the preference shares or any other liability, whether present or contingent, of the Transferee Company pertaining to the NCNCRPS shall upon the Scheme being effective, abate and there shall be no liability of the Transferee Company in respect of the NCNCRPS so extinguished.

18.3.4 The extinguishment of preference shares by the Transferee Company shall be effected as an integral part of this scheme itself, without having to follow the process under section 66 of the Act separately, and order of the Tribunal sanctioning the scheme of Arrangement under section 230-232 of the Act shall be deemed to be order under section 66 of the Act confirming the extinguishment of 76,20,000 - 5.5% Non-cumulative non-convertible redeemable preference shares held by the Transferor company in the Transferee Company. This Scheme as proposed and upon sanction by the NCLT shall constitute a single window clearance and shall be deemed to be sufficient for extinguishment of preference share capital.

18.3.5 Notwithstanding the extinguishment / cancellation of the preference share Capital by the Transferee Company, the Transferee Company is not required to add "And reduced" as suffix to its name.

18.3.6 The Transferor and Transferee company submits that the proposed cancellation and extinguishment of preference share capital is in conformity with and does not violate or circumscribe any provision of the Act.

18.4 It is hereby clarified that this Scheme as proposed and upon sanction by the NCLT shall constitute a single window clearance pursuant to section 230-232 of the Act and shall be deemed to be sufficient for effecting the increase of the Authorized Share Capital, extinguishment / cancellation of NCNCRPS and reclassification of Authorised Capital of the Transferee Company as mentioned below without further act, instrument or deed and further resolution whether under section 13, 14, 61, 62 and 66 or any other applicable provisions of the Act. Upon this scheme coming into effect, the Transferee Company shall, if required file the necessary documents/intimations as per the provisions of the Act with ROC or any other applicable authority to record the aforesaid changes in the Share Capital of the company.

18.5 Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified, re-classified and amended, in the manner set out below:

"The authorized share capital of the company is Rs. 205,50,00,000/- divided into 10,00,00,000 equity shares of Rs. 10/- each and 1,05,50,000 – 5.5% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs. 100/- each. The company has power from time to time to increase or to reduce or re-classify its capital and divide the shares into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions and to vary, modify or abrogate any such rights, privileges or conditions and to purchase / buy-back any of its own fully paid / partly paid shares for cancellation or otherwise in such manner as may be permitted by the Companies Act, 2013 or provided by the regulations of the company for the time being in force."

18.6 Article 4 of the ARTICLES OF ASSOCIATION of the Company shall be amended, re-classified and replaced with the following Articles:-

“The authorised Share Capital of the company is Rs. 205,50,00,000/- divided into 10,00,00,000 equity shares of Rs.10/- each and 1,05,50,000 – 5.5% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs. 100/- each. The company has power from time to time to increase or to reduce its capital and divide the shares in the new capital into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013 or provided by the regulations of the company for the time being in force.”

GENERAL TERMS AND CONDITIONS APPLICABLE TO SCHEME

19. APPLICATION

The Transferor Company and the Transferee Company shall:-

- 19.1 make applications to the Tribunal under Sections 230 to 232 of the Act, and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of their respective members and/ or creditors and for sanctioning this Scheme and for consequent dissolution of the Transferor Company without winding up, with such modifications as may be approved by the Tribunal.
- 19.2 upon this Scheme being approved by the requisite majority of the respective members and/ or creditors of the Transferor Company and the Transferee Company, both the Transferor Company and the Transferee Company shall apply to the Tribunal, seeking approval for sanction of this Scheme under Sections 230 to 232 and other applicable provisions of the Act, and for such other order or orders, as the said Tribunal may deem fit, for carrying this Scheme into effect.
- 19.3 also apply for such other approvals as may be required under law, if any, for bringing the Scheme into effect. Further, the Transferor Company and the Transferee Company shall be entitled to take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

20. APPROVALS AND MODIFICATIONS

The Transferor Company and the Transferee Company (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize) are empowered and authorized:-

- 20.1 To assent from time to time to any modifications or amendments or substitutions of the Scheme or of any conditions or limitations, which the Tribunal may deem fit to approve or direct or as may be otherwise deemed expedient or necessary by the respective Board of Directors, as being in the best interest of the said companies and their shareholder.
- 20.2 To settle all doubts or difficulties that may arise in carrying out the Scheme; to give their approval to all such matters and things, as is contemplated or required to be given by them in terms of this Scheme; and to do and execute all other acts, deeds, matters and things necessary, desirable or proper for putting the Scheme into effect.
- 20.3 Upon this Scheme becoming effective, the respective shareholders of the Transferor Company and the Transferee Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme

Without prejudice to the generality of the foregoing scheme, the Transferor Company and the Transferee Company (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize), shall each be at liberty to withdraw from this Scheme, in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or

necessary.

21. SCHEME CONDITIONAL UPON APPROVALS/ SANCTIONS

The Scheme is conditional upon and subject to the approval by the requisite majorities of the various classes of the members and creditors (where applicable) of the Transferor Company and the Transferee Company, as required under the Companies Act, 2013 and SEBI Circular, subject to any dispensation that may be granted by the Tribunal.

Accordingly, the Scheme although operative from the respective Appointed Date as specified herein, shall become effective, pursuant to the filing of certified copies of the order sanctioning the same with the Registrar of Companies by the Transferor Company and the Transferee Company.

22. COSTS, CHARGES AND EXPENSES

All costs, charges and expenses, in connection with the Scheme, arising out of or incurred in carrying out and implementing the Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company.

23. EFFECT OF NON RECEIPT OF APPROVALS/ SANCTIONS

In the event of any of the said sanctions and approvals referred to above not being obtained from the Tribunal, the Scheme shall become null and void; stand revoked, cancelled and will be of no effect. And in that case, no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case cost of Amalgamation is to be equally borne by the Transferor and Transferee Company.

24. SEVERABILITY

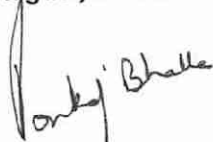
If any part of this scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and / or the provisions of this Scheme.

25. DATE WHEN THE SCHEME COMES INTO OPERATION

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

ADVISORY REPORT on recommendation of Fair Share Exchange Ratio pursuant to proposed Scheme of Arrangement for Amalgamation of COTTON COUNTY RETAIL LIMITED "CCRL" with NAHAR INDUSTRIAL ENTERPRISES LTD ("NIEL")

August, 27th 2021



Prepared by:
CA Pankaj Bhalla
Registered Valuer

CA PANKAJ BHALLA
Registered Valuer (IBBI)
IBBI/RV/06/2020/13265
ICAI M.No. 534281

**The Board of Directors
Nahar Industrial Enterprises Ltd. ("NIEL")
Focal Point
Ludhiana – 141010, Punjab**

**The Board of Directors
Cotton County Retail Limited ("CCRL")
Premises of Nahar Industrial Enterprises Limited
Focal Point
Ludhiana – 141010, Punjab**

Subject: - Valuation Report for the limited purpose of recommending Share Exchange Ratio pursuant to proposed Scheme of Amalgamation of Cotton County Retail Limited ("CCRL") with Nahar Industrial Enterprises Limited ("NIEL")

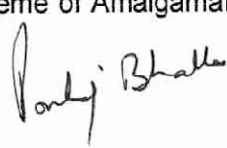
Dear Sirs,

We refer to our letter of engagement dated 12th February, 2021 for recommendation of share exchange ratio for the proposed amalgamation of Cotton County Retail Limited ("CCRL") with Nahar Industrial Enterprises Limited ("NIEL") pursuant to a Scheme of Amalgamation under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. We have been asked by management of Transferor Company and Transferee Company to recommend a fair ratio of allotment of equity shares of Transferee Company to the equity shareholders of Transferor Company on the proposed amalgamation.

In accordance with the terms of the engagement, we have undertaken the valuation exercise of the Equity Shares of both the Companies i.e. NIEL and CCRL to recommend a fair ratio of exchange of equity shares, in the event of amalgamation of CCRL with NIEL.

To arrive at the fair valuation of shares of these two companies, we have obtained such information and explanations, as was considered necessary. While the information contained in the report is believed to be accurate, no representation or warranty, expressed or implied, is or will be made and no responsibility or liability will be accepted by the valuer.

NIEL, is a listed company and the shares of the Company are traded at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). For NIEL, value under market approach method is determined considering the share price observed on NSE over a reasonable period, as prescribed under the SEBI (ICDR) Regulations 2018 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. For the Market value approach, we had considered the Relevant Date as March 20, 2021 in which the Scheme of Amalgamation was considered and approved by the Board of Directors of the company.


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CCRL is an Unlisted Company. The 'Net Asset Value' per share of the company had considered for computing the value of shares. The Net asset value per share was calculated on the basis of Net assets of the company, as at 31st December, 2020 as per then prevailing law.

Further we refer to the SEBI directions notified to the Company by stock exchanges vide letter dated 3rd August, 2021 that financials of the companies to be considered for the valuation purposes should not be older than three months while filing the same with the Exchange.

Accordingly we have considered audited financials of CCRL for the period ended on 31.07.2021 for arriving at the value per share under 'Net Asset Value'. For NIEL, value under market approach method is determined considering the share price observed on NSE as prescribed under the SEBI (ICDR) Regulation, 2018 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. We have considered the Relevant Date as August 27, 2021.

We have accordingly revised our earlier report dated March 19, 2021 taking into account the directions of SEBI notified by stock exchanges to the company. This report supersedes our previous report dated March 19, 2021.

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

On consideration of the determined values, we recommend that a fair ratio of exchange of equity shares on amalgamation of CCRL with NIEL would be 3 (Three) fully paid up equity shares of Rs. 10/- each of NIEL for every 10 (Ten) fully paid up equity shares of Rs. 10/-each of CCRL.



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Registered Valuer
IBBI/RV/06/2020/13265
UDIN: 21534281AAAALU7766

27th August, 2021

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NOTE ON THE VALUATION OF SHARES OF NAHAR INDUSTRIAL ENTERPRISES LIMITED (NIEL) AND COTTON COUNTY RETAIL LIMITED (CCRL) WITH A VIEW TO RECOMMENDING A FAIR RATIO OF EXCHANGE IN THE EVENT OF AMALGAMATION OF "CCRL" WITH "NIEL".

1 INTRODUCTION

This Report dated 27th August, 2021 has been prepared by Mr. Pankaj Bhalla, Chartered Accountant, ICAI M. No. 534281, Registered Valuer having registration No. IBBI/RV/06/2020/13265 in pursuance to the request made by the Board of Directors of Nahar Industrial Enterprises Limited and Cotton County Retail Limited vide their letters dated 12.02.2021 and 09.08.2021.

The purpose of this report is to express our opinion on a fair valuation of the two companies as on date with a view to recommend a fair ratio of exchange in the event of amalgamation of Cotton County Retail Limited (CCRL) with Nahar Industrial Enterprises Limited (NIEL)

This valuation exercise has been done by Mr. Pankaj Bhalla, Chartered Accountant (M. No. 534281) partner of M/s. V V Bhalla and Company. It is also stated that both the individual and firm, do not have any possible sources of conflict and material interests, including association or proposed association with the companies and its associates, in the form of auditor, lead advisor or in any other capacity.

In this regard Mr. Pankaj Bhalla has been requested by the Companies to submit a report recommending Share exchange ratio in connection with the proposed amalgamation of CCRL into and with NEIL.

2. SOURCES OF INFORMATION

During the course of this exercise, we have relied upon the following information/data provided by the two companies to us:

2.1 NAHAR INDUSTRIAL ENTERPRISES LIMITED

2.1.1 Letter dated 12th February, 2021 and letter dated 3rd August, 2021 of BSE and NSE.

2.1.2 Audited accounts for the years 2018-19 to 2020-21 and Un-Audited accounts for the period ending 30.06.2021.

2.1.3 Directors Report for the years 2018-19 to 2020-21.

2.1.4 Share prices quoted on the BSE and NSE in preceding Six months.

2.1.5 Information received during the discussions with the Company officials.


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2.1.6 Shareholding pattern and list of shareholders.

2.2 Cotton County Retail Limited

2.2.1 Letter dated 12th February, 2021 and 9th August, 2021 from the Company,

2.2.2 Audited accounts for the years 2018-19 to 2020-21 and for the period ended 31st July, 2021.

2.1.3 Directors Report for the years 2018-19 to 2020-21.

2.1.4 Information received during the discussions with the Company officials.

2.1.5 Shareholding pattern and list of shareholders.

3. BACKGROUND INFORMATION

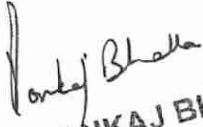
3.1 NAHAR INDUSTRIAL ENTERPRISES LIMITED

NIEL was incorporated on 27th September, 1983 as a Public Limited company under the Companies Act, 1956 with the Registrar of Companies, Delhi and Haryana at New Delhi. The name of the company was changed to Nahar Industrial Enterprises Limited w.e.f. 21st October, 1994. The registered office of the Company was changed from NCT of Delhi to the State of Punjab w.e.f. 31st May, 1996. NIEL is having its registered office at Focal Point, Ludhiana – 141010. The Corporate Identification Number (CIN) of the Company is L15143PB1983PLC018321. NIEL is a Listed Company and equity shares of the company are listed on the BSE Ltd. and National Stock Exchange of India Ltd. NIEL is a vertically integrated textile company engaged in the manufacture of cotton/ blended and dyed yarn, greige and processed fabrics. Besides Textiles, NIEL is also engaged in the manufacture of sugar.

The Authorised share capital of the Company is Rs. 175,00,00,000/- divided into 5,00,00,000 Equity Shares of Rs. 10/- each and 1,25,00,000 – 5.5% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs. 100/- each and issued, subscribed and paid up share capital of the Company is Rs. 156,03,51,410/- divided into 3,98,35,141 Equity Shares of Rs. 10/- each and 1,16,20,000 – 5.5% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs. 100/- each.

3.2 Cotton County Retail Limited (“CCRL”)

CCRL was originally incorporated as Creative Textrade Private Limited on 5th November, 2001. The name of the company was changed to Cotton County Retail Limited w.e.f. 16th May, 2008. The Corporate Identification Number (CIN) of the company is U51311PB2001PLC024753. CCRL is having its registered office at the Premises of Nahar Industrial Enterprises Limited,


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Focal Point, and Ludhiana 141010. CCRL is an unlisted public Company and an Associate Company of the Transferee Company.

The Authorised share capital of the Company is Rs.30,50,00,000/- divided into 3,05,00,000 Equity of Rs. 10/- each and issued, subscribed and paid up share capital of the Company is Rs. 21,46,32,400/- divided into 2,14,63,240 Equity Shares of Rs.10/- each.

3 Valuation Methodologies and Approach

- 3.1. The application of any particular method of valuation depends on the purpose for which the valuation is done. Although, different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. 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 bona fide manner based on our previous experience of assignments of a similar nature.
- 3.2 The following are commonly used and accepted methods for determining the value of Equity Shares of a company/ business:

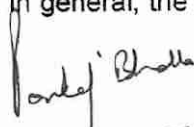
A Asset Approach – Net Asset Value (NAV) Method

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 mainly used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in case where the assets base dominate earnings capability. The value arrived at under this approach is based on the estimated financial statements of the business and may be defined as Shareholder's Funds or Net Assets owned by the business. The Net Assets Value is generally used as the minimum break-up value for the transaction. This methodology calculates the underlying net Assets of the business on a realizable/market value basis.

The valuation arrived at under the above mentioned methods 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 companies and their assets.

B Income Approach – Discounted Cash Flows method

The DCF method uses the future free cash flows of the business discounted by the cost of capital to arrive at the present value. In general, the DCF method is a


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strong and widely accepted valuation tool, as it concentrates on cash generation potential of a business, considering that this method is based on future potential and is widely accepted. Using the DCF analysis involves determining the following:
Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the enterprise that are available to all providers of capital – both debt and equity.

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. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk. The total value for equity shareholders is then divided by the total number of equity shares in order to work out the value per equity share of the companies

C Market Approach-Stock Exchange Quotation / Market Price Method

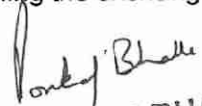
The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in.

This valuation reflects the price that the market at a point in time is prepared to pay for the equity shares. It is therefore influenced by the condition of the stock market, the concerns and opportunities that are seen for the business in the sector or market in which it operates. The market price also reflects the investor's view of the ability of the management to deliver a return on the capital it is using. In the case of companies not frequently traded, this value may be very different from the inherent value of the equity shares, but nevertheless forms a benchmark value.

4. CONSIDERATION OF FACTORS

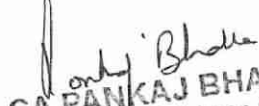
The following factors have been considered during the course of this exercise:

- 4.1. The report is subject to the scope/ limitations detailed hereinafter. 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. Further, our report on recommendation of fair equity shares exchange ratio of NIEL and CCRL is in accordance with ICAI Valuation Standards, 2018.
- 4.2. Normally, valuation of shares for the purpose of determining the exchange ratio in merger


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/ amalgamation is made on consideration of some or all relevant factors. These are net asset value, stock exchange prices, earning power and growth prospects etc. Whether some or all factors are applicable, depends upon the circumstances of each case. Valuation is not purely an arithmetical exercise. In a valuation made for this purpose, what is relevant is the relative values of the shares of the companies and not their absolute values.

- 4.3. A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the fair value of the shares of the companies including any significant changes that have taken place or are likely to take place in the financial position of the companies.
- 4.4. The draft of the present report (excluding the recommended fair equity share exchange ratio) was circulated to the Management for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.
- 4.5. Our report is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, competition, taxation (including transfer pricing) and capital market related laws or as regards any legal implications.
- 4.6. In our opinion, it is in-appropriate to consider the replacement value of the fixed assets for the purpose of valuation, since the valuation is being made on going concern basis for the amalgamation of CCRL with NIEL.
- 4.7. In case of NIEL, the profitability has not been consistent over the years. In case of CCRL, it has not earned any profit in past several years. Accordingly in our opinion it is in-appropriate to consider the Earnings Capitalization Method or any other valuation method based on the profitability of the companies.
- 4.8. As per SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, issuance of shares to the shareholders of unlisted company pursuant to schemes 230 to 234 of the Companies Act, 2013, requires the listed entity to follow pricing conditions that apply to preferential issue of SEBI (issue of Capital and Disclosure Requirements) Regulations. Attention may also be drawn to Regulation 158 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('ICDR Regulations') 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


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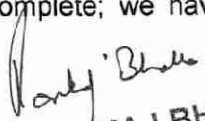
ICDR Regulations. We have therefore, given due cognizance to the price derived using the formula prescribed under ICDR Regulations after considering while determining the swap ratio

- 4.9 In the present case, equity shares of Transferee Company/NIEL are listed on BSE and NSE. Transferor Company/CCRL is a company limited by shares and its shares are not listed with any stock exchange. For NIEL, value under Market Value approach is determined considering the share price observed on NSE over a reasonable period, as prescribed under the SEBI (ICDR) Regulations 2018. For the Market Value Approach, we have considered the Relevant Date' as August 27, 2021 ("Relevant Date"), being the date of the Board Meeting.
- 4.10 For arriving at the value per share under this approach, in accordance with Regulation 164 of the ICDR Regulations, we have considered the highest of the following:
- a) The average of the weekly high and low of the volume weighted average price of the equity shares during the twenty six weeks preceding the relevant date, or
 - b) The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.
- 4.11 As CCRL is an unlisted company, 'Net asset value' per share of the company has been considered for computing intrinsic value of the shares. The Net asset value per share has been calculated on the basis of Net assets of the company, for the period ended on 31st July, 2021 taking into account the opportunity cost based on gilt hedged securities while valuing the shares.
- 4.12 In view of the above, for the purpose of arriving at fair value of shares of the companies we have considered the following values as fair value of shares, which in our opinion is reasonable:
- a) In case of NIEL, the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on NSE during the two weeks preceding the relevant date.
 - b) In case of CCRL, the Net asset value of the share.

5. ASSUMPTIONS/SCOPE LIMITATIONS

The following factors have been considered during the course of this exercise:

- 5.1. The opinion of value given in our report is based on information provided by the management of Nahar Industrial Enterprises Limited and Cotton County Retail Limited. This information is assumed to be accurate and complete; we have not audited or


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ICAI M.No. 534281

attempted to confirm this information for accuracy or completeness.

- 5.2 We acknowledge that we have no present or contemplated financial interest in any of the two companies. Our fees for this valuation are based upon our normal billing rates, and not contingent upon the results or the value of the business or in any other manner.
- 5.3 We do not purport to be a guarantor of value. Valuation of business / shares of the companies is an imprecise science, with value being an estimate on certain assumptions only and reasonable people can differ in their estimate or value and opinion on the basis / method of valuation.
- 5.4 This report is issued on the specific request made by the management of 'Nahar Industrial Enterprises Limited' and 'Cotton County Retail Limited' solely for the purpose of recommending the ratio of exchange of equity shares, in the event of amalgamation of Cotton County Retail Limited with Nahar Industrial Enterprises Limited and it should not be used for any other purpose or referred to in any other document or distributed to anyone.

Computation of Fair Share Exchange Ratio

Valuation Approach	NIEL#		CCRL ##	
	Value per Share	Weight	Value per Share	Weight
Asset Approach 1	-	-	34/-	100%
Income Approach 2	-	-	-	-
Market Approach 3	113/-	100%	-	-
Relative Value per Share	113/-		34/-	
Exchange Ratio (rounded off)	3		10	

*refer Annexure 1; **refer Annexure 2;

RATIO:

3(Three) Equity share of NIEL (of INR 10/- each fully paid-up) for every 10(Ten) Equity shares of CCRL (of INR 10/- each fully paid-up).

In case of NIEL

- 1 The Market approach is considered as the most appropriate approach for the detailed reasons mentioned in Para 4.8 to 4.10 of the report above. The asset approach is not used in present case since it is not applicable.
2. The Market approach is considered as the most appropriate approach for the detailed reasons mentioned in Para 4.8 to 4.10 of the report above. Thus, income approach is not applied in deriving the Fair Market

Pankaj Bhalla
CA PANKAJ BHALLA
 Registered Valuer (IBBI)
 IBBI/RV/06/2020/13265
 ICAI M.No. 534281

value of Equity shares of the company as Market approach is the best approach in this case.

3. NIEL is a listed entity on recognized stock exchange and hence market price determined as per Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, represents fair value of its equity share.

In case of CCRL

1. As CCRL is an unlisted company, 'Net asset value' per share of the company has been considered for computing intrinsic value of the shares being the best method for valuation of the shares.
2. Income approach assumes that the company will generate cash flows in the future. The Company has not earned any profit in past several years and had already discontinued its manufacturing activities. Thus, income approach is not applied in deriving the Fair Market value of Equity shares of the company.
3. Equity shares of the Company are not listed on any Stock Exchange. Thus, Market approach is not applied in deriving the Fair Market value of Equity shares of company.


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IBBI/RV/06/2020/13265
ICAI M.No. 534281

ANNEXURE-1

- A. Average of Weekly High & Low of the Volume Weighted Average Price (VWAP) of the Equity Shares of Nahar Industrial Enterprises Limited quotes on NSE Ltd. during the last twenty six weeks preceding the relevant date

Weeks	From	To	VWAP High	VWAP Low	Average
1	26-Feb-21	04-Mar-21	51.14	46.17	48.66
2	05-Mar-21	11-Mar-21	52.15	49.52	50.84
3	12-Mar-21	18-Mar-21	56.53	51.02	53.78
4	19-Mar-21	25-Mar-21	50.54	46.53	48.54
5	26-Mar-21	01-Apr-21	45.55	44.37	44.96
6	02-Apr-21	08-Apr-21	46.19	43.84	45.02
7	09-Apr-21	15-Apr-21	44.99	41.99	43.49
8	16-Apr-21	22-Apr-21	42.52	40.12	41.32
9	23-Apr-21	29-Apr-21	44.18	40.78	42.48
10	30-Apr-21	06-May-21	55.21	46.01	50.61
11	07-May-21	13-May-21	56.2	54.32	55.26
12	14-May-21	20-May-21	59.93	54.84	57.39
13	21-May-21	27-May-21	57.59	56.21	56.90
14	28-May-21	03-Jun-21	68.08	57.08	62.58
15	04-Jun-21	10-Jun-21	71.22	66.17	68.70
16	11-Jun-21	17-Jun-21	78.04	71.15	74.60
17	18-Jun-21	24-Jun-21	85.48	80.27	82.88
18	25-Jun-21	01-Jul-21	87.95	82.76	85.36
19	02-Jul-21	08-Jul-21	92.4	83.62	88.01
20	09-Jul-21	15-Jul-21	102.48	93.68	98.08
21	16-Jul-21	22-Jul-21	115.65	107.73	111.69
22	23-Jul-21	29-Jul-21	141.23	119.94	130.59
23	30-Jul-21	05-Aug-21	141.77	129.59	135.68
24	06-Aug-21	12-Aug-21	134.80	114.63	124.72
25	13-Aug-21	19-Aug-21	120.46	113.39	116.93
26	20-Aug-21	26-Aug-21	114.40	102.11	108.26
AVERAGE PRICE (INR)					74.13

- B. Average of Weekly High & Low of the Volume Weighted Average Price (VWAP) of the Equity Shares of Nahar Industrial Enterprises Limited quotes on NSE Ltd. during the last two weeks preceding the relevant date

Weeks	From	To	VWAP High	VWAP Low	Average
1	13-Aug-21	19-Aug-21	120.46	113.39	116.93
2	20-Aug-21	26-Aug-21	114.40	102.11	108.26
AVERAGE PRICE (INR)					112.59

A.	Average of 26 weeks high low of Volume Weighted Average Price	74.13
B.	Average of 2 weeks high low of Volume Weighted Average Price	112.59
Applicable Price : Higher of A or B (Rounded off to Nearest Rupee)		113.00

Pankaj Bhalla
CA PANKAJ BHALLA
 Registered Valuer (IBBI)
 IBBI/RV/06/2020/13263
 ICAI M.No. 534281

Cotton County Retail Limited ("CCRL")
Adjusted Net Asset Value

ANNEXURE-2

(AS ON 31.07.2021)

	INR in Thousands
Assets (Pre Merger)	Adjusted NAV

Assets

Non-Current Assets

Non Current Investments	762,000.00
Tangible Assets	6,617.48
Intangible Assets	82.69

Current Assets

Cash and Cash Equivalents	415.00
Receivables	1,415.00
Inventory	9,828.23
Loans and advances	16,486.61
Other Current Assets (specify major items)	6,558.00
Total Current Assets	34,702.84

Total Assets (A)

803,403.01

Liabilities

Current Liabilities

Trade Payables	616.00
Other current liabilities	803.00
Short-term provisions	-

Total Liabilities (B)

1,419.00

Adjusted Net Asset Value (A-B)

801,984.01

No. of Shares

21,463,240.00

Value per Share

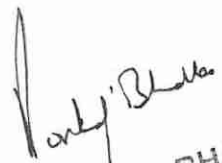
37.37

Illiquidity Discount @ 8%

2.99

Equity Value per share (Rounded Off to Nearest Rupee)

34.00


CA PANKAJ BHALLA
 Registered Valuer (IBBI)
 IBBI/RV/06/2020/13265
 ICAI M.No. 534281



FAIRNESS OPINION REPORT ON VALUATION FOR THE PROPOSED SCHEME
OF AMALGAMATION

between

Nahar Industrial Enterprises Limited

and

Cotton County Retail Limited

By

Master Capital Services Limited

SCO 22-23, Sector 9D,
Madhya Marg,
Chandigarh - 160009

SEBI Registered Category I Merchant Banker
SEBI RegistrationNo. INM000000107



MASTER CAPITAL SERVICES LIMITED

CIN : U67190HR1994PLC076366

NSE : INB/INF/INE230943634 • BSE : INB/INF/010643634, INE010643637

Regional Office : SCO 22-23, Sector 9D, Madhya Marg, Chandigarh - 160009 • Tel : 0172-4846000 • Fax : 0172-2745885

Regd. Office : A-852-A, Basement, Sushant Lok Phase - I, Gurugram, Haryana - 122 002 • Tel. : 0124-4601275

Corporate Office : 1012, 10th Floor, Arunachal Building, 19, Barakhamba Road, New Delhi - 110001 • Tel. : 011-42111000 • Fax : 011-42111040

Email : helpdesk@mastertrust.co.in • Help Desk : 0120-3083333 • Website : www.mastertrust.co.in

www.mastertrust.co.in

STRICTLY PRIVATE & CONFIDENTIAL

Aug 27, 2021

The Board of Directors
Nahar Industrial Enterprises Limited
Focal Point,
Ludhiana -141010

The Board of Directors
Cotton County Retail Limited ("CCRL")
Premises of Nahar Industrial Enterprises Limited
Focal Point
Ludhiana – 141010, Punjab

Dear Sirs,

Sub.: Fairness Opinion Report on the recommendation of Share Exchange Ratio by Pankaj Bhalla (Chartered Accountant- IBBI/RV/06/2020/13265) Registered valuer

Re.: Scheme of arrangement for amalgamation of Cotton County Retail Limited ("CCRL" or the "Transferor Company") with Nahar Industrial Enterprises Limited ("NIEL" or the "Transferee Company") and their respective shareholders and creditors ("Scheme").

This has reference to the request made by the management of Nahar Industrial Enterprises Limited in connection with fairness opinion on the report on recommendation of Share Exchange Ratio by Pankaj Bhalla (Chartered Accountant- IBBI/RV/06/2020/13265) Registered valuer, (hereinafter referred to as "the Valuer") for issue of Equity Shares of the NIEL to the equity shareholders of CCRL, in connection with proposed amalgamation of CCRL with NIEL pursuant to a Scheme of Amalgamation under section 230 to 232 and other applicable clauses of the companies Act, 2013 ("Scheme").

Further we refer to the SEBI directions notified to the company by stock exchanges vide letter dated August 03, 2021 that financials of the companies to be considered for the valuation purposes should not be older than three months while filing the same with the exchange.

Accordingly we have considered audited financials of CCRL for the period ended on July 31, 2021 for arriving at the value per share under 'Net Asset Value'. For NIEL, value under



market approach method is determined considering the share price observed on NSE as prescribed under the **SEBI (ICDR) Regulations 2018** read with SEBI Circular CFD/DIL3/CIR/2017/21, dated March 10, 2017. We have considered the Relevant date as August 27, 2021.

We have accordingly revised our earlier fairness opinion report dated March 20, 2021 taking into account observations of the stock exchanges and the revised valuation report of Pankaj_Bhalla(Chartered Accountant- IBBI/RV/06/2020/13265), Registered valuer to the dated August 27, 2021. This report supersedes the previous reports and all communications.

1. PURPOSE OF SHARE EXCHANGE REPORT BY THE VALUER

- 1.1 The Board of Directors of NIEL has considered and approved the Scheme of Amalgamation at their meeting held on Aug 27, 2021 providing for amalgamation of CCRL with NIEL. As consideration for the arrangement, NIEL would issue Equity Shares to the equity shareholders of CCRL.
- 1.2 In this regard, Pankaj Bhalla(Chartered Accountant) Registered valuer was appointed by the Company to recommend a Share Exchange Ratio for the proposed amalgamation.
- 1.3 The information contained herein and our report is confidential. It is intended only for the sole use of captioned purpose including for the purpose of obtaining requisite approvals of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI (LODR) Regulations 2015**") read with SEBI Circular CFD/DIL3/CIR/2017/21, dated March 10, 2017 and SEBI Circular CFD/DIL3/CIR/2018/2, dated January 2, 2018, ("**SEBI Circular**") modified by Circular No. SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated 12th September, 2019 and as also modified by Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated 3rd November, 2020 and all other applicable circulars and regulations issued by SEBI in this respect.



2. BRIEF BACKGROUND OF COMPANIES

2.1 Nahar Industrial Enterprises Limited

2.1.1 Nahar Industrial Enterprises Limited {NIEL / Transfreee company/ Amalgamated company} NIEL was incorporated on 27th September, 1983 as a Public Limited company under the Companies Act, 1956 with the Registrar of Companies, Delhi and Haryana at New Delhi. The name of the company was changed to Nahar Industrial Enterprises Limited w.e.f. 21st October, 1994.

2.1.2 The registered office of the Company was changed from NCT of Delhi to the State of Punjab w.e.f. 31st May, 1996. NIEL is having its registered office at Focal Point, Ludhiana – 141010. The Corporate Identification Number (CIN) of the Company is L15143PB1983PLC018321.

2.1.3 NIEL is a vertically integrated textile company engaged in the manufacture of cotton/ blended and dyed yarn, greige and processed fabrics. Besides Textiles, NIEL is also engaged in the manufacture of sugar.

2.1.4 NIEL is a Listed Company and equity shares of the company are listed on the BSE Ltd. and National Stock Exchange of India Ltd.

2.1.5 The Authorised share capital of the Company is Rs. 175,00,00,000/- divided into 5,00,00,000 Equity Shares of Rs. 10/- each and 1,25,00,000 – 5.5% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs. 100/- each and issued, subscribed and paid up share capital of the Company is Rs. 1,56,03,51,410/- divided into 3,98,35,141 Equity Shares of Rs. 10/- each and 1,16,20,000 – 5.5% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs. 100/- each.-

2.2 Cotton County Retail Limited

2.2.1 Cotton County Retail Limited (CCRL / Transferor Company/ Amalgamating Company) was originally incorporated as Creative Textrade Private Limited on 5th November, 2001. The name of the company was changed to Cotton County Retail Limited w.e.f.



16th May, 2008. The Corporate Identification Number (CIN) of the company is U51311PB2001PLC024753.

2.2.2 CCRL is having its registered office at the Premises of Nahar Industrial Enterprises Limited, Focal Point, Ludhiana –141010.

2.2.3 CCRL is an unlisted public Company and an Associate Company of the Transferee company.

2.2.4 The Authorised share capital of the Company is Rs.30,50,00,000/- divided into 3,05,00,000 Equity of Rs. 10/- each and issued, subscribed and paid up share capital of the Company is Rs. 21,46,32,400/- divided into 2,14,63,240 Equity Shares of Rs.10/- each.

3. SOURCES OF INFORMATION

For the purposes of fairness opinion, we have relied upon the following sources of information:

- (a) Draft Scheme of Amalgamation under section 230 to 232 and other applicable clauses of the companies Act, 2013 ("Scheme").
- (b) Certified Report on Recommendation of Share Exchange Ratio for amalgamation of NIEL with CCRL dated Aug 27, 2021, issued by Pankaj Bhalla(Chartered Accountant-IBBI/RV/06/2020/13265) Registered valuer.
- (c) Certified Copy of Certificate of Incorporation and Memorandum and Articles of Association of NIEL and CCRL
- (d) Audited Financial Statements of NIEL and CCRL for the financial year ("FY") ended March 31, 2021
- (e) Audited Financial Statements of CCRL for the 4 months period ended July 31, 2021 ('4 M July 21').
- (f) Un-Audited Financial Results of NIEL for the 3 months period ended June 30, 2021 ('3M June 21').
- (g) Discussions with the Management of NIEL and CCRL on various issues relevant for the valuation including the prospects and outlook for the industry, expected growth rate and other relevant information relating to future expected profitability of the business, etc.



- (h) Other relevant details regarding the Companies such as their history, their promoters, past and present activities, future plans and prospects, existing shareholding pattern and other relevant information and data as provided by the Management of NIEL and CCRL
- (i) Other such information and explanations as were required and which have been provided by Pankaj Bhalla (Chartered Accountant IBBI/RV/06/2020/13265) Registered valuer.
- (j) Information available in the public domain.

4. EXCLUSIONS AND LIMITATIONS

- 4.1 Conclusions reached by us are dependent on the information provided to us being complete & accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. We have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to the date of our certificate.
- 4.2 No investigation of the Companies' claim to title of assets has been made by us for the purpose of this exercise and the Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the account. Therefore, no responsibility is assumed for matters of a legal nature.
- 4.3 This certificate is prepared with a limited purpose / scope as identified / stated earlier and will be confidential being for use only to whom it is issued. It must not be copied, disclosed or circulated in any correspondence or discussions with any person, except to whom it is issued and to those who are involved in this transaction and for various approvals for this transaction.



- 4.4 Our opinion is not, nor should it be construed as our opining or certifying the compliance of proposed merger with the provision of any law including Companies, Taxation and other regulatory provisions or as regards any legal implications or issues arising thereon. Our opinion also does not address any matters otherwise than as expressly stated herein, including but not limited to matters such as corporate governance matters, shareholder rights or any other equitable considerations. We have also not opined on the fairness of any terms and conditions of the scheme other than the fairness, from financial point of view, of the Share Exchange Ratio.
- 4.5 We do not express any opinion as to the price at which shares of the Company may trade at any time, including subsequent to the date of this opinion. In rendering our opinion, we have assumed, that the scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary Regulatory or third-party approvals for the Scheme, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the Companies.
- 4.6 The Fairness Opinion is addressed only to the Board of Directors of Companies and is for the purpose of submission to the Stock Exchanges under the SEBI Circular. Further, the Fairness Opinion may be disclosed on the website of Companies and the Stock Exchanges and also be made part of the explanatory statement to be circulated the shareholders and/or creditors of the Company. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without Master Capital Services Limited prior written consent. The Fairness Opinion should be read in totality and not in parts.
- 4.7 In no circumstances however, will Master Capital Services Limited or its directors, officers, employees and controlling persons of Master Capital Services Limited accept any responsibility or liability including any pecuniary or financial liability to any third party.
- 4.8 Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated



hereinabove, then we will not be liable for any consequences thereof. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

5. CONCLUSION

- 5.1 We have reviewed the approach used by the Valuer for recommending of Share Exchange Ratio for the proposed amalgamation.
- 5.2 On the basis of the foregoing points read with regulation 37 of the SEBI (LODR) Regulations, 2015 and in terms of SEBI Circular CFD/DIL3/CIR/2017/21, dated March 10, 2017 and SEBI Circular CFD/DIL3/CIR/2018/2, dated January 2, 2018 ("**SEBI Circular**"), we are of the opinion that the recommendation made by Pankaj Bhalla (Chartered Accountant- IBBI/RV/06/2020/13265-Registered valuer) valuation report dated 27th Aug 2021 is fair & reasonable with regards to Exchange Ratio for merger of NIEL and CCRL which is as under:

- **For Equity Shareholders:**

3 (Three) Equity Shares of NIEL of face value INR 10/- each for every 10 (Ten) equity shares of CCRL of INR 10/- each.

Thanking you,

Yours faithfully,

For Master Capital Services Limited



(Authorised Signatory)

Category I Merchant Banker

SEBI Regn. No.: INM000000107

Place: Chandigarh

Date: Aug 27, 2021

**INDUSTRIAL ENTERPRISES LTD.**

Regd. & Admn. Office : Focal Point, Ludhiana - 141 010. (INDIA)
Phones : 0091-161-2672590 to 91, 5084200 Fax : 0091-161-2674072, 5083213
E-mail : nilldh@ownnahar.com, Website : www.ownnahar.com

NIEL:SCY:

Dated: 08.10.2021

National Stock Exchange of India Limited
Exchange Plaza, Bandra - Kurla Complex,
Bandra (East), MUMBAI - 400051
Securities Symbol- NAHARINDUS

Dear Sir,

Sub: Application No. 26721-Approval under regulation 37 of the SEBI (LODR) for the proposed scheme of Arrangement for Amalgamation of Cotton County Retail limited with Nahar Industrial Enterprises limited and their respective shareholders and Creditors.

Please refer to our application under Regulation 37 of the Listing Regulations in connection with the subject cited above. As desired, we are enclosing herewith Complaint Report as on date.

Thanking You,

Yours faithfully,
FOR NAHAR INDUSTRIAL ENTERPRISES LIMITED


MUKESH SOOD
(COMPANY SECRETARY)





INDUSTRIAL ENTERPRISES LTD.

Regd. & Admn. Office : Focal Point, Ludhiana - 141 010. (INDIA)
Phones : 0091-161-2672590 to 91, 5064200 Fax : 0091-161-2674072, 5083213
E-mail : nilidh@owmnahar.com, Website : www.owmnahar.com

Annexure A

Complaints Report

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable		
2.			

Thanking You,
Yours faithfully,
FOR NAHAR INDUSTRIAL ENTERPRISES LIMITED


MUKESH SOOD
(COMPANY SECRETARY)



GSTIN : 03AACCN3563A2Z2, CIN : L15143PB1983PLC018321



INDUSTRIAL ENTERPRISES LTD.

Regd. & Admn. Office : Focal Point, Ludhiana - 141 010. (INDIA)
 Phones : 0091-161-2672590 to 91, 5064200 Fax : 0091-161-2674072, 5083213
 E-mail : nilldh@owmnahar.com, Website : www.owmnahar.com

NIEL:SCY:

Dated: 08.10.2021

The General Manager,
 Department of Corporate Services,
 BSE Limited,
 P.J.Towers, Dalal Street,
 Mumbai-400001

Dear Sir,

Sub: Application No. 129106 under Regulation 37 of SEBI (LODR) Regulations, 2015, requirement for in Principal Approval to Scheme of Arrangement for Amalgamation of Cotton County Retail Limited with Nahar Industrial Enterprises Limited and their respective shareholders and Creditors.

Please refer to our application under Regulation 37 of the Listing Regulations in connection with the subject cited above. As desired, we are enclosing herewith Complaint Report as on date.

Thanking You,

Yours faithfully,
 FOR NAHAR INDUSTRIAL ENTERPRISES LIMITED


 MUKESH SOOD
 (COMPANY SECRETARY)





INDUSTRIAL ENTERPRISES LTD.

Regd. & Admn. Office : Focal Point, Ludhiana - 141 010. (INDIA)
Phones : 0091-161-2672590 to 91, 5064200 Fax : 0091-161-2674072, 5083213
E-mail : nilldh@owmnahar.com, Website : www.owmnahar.com

Annexure A

Complaints Report

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable		
2.			

Thanking You,
Yours faithfully,
FOR NAHAR INDUSTRIAL ENTERPRISES LIMITED


MUKESH SOOD
(COMPANY SECRETARY)



**National Stock Exchange Of India Limited**

Ref: NSE/LIST/26721_II

November 26, 2021

The Company Secretary
Nahar Industrial Enterprises Limited
Focal Point, Ludhiana,
Punjab-141010

Kind Attn.: Mr. Mukesh Sood

Dear Sir,

Sub: Observation Letter for Draft Scheme of Amalgamation between Nahar Industrial Enterprises Limited and Cotton County Retail Limited and their respective shareholders and creditors

We are in receipt of Draft Scheme of Amalgamation of Nahar Industrial Enterprises Limited (Transferee Company/Amalgamated Company) and Cotton County Retail Limited (Transferor Company/Amalgamating Company) and their respective shareholders and creditors vide application dated April 12, 2021.

Based on our letter reference no. NSE/LIST/26721 submitted to SEBI and pursuant to SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("Circular"), kindly find following comments on the draft scheme:

- a. *The Company shall duly comply with various provisions of the said Circular.*
- b. *The Company shall ensure that suitable disclosure about the latest financials of the companies involved in the scheme being not more than 6 months old is done before filing the same with the Hon'ble National Company Law Tribunal.*
- c. *Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchanges, and from the date of receipt of this letter is displayed on the websites of the listed company and the Stock Exchanges.*
- d. *Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*
- e. *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(s). 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.

This Document is Digitally Signed



Signer: Harshad P Dharod
Date: Fri, Nov 26, 2021 19:03:14 IST
Location: NSE

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 companies involved in the format prescribed for abridged prospectus as specified in the Circular.

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 94 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 November 26, 2021 within which the scheme shall be submitted to NCLT.

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(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Harshad Dharod
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>

This Document is Digitally Signed



Signer: Harshad P Dharod
Date: Fri, Nov 26, 2021 19:03:14 IST
Location: NSE

BSE Limited Registered Office Floor 25, P J Towers, Dalal Street, Mumbai 400 001, India
 T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
 Corporate Identity Number L67120MH2005PLC155188



DCS/AMAL/TL/R37/2154/2021-22

“E-Letter”

November 26 ,2021

The Company Secretary,
Nahar Industrial Enterprises Ltd.
 Focal Point, Ludhiana, Punjab- 141010.

Dear Sir,

Sub: Observation letter regarding Draft Scheme of Arrangement for Amalgamation between Nahar Industrial Enterprises Limited and Cotton County Retail Limited and their respective shareholders and creditors.

We are in receipt of the Draft Scheme of Arrangement of Amalgamation of Nahar Industrial Enterprises Limited as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated November 25, 2021 has inter alia given the following comment(s) on the draft scheme of Arrangement:

“Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the Scheme with the Stock Exchanges , and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”

“Company shall duly comply with various provisions of the Circular.”

“Company shall ensure that suitable disclosure about the latest financials of the companies involved in the Scheme being not more than 6 months old is done before filing the same with the Hon’ble National Company Law Tribunal.”

“Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.”

“It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon’ble NCLT.

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

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its ‘No adverse observation’ at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any

contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

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

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

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

Yours faithfully,

Sd/-
Prasad Bhide
Manager

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF NAHAR INDUSTRIAL ENTERPRISES LIMITED AT ITS MEETING HELD ON 27TH AUGUST, 2021 EXPLAINING THE EFFECTS OF THE SCHEME OF ARRANGEMENT FOR AMALGAMATION OF COTTON COUNTY RETAIL LIMITED WITH NAHAR INDUSTRIAL ENTERPRISES LIMITED ON EACH CLASS OF SHAREHOLDERS AND KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

A) Background of the proposed Scheme of Arrangement

1. In terms of Section 232(2) (c) of the Companies Act, 2013, a report from the Board of the Directors of the Company explaining the effect of the amalgamation on each class of shareholders, Key Managerial Personnel (KMP), Promoters and Non-promoter shareholders of the Company, setting out, inter-alia, the share exchange ratio, specifying any special valuation difficulties, if any, is required to be adopted by the Board. Such report is then required to be appended with the notice of the meeting of shareholders and creditors of the relevant companies, if ordered by the National Company Law Tribunal.
2. The scheme of Arrangement for Amalgamation ('Scheme') of Cotton County Retail Limited ('Transferor Company') with Nahar Industrial Enterprises Limited ('Transferee Company') and their respective shareholders and creditors as approved by the Board of Directors of the company at its meeting held on 20.03.2021 were filed with NSE and BSE on 12th April, 2021 in compliance of the then prevailing law as required under the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended from time to time, Regulation 37 of SEBI (LODR) Regulations, 2015 and other applicable provisions of the Companies Act, 2013. After waiting for the NOC from the stock exchanges for more than two months, SEBI directions were notified to the company by Stock Exchanges that financials of the unlisted company to be considered for the valuation purposes should not be older than three months while filing the same with the Exchange and if the existing share exchange ratio changes due to revised valuation, the revised valuation report and draft scheme along with other documents be submitted.
3. Accordingly in order to comply with the directions of SEBI, audited financials of the Transferor Company for the period ended on 31.07.2021 is considered for arriving at the value per share under 'Net Asset Value' approach. For Transferee Company, value per share under market approach method is determined considering the share price observed on NSE as prescribed under the SEBI (ICDR) Regulations, 2018 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Circular No. CFD/DIL1/CIR/P/2020/215 dated 3rd November, 2020.
4. Accordingly, this report of the Board is prepared to comply with the requirements of Section 232(2)© of the Companies Act, 2013. While deliberating and preparing this report on the Scheme, the Board, inter-alia, considered and took on record the following documents:
 - a) Proposed Scheme
 - b) Valuation Report dated 27.08.2021 issued by Mr. Pankaj Bhalla, Chartered Accountant, Registered Valuer (IBBI Registration No. IBBI/RV/06/2020/13265) for determination of share exchange ratio under the Scheme (**"Valuation Report"**).
 - c) Fairness Opinion dated 27.08.2021 of Master Capital Services Limited, a SEBI Registered Category-1 Merchant Banker, providing its opinion on the fairness of the valuation of shares (**"Fairness Opinion"**).
 - d) Certificate dated 27.08.2021 of M/s. K.R. Aggarwal & Associates, Chartered Accountants, Statutory Auditors of the Company, confirming that the accounting treatment contained in the proposed Scheme is in compliance with the SEBI (LODR) Regulations, 2015 and circulars issued

there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

- e) Report of the Audit Committee of the Company dated 27.08.2021 recommending the Scheme.
- f) Report of the Committee of Independent Directors of the Company dated 27.08.2021 recommending the Scheme.

B) Effect of the proposed Scheme

(I) Shareholders

- (a) Upon the Scheme of Arrangement coming into effect, the Transferee Company shall in consideration of the amalgamation, issue and allot to the members of the Transferor Company, holding fully paid-up Equity Shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on the Record Date, equity shares of the Transferee Company. The equity shares held by the Transferee Company either directly or through its Nominees, in the share capital of the Transferor Company as on the Effective Date shall stand cancelled as per provisions of law.

The equity shares shall be allotted to the members of Transferor Company, as per the ratio determined by the valuation experts, registered as a valuer, namely Mr. Pankaj Bhalla, Chartered Accountant, a Registered Valuer (IBBI Registration No. IBBI/RV/06/ 2020/13265), as specified in section 247 of the Companies Act, 2013 read with applicable Rules. As per the valuation report, members of the Transferor Company shall be allotted 3 (Three) Equity Shares in Transferee Company of Rs. 10 each credited as fully paid-up for every 10 (Ten) Equity shares of Rs. 10 each fully paid-up held by such member in Transferor Company.

- (b) Upon the Scheme becoming effective, the entire authorized share capital of the Transferor Company amounting to Rs. 30,50,00,000 shall be consolidated and vested in and be merged with the authorized share capital of the Transferee company without any further act, instrument or deed by the Transferee Company and without any liability for payment of any additional fees (including fees and charges to the relevant Registrar of Companies) or stamp duty in respect of such increase as the stamp duty and fees have already been paid by the Transferor Company on such authorised capital and benefits which stands vested in the Transferee Company pursuant to the scheme becoming effective on the Effective Date.

(ii) Promoters

- (a) Refer to point B(i) mentioned as above, for details regarding the effect on the shareholders. The promoters of the Company, subject to applicable laws, from time to time, shall continue to remain promoters after the scheme become effective.

(iii) Non Promoter shareholders

- (a) Refer to point B(i) mentioned as above, for details regarding the effect on the shareholders. In this Scheme of amalgamation, the 47.66% of equity shareholding in the Transferor Company held by the Transferee Company would be cancelled without further application, act or deed. Upon the scheme becoming effective and as a consideration for the amalgamation of Transferor Company, the Transferee Company would issue equity shares to the equity shareholders of the Transferor Company in the manner stated in the scheme. This scheme would also enable the Transferee Company to finish its liabilities against the funds invested by Transferor Company in the form of preference shares. While conceiving this scheme it has also perused that there are no accumulated business losses of Transferor Company to be paid-off.
- (b) With proposed amalgamation the funds invested by Transferor Company would remain with

Transferee Company, it would help the Transferee Company to face current and future challenges in a better way. The Transferee Company's holding of 47.66% in Transferor Company will be extinguished and in lieu of the funds invested by the Transferor Company only 52.34% will be acknowledged by the Transferee Company by issuing the fresh equity shares to that extent. The Net worth of Transferor Company as on 31.12.2020 is Rs. 80.40 Crores as against the total face value of equity share capital of Rs. 21.46 Crores. Thus from all angle it is a win-win situation for Transferee Company. The amalgamation will not affect any of the Non-promoter shareholders of the company.

(iv) Preference shareholders

The Transferor company is holding 76,20,000 - 5.5% Non-convertible Non-cumulative redeemable preference shares (NCNCRPS) of Rs. 100/- each in the Transferee company. Upon the scheme becoming effective, in view of amalgamation of Transferor company with Transferee company all NCNCRPS held by the Transferor Company in the Transferee Company shall be extinguished or shall be deemed to be extinguished by the Transferee Company without any further act, instrument or deed.

(v) Employees including Key Managerial Personnel

No rights of the staff or the employees of the company are being affected as a result of the proposed scheme.

(vi) Creditors

The Creditors of the Transferee Company will not be affected in any manner by the proposed scheme.

C) Adoption of the Report by the directors : The Board of Directors of the company have adopted this Report after considering this information set forth in this report. The Valuation Report has been obtained from Mr. Pankaj Bhalla, Chartered Accountant, Registered Valuer (IBBI Registration No. IBBI/RV/06/2020/13265) for determination of share exchange ratio under the Scheme. No special valuation difficulties were reported. Further, the fairness opinion has also opined that the share exchange ratio is fair and reasonable with regard to exchange ratio for merger. While deliberating the Scheme, the Board has considered its impact on each class of the shareholders, Promoters, Non-promoter shareholders, Key Managerial Personnel, creditors and employees and there shall be no prejudice caused to them in any manner by the Scheme. The Board of Directors of the Company have approved the Scheme and the Share Exchange Ratio and have recommended the same to the shareholders of the Company for their approval.

By Order of the Board

For NAHAR INDUSTRIAL ENTERPRISES LIMITED

Sd/-

DINESH GOGNA

(Director)

DIN: 00498670

Date: 27th August, 2021

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF COTTON COUNTY RETAIL LIMITED AT ITS MEETING HELD ON 27TH AUGUST, 2021 EXPLAINING THE EFFECTS OF THE SCHEME OF ARRANGEMENT FOR AMALGAMATION OF COTTON COUNTY RETAIL LIMITED WITH NAHAR INDUSTRIAL ENTERPRISES LIMITED ON EACH CLASS OF SHAREHOLDERS AND KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

A) Background of the proposed Scheme of Arrangement

1. In terms of Section 232(2) (c) of the Companies Act, 2013, a report from the Board of the Directors of the Company explaining the effect of the amalgamation on each class of shareholders, Key Managerial Personnel (KMP), Promoters and Non-promoter shareholders of the Company, setting out, inter-alia, the share exchange ratio, specifying any special valuation difficulties, if any, is required to be adopted by the Board. Such report is then required to be appended with the notice of the meeting of shareholders and creditors of the relevant companies, if ordered by the National Company Law Tribunal.
2. The scheme of Arrangement for Amalgamation ('Scheme') of Cotton County Retail Limited ('Transferor Company') with Nahar Industrial Enterprises Limited ('Transferee Company') and their respective shareholders and creditors as approved by the Board of Directors of the company at its meeting held on 20.03.2021 were filed with NSE and BSE on 12th April, 2021 in compliance of the then prevailing law as required under the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended from time to time, Regulation 37 of SEBI (LODR) Regulations, 2015 and other applicable provisions of the Companies Act, 2013. After waiting for the NOC from the stock exchanges for more than two months, SEBI directions were notified to the company by Stock Exchanges that financials of the unlisted company to be considered for the valuation purposes should not be older than three months while filing the same with the Exchange and if the existing share exchange ratio changes due to revised valuation, the revised valuation report and draft scheme along with other documents be submitted.
3. Accordingly in order to comply with the directions of SEBI, audited financials of the Transferor Company for the period ended on 31.07.2021 is considered for arriving at the value per share under 'Net Asset Value' approach. For Transferee Company, value per share under market approach method is determined considering the share price observed on NSE as prescribed under the SEBI (ICDR) Regulations, 2018 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Circular No. CFD/DIL1/CIR/P/2020/215 dated 3rd November, 2020.
4. Accordingly, this report of the Board is prepared to comply with the requirements of Section 232(2)(C) of the Companies Act, 2013. While deliberating and preparing this report on the Scheme, the Board, inter-alia, considered and took on record the following documents:
 - a) Proposed Scheme
 - b) Valuation Report dated 27.08.2021 issued by Mr. Pankaj Bhalla, Chartered Accountant, Registered Valuer (IBBI Registration No. IBBI/RV/06/2020/13265) for determination of share exchange ratio under the Scheme ("**Valuation Report**").
 - c) Fairness Opinion dated 27.08.2021 of Master Capital Services Limited, a SEBI Registered Category-1 Merchant Banker, providing its opinion on the fairness of the valuation of shares ("**Fairness Opinion**").
 - d) Certificate dated 27.08.2021 of M/s. K.R. Aggarwal & Associates, Chartered Accountants, Statutory Auditors of the Transferee Company, confirming that the accounting treatment

contained in the proposed Scheme is in compliance with the SEBI (LODR) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

- e) Report of the Audit Committee of the Company dated 27.08.2021 recommending the Scheme.

B) Effect of the proposed Scheme

(I) Shareholders

- (a) Upon the Scheme of Arrangement coming into effect, the Transferee Company shall in consideration of the amalgamation issue and allot to the members of the Transferor Company, holding fully paid-up Equity Shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company on the Record Date, equity shares of the Transferee Company. The equity shares held by the Transferee Company either directly or through its Nominees, in the share capital of the Transferor Company as on the Effective Date shall stand cancelled as per provisions of law.

The equity shares shall be allotted to the members of Transferor Company, as per the ratio determined by the valuation experts, registered as a valuer, namely Mr. Pankaj Bhalla, Chartered Accountant, a Registered Valuer (IBBI Registration No. IBBI/RV/06/ 2020/13265), as specified in section 247 of the Companies Act, 2013 read with applicable Rules. As per the valuation report, members of the Transferor Company shall be allotted 3 (Three) Equity Shares in Transferee Company of Rs. 10 each credited as fully paid-up for every 10 (Ten) Equity shares of Rs. 10 each fully paid-up held by such member in Transferor Company.

- (b) Upon the Scheme becoming effective, the entire authorized share capital of the Transferor Company amounting to Rs. 30,50,00,000 shall be consolidated and vested in and be merged with the authorized share capital of the Transferee company without any further act, instrument or deed by the Transferee Company and without any liability for payment of any additional fees (including fees and charges to the relevant Registrar of Companies) or stamp duty in respect of such increase as the stamp duty and fees have already been paid by the Transferor Company on such authorised capital and benefits which stands vested in the Transferee Company pursuant to the scheme becoming effective on the Effective Date.

(ii) Promoters

Refer to point B(I) mentioned as above for details regarding the effect on the shareholders.

(iii) Non Promoter shareholders

All shares are held by the promoters. There is no non-promoter shareholders.

(iv) Preference shareholders

The company has not issued any preference shares.

(v) Employees including Key Managerial Personnel

No rights of the staff or the employees of the company are being affected as a result of the proposed scheme.

(vi) Creditors

The Creditors of the Transferor Company will not be affected in any manner by the proposed scheme.

(vii) Directors

All the directors of the Transferor company shall cease to be directors of the Transferor company on the Effective Date without affecting their rights as shareholder, if any, in the Transferor company.

However, if any such director is a director of the Transferee company, he/she would continue to hold his/her office in the Transferee company as per the terms of his/her appointment in the Transferee Company.

C) Adoption of the Report by the directors : The Board of Directors of the company have adopted this Report after considering this information set forth in this report. The Valuation Report has been obtained from Mr. Pankaj Bhalla, Chartered Accountant, Registered Valuer (IBBI Registration No. IBBI/RV/06/2020/13265) for determination of share exchange ratio under the Scheme. No special valuation difficulties were reported. Further, the fairness opinion has also opined that the share exchange ratio is fair and reasonable with regard to exchange ratio for merger. While deliberating the Scheme, the Board has considered its impact on each class of the shareholders, Promoters, Non-promoter shareholders, Key Managerial Personnel, creditors, Directors and employees and there shall be no prejudice caused to them in any manner by the Scheme. The Board of Directors of the Company have approved the Scheme and the Share Exchange Ratio and have recommended the same to the shareholders of the Company for their approval.

By Order of the Board

For COTTON COUNTY RETAIL LIMITED

Sd/-

BHARAT BHUSHAN GUPTA

(Director)

DIN: 00495573

Date: 27th August, 2021



DUE DILIGENCE CERTIFICATE

To,
Board of Directors,
Cotton County Retail Limited
Premises of Nahar Industrial Enterprises Limited,
Focal Point, Ludhiana 141 010.

Sub: Certificate on adequacy and accuracy of disclosure of information pertaining to Cotton County Retail Limited and their respective shareholders and creditors in relation to proposed Scheme of Arrangement for Amalgamation under Section 230-232 of the Companies Act, 2013 and the rules framed thereunder.

Dear Sirs,

We, Master Capital Services Limited ("MCSL"), SEBI registered category I Merchant Banker, having Registration No. INM000000107, refer to our engagement letter dated April 05, 2022 whereby Cotton County Retail Limited has appointed us for the purpose of certifying the adequacy and accuracy of disclosure made in the document ("Abridged Prospectus") under the proposed Scheme of Arrangement for Amalgamation between Cotton County Retail Limited ("CCRL" / "Company" / "Transferor Company" / "Amalgamating Company") with Nahar Industrial Enterprises Limited ("NIEL" / "Transferee Company" / "Amalgamated Company") and their shareholders and creditors under Section 230-232 of the Companies Act, 2013 and the rules framed thereunder ("Scheme").

Regulatory Requirement:

SEBI vide its Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 & SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 ("SEBI Circulars"), prescribed requirements to be fulfilled by the listed entities when they propose a scheme of arrangement. The SEBI Circulars, amongst other things, provide that in the event a listed entity enters into a scheme of arrangement with an unlisted entity, the listed entity shall disclose to its shareholders applicable information pertaining to the unlisted entity in the format specified for abridged prospectus as provided in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Further, the adequacy and accuracy of such disclosure of information pertaining to unlisted entity is required to be certified by a SEBI registered Merchant Banker.

Disclaimer and Limitations:

1. This Certificate is a specific purpose certificate issued in terms of and in compliance with SEBI Circulars and hence it should not be used for any other purpose or transaction.
2. This Certificate contains the certification on adequacy and accuracy of disclosure of information in the Abridged Prospectus pertaining to the unlisted entity viz., CCRL and is not an opinion on the Scheme or its success.

MASTER CAPITAL SERVICES LIMITED

CIN : U67190HR1994PLC076366
NSE : INB/INF/INE230643634 • BSE : INB/INF/10643634, INED10643637
Regional Office : SCO 22-23, Sector 9D, Madhya Marg, Chandigarh - 160009 • Tel : 0172-4648000
Regd. Office : A-852-A, Basement, Sushant Lok, Phase - I, Gurugram, Haryana - 122 002 • Tel : 0124 - 4601275
Corporate Office : 1012, 10th Floor, Arunachal Building, 19, Barakhamba Road, New Delhi - 110001 • Tel : 011-42111000 • Fax : 011-42111040
Email : helpdesk@mastertrust.co.in • Help Desk : 0120-3083333 • Website : www.mastertrust.co.in

www.mastertrust.co.in

3. This Certificate is issued on the basis of examination of information and documents provided by CCRL and information which is available in the public domain and wherever required, the appropriate representations from CCRL have also been obtained.
4. We shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of or reliance on the information set out here in this report.
5. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed arrangement for amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon, in their respective jurisdiction.

Certification:

We state and confirm as follows:

1. We have examined various documents and other materials in connection with finalization of draft disclosure of information pertaining to CCRL ("Abridged Prospectus") which will be circulated to the members of NIEL at the time of seeking their consent to the proposed Scheme as a part of explanatory statement to the notice;
2. On the basis of such examination and the discussion with the management of CCRL, its directors, other officers and on independent verification of contents of Abridged Prospectus and other papers furnished to us, We Confirm that:
 - a. The information contained in the Abridged Prospectus is in conformity with the relevant documents, materials and other papers related to CCRL;
 - b. The Abridged Prospectus contains applicable information pertaining to CCRL as required in terms of SEBI Circulars and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 which, in our view are fair, adequate and accurate to enable the members to make a well informed decision on the proposed Scheme.

Thanking you,

Your sincerely,

For Master Capital Services Limited



(Authorised Signatory)

Category I Merchant Banker

SEBI Regn. No.: INM000000107

Place: Chandigarh

Date: April 06, 2022

This is an abridged prospectus containing salient features of the business of Cotton County Retail Limited and the Scheme of Arrangement for Amalgamation between Cotton County Retail Limited ("CCRL" / "Company" / "Transferor Company" / "Amalgamating Company") with Nahar Industrial Enterprises Limited ("NIEL" / "Transferee Company" / "Amalgamated Company") and their shareholders and creditors. Disclosure document comprising of applicable information in the format specified for abridged prospectus. You may download the Scheme of Arrangement for Amalgamation from the website of Nahar Industrial Enterprises Limited (www.ownnahar.com) and the Stock Exchange where the equity shares of Nahar Industrial Enterprises Limited are listed ("Stock Exchange"), i.e. www.bseindia.com and www.nseindia.com.

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS ABRIDGED PROSPECTUS

This Document has been prepared in connection with the Scheme of Arrangement for Amalgamation amongst Cotton County Retail Limited with Nahar Industrial Enterprises Limited and their shareholders and creditors under section 230-232 and other applicable provisions of Companies Act, 2013 read with Securities and Exchange Board of India ("SEBI") circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 & SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 ("SEBI Circulars") read with the requirement of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and sets out the disclosures in an abridged prospectus format as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable.

THIS ABRIDGED PROSPECTUS CONTAINS 11 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

This abridged Prospectus is an important document should be carefully read together with the Scheme.

COTTON COUNTY RETAIL LIMITED

Corporate Identification Number (CIN): U51311PB2001PLC024753; **Date of Incorporation:** November 5, 2001; **Registered Office and Corporate Office:** Premises of Nahar Industrial Enterprises Limited, Focal Point, Ludhiana 141010; **Telephone:** +91 161 2672590-591; **Website:** www.ownnahar.com; **Email:** share@ownnahar.com; **Contact Person:** Mr. Som Garg

NAME OF PROMOTER OF COTTON COUNTY RETAIL LIMITED

Nahar Industrial Enterprises Limited, J L Growth Fund Limited, Vardhman Investments Limited, Kovalam Investment & Trading Co. Limited, Atam Vallabh Financiers Limited, Vanaik Investors Limited, Abhilash Growth Fund Pvt. Limited, Sh. Kamal Oswal, Sh. Rishabh Oswal

CCRL'S ABSOLUTE RESPONSIBILITY

CCRL, having made all reasonable inquiries, accepts responsibility for and confirms that the Abridged Prospectus contains all information with regard to CCRL and the Scheme, which is material in the context of the Scheme, that the information contained in the Abridged Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which will make the Abridged Prospectus as a whole, or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

MERCHANT BANKER

Master Capital Services Limited

SCO 22-23, Sector 9D, Madhya Marg, Chandigarh -160 009;

Tel. No.: +91 172 484 8000; **Website:** www.mastertrust.co.in; **Email ID:** jrawat@mastertrust.co.in

SEBI Registration No: INM000000107; **Validity Period:** Permanent Registration;



DETAILS OF OFFER TO PUBLIC

Type of Issue (Fresh/ OFS/Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (by no. of shares or by amount in Rs)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB	NII	RII

NOT APPLICABLE

DETAILS OF OFFER FOR SALE (OFS) BY PROMOTER(S)/ PROMOTER GROUP/ OTHER SELLING SHAREHOLDERS

Name	Type	No of shares offered/ Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
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NOT APPLICABLE

PRICE BAND, MINIMUM BID LOT & INDICATIVE TIMELINES

Price Band	NOT APPLICABLE
Minimum Bid Lot Size	
Bid/Offer Open On	
Bid/Closes Open On	
Finalisation of Basis of Allotment	
Initiation of Refunds	
Credit of Equity Shares to Demat accounts of Allottees	
Commencement of trading of Equity Shares	

Details of weighted average cost of acquisition (WACA) of all shares transacted over the trailing eighteen months from the date of RHP

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price - Highest Price (in Rs.)
Trailing Eighteen Month from the date of RHP	NOT APPLICABLE		

RISKS IN RELATION TO THE FIRST OFFER: NOT APPLICABLE**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to this Scheme. The procedure with respect to public issue/offer would not be applicable as the scheme of arrangement for amalgamation does not involve issue of any equity shares to public at large. For taking an investment decision, investors must rely on their own examination of the Scheme, including the risks involved. The Equity Shares have not been recommended or approved by Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Abridge Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" at page no. 10 of this abridged prospectus.

PROCEDURE

The scheme means the Scheme of Arrangement for Amalgamation which provides for amalgamation of Cotton County Retail Limited with Nahar Industrial Enterprises Limited, in accordance with section 230



to 232 of the Companies Act, 2013 and /or other relevant provisions of the Act in its present form or with such modifications as may be made and/or directed by the National Company Law Tribunal, Chandigarh Bench. The Scheme also provides for various other matters consequential and incidental thereto.

You may download the Scheme from the website of Nahar Industrial Enterprises Limited i.e. www.ownnahar.com or the website of the stock exchanges where the equity shares of Nahar Industrial Enterprises Limited are listed i.e., BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE together hereinafter referred to as the "Stock Exchanges")

(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)

After the Effective Date of this Scheme, the new equity shares to be issued and allotted by the Transferee Company in terms of the Scheme as mentioned therein in Consideration shall be listed and shall be admitted for trading on the Stock Exchanges and in accordance with the provisions of SEBI Circulars. Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the SEBI Circulars and Applicable Laws and take all steps to get the new equity shares issued by it in pursuance to this Scheme listed on the Stock Exchanges. The new equity shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated Stock Exchanges.

It is pertinent to mention here that the procedure with respect to public issue/offer would not be applicable as these shares are issued only to the shareholders of the Transferor Company, pursuant to the Scheme of Amalgamation.

PRICE INFORMATION OF BRLM's

Issue Name	Name of Merchant Banker	+/- % change in closing price, (+/- % change in closing benchmark)- 30th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark)- 90th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 180th calendar days from listing
		+1% (+5%)	-2% (-5%)	
NOT APPLIABLE				

Name of BRLM and contact details (telephone and email id) of each BRLM	NOT APPLIABLE
Name of Syndicate Members	NOT APPLIABLE

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

PROMOTERS OF THE ISSUER COMPANY

Sr. No.	Name	Individual/Corporate	Experience & Educational qualification
1.	Sh. Kamal Oswal	Individual	Sh. Kamal Oswal is 59 years of age and is Commerce Graduate and having Industry Experience of more than 37 years.
2.	Sh. Rishabh Oswal	Individual	Sh. Rishabh Oswal, aged 30 Years, B.A. Hons. in Management Studies from University of Nottingham, UK and



			thereafter he completed PGP MFAB, Executive MBA from the prestigious Indian School of Business, Hyderabad. He is having industry experience more than 9 years.
3.	Nahar Industrial Enterprises Limited	Corporate	NIEL was incorporated on September 27, 1983 as a Public Limited company under the Companies Act, 1956 with the Registrar of Companies, Delhi and Haryana at New Delhi. The name of the company was changed to Nahar Industrial Enterprises Limited w.e.f. October 21, 1994. The registered office of the Company was changed from NCT of Delhi to the State of Punjab w.e.f. May 31, 1996. NIEL is having its registered office at Focal Point, Ludhiana - 141010. The Corporate Identification Number (CIN) of the Company is L15143PB1983PLC018321. NIEL is a Listed Company and equity shares of the company are listed on the BSE Ltd. and National Stock Exchange of India Ltd. NIEL is a vertically integrated textile company engaged in the manufacture of cotton/ blended and dyed yarn, greige and processed fabrics. Besides Textiles, NIEL is also engaged in the manufacture of sugar.
4.	J L Growth Fund Limited	Corporate	J L Growth Fund Limited was incorporated on February 12, 1991 its CIN: U74999DL1991PLC043054 is an investment Company.
5.	Vardhman Investments Ltd.	Corporate	Vardhman Investment Limited was incorporated on June 24, 1972 its CIN: U74899DL1972PLC006181. is an investment Company.
6.	Kovalam Investment & Trading Co. Limited	Corporate	Kovalam Investment and Trading Co. Ltd. was incorporated on November 28, 1981 its CIN: L65910PB1981PLC023058. is an investment Company.
7.	Atam Vallabh Financiers Limited	Corporate	Atam Vallabh Financiers Limited was incorporated on June 24, 1972 its CIN: U67120DL1972PLC006180. is an investment Company.
8.	Vanaik Investors Limited	Corporate	Vanaik Investors Limited was incorporated on June 24, 1972 its CIN: U65993DL1972PLC006178. is an investment Company.
9.	Abhilash Growth Fund Pvt. Limited	Corporate	Abhilash Growth Fund Pvt. Limited was incorporated on February 12, 1991 its



		CIN: U74899DL1991PTC043052. is an investment Company.
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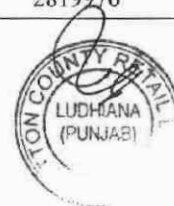
BUSINESS OVERVIEW AND STRATEGY

Cotton County Retail limited ("CCRL") was originally incorporated as Creative Textrade Private Limited on November 5, 2001. The name of the company was changed to Cotton County Retail Limited w.e.f. 16th May, 2008. The Corporate Identification Number (CIN) of the company is U51311PB2001PLC024753. CCRL is having its registered office at the Premises of Nahar Industrial Enterprises Limited, Focal Point, Ludhiana - 141010. CCRL is an unlisted public Company and an Associate Company of the Transferee company. The Company was engaged in the business of manufacturing and retailing of readymade garments.

The CCRL started incurring losses from FY ended 2012 due to stiff competition and non-viability of operations and slowly closed down its business of manufacturing and retailing of garments in FY 2019-20. Transferee Company is holding 47.66% equity shareholding in the Company and the balance equity shares of Company are being held by Promoters of the Transferee Company. Since the business of manufacturing and retailing of garments of the Company have been totally closed therefore, it has been thought proper to merge the Company having surplus funds presently invested in the form of preference shares in Transferee Company.

Intellectual Property, if any: Following trademarks are registered in the name of Cotton County Retail Limited:

COTTON COUNTY RETAIL LIMITED			
Sr. No.	Trade Mark	Class	Trade Mark Number
1	Cotton County	24	887671
2	Cotton Heritage	24	1687047
3	Cotton County	25	1680906
4	French Republic	25	1696025
5	Freak'N	25	2868619
6	St. Italiano	42	2819966
7	Freak'N	35	2870291
8	St. Italiano	35	2819968
9	Retailer Kart.com	3	2822279
10	Retailer Kart.com	9	2832089
11	Retailer Kart.com	18	2821442
12	Retailer Kart.com	28	2821777
13	St. Italiano	18	2819972
14	7oaks	25	2912780
15	7oaks	28	2912583
16	7oaks	35	2912772
17	7oaks	42	2912595
18	Tidyme	9	2832053
19	Not Just Kidding	35	2912109
20	St. Italiano	25	2819976

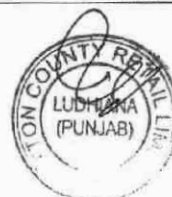


21	Freak'N	42	2870290
22	Attirante	24	2717918
23	Attirante	35	2717926
24	Rugg'It	25	2949510
25	Rugg'It	35	2949453
26	Not Just Kidding	28	2908952
27	Not Just Kidding	25	2908913
28	Not Just Kidding	35	2908083
29	Not Just Kidding	18	2913523
30	Rock.it	18	3442068
31	Rock.it	24	3442069
32	Rock.it	25	3442070
33	Rockit	18	3442071
34	Rockit	24	3442072
35	Rockit	25	3442073
36	Rockit	35	3442074
37	Rock.it	35	3442075
38	NJK Not Just Kidding	25	4166455

Employee Strength: Presently the Company has three employees.

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience	Other Directorship
1	Sh. Kamal Oswal	Director	Sh. Kamal Oswal is 59 years of age and a Commerce Graduate and having Industry Experience of more than 37 years.	1. Nahar Poly Films Limited 2. Nahar Capital And Financial Services Limited 3. Oswal Leasing Limited 4. Nahar Growth Fund Private Limited 5. Neha Credit And Investment Private Limited 6. Nahar Industrial Enterprises Limited 7. Nahar Spinning Mills Ltd 8. Owm Poly Yarn Limited 9. Nahar Industrial Infrastructure Corporation Limited 10. Kulu Investment And Trading Pvt Ltd 11. Abhilash Growth Fund Private Limited 12. Oswal Woollen Mills Ltd 13. Ogden Trading And Investment Co Pvt Ltd 14. Crown Star Limited (UK)
2	Sh. Rishabh Oswal	Director	Sh. Rishabh Oswal, aged 30 Years, B.A. Hons. in Management Studies from	1. Owm Poly Yarn Limited 2. Vanaik Investors Ltd 3. Abhilash Growth Fund Private



			University of Nottingham, UK in 2013 and thereafter he completed PGP MFAB, Executive MBA from the prestigious Indian School of Business, Hyderabad.	Limited 4. Abrotex Apparels Private Limited 5. Oswal Woollen Mills Ltd 6. Palam Motels Limited 7. J L. Growth fund limited 8. Monte Carlo Fashions Limited 9. Monte Carlo Home Textiles Limited 10. Oswal Denims Limited 11. Suvrat Trading Co. Limited 12. Hyperyno Lifestyle Private Limited 13. Nagdevi Trading And Investment Company Limited
3	Sh. Dinesh Gogna	Director	Sh. Dinesh Gogna is 68 years of age. He is BA LLB and having experience of more than 42 years in the field of Corporate Finance and taxation.	1. Nahar Industrial Enterprises Limited 2. Nahar Poly Films Limited 3. Nahar Capital And Financial Servicesv Limited 4. Oswal Leasing Limited 5. Oswal Denims Limited 6. Nahar Spinning Mills Ltd 7. Monte Carlo Fashions Limited 8. Oswal Woollen Mills Ltd 9. Gimar Investment Ltd 10. Crown Star Limited (UK)
4	Sh. Bharat Bhushan Gupta	Director	Sh. Bharat Bhushan Gupta is 65 years of age. He is BSc., FCA and having experience of more than 42 years in the field of Finance and Accounts.	1. Amloh Industries Limited
5	Dr. Manisha Gupta	Director	Dr. Manisha Gupta is 42 years of age. She is MBA(Finance), UGC and Ph.D. She is having more than 20 years of experience in Teaching and Research of Management and Administration. Presently, she is working as a Director at Punjab Institute of Management and Technology, Mandi Gobindgarh.	1. Nahar Capital And Financial Services Limited 2. Monte Carlo Fashions Limited 3. Oswal Leasing Limited 4. Oswal Woollen Mills Ltd 5. Nahar Industrial Enterprises Limited 6. Nahar Spinning Mills Ltd 7. Nahar Poly Films Limited
6	Dr. Inder Mohan Chhibba	Director	Dr. Inder Mohan Chhibba (DIN: 07913491) is 74 years of age. He is M. Sc. (Soils) and Ph. D (Soil Sci & Agri. Chem). He is having more than 36 years of experience in Teaching and extension activities of the Punjab Agricultural University (PAU) Ludhiana. Presently,	1. Nahar Industrial Enterprises Limited



			he is involved in the outreach activities and farmer advisements through organizing workshops and training courses.	
7	Sh. Som Garg	Whole Time Director	Sh. Som Garg is 63 years of age and is a Chartered Accountant and having experience in administration and finance and taxation of more than 35 years.	1. Abrotex Apparels Private Limited 2. Hyperyno Lifestyle Private Limited 3. Amloh Industries Limited 4. Oswal Woollen Mills Ltd 5. Hug Foods Private Limited

OBJECTS OF THE PROPOSED SCHEME

Brief objects of the proposed Scheme are as follows:

Amalgamation of Transferor Company with the Transferee Company and consequent dissolution of the Transferor Company without winding up under Sections 230 to 232 and other applicable provisions of the Act. The Scheme also provides for various other matters consequent and incidental thereto.

RATIONALE OF THE SCHEME OF ARRANGEMENT

- Both Transferor and Transferee Company belong to same promoter Group. The Transferor Company was engaged in the business of manufacturing and retailing of readymade garments. The Transferor Company used to procure its major raw material i.e. fabrics from Transferee Company. The retailing business of the Transferor company was doing well and the products of the company were widely accepted. The Transferor Company started incurring losses from FY ended 2012 due to stiff competition and non-viability of operations and slowly closed down its business of manufacturing and retailing of garments in FY 2019-20. Transferee Company is holding 47.66% equity shareholding in the Transferor Company and the balance equity shares of Transferor Company are being held by Promoters of the Transferee Company. Since the business of manufacturing and retailing of garments of Transferor Company have been totally closed therefore, it has been thought proper to merge Transferor Company having surplus funds presently invested in the form of preference shares in Transferee Company. In this Scheme of amalgamation, the 47.66% of equity shareholding in the Transferor Company held by the Transferee Company would be cancelled without further application, act or deed. Upon the scheme becoming effective and as a consideration for the amalgamation of Transferor Company, the Transferee Company would issue equity shares to the equity shareholders of the Transferor Company in the manner stated in the scheme. This scheme would also enable the Transferee Company to finish its liabilities against the funds invested by Transferor Company in the form of preference shares. While conceiving this scheme it has also perused that there are no accumulated business losses of Transferor Company to be paid-off.
- With proposed amalgamation the funds invested by Transferor Company would remain with Transferee Company, it would help the Transferee Company to face current and future challenges in a better way. The Transferee Company's holding of 47.66% in Transferor Company will be extinguished and in lieu of the funds invested by the Transferor Company only 52.34% will be acknowledged by the Transferee Company by issuing the fresh equity shares to that extent. The Net worth of Transferor Company as on 31.12.2020 is Rs.80.34 Crores as against the total face value of equity share capital of Rs. 21.46 Crores. Thus from all angle it is a win-win situation for Transferee Company.



- iii) Simplified management structures belong to better administration and reduction in costs from more focused operational efforts, reduction in multiplicity of legal and regulatory compliances and rationalization of administrative expenses. By virtue of proposed amalgamation of Transferor Company in Transferee Company, the operation of both companies shall be brought under a single control.

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 issues, if any, of Cotton County Retail Limited 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.

SHAREHOLDING PATTERN

Sr. No.	Particulars	Pre-Scheme No. of Shares	Pre-Scheme %age of Shareholding
Promoters & Promoters Group			
1	J. L. Growth Fund Ltd.	34,33,766	16.00
2	Vardhman Investments Ltd.	28,50,000	13.28
3	Kovalam Investment & Trading Co. Ltd.	70,902	0.33
4	Atam Vallabh Financiers Ltd.	26,50,000	12.35
5	Vanaik Investors Ltd.	18,00,003	8.39
6	Abhilash Growth Fund Pvt. Ltd.	4,30,128	2.00
7	Nahar Industrial Enterprises Limited	1,02,28,438	47.66
8	Dinesh Gogna*	1	0.00
9	Bharat Bhushan Gupta*	1	0.00
10	Som Garg*	1	0.00
Public		0	0
TOTAL		2,14,63,240	100.00

* Shares held as nominee of Nahar Industrial Enterprises Limited

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

RESTATEd AUDITED FINANCIALS

Standalone Financials

Particulars	Rs. In lacs			
	Latest Stub Period 31.12.2021 (Un-Audited)	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)
Total income from operations (net)	31.39	79.87	731.92	4669.22
Net Profit / (Loss) before tax and extraordinary items	-41.26	-155.74	-32.14	-78.67
Net Profit / (Loss) after tax and extraordinary items	-41.26	-155.74	-32.14	-78.67
Equity Share capital	2146.32	2146.32	2146.32	2146.32



Reserves and Surplus	5843.47	5884.69	6040.43	6072.57
Net worth	7989.79	8031.01	8186.75	8218.89
Basic Earnings Per Share (Rs.)	(0.19)	(0.73)	(0.15)	(0.37)
Diluted Earnings Per Shares (Rs.)	(0.19)	(0.73)	(0.15)	(0.37)
Return on net worth (%)				
Net Asset Value Per Equity Share (Rs.)	37.22	37.42	38.14	38.29

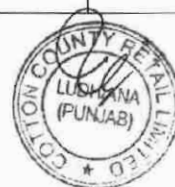
INTERNAL RISK FACTORS FOR COTTON COUNTY RETAIL LIMITED

- Since upon effectiveness of the Scheme, Cotton County Retail Limited will be amalgamated with Nahar Industrial Enterprises Limited and shall be deemed to have been dissolved without winding up, this information is not applicable.
- The proposed Scheme is subject to the approval of NCLT. If the proposed Scheme does not receive the requisite approvals, the objects and benefits mentioned in the proposed Scheme will not be achieved.
- The Company is presently an unlisted company and its equity shares are presently not available for trading on any Stock Exchanges.
- Pandemic like Covid-19 can adversely affect the operations and results of the investee Company. The adverse performance of the investee Company can make the impact on the performance of the Company as Investee Company may curtail dividend payments.
- The business of the Company depends upon the Key Managerial Personnel (KMP) and loss of service of such KMP may affect the performance of the Company.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTIONS

A. Total number of outstanding litigations against the company and amount involved:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in crores)
Company						
By the Company	2	--	--	--	2	0.18
Against the Company	2	--	--	--	3	1.17
Directors	NO	NO	NO	NO	NO	NO
By our Directors						
Against the Directors						
Promoters	NO	NO	NO	NO	NO	NO
By Promoters						
Against Promoters						



Subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
By Subsidiaries						
Against Subsidiaries						

B. Brief details of top 5 material outstanding litigations against the company and amount involved:

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
1	SB Garments Vs. Cotton County Retail Ltd.	S B Garments	Stay Order	NIL
2	M/s Chlorophyl and Ors. Vs. Cotton County Retail Limited	M/s Chlorophyl and Ors.	Pending for Quashing	NIL
3	Panchvati Sales Pvt. Limited Vs. Cotton County Retail Limited	Panchvati Sales Pvt. Limited	Pending for appointment of Arbitrator	NIL
4	Shri Krishna Impex Vs. CCRL	Shri Krishna Impex	Pending for appointment of Arbitrator	15,48,313
5	Poonam (Vinita Garments) Vs. CCRL	Poonam (Vinita Garments)	Pending for final argument with Arbitrator Sh. Bipin Bhasin	1,01,51,000

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any: No

D. Brief details of outstanding criminal proceedings against Promoters: No

ANY OTHER IMPORTANT INFORMATION AS PER BRLM/ISSUER COMPANY: Nil

DECLARATION BY COTTON COUNTY RETAIL LIMITED

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/issued by 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 this Document is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We hereby certify that all the statements in the Document are true and correct.

For COTTON COUNTY RETAIL LIMITED


NAME: SOM GARG
DESIGNATION: DIRECTOR
DIN: 03610942
Dated: 05.04.2022





INDUSTRIAL ENTERPRISES LTD.

Regd. & Admn. Office : Focal Point, Ludhiana - 141 010. (INDIA)
 Phones : 0091-161-2672590 to 91, 5064200 Fax : 0091-161-2674072, 5083213
 E-mail : nilidh@owmnahar.com, Website : www.owmnahar.com

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

Sl. No.	Particulars	(Amount Rs. in Lacs)				
		3 months ended 31.03.2021	Preceding 3 months ended 31.12.2020	Corresponding 3 months ended 31.03.2020	Current Year ended 31.03.2021	Previous Year ended 31.03.2020
		(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)
1	Income From Operations					
	a) Net Sales/Income from Operations	45,638.11	41,850.50	39,711.94	1,39,688.88	1,55,446.59
	b) Other Operating Income	724.18	224.32	973.12	2,113.78	1,826.11
	Total Income from operations (a+b)	46,362.29	41,874.82	40,685.06	1,41,802.66	1,57,272.70
	Other Income	338.55	206.76	454.49	840.16	1,221.16
	Total Income	46,700.84	42,081.58	41,139.55	1,42,642.82	1,58,493.86
2	Expenses					
	a) Cost of Materials consumed	28,391.40	20,368.72	26,084.59	72,691.61	79,876.36
	b) Purchase of stock-in-trade	1,369.25	1,221.21	813.32	4,212.29	2,811.38
	c) Changes in inventories of finished goods, works-in-progress and stock-in-trade	(3,985.64)	3,049.60	(3,005.82)	8,908.04	7,363.98
	d) Employee benefits expense	3,937.47	3,967.53	3,835.02	13,021.85	17,668.47
	e) Finance Costs	1,694.10	1,422.71	1,759.43	5,722.80	6,469.41
	f) Depreciation and amortisation expense	1,455.01	1,423.03	1,949.76	5,762.01	7,097.96
	g) Power & Fuel	4,953.80	5,418.23	4,310.37	18,290.11	20,048.14
	h) Other Expenses	4,915.53	4,753.15	5,605.68	15,324.68	20,384.42
	Total Expenses (a to h)	42,730.72	41,624.18	41,352.35	1,43,933.59	1,61,740.14
3	Profit/(Loss) from ordinary activities before tax	3,970.12	457.40	(212.80)	(1,290.77)	(3,246.28)
4	Corporate social Responsibility Expenses (U/S 135 of Companies Act, 2013)	-	-	-	-	(68.14)
5	Net Profit/(Loss) from ordinary activities before tax	3,970.12	457.40	(212.80)	(1,290.77)	(3,314.42)
6	Tax expense (including Deferred tax etc.)	(49.33)	-	50.82	(377.53)	(777.08)
7	Net Profit/(Loss) from ordinary activities after tax	4,019.45	457.40	(263.72)	(913.24)	(2,537.34)
8	Extraordinary Items	-	-	-	-	-
9	Net Profit/(Loss) for the period	4,019.45	457.40	(263.72)	(913.24)	(2,537.34)
10	Other Comprehensive Income (net of tax)	91.85	0.53	188.89	92.80	236.16
11	Total Comprehensive Income	4,111.30	457.93	(74.83)	(820.44)	(2,301.18)
12	Paid-up equity share capital (Face Value Rs. 10/- per share)	3,983.51	3,983.51	3,983.51	3,983.51	3,983.51
13	Other Equity (excluding Revaluation reserve)	-	-	-	69,411.61	69,462.67
14(i)	Earnings Per Share (before extraordinary items) (Basic/Diluted):	10.09	1.15	(0.66)	(2.29)	(6.37)
14(ii)	Earnings Per Share (after extraordinary items) (Basic/Diluted):	10.09	1.15	(0.66)	(2.29)	(6.37)

Contd...2





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: 2 :

STANDALONE SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Sl. No.	Particulars	(Amount Rs. in Lacs)				
		3 months ended 31.03.2021	Preceding 3 months ended 31.12.2020	Corresponding 3 months ended 31.03.2020	Current Year ended 31.03.2021	Previous Year ended 31.03.2020
		(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)
1	Segment Revenue					
	a) Textile	40,296.68	37,804.06	34,154.04	1,20,735.20	1,37,948.05
	b) Sugar	5,663.35	3,972.70	6,005.15	19,396.06	18,118.77
	c) Others	46.09	13.66	1.32	65.55	24.64
	Total	46,006.12	41,790.42	40,160.51	1,40,196.81	1,56,091.46
	Less: Inter Segment Revenue	368.01	139.92	448.57	507.93	644.87
	Net Sales/Income from Operations	45,638.11	41,650.50	39,711.94	1,39,688.88	1,55,446.59
2.	Segment Results					
	Profit/(Loss) before interest & tax from each segment					
	a) Textile	4,848.94	1,865.55	581.87	3,052.09	1,023.19
	b) Sugar	946.60	78.12	1,176.12	1,713.63	2,768.33
	c) Others	(131.32)	(63.56)	(211.36)	(333.69)	(568.39)
	Total	5,664.22	1,880.11	1,546.63	4,432.03	3,223.13
	Less: Finance Costs	1,694.10	1,422.71	1,759.43	5,722.80	6,469.41
	Total Profit/(Loss) before tax	3,970.12	457.40	(212.80)	(1,290.77)	(3,246.28)
3	Segment Assets					
	a) Textile	1,20,115.10	1,18,625.32	1,24,954.50	1,20,115.10	1,24,954.50
	b) Sugar	15,665.33	10,007.76	19,624.04	15,665.33	19,624.04
	c) Other (unallocable)	20,904.92	19,042.03	19,515.54	20,904.92	19,515.54
	Total	1,56,685.35	1,47,675.11	1,64,094.08	1,56,685.35	1,64,094.08
4	Segment Liabilities					
	a) Textile	54,599.73	51,699.13	55,026.15	54,599.73	55,026.15
	b) Sugar	10,047.11	5,197.46	13,521.84	10,047.11	13,521.84
	c) Other (unallocable)	764.62	686.62	830.26	764.62	830.26
	Total	65,411.46	57,583.21	69,378.25	65,411.46	69,378.25
5	Capital Employed					
	(Segment assets - Segment Liabilities)					
	a) Textile	65,515.37	66,926.19	69,928.35	65,515.37	69,928.35
	b) Sugar	5,618.22	4,810.30	6,102.20	5,618.22	6,102.20
	c) Other (unallocable)	20,140.30	18,355.41	18,685.28	20,140.30	18,685.28
	Total	91,273.89	90,091.90	94,715.83	91,273.89	94,715.83

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: 3 :

Notes: 1. The above results were reviewed by the Audit Committee of Directors on 31st May, 2021 and taken on record by the Board of Directors at its meeting held on 31st May, 2021.

2. The Financial results has been prepared in accordance with the Indian Accounting Standard ("Ind AS") as prescribed under section 133 of the companies Act, 2013 read with the relevant rules issued thereunder and SEBI's circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016 as amended from time to time.

3. In March, 2020, World Health Organisation (WHO) had declared the outbreak of Novel Coronavirus "Covid-19" as a pandemic. Complying with the directives of Government, the plant and offices of the company had been under lock-down for few months, resulting thereto, the operations for the year have been impacted. Post lockdown, the company has gradually resumed its manufacturing operations to normal. However, the recent second wave of covid-19 has resulted in re-imposition of partial lockdowns/restrictions in various states, which might continue to impact the company's performance. The company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The company does not foresee any significant incremental risk to the recoverability of its assets or in its ability to meet its financial obligations over the foreseeable future.

4. Previous period's figures have been regrouped / rearranged wherever considered necessary. The figures for the quarter ended 31st March, 2021 and the corresponding quarter ended in the previous year as reported in these financial result are the balancing figures between audited figures in respect of the full financial year and the year to date figures upto the end of the third quarter of the relevant financial year.

Place: Ludhiana
Dated: 31st May 2021



for NAHAR INDUSTRIAL ENTERPRISES LIMITED

Kamal Oswal
Vice Chairman-cum-Managing Director

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STATEMENT OF STANDALONE ASSETS AND LIABILITIES

: 4 :

Sl.No.	PARTICULARS	(Amount Rs. In Lacs)	
		As at 31.03.2021 (Audited)	As at 31.03.2020 (Audited)
A	ASSETS		
	Non-current assets		
	a) Property, Plant & Equipment	48,765.37	52,610.10
	b) Capital work in progress	1,153.37	1,719.32
	c) Investment Property	4,601.61	3,623.23
	d) Other Intangible assets	-	-
	e) Financial Assets		
	i) Investments	8,025.05	8,024.11
	ii) Loans	1,060.27	1,400.12
	iii) Other financial assets	-	-
	f) Other non current assets	33.25	40.63
	Total Non-current assets	63,638.92	67,417.51
	Current assets		
	a) Inventories	51,431.22	59,387.59
	b) Financial Assets		
	i) Trade receivable	19,794.29	20,355.40
	ii) Cash and cash equivalents	14.78	61.76
	iii) Other bank balances	107.72	194.37
	iv) Loans	54.98	54.92
	v) Other financial assets	2,578.66	2,979.41
	c) Other current assets	18,707.74	13,382.44
	d) Current tax Assets (Net)	357.04	260.68
	Total Current Assets	93,046.43	96,676.57
	TOTAL ASSETS	1,56,685.35	1,64,094.08
B	EQUITY AND LIABILITIES		
	Equity		
	a) Equity Share Capital	4,003.42	4,003.42
	b) Other equity	69,411.61	69,462.67
	Total Equity	73,415.03	73,466.09
	Liabilities		
	Non-current liabilities		
	a) Financial liabilities		
	i) Borrowings	12,943.93	14,392.33
	ii) Others	213.84	177.84
	b) Provisions	-	165.91
	c) Deferred tax liabilities (net)	-	328.20
	d) Other non current liabilities	63.96	76.26
	Total Non-current liabilities	13,221.73	15,140.54
	Current liabilities		
	a) Financial liabilities		
	i) Borrowings	51,777.02	49,799.65
	ii) Trade payables	9,176.50	14,692.75
	iii) Other financial liabilities	7,969.66	8,959.30
	b) Other current liabilities	984.88	2,033.11
	c) Provisions	140.53	2.64
	d) Current tax liability (Net)	-	-
	Total Current liabilities	70,048.59	75,487.45
	TOTAL EQUITY AND LIABILITIES	1,56,685.35	1,64,094.08

Place: Ludhiana
 Dated: 31st May 2021



For NAHAR INDUSTRIAL ENTERPRISES LIMITED

 Kamal Grewal
 Vice Chairman-cum-Managing Director
 Contd...5

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STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount Rs. in Lacs)			
Sl.No.	PARTICULARS	Current Year ended 31.03.2021 (Audited)	Previous Year ended 31.03.2020 (Audited)
(A)	Cash Flow from Operating Activities		
	Net profit/(Loss) before Tax	(1,290.77)	(3,246.28)
	Adjustment for:		
	Depreciation	5,762.01	7,097.98
	Power & fuel Exp		71.69
	Other Income	(10.92)	(145.43)
	Diminution in value of Investment		315.38
	Rent	6.26	6.26
	Remeasurement of defined benefit plan	141.19	363.17
	Sundry balances written back (Net)	(16.40)	(33.49)
	Profit on sale of Property, Plant and Equipment (Net)	(153.71)	(342.27)
	Interest Income	(107.30)	(303.58)
	Rent Income	(540.23)	(358.69)
	Interest Expense	5,722.80	6,469.41
	Operating Profit before Working Capital Changes	9,512.93	9,894.15
	Adjustment for:		
	Trade receivable & other assets	(3,934.52)	4,497.20
	Inventories	7,956.37	6,508.51
	Trade Payables & Other Liabilities	(5,934.85)	(3,571.96)
	Cash Generated from operations	7,599.93	17,327.90
	Direct Taxes Paid	(96.36)	(80.27)
	Net Cash from Operating Activities	7,503.57	17,247.63
(B)	Cash Flow from Investing Activities		
	Purchase of Property, Plant and Equipment (inc. investment prop)	(3,077.94)	(5,590.49)
	Sale of Property, Plant and Equipment (inc. investment property)	901.93	1,570.18
	Interest Received	105.61	303.58
	Rent Income	540.23	358.69
	Net cash used in Investing Activities	(1,530.17)	(3,358.04)
(C)	Cash Flow from Financing Activities		
	Interest Expense	(5,555.30)	(6,338.76)
	Dividend Paid	(21.65)	(0.21)
	Proceeds from Long Term Borrowings (Net)	(3,420.80)	(9,828.58)
	Changes in Working Capital Borrowings	1,977.37	(1,807.18)
	Issue of preference shares	1,000.00	3,900.00
	Preference share issue expenses	-	(18.75)
	Net Cash used in Financing Activities	(6,020.38)	(13,893.48)
	Net Change in Cash & Cash Equivalents (A+B+C)	(46.98)	(3.89)
	Opening Cash & Cash Equivalents	61.76	65.65
	Closing Cash & Cash Equivalents	14.78	61.76

Notes: 1. Previous year's figures have been regrouped/rearranged wherever considered necessary, to make them comparable with current year's figures.
 2. Figures in brackets represent deduction.

Place: Ludhiana
 Dated: 31st May 2021



[Signature]
 Kamal Oswal

for NAHAR INDUSTRIAL ENTERPRISES LIMITED

Vice Chairman-cum-Managing Director

Contd...6

KR AGGARWAL & ASSOCIATES
Chartered Accountants



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Near Fountain Chowk, Opp. Petrol Pump,
Cemetery Road, Ludhiana (Punjab) - 141001

Mobile: +91 97800 19361
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Independent Auditor's Report on Audited Financial Results of the Company pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2021.

To
The Board of Directors of
Nahar Industrial Enterprises Limited

We have audited and reviewed the accompanying statement of Standalone Ind AS financial results of Nahar Industrial Enterprises Limited ("the Company") for the year ended March 31, 2021, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The figures for the quarter ended March 31, 2021 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2021 and the published year-to date figures up to December 31, 2020, being the date of the end of the third quarter of the current financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These standalone Ind AS financial results are based on the financial statements for the year ended March 31, 2021 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and published year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these Standalone financial results based on our audit of the financial statements for the year ended March 31, 2021 and our review of Standalone financial results for the nine-months period ended December 31, 2020.

We conducted our audit in accordance with the auditing standards accepted in India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to best of our information and according to the explanations given to us, the Quarterly Standalone Financial Results as well as year to date results:

- (i) Are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and

KR AGGARWAL & ASSOCIATES
Chartered Accountants

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- (ii) Gives a true and fair view of the financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended March 31, 2021.

EMPHASIS OF MATTER

We draw attention to Note 3 of standalone quarterly Financial Results which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by management. Our opinion is not modified in respect of this matter.

Place : Ludhiana
Dated: 31st May, 2021

For K R Aggarwal & Associates
Chartered Accountants
FAN NO:- 030088N



Partner

M.NO. 544757
UDIN NO 21544757AAAABH7930



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STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

Sl. No.	Particulars	(Amount Rs. In Lacs)				
		3 months ended 31.03.2021	Preceding 3 months ended 31.12.2020	Corresponding 3 months ended 31.03.2020	Current Year ended 31.03.2021	Previous Year ended 31.03.2020
		(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)
1	Income From Operations					
	a) Net Sales/Income from Operations	45,638.11	41,650.50	39,711.94	1,39,688.88	1,55,446.59
	b) Other Operating Income	724.18	224.32	973.12	2,113.78	1,826.11
	Total Income from operations (a+b)	46,362.29	41,874.82	40,685.06	1,41,802.66	1,57,272.70
	Other Income	338.55	206.76	454.49	840.16	1,221.16
	Total Income	46,700.84	42,081.58	41,139.55	1,42,642.82	1,58,493.86
2	Expenses					
	a) Cost of Materials consumed	28,391.40	20,368.72	26,084.59	72,691.81	79,876.36
	b) Purchase of stock-in-trade	1,369.25	1,221.21	813.32	4,212.29	2,811.38
	c) Changes in inventories of finished goods, works-in-progress and stock-in-trade	(3,985.64)	3,049.60	(3,005.82)	8,908.04	7,383.98
	d) Employee benefits expense	3,937.47	3,967.53	3,835.02	13,021.85	17,868.47
	e) Finance Costs	1,694.10	1,422.71	1,759.43	5,722.80	6,469.41
	f) Depreciation and amortisation expense	1,455.01	1,423.03	1,949.76	5,762.01	7,097.98
	g) Power & Fuel	4,953.60	5,418.23	4,310.37	18,290.11	20,048.14
	h) Other Expenses	4,915.53	4,753.15	5,605.68	15,324.68	20,384.42
	Total Expenses (a to h)	42,730.72	41,624.18	41,352.35	1,43,933.59	1,61,740.14
3	Profit/(Loss) from operations before tax	3,970.12	457.40	(212.80)	(1,290.77)	(3,246.28)
4	Share of profit/(loss) of associate	2.74	(2.70)	15.13	51.49	1.38
5	Profit/(Loss) from ordinary activities before tax	3,972.86	454.70	(197.67)	(1,239.28)	(3,244.90)
6	Corporate social Responsibility Expenses (U/S 135 of Companies Act., 2013)	-	-	-	-	(68.14)
7	Tax expense (including Deferred tax etc.)	(54.13)	1.15	52.20	(361.62)	(774.45)
8	Net Profit/(Loss) from ordinary activities after tax	4,026.99	453.55	(249.87)	(877.66)	(2,538.59)
9	Extraordinary Items	-	-	-	-	-
10	Net Profit /(Loss) for the period	4,026.99	453.55	(249.87)	(877.66)	(2,538.59)
11	Other Comprehensive Income (net of tax)	91.85	0.53	188.89	92.80	236.16
12	Total Comprehensive Income	4,118.84	454.08	(60.98)	(784.86)	(2,302.43)
13	Paid-up equity share capital (Face Value Rs. 10/- per share)	3,983.51	3,983.51	3,983.51	3,983.51	3,983.51
14	Other Equity (excluding Revaluation reserve)	-	-	-	70,272.60	70,288.08
15 (i)	Earnings Per Share (before extraordinary items) (Basic/Diluted):	10.11	1.14	(0.63)	(2.20)	(6.37)
15 (ii)	Earnings Per Share (after extraordinary items) (Basic/Diluted):	10.11	1.14	(0.63)	(2.20)	(6.37)

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CONSOLIDATED SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Sl. No.	Particulars	(Amount Rs. in Lacs)				
		3 months ended 31.03.2021	Preceding 3 months ended 31.12.2020	Corresponding 3 months ended 31.03.2020	Current Year ended 31.03.2021	Previous Year ended 31.03.2020
		(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)
1	Segment Revenue					
	a) Textile	40,296.88	37,804.06	34,154.04	1,20,735.20	1,37,948.05
	b) Sugar	5,663.35	3,972.70	6,005.15	19,396.06	18,118.77
	c) Others	46.09	13.66	1.32	65.55	24.64
	Total	46,006.12	41,790.42	40,160.51	1,40,196.81	1,56,091.46
	Less: Inter Segment Revenue	368.01	139.92	448.57	507.93	644.87
	Net Sales/Income from Operations	45,638.11	41,650.50	39,711.94	1,39,688.88	1,55,446.59
2	Segment Results					
	Profit/(Loss) before interest & tax from each segment					
	a) Textile	4,848.94	1,865.55	581.87	3,052.09	1,023.19
	b) Sugar	946.60	78.12	1,176.12	1,713.63	2,768.33
	c) Others	(131.32)	(63.56)	(211.36)	(333.69)	(568.39)
	Total	5,664.22	1,880.11	1,546.63	4,432.03	3,223.13
	Less: Finance Costs	1,694.10	1,422.71	1,759.43	5,722.80	6,469.41
	Share of profit/(loss) of associate	2.74	(2.70)	15.13	51.49	1.38
	Total Profit/(Loss) before tax	3,972.86	454.70	(197.67)	(1,239.28)	(3,244.90)
3	Segment Assets					
	a) Textile	1,20,115.10	1,18,625.32	1,24,954.50	1,20,115.10	1,24,954.50
	b) Sugar	15,665.33	10,007.76	19,624.04	15,665.33	19,624.04
	c) Other (unallocable)	21,985.27	20,112.55	20,549.50	21,985.27	20,549.50
	Total	1,57,765.70	1,48,745.63	1,65,128.04	1,57,765.70	1,65,128.04
4	Segment Liabilities					
	a) Textile	54,599.73	51,699.13	55,026.15	54,599.73	55,026.15
	b) Sugar	10,047.11	5,197.46	13,521.84	10,047.11	13,521.84
	c) Other (unallocable)	764.62	686.62	830.26	764.62	830.26
	Total	65,411.46	57,583.21	69,378.25	65,411.46	69,378.25
5	Capital Employed					
	(Segment assets - Segment Liabilities)					
	a) Textile	65,515.37	66,926.19	69,928.35	65,515.37	69,928.35
	b) Sugar	5,618.22	4,810.30	6,102.20	5,618.22	6,102.20
	c) Other (unallocable)	21,220.65	19,425.93	19,719.24	21,220.65	19,719.24
	Total	92,354.24	91,162.42	95,749.79	92,354.24	95,749.79

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- Notes:** 1. The above results were reviewed by the Audit Committee of Directors on 31st May, 2021 and taken on record by the Board of Directors at its meeting held on 31st May, 2021.
2. The Financial results has been prepared in accordance with the Indian Accounting Standard ("Ind AS") as prescribed under section 133 of the companies Act, 2013 read with the relevant rules issued thereunder and SEBI's circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016 as amended from time to time.
3. In March, 2020, World Health Organisation (WHO) had declared the outbreak of Novel Coronavirus "Covid-19" as a pandemic. Complying with the directives of Government, the plant and offices of the company had been under lock-down for few months, resulting thereto, the operations for the year have been impacted. Post lockdown, the company has gradually resumed its manufacturing operations to normal. However, the recent second wave of covid-19 has resulted in re-imposition of partial lockdowns/restrictions in various states, which might continue to impact the company's performance. The company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The company does not foresee any significant incremental risk to the recoverability of its assets or in its ability to meet its financial obligations over the foreseeable future.
4. The above results have been consolidated in respect of Associate Companies pursuant to the requirement of section 129 (3) of the Companies Act, 2013.
5. Previous period's figures have been regrouped / rearranged wherever considered necessary. The figure for the quarter ended 31st March, 2021 and the corresponding quarter ended in the previous year as reported in these financial result are the balancing figures between audited figures in respect of the full financial year and the year to date figures upto the end of the third quarter of the relevant financial year..

Place: Ludhiana
Dated: 31st May, 2021



for NAHAR INDUSTRIAL ENTERPRISES LIMITED

Kamal Oswal
Vice Chairman-cum-Managing Director
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STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES

(Amount Rs. In Lacs)

Sl.No.	PARTICULARS	As at 31.03.2021 (Audited)	As at 31.03.2020 (Audited)
A	ASSETS		
	Non-current assets		
	a) Property, Plant & Equipment	48,765.37	52,610.10
	b) Capital work in progress	1,153.37	1,719.32
	c) Investment Property	4,601.61	3,623.23
	d) Other Intangible assets	-	-
	e) Financial Assets		
	i) Investments	9,105.40	9,058.07
	ii) Loans	1,060.27	1,400.12
	iii) Other financial assets	-	-
	f) Other non current assets	33.25	40.63
	Total Non-current assets	64,719.27	68,451.47
	Current assets		
	a) Inventories	51,431.22	59,387.59
	b) Financial Assets	-	-
	i) Trade receivable	19,794.29	20,355.40
	ii) Cash and cash equivalents	14.78	61.76
	iii) Other bank balances	107.72	194.37
	iv) Loans	54.98	54.92
	v) Other financial assets	2,578.66	2,979.41
	c) Other current assets	18,707.74	13,382.44
	d) Current tax Assets (Net)	357.04	260.68
	Total Current Assets	93,046.43	96,676.57
	TOTAL ASSETS	1,57,765.70	1,65,128.04
B	EQUITY AND LIABILITIES		
	Equity		
	a) Equity Share Capital	4,003.42	4,003.42
	b) Other equity	70,272.60	70,288.08
	Total Equity	74,276.02	74,291.50
	Liabilities		
	Non-current liabilities		
	a) Financial liabilities		
	i) Borrowings	12,943.93	14,392.33
	ii) Others	213.84	177.84
	b) Provisions	-	165.91
	c) Deferred tax liabilities (net)	219.36	536.75
	d) Other non current liabilities	63.96	76.26
	Total Non-current liabilities	13,441.09	15,349.09
	Current liabilities		
	a) Financial liabilities		
	i) Borrowings	51,777.02	49,799.65
	ii) Trade payables	9,176.50	14,692.75
	iii) Other financial liabilities	7,969.66	8,959.30
	b) Other current liabilities	984.88	2,033.11
	c) Provisions	140.53	2.64
	d) Current tax liability (Net)	-	-
	Total Current Liabilities	70,048.59	75,487.45
	TOTAL EQUITY AND LIABILITIES	1,57,765.70	1,65,128.04

for NAHAR INDUSTRIAL ENTERPRISES LIMITED

Place: Ludhiana
 Dated: 31st May, 2021



[Signature]

Kamal Oswal
 Vice Chairman-cum-Managing Director

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GSTIN : 03AACCN3563A2Z2, CIN : L15143PB1983PLC018321



INDUSTRIAL ENTERPRISES LTD.

Regd. & Admn. Office : Focal Point, Ludhiana - 141 010. (INDIA)
 Phones : 0091-161-2672590 to 91, 5064200 Fax : 0091-161-2674072, 5083213
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: 10 :

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Sl.No.	PARTICULARS	(Amount Rs. in Lacs)	
		Current Year ended 31.03.2021 (Audited)	Previous Year ended 31.03.2020 (Audited)
(A)	Cash Flow from Operating Activities		
	Net profit/(Loss) before Tax	(1,239.28)	(3,244.90)
	Adjustment for:		
	Depreciation	5,782.01	7,097.98
	Share of Profit / Loss of associate	(51.49)	(1.38)
	Power & fuel Exp	-	71.69
	Other Income	(10.92)	(145.43)
	Diminution in value of Investment	-	315.38
	Rent	6.26	6.26
	Remeasurement of defined benefit plan	141.19	363.17
	Sundry balances written back (Net)	(16.40)	(33.49)
	Profit on sale of Property, Plant and Equipment (Net)	(153.71)	(342.27)
	Interest Income	(107.30)	(303.58)
	Rent Income	(540.23)	(358.69)
	Interest Expense	5,722.80	6,469.41
	Operating Profit before Working Capital Changes	9,512.93	9,894.15
	Adjustment for:		
	Trade receivable & other assets	(3,934.52)	4,497.20
	Inventories	7,956.37	6,508.51
	Trade Payables & Other Liabilities	(5,934.85)	(3,571.96)
	Cash Generated from operations	7,599.93	17,327.90
	Direct Taxes Paid	(96.36)	(80.27)
	Net Cash from Operating Activities	7,503.57	17,247.63
(B)	Cash Flow from Investing Activities		
	Purchase of Property, Plant and Equipment (inc. investment prop)	(3,077.94)	(5,590.49)
	Sale of Property, Plant and Equipment (inc. investment property)	901.93	1,570.18
	Interest Received	105.61	303.58
	Rent Income	540.23	358.69
	Net cash used in Investing Activities	(1,530.17)	(3,358.04)
(C)	Cash Flow from Financing Activities		
	Interest Expense	(5,555.30)	(6,338.76)
	Dividend Paid	(21.65)	(0.21)
	Proceeds from Long Term Borrowings (Net)	(3,420.80)	(9,828.58)
	Changes in Working Capital Borrowings	1,977.37	(1,607.18)
	Issue of preference shares	1,000.00	3,900.00
	Preference share issue expenses	-	(18.75)
	Net Cash used in Financing Activities	(6,020.38)	(13,893.48)
	Net Change in Cash & Cash Equivalents (A+B+C)	(46.98)	(3.89)
	Opening Cash & Cash Equivalents	61.76	65.65
	Closing Cash & Cash Equivalents	14.78	61.76

Notes: 1. Previous year's figures have been regrouped/rearranged wherever considered necessary, to make them comparable with current year's figures.
 2. Figures in brackets represent deduction.

Place: Ludhiana
 Dated: 31st May, 2021



for NAHAR INDUSTRIAL ENTERPRISES LIMITED

 Kamal Oswal
 Vice Chairman-cum-Managing Director

GSTIN : 03AACCN3563A2Z2, CIN : L15143PB1983PLC018321

KR AGGARWAL & ASSOCIATES
Chartered Accountants

SCO 549/10 (1st Floor), Sulej Tower,
Near Fountain Chowk, Opp. Petrol Pump,
Cemetery Road, Ludhiana (Punjab) - 141001



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Independent Auditor's Report on Audited Financial Results of the Company pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2021.

To
**The Board of Directors of
Nahar Industrial Enterprises Limited**

We have audited and reviewed the accompanying statement of Consolidated Financial Results of Nahar Industrial Enterprises Limited ("the Company") and its associate companies for the year ended March 31, 2021 ('the statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The figures for the quarter ended March 31, 2021 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2021 and the published year-to date figures up to December 31, 2020, being the date of the end of the third quarter of the current financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These Consolidated financial results are based on the financial statements for the year ended March 31, 2021 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and published year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management and approved by the Board of Directors. Our responsibility is to express an opinion on these Consolidated financial results based on our audit of the financial statements for the year ended March 31, 2021 and our review of Consolidated financial results for the nine month period ended 31st December, 2020.

We conducted our audit in accordance with the auditing standards accepted in India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to best of our information and according to the explanations given to us, the Quarterly Consolidated Financial Results as well as year to date results:

- (i) Are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and

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- (ii) Gives a true and fair view of the consolidated financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended March 31, 2021.

In our opinion and to the best of our information and according to explanations given to us, and based on the consideration of the reports of the other auditors on the separate Financial statements and other financial information of associates referred to in paragraph below, The Statement includes the results of the following entities:

- a) Cotton County Retail Limited (Associate Company)
- b) Vardhman Investment Limited (Associate Company)
- c) J.L Growth Fund Ltd. (Associate Company)
- d) Atam Vallabh Financers Limited (Associate Company)

The consolidated Ind AS financial statements also includes the company's share of I-GAAP (loss) of Rs 0.74 crore for the Financial year ended 31st March, 2021 from one associate (cotton county retail limited) which have been audited by us. We did not audit the I-GAAP financial statements / information of three associates (J.L Growth fund limited, vardhman investment limited and Atam Vallabh Financier Limited), whose financial statements / financial information reflect our share of I-GAAP profit after tax of Rs 1.21 crore as considered in the consolidated Ind AS financial statements. The financial statement / Financial information which have been audited by other auditor whose report have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and the Disclosures included in respect of these associates is based solely on the reports of the other auditors

Our opinion on the statement is unmodified in the respect of the above matters with respect to our reliance on the work done and report of other auditors.

EMPHASIS OF MATTER

We draw attention to Note 3 of standalone quarterly Financial Results, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by management. Our opinion is not modified in respect of this matter.

Place : Ludhiana
Dated: 31st May, 2021

For K R Aggarwal & Associates
Chartered Accountants

FRN NO: 080088N

Vivek Anand
Partner

M.NO: 544757

UDIN NO 21544757AAAABI9889





INDUSTRIAL ENTERPRISES LTD.

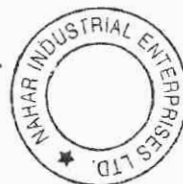
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STATEMENT OF STANDALONE UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31.12.2021

(Amount Rs. In Lacs)							
Sl. No.	Particulars	3 months ended 31.12.2021	Preceding 3 months ended 30.09.2021	Corresponding 3 months ended 31.12.2020	9 Months ended 31.12.2021	Corresponding 9 months ended 31.12.2020	Previous Year ended 31.03.2021
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1	Income From Operations						
	a) Net Sales/Income from Operations	52410.75	47176.04	41850.50	141103.08	94050.77	139688.88
	b) Other Operating Income	603.69	853.99	224.32	1607.71	1389.60	2113.78
	Total Income from operations (a+b)	53014.44	48030.03	41874.82	142710.79	95440.37	141802.66
	Other Income	558.61	483.29	208.76	1289.26	501.61	840.16
	Total Income	53573.05	48513.32	42081.58	144000.05	95941.98	142642.82
	Expenses						
	a) Cost of Materials consumed	29289.65	21496.60	20368.72	72134.04	44300.41	72691.81
	b) Purchase of stock-in-trade	661.31	2445.88	1221.21	4395.59	2843.04	4212.29
	c) Changes in inventories of finished goods, works-in-progress and stock-in-trade	(4532.47)	1989.89	3049.60	(3290.60)	12893.88	8908.04
	d) Employee benefits expense	4471.77	4001.57	3967.53	12176.24	9064.38	13021.85
	e) Finance Costs	1428.33	1374.68	1422.71	4222.51	4028.70	5722.80
	f) Depreciation and amortisation expense	1245.44	1201.20	1423.03	3640.73	4307.00	5762.01
	g) Power & Fuel	7065.26	6397.37	5418.23	18854.58	13338.51	18290.11
	h) Other Expenses	6509.43	4879.61	4753.15	16004.65	10409.15	15324.68
	Total Expenses (a to h)	46138.72	43786.80	41624.18	127937.74	101202.87	143933.59
3	Profit/(Loss) from ordinary activities before tax	7434.33	4726.52	457.40	16062.31	(5260.89)	(1290.77)
4	Tax expense (including Deferred tax etc.)	2649.91	1204.02	-	4274.80	(328.20)	(377.53)
5	Net Profit/(Loss) from ordinary activities after tax	4784.42	3522.50	457.40	11787.51	(4932.69)	(913.24)
	Extraordinary Items	-	-	-	-	-	-
7	Net Profit/(Loss) for the period	4784.42	3522.50	457.40	11787.51	(4932.69)	(913.24)
8	Other Comprehensive Income (net of tax)	2.22	0.37	0.53	4.01	0.95	92.80
9	Total Comprehensive Income	4786.64	3522.87	457.93	11791.52	(4931.74)	(820.44)
10	Paid-up equity share capital (Face Value Rs. 10/- per share)	3983.51	3983.51	3983.51	3983.51	3983.51	3983.51
11	Other Equity (excluding Revaluation reserve) as shown in the Audited Balance Sheet of the previous year.						69411.61
12 (i)	Earnings Per Share (before extraordinary items) (Basic/Diluted):	12.01	8.84	1.15	29.59	(12.38)	(2.29)
12 (ii)	Earnings Per Share (after extraordinary items) (Basic/Diluted):	12.01	8.84	1.15	29.59	(12.38)	(2.29)

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[Signature]



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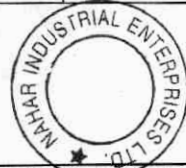
: 2 : STANDALONE SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Amount Rs. in Lacs)

Sl. No.	Particulars	3 months ended 31.12.2021	Preceding 3 months ended 30.09.2021	Corresponding 3 months ended 31.12.2020	9 Months ended 31.12.2021	Corresponding 9 months ended 31.12.2020	Previous Year ended 31.03.2021
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1	Segment Revenue						
	a) Textile	49920.85	43436.27	37804.06	131456.57	80438.52	120735.20
	b) Sugar	2806.12	3721.06	3972.70	9732.07	13732.71	19396.06
	c) Others	5.40	18.71	13.66	36.06	19.46	65.55
	Total	52532.37	47176.04	41790.42	141224.70	94190.69	140196.81
	Less: Inter Segment Revenue	121.62	-	139.92	121.62	139.92	507.93
	Net Sales/Income from Operations	52410.75	47176.04	41650.50	141103.08	94050.77	139688.88
2	Segment Results						
	Profit/(Loss) before interest & tax from each segment						
	a) Textile	8985.38	5779.76	1865.55	20011.79	(1796.85)	3052.09
	b) Sugar	(62.06)	259.43	78.12	330.43	767.03	1713.63
	c) Others	(60.66)	62.01	(63.56)	(57.40)	(202.37)	(333.69)
	Total	8862.66	6101.20	1880.11	20284.82	(1232.19)	4432.03
	Less: Finance Costs	1428.33	1374.68	1422.71	4222.51	4028.70	5722.80
	Total Profit/(Loss) before tax	7434.33	4726.52	457.40	16062.31	(5260.89)	(1290.77)
3	Segment Assets						
	a) Textile	145968.67	123888.33	118625.32	145968.67	118625.32	120115.10
	b) Sugar	10127.99	8337.76	10007.76	10127.99	10007.76	15665.33
	c) Other (unallocable)	20071.87	19159.50	19042.03	20071.87	19042.03	20904.92
	Total	176168.53	151385.59	147675.11	176168.53	147675.11	156685.35
4	Segment Liabilities						
	a) Textile	69769.24	50636.33	51609.13	69769.24	51699.13	54599.73
	b) Sugar	5771.12	3617.84	5197.46	5771.12	5197.46	10047.11
	c) Other (unallocable)	1616.79	704.13	686.62	1616.79	686.62	764.62
	Total	77157.15	54958.30	57583.21	77157.15	57583.21	65411.46
5	Capital Employed						
	(Segment assets - Segment Liabilities)						
	a) Textile	76199.43	73252.00	66926.19	76199.43	66926.19	65515.37
	b) Sugar	4356.87	4719.92	4810.30	4356.87	4810.30	5618.22
	c) Other (unallocable)	18455.08	18455.37	18355.41	18455.08	18355.41	20140.30
	Total	99011.38	96427.29	90091.90	99011.38	90091.90	91273.89

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GSTIN : 03AACCN3563A2Z2, CIN : L15143PB1983PLC018321



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: 3 :

- Notes:** 1. The above results were reviewed by the Audit Committee of Directors on 5th February, 2022 and taken on record by the Board of Directors at its meeting held on 5th February, 2022.
2. The Financial results has been prepared in accordance with the Indian Accounting Standard ("Ind AS") as prescribed under section 133 of the companies Act, 2013 read with the relevant rules issued thereunder as amended from time to time.
3. (a) The Company's operations and financial results for the quarter and nine months period ended December 31, 2021 and the corresponding quarter and nine months period ended December 31, 2020 are not comparable as the results of the previous periods were impacted by COVID-19 pandemic and the consequent lockdown announced by the Central/State Governments, due to which the operations were suspended for part of the nine months period ended December 31, 2020.
- (b) The company has considered the possible effects that may result from the COVID-19 pandemic in the preparation of these unaudited financial results, including but not limited to the assessment of liquidity position and recoverability of carrying value of its assets comprising inventories and trade receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions due to this pandemic, the company has, at the date of approval of these unaudited financial results, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. Given the uncertainties associated with nature, condition and duration of COVID-19, the company will closely monitor any material changes arising out of the future economic conditions and its impact on the business of the company.
4. The Board of Directors in its meeting held on 27th August, 2021 had approved a Scheme of Amalgamation (the "Scheme") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act amongst the Company (Transferee Company) and its associate Company i.e. Cotton County Retail Limited (Transferor Company). The Appointed date for the scheme will be April 1, 2021 and the Scheme is subject to necessary statutory approvals.
5. Previous period's figures have been regrouped / rearranged wherever considered necessary.
6. The Financial results have been subjected to limited review by Statutory Auditors of the company

Place: Ludhiana
Dated: 5th February, 2022

for NAHAR INDUSTRIAL ENTERPRISES LIMITED

Kamal Oswal

Vice Chairman-cum-Managing Director

DIN: 00493213



Continued to Page No-4

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LIMITED REVIEW REPORT

To
The Board of Directors of
Nahar Industrial Enterprises Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Nahar Industrial Enterprises Limited** ("the Company"), for the quarter and nine months ended December 31, 2021 ("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), including relevant circulars issued by the SEBI from time to time.
2. This statement, which is the responsibility of the Company's Management and approved by the Company's 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 and other accounting principles generally accepted in India and in compliance with regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). Our responsibility is to express a conclusion 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. A review of Interim Financial Information consists of making inquiries, primarily of the company's personnel 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 specified under Section 143(10) of the Companies Act, 2013 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 the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, 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.



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5. We draw attention to Note 3 of the statement, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our conclusion on the Statement is not modified in respect of this matter.

Place: Ludhiana
Date: 05th February, 2022
UDIN: 22544757AAMLOJ5173

For K R AGGARWAL & ASSOCIATES
Chartered Accountants

FRN-030088N



Vivek Aneja
(Partner)
Membership No. 544757



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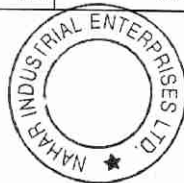
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STATEMENT OF CONSOLIDATED UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31.12.2021

(Amount Rs. in Lacs)

Sl. No.	Particulars	3 months ended 31.12.2021	Preceding 3 months ended 30.09.2021	Corresponding 3 months ended 31.12.2020	9 Months ended 31.12.2021	Corresponding 9 months ended 31.12.2020	Previous Year ended 31.03.2021
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1	Income From Operations						
	a) Net Sales/Income from Operations	52410.75	47176.04	41650.50	141103.08	94050.77	139688.88
	b) Other Operating Income	603.69	853.99	224.32	1607.71	1389.60	2113.78
	Total Income from operations (a+b)	53014.44	48030.03	41874.82	142710.79	95440.37	141802.66
	Other Income	558.61	483.29	206.76	1289.26	501.61	840.16
	Total Income	53573.05	48513.32	42081.58	144000.05	95941.98	142642.82
2	Expenses						
	a) Cost of Materials consumed	29289.65	21496.60	20368.72	72134.04	44300.41	72691.81
	b) Purchase of stock-in-trade	661.31	2445.88	1221.21	4395.59	2843.04	4212.29
	c) Changes in inventories of finished goods, works-in-progress and stock-in-trade	(4532.47)	1989.89	3049.60	(3290.60)	12893.68	8908.04
	d) Employee benefits expense	4471.77	4001.57	3967.53	12176.24	9084.38	13021.85
	e) Finance Costs	1428.33	1374.68	1422.71	4222.51	4028.70	5722.80
	f) Depreciation and amortisation expense	1245.44	1201.20	1423.03	3640.73	4307.00	5762.01
	g) Power & Fuel	7065.26	6397.37	5418.23	18654.56	13336.51	18290.11
	h) Other Expenses	6509.43	4879.61	4753.15	16004.65	10409.15	15324.68
	Total Expenses (a to h)	46138.72	43786.80	41624.18	127937.74	101202.87	143933.59
3	Profit/(Loss) from operations before tax	7434.33	4726.52	457.40	16062.31	(5260.89)	(1290.77)
4	Share of profit/(loss) of associate	(14.98)	42.47	(2.70)	28.02	48.75	51.49
5	Profit/(Loss) from ordinary activities before tax	7419.35	4768.99	454.70	16090.33	(5212.14)	(1239.28)
6	Tax expense (including Deferred tax etc.)	2647.12	1221.15	1.15	4290.53	(307.49)	(361.62)
7	Net Profit/(Loss) from ordinary activities after tax	4772.23	3547.84	453.55	11799.80	(4904.65)	(877.66)
8	Extraordinary Items	-	-	-	-	-	-
9	Net Profit/(Loss) for the period	4772.23	3547.84	453.55	11799.80	(4904.65)	(877.66)
10	Other Comprehensive Income (net of tax)	2.22	0.37	0.53	4.01	0.95	92.80
11	Total Comprehensive Income	4774.45	3548.21	454.08	11803.81	(4903.70)	(784.86)
12	Paid-up equity share capital (Face Value Rs. 10/- per share)	3983.51	3983.51	3983.51	3983.51	3983.51	3983.51
13	Other Equity (excluding Revaluation reserve) as shown in the Audited Balance Sheet of the previous year.						70272.60
14 (I)	Earnings Per Share (before extraordinary items) (Basic/Diluted):	11.98	8.91	1.14	29.62	(12.31)	(2.20)
14 (II)	Earnings Per Share (after extraordinary items) (Basic/Diluted):	11.98	8.91	1.14	29.62	(12.31)	(2.20)

[Handwritten Signature]



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GSTIN : 03AACCN3563A2Z2, CIN : L15143PB1983PLC018321

**Nahar****INDUSTRIAL ENTERPRISES LTD.**

Regd. & Admn. Office : Focal Point, Ludhiana - 141 010. (INDIA)
 Phones : 0091-161-2672590 to 91, 5064200 Fax : 0091-161-2674072, 5083213
 E-mail : nilldh@ownnahar.com, Website : www.ownnahar.com

: 5 :

CONSOLIDATED SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Sl. No.	Particulars	(Amount Rs. In Lacs)					
		3 months ended 31.12.2021	Preceding 3 months ended 30.09.2021	Corresponding 3 months ended 31.12.2020	9 Months ended 31.12.2021	Corresponding 9 months ended 31.12.2020	Previous Year ended 31.03.2021
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1	Segment Revenue						
	a) Textile	49920.85	43436.27	37804.06	131456.57	80438.52	120735.20
	b) Sugar	2806.12	3721.06	3972.70	9732.07	13732.71	19396.06
	c) Others	5.40	18.71	13.66	36.06	19.46	65.55
	Total	52532.37	47176.04	41790.42	141224.70	94190.69	140196.81
	Less: Inter Segment Revenue	121.62	-	139.92	121.62	139.92	507.93
	Net Sales/Income from Operations	52410.75	47176.04	41650.50	141103.08	94050.77	139688.88
2	Segment Results						
	Profit/(Loss) before interest & tax from each segment						
	a) Textile	8985.38	5779.76	1865.55	20011.79	(1796.85)	3052.09
	b) Sugar	(62.06)	259.43	78.12	330.43	767.03	1713.63
	c) Others	(60.66)	62.01	(63.56)	(57.40)	(202.37)	(333.69)
	Total	8862.66	6101.20	1880.11	20284.82	(1232.19)	4432.03
	Less: Finance Costs	1428.33	1374.68	1422.71	4222.51	4028.70	5722.80
	Share of profit/(loss) of associate	(14.98)	42.47	(2.70)	28.02	48.75	51.49
	Total Profit/(Loss) before tax	7419.35	4768.99	454.70	16090.33	(5212.14)	(1239.28)
3	Segment Assets						
	a) Textile	145968.67	123888.33	118625.32	145968.67	118625.32	120115.10
	b) Sugar	10127.99	8337.76	10007.76	10127.99	10007.76	15665.33
	c) Other (unallocable)	21168.24	20271.77	20112.55	21168.24	20112.55	21985.27
	Total	177264.90	152497.86	148745.63	177264.90	148745.63	157765.70
4	Segment Liabilities						
	a) Textile	69769.24	50636.33	51699.13	69769.24	51699.13	54599.73
	b) Sugar	5771.12	3617.84	5197.46	5771.12	5197.46	10047.11
	c) Other (unallocable)	1616.79	704.13	686.62	1616.79	686.62	764.62
	Total	77157.15	54958.30	57583.21	77157.15	57583.21	65411.46
5	Capital Employed						
	(Segment assets - Segment Liabilities)						
	a) Textile	76199.43	73252.00	66926.19	76199.43	66926.19	65515.37
	b) Sugar	4356.87	4719.92	4810.30	4356.87	4810.30	5618.22
	c) Other (unallocable)	19551.45	19567.64	19425.93	19551.45	19425.93	21220.65
	Total	100107.75	97539.56	91162.42	100107.75	91162.42	92354.24

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: 6 :

- Notes:**
1. The above results were reviewed by the Audit Committee of Directors on 5th February, 2022 and taken on record by the Board of Directors at its meeting held on 5th February, 2022.
 2. The Financial results has been prepared in accordance with the Indian Accounting Standard ("Ind AS") as prescribed under section 133 of the companies Act, 2013 read with the relevant rules issued thereunder as amended from time to time.
 3. (a) The Company's operations and financial results for the quarter and nine months period ended December 31, 2021 and the corresponding quarter and nine months period ended December 31, 2020 are not comparable as the results of the previous periods were impacted by COVID-19 pandemic and the consequent lockdown announced by the Central/State Governments, due to which the operations were suspended for part of the nine months period ended December 31, 2020.
(b) The company has considered the possible effects that may result from the COVID-19 pandemic in the preparation of these unaudited financial results, including but not limited to the assessment of liquidity position and recoverability of carrying value of its assets comprising inventories and trade receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions due to this pandemic, the company has, at the date of approval of these unaudited financial results, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. Given the uncertainties associated with nature, condition and duration of COVID-19, the company will closely monitor any material changes arising out of the future economic conditions and its impact on the business of the company.
 4. The Board of Directors in its meeting held on 27th August, 2021 had approved a Scheme of Amalgamation (the "Scheme") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act amongst the Company (Transferee Company) and its associate Company i.e. Cotton County Retail Limited (Transferor Company). The Appointed date for the scheme will be April 1, 2021 and the Scheme is subject to necessary statutory approvals.
 5. Previous period's figures have been regrouped / rearranged wherever considered necessary.
 6. The above results have been consolidated in respect of Associate Companies pursuant to the requirement of Section 129(3) of the Companies Act, 2013.
 7. The Financial results have been subjected to limited review by Statutory Auditors of the company

Place: Ludhiana

Dated: 5th February, 2022

for NAHAR INDUSTRIAL ENTERPRISES LIMITED

Kamal Oswal

Vice Chairman-cum-Managing Director

DIN: 00493213



GSTIN : 03AACCN3563A2Z2, CIN : L15143PB1983PLC018321

KR AGGARWAL & ASSOCIATES

Chartered Accountants

SCO 549/10 (1st Floor), Sutlej Tower,
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LIMITED REVIEW REPORT

To
The Board of Directors of
Nahar Industrial Enterprises Limited

1. We have reviewed the accompanying statement of Unaudited Consolidated Financial Results of **Nahar Industrial Enterprises Limited** ("the Company") and its associate companies for the quarter and nine months ended December 31, 2021 ("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), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's 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, and other accounting principles generally accepted in India and in compliance with regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). Our responsibility is to express a conclusion 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. A review of interim financial information consists of making inquiries, primarily of company's personnel 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 specified under Section 143(10) of the Companies Act, 2013 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 SEBI 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:
 - a. Cotton County Retail Limited (Associate Company).
 - b. Vardhman Investment Limited (Associate Company).
 - c. J.L Growth Fund Ltd. (Associate Company).
 - d. Atam Vallabh Financiers Limited (Associate Company)





KR AGGARWAL & ASSOCIATES

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5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, 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.
6. The consolidated Ind AS Unaudited financial statements also includes the company's share of I-GAAP (loss) of Rs 0.20 crore for the Quarter ended December 31, 2021 from one associate (Cotton County Retail Limited) which have been reviewed by us. We did not review the I-GAAP financial statements / information of three associates (J.L Growth fund limited, Vardhman investment limited and Atam Vallabh Financiers Limited), whose financial statements / financial information reflect our share of I-GAAP profit after tax of Rs 0.36 crore as considered in the consolidated Ind AS financial statements, in so far as it relates to the amounts and the disclosures included in respect of these associates is based solely on the reports of the other auditors.
7. We draw attention to Note 3 of the statement, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our conclusion on the Statement is not modified in respect of this matter.

Place: Ludhiana
Date: 05th February, 2022
UDIN: 22544757AAMRTT9201

For K R AGGARWAL & ASSOCIATES

Chartered Accountants

FRN- 030088N


Vivek Aneja
(Partner)

Membership No. 544757

**KR AGGARWAL & ASSOCIATES**

Chartered Accountants

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Financial details of Transferor Company:-Name of the Company: **Cotton County Retail Limited (Transferor Company)**

(Rs. in Lakhs)

	As per Audited Financial for the Period ended 31 st July, 2021	As per last Audited Financial Year ended 31 st March 2021	1 year prior to the last Audited Financial Year ended 31 st March 2020	2 years prior to the last Audited Financial Year ended 31 st March 2019
Equity Paid up Capital	2146.32	2146.32	2146.32	2146.32
Reserves and surplus				
Securities Premium (B)	7763.57	7763.57	7763.57	7763.57
General Reserve (C)	641.11	641.11	641.11	641.11
Capital Reserve (D)	0.00	0.00	0.00	0.00
Carry forward losses (E)	(2531.16)	(2519.99)	(2364.25)	(2332.11)
Net Worth	8019.84	8031.01	8186.75	8218.89
Capital Redemption Reserve	0.00	0.00	0.00	0.00
Contingent Liability Reserve	0.00	0.00	0.00	0.00
Equity Component of Compound Financial Instruments (Preference Share)	0.00	0.00	0.00	0.00
Corporate Social Responsibility Reserve	0.00	0.00	0.00	0.00
Miscellaneous Expenditure	0.00	0.00	0.00	0.00
Long Term Borrowing (Secured Loan)	0.00	0.00	0.00	0.00
Short Term Borrowings (Secured Loans)	0.00	0.00	0.00	0.00
Long Term Borrowing Unsecured Loans	0.00	0.00	0.00	0.00
Fixed Assets including CWIP & Investment Property (Net Block)	67.00	67.51	88.29	133.63
Income from Operations	10.39	79.87	731.92	4669.22
Total Income	28.18	82.33	774.71	4688.16
Total Expenditure	39.35	238.07	806.85	4766.83
Loss before Tax	(11.17)	(155.74)	(32.14)	(78.67)
Loss after Tax	(11.17)	(155.74)	(32.14)	(78.67)

KR AGGARWAL & ASSOCIATES

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EPS	(0.05)	(0.73)	(0.15)	(0.37)
Book value per share	37.37	37.42	38.14	38.29

For K.R. Aggarwal & Associates
Chartered Accountants

FRN: 030085N

VIVEK ANEJA
(Partner)

Membership No.: 544757

Dated: 27th August, 2021

UDIN21S44757AAAACAB8S19

Cotton County Retail Limited

Provisional Accounting Statement of Cotton County Retail Limited As On 31st December, 2021

(All amounts in rupees thousands unless otherwise stated)

	As at 31st December , 2021		As at 31st March 2021	
EQUITY AND LIABILITIES				
Shareholders' funds				
(a) Share capital	214,632		214,632	
(b) Reserves and surplus	<u>584,347</u>	798,979	<u>588,469</u>	803,101
Current liabilities				
(a) Trade payables	-		313	
(b) Other current liabilities	<u>538</u>	538	<u>2,490</u>	2,803
TOTAL		<u>799,517</u>		<u>805,904</u>
ASSETS				
Non-current assets				
(a) Fixed assets				
(i) Tangible assets	6,605		6,627	
(ii) Intangible assets	<u>31</u>	6,636	<u>124</u>	6,751
(b) Non current investments		762,000		762,000
(c) Deferred tax assets (net)		-		-
(d) Long-term loans and advances		17,558		16,107
Current assets				
(a) Inventories	5,094		10,686	
(b) Trade receivables	980		3,078	
(c) Cash and bank balances	702		398	
(d) Short-term loans and advances	-		308	
(e) Other current assets	<u>6,547</u>	13,323	<u>6,575</u>	21,046
TOTAL		<u>799,517</u>		<u>805,904</u>



Som Garg

Som Garg
CFO cum Whole-time Director
(DIN : 03610942)

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Cotton County Retail Limited

Statement of Profit and Loss For The Period As On 31st December , 2021

(All amounts in rupees thousands unless otherwise stated)

	For the year ended 31st December , 2021	For the year ended 31st March 2021
Revenue from operations		
Revenue from operations	3,139	7,987
Other income	2,338	246
Total revenue	5,477	8,233
Expenses		
Cost of materials consumed	-	-
Purchases of stock-in-trade	-	303
Changes in inventories of finished goods, stock-in-trade and work-in-progress	5,592	13,769
Employee benefits expenses	614	333
Finance costs	21	37
Depreciation and amortization expenses	116	593
Other expenses	3,260	8,772
Total expenses	9,603	23,807
(Loss) for the year	(4,126)	(15,574)
Basic and diluted earnings per equity share	(0.19)	(0.73)
(nominal value of equity share Rs.10 each)(Previous year Rs.10 each)		



Som Garg

Som Garg
CFO cum Whole-time Director
(DIN : 03610942)

C

SD up

KR AGGARWAL & ASSOCIATES

Chartered Accountants

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Auditor's Certificate

To,
The Board of Directors,
Nahar Industrial Enterprises Limited
Focal Point, Ludhiana 141010

We, the statutory auditors of Nahar Industrial Enterprises Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 16 of the Draft Scheme of Arrangement for amalgamation between Nahar Industrial Enterprises Limited and Cotton County Retail Limited and their respective shareholders and creditors in terms of the provisions of section(s) 230-232 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standard) Rules, 2015 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Indian Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Indian Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India in so far as applicable for the purpose of certificate. The guidance note require that we comply with the ethical requirements of code of ethics issued by ICAI.

Based on our examination and according to the information and explanations given to us, pursuant to the requirement of paragraph 5 of Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, we confirm that the accounting treatment 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 Indian Accounting Standards notified by the Central Government under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standard) Rules, 2015 to the extent applicable and Other Generally Accepted Accounting Principles.



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This Certificate is issued at the request of the Nahar Industrial Enterprises Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE & NSE, SEBI and National Company Law Tribunal. This Certificate should not be used for any other purpose without our prior written consent.

For K.R. Aggarwal & Associates,
Chartered Accountants
Firm Registration No.: 030088N



(Vivek Kheja)

Partner

Membership Number: 544757

UDIN → 21544757-APPACB9813

Place: Ludhiana
Date: 27th August, 2021