



25th February, 2023

The Department of Corporate Services BSE Limited Ground Floor, P.J.Towers Dalal Street, Fort Mumbai – 400 001 Scrip Code : 533168	National Stock Exchange of India Ltd. Listing Department, Exchange Plaza, Bandra-Kurla Complex Bandra (E), Mumbai – 400 051 Scrip ID : ROSSELLIND
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Dear Sirs,

Sub: Outcome of the Board Meeting – Revision in the Scheme of Amalgamation (“Scheme”) between BMG Enterprises Limited (“Transferor Company”) and Rossell India Limited (“Transferee Company”) and their respective shareholders

Ref.: Our letter dated 12th July, 2022 in respect of the Scheme of Amalgamation between BMG Enterprises Limited and Rossell India Limited and their respective shareholders, as approved by the Board of Directors at its Meeting held on 12th July, 2022

With reference to our letter dated 12th July, 2022, kindly be advised that based on the recommendations of the Audit Committee and vetting by the Independent Directors, the Board of Directors at its Meeting held today i.e. 25th February, 2023 has approved the Revised Scheme of Amalgamation (‘Scheme’) between BMG Enterprises Limited (‘Transferor Company’) and Rossell India Limited (‘Transferee Company’) and their respective Shareholders to capture the followings events subsequent to the approval of the Proposed Scheme by the Board:

- Conversion of 10,00,000 0.01% Compulsorily Convertible Preference Shares (CCPS) of Rs.10 each allotted to BMG Enterprises Limited into 10,00,000 Equity Shares of Rs.2 each; and
- As directed by Stock Exchanges and SEBI, the Transferor Company sold 32,000 Equity Shares of Transferee Company through open market to fulfill the requirements of SEBI(LODR) Regulations, 2015;

In view of the above, the relevant details, in terms of SEBI circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 is enclosed in Annexure I.

The Meeting commenced at 11:30 A.M. and concluded at 11:45 A.M.

The above is for your record and necessary dissemination.

Yours faithfully,
For **ROSSELL INDIA LTD**



(NIRMAL KUMAR KHURANA)
DIRECTOR (FINANCE) and
COMPANY SECRETARY

**Annexure-I****1. Brief details of Transferor and Transferee Company (including area of business of the entities)**

Transferor Entity: BMG Enterprises Limited ("BMG" or "Transferor Company") is an unlisted Public Limited Company, incorporated on June 06, 1978, under the provisions of the Companies Act, 1956, having its registered office situated at Jindal Towers, Block - "B", 4th Floor, 21/1A/3, Darga Road, Kolkata - 700 017, West Bengal, India. BMG is primarily engaged in holding investments. BMG was holding 2,37,63,795 Equity Shares of Rs. 2/- each fully paid up, representing about 64.76% of the total paid up Equity Share Capital of the Transferee Company and 10,00,000 0.01 % Compulsorily Convertible Preference Shares(CCPS) of Rs. 10 each ("CCPS") fully paid up in the Transferee Company.

Subsequent to the approval of the Original Scheme, 10,00,000 CCPS of Rs 10 each fully paid up has been converted into 10,00,000 Equity Shares of Rs 2 each fully paid up, as per the agreed terms and accordingly, the Equity Shares are being held by the Transferor Company in lieu of CCPS. Further, as per direction of Stock Exchanges and SEBI, the Transferor Company sold 32,000 Equity Shares of the Transferee Company through open market to fulfill the requirements of SEBI (LODR) Regulations, 2015.

Considering the above, BMG now holds 2,47,31,795 Equity Shares of Rs.2 each fully paid-up, representing about 65.61% of the Total Paid-up Share Capital of the Transferee company.

Transferee Entity: Rosell India Limited ("RIL" or "Transferee Company") is a listed Public Limited Company, incorporated on June 10, 1994, under the provisions of the Companies Act, 1956, having its registered office situated at Jindal Towers, Block - "B", 4th Floor, 21/1A/3, Darga Road, Kolkata - 700 017, West Bengal, India. The Equity Shares of the Transferee Company are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (collectively "Stock Exchanges"). The CCPS of the Transferee Company were not listed on any Stock Exchanges in India. RIL is primarily engaged in the business activities of cultivation, manufacture and selling of Bulk Tea. RIL owns 6 (six) Tea Estates in Assam. The Aerospace and Defense Division of RIL is engaged in the business of providing interconnect solutions and Electrical panel assemblies, Test Solutions, and aftermarket services in aerospace and defense sector.

(Rs. in Lakhs)

Particulars	Net worth as on 31 st March, 2022 based on Audited Financial Statement	Total Income for the year 2021-2022 based on Audited Financial Statement
BMG Enterprises Limited	2,759.44	124.70
Rosell India Limited	24,612.96	30,328.59





2. Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms' length".

BMG Enterprises Limited holds 65.61% of the total Equity Shares of Rossell India Limited and therefore, the holding Company of RIL. Accordingly, the Scheme would fall within the ambit of Related Party Transactions.

Pursuant to the Scheme, Rossell India Limited will now issue consideration by way of Equity Shares only to the shareholders of BMG Enterprises Limited as recommended by the Board relying on the addendum to the Original Valuation Report obtained from CA Harsh Chandrakant Ruparelia, Registered Valuer, dated 25th February, 2023 and addendum to the Original Fairness Opinion on the same obtained from Fedex Securities Private Limited, dated 25th February, 2023.

Further, the Scheme is approved by the Audit Committee as well as the Committee of Independent Directors of Rossell India Limited.

Also, kindly be advised that MCA vide Circular No. 30/2014 dated 17th July 20 14 has clarified that transactions arising, inter-alia, out of Compromises, Arrangements and Amalgamation will not attract requirement of section 188 of the Companies Act, 2013.

Lastly, it is pertinent to note that the Equity Shares held by BMG Enterprises Limited (65.61%) in Rossell India Limited will be cancelled and the same number of Equity Shares will be issued to the shareholders of BMG Enterprises Limited (proportionate to their shareholding in BMG Enterprises Limited), and therefore, there would not be any change in the promoter/promoter group shareholding of Rossell India Limited.

3. Details of the proposed Scheme.

The Scheme of Amalgamation between BMG Enterprises Limited ("the Transferor Company") and Rossell India Limited ("the Transferee Company") and their respective shareholders under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("Scheme"). There is no change in the Clauses of the Scheme as advised earlier in Annexure I to our letter dated 12th July, 2022, other than the manner of settlement of consideration due to change in the Capital Structure of the Transferee Company. Accordingly, salient features with the aforesaid revision of the proposed Scheme are, inter alia, as follows:

- i. The Appointed Date for the arrangement under the Scheme is 1st July, 2022;
- ii. The Transferor Company is a promoter company of the Transferee Company i.e. the Equity Shares of Rossell India Limited are held by BMG Enterprises Limited. Pursuant to the Scheme, the Transferee Company shall issue same number of Shares as held by the Transferor Company to Shareholders of the Transferor Company;
- iii. The New Equity Shares of the Transferee Company shall be listed and/ or admitted to Trading on the Stock Exchanges on which the existing Equity Shares of the Transferee Company are listed at that time. The Transferee Company shall enter into such arrangements and give such confirmation 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;

- iv. The Scheme is subject to the requisite approvals and sanction of the jurisdictional bench of National Company Law Tribunal ("NCLT") and subject to the approval of the Shareholders and/or the Creditors of the Company, Central Government, or such other competent authority as may be directed by the NCLT.

4. Rationale of the proposed Scheme.

There is no change in the rationale of the Scheme, as repeated hereafter. It is proposed to amalgamate the Transferor Company into the Transferee Company by this Scheme, as a result of which the Shareholders of the Transferor Company viz. the promoters of the Transferor Company (who are also the promoters of the Transferee Company) shall directly hold Shares in the Transferee Company and the following benefits shall, inter alia, accrue to the Companies:

- a. The merger will result in the promoter group of the Transferor Company directly holding Shares in the Transferee Company, which will lead not only to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrate the promoter group's direct commitment to and engagement with the Transferee Company;
- b. The promoter group of the Transferee Company is desirous of streamlining its holding in the Transferee Company. As a step towards such rationalization, it is proposed to merge the Transferor Company into the Transferee Company;
- c. The promoters would continue to hold the same percentage of shares in the Transferee Company, pre and post the merger. There would also be no change in the financial position of the Transferee Company. All cost, charges and expenses relating to the Scheme would be borne out of the assets (other than Shares of the Transferee Company) of the Transferor Company. Any expense, exceeding the assets of the Transferor Company would be borne by the promoters directly;
- d. Further, the Scheme also provides that the Shareholders of the Transferor Company shall indemnify the Transferee Company and keep the Transferee Company indemnified for liability, claim, demand, if any, and which may devolve on the Transferee Company on account of this amalgamation;

5. Details of Change in Shareholding Pattern

Upon the Scheme becoming effective, the Transferee Company will issue New Equity shares as mentioned in Point no. 6 below to the shareholders of Transferor Company as on the record date and all the Equity Shares of the Transferor Company shall stand extinguished.





6. Share Exchange Ratio (after change in Capital Structure of the Transferee Company)

Particulars	Swap Ratio
For Equity Shareholders of B M G Enterprises Limited	2,47,31,795 fully paid-up Equity Shares Rs.2 each of the Transferee Company shall be issued and allotted as fully paid up to the Equity Shareholders of the Transferor Company in proportion of their holding in the Transferor Company.

Thus, there shall be no issue of Preference Shares as contemplated earlier. The entire Consideration shall be discharged by way of Equity Shares only.

In the event that the New Equity Shares to be issued result in fractional entitlement, the Board of Directors of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of New Equity shares to nearest integer. However, in no event, the number of New Equity Shares to be allotted by the Transferee Company to the Equity shareholders of the Transferor Company shall exceed the total number of Equity Shares held by the Transferor Company in the Transferee Company.

