

Date: December 23, 2024

To
BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001
BSE Scrip Code: 514010

Sub: Outcome of the meeting of the Board of Directors of Rudra Ecovation Limited held on December 23, 2024

Ref: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") by RUDRA ECOVATION LIMITED ("Company" or Transferor Company")

Dear Sirs,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") read with Para A of Part A to Schedule III of the SEBI Listing Regulations, we wish to inform you, that the Board of Directors of Rudra Ecovation Limited ("the Company"), at its meeting held on toady, i.e., December 23, 2024, has consider and approved the proposed Scheme of Amalgamation of Rudra Ecovation Limited (Formerly Known as Himachal Fibres Ltd) with Shiva Textfabs Limited under section 230 to 232 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provision of the Companies Act 2013 and the provisions of other applicable laws.

The Scheme is subject to the approval of BSE Limited, SEBI, Shareholders, Creditors of the Company and such other statutory authorities as the case may be and further sanctioned thereof by the NCLT.

The Proposed Scheme has also been reviewed and recommended for approval by the Audit Committee of the Board of Directors of the Company and the Independent Director Committee of the Company, at their meeting held on December 23, 2024, respectively.

In terms of Regulation 30 of Listing Regulation and SEBI circular issued thereunder, we are furnishing the details as under:

S N	Particulars	Details
a.	Name of the entity(ies) forming part of amalgamation/merger, details in brief such as size, turnover etc.	There is a proposal for Amalgamation of Rudra Ecovation Limited (Formerly Known as Himachal Fibres Ltd) (Transferor Company) with Shiva Textfabs Limited (Transferee Company), the transaction is proposed to be implemented through a Scheme of Amalgamation under the provision of Companies Act, 2013 and other applicable provision, if any (herein collectively referred to as "the Proposed Scheme of Amalgamation"/ "the Proposed Scheme")

✉ hfi.corporate@gmail.com

🌐 www.rudraecovation.com

📍 **Registered Office:** Plot No. 43-44, Industrial Area, Barotiwala-174103 (HP)
Corporate Office: 4th Floor, Wood Stock Tower, B-35/958, Adarsh Nagar,
Ferozepur Road, Opposite Waves Mall, Ludhiana-141012, Punjab

		<p>The Transferor Company - Rudra Ecovation Limited is listed at BSE and the Transferee Company - Shiva Textfabs Limited is an unlisted Company. Post Scheme, Shiva Textfabs Limited is proposed to be listed pursuant to applicable SEBI regulations.</p> <p>Brief Financial of the Transferor company and Transferee Company is enclosed as Annexure-I.</p>
b.	Whether the transaction would fall within related party transaction? If Yes, whether the same is done at "arms-length"	<p>The transaction will fall within the ambit of related party transactions.</p> <p>It is confirmed that the proposed transaction shall be done at arm's length.</p>
c.	Area of Business of entity(ies);	<p>Rudra Ecovation Limited, the Transferor Company is engaged in manufacturing of synthetic yarn and other related activities at its manufacturing unit located in Barotiwala in the State of Himachal Pradesh.</p> <p>Shiva Textfabs Limited, the Transferee Company is engaged in manufacturing of polyester staple fiber, synthetic yarn, knitted fabric, non-woven fabric and carpets etc., from the recycled material of pet waste, at the manufacturing units located in Machhiwara, Punjab.</p>
d.	Rationale for Amalgamation	As per Annexure-II
e.	In case of cash consideration-amount or otherwise share exchange ratio	<p>There shall be no cash consideration in the proposed scheme of Amalgamation.</p> <p>Share Exchange Ratio for Amalgamation:</p> <p>For Equity Shares: The Transferee Company- Shiva Textfabs Limited will issue 0.213 Equity Share of ₹10 each, credited as fully paid-up, to the Equity Shareholders of the Transferor Company for every 1 Equity Share of ₹1 each held in the Transferor Company- Rudra Ecovation Limited.</p> <p>Treatment for outstanding convertible warrants: The warrants holder of Transferor company shall continue to have same rights and obligations with the transferee company.</p> <p>The Transferee Company- Shiva Textfabs Limited will issue 0.213 warrants of ₹10 each, credited as fully paid-up, to the warrants holder of the Transferor Company for every 1 warrants of ₹1 each held in the Transferor Company- Rudra Ecovation Limited.</p>

		For Redeemable Preference Shares: Since the entire redeemable preference shares issued by the Transferor Company is held by the Transferee Company only, the same shall get cancelled as cross-holding pursuant to the Scheme.																													
f.	Brief details of change in shareholding pattern	As per Annexure-III Listed Transferor Company: <table border="1"><thead><tr><th rowspan="2">Category</th><th colspan="3">Pre-Scheme</th><th colspan="2">Pre-Scheme (On fully diluted Basis)</th></tr><tr><th>No. of Equity Shares</th><th>%</th><th>Outstanding Convertible Warrants</th><th>No. of Equity Shares</th><th>%</th></tr></thead><tbody><tr><td>Promoter</td><td>1,57,91,500</td><td>13.97</td><td>45,00,000</td><td>2,02,91,500</td><td>16.63</td></tr><tr><td>Public</td><td>9,72,41,500</td><td>86.03</td><td>44,82,000</td><td>10,17,23,500</td><td>83.37</td></tr><tr><td>TOTAL</td><td>11,30,33,000</td><td>100.00</td><td>89,82,000</td><td>12,20,15,000</td><td>100.00</td></tr></tbody></table>	Category	Pre-Scheme			Pre-Scheme (On fully diluted Basis)		No. of Equity Shares	%	Outstanding Convertible Warrants	No. of Equity Shares	%	Promoter	1,57,91,500	13.97	45,00,000	2,02,91,500	16.63	Public	9,72,41,500	86.03	44,82,000	10,17,23,500	83.37	TOTAL	11,30,33,000	100.00	89,82,000	12,20,15,000	100.00
Category	Pre-Scheme			Pre-Scheme (On fully diluted Basis)																											
	No. of Equity Shares	%	Outstanding Convertible Warrants	No. of Equity Shares	%																										
Promoter	1,57,91,500	13.97	45,00,000	2,02,91,500	16.63																										
Public	9,72,41,500	86.03	44,82,000	10,17,23,500	83.37																										
TOTAL	11,30,33,000	100.00	89,82,000	12,20,15,000	100.00																										

The meeting of Board of Directors commenced at 4:00 P.M. and conclude at 07:00 P.M.

This if for your reference and records. We will file necessary application under regulation 37 of Listing Regulation in due course.

We request you to kindly take the above information on records.

Thanking You,

For Rudra Ecovation Limited

Nancy Singla
Company secretary and Compliance officer

Brief Financial:

I. Rudra Ecovation Limited (as per un-audited financial statements as on September 30, 2024 and the Audited financial statements for the financial year ended March 31, 2024):

(Amount in ₹ lakhs)

Particulars (Standalone basis)	September 30, 2024	March 31, 2024
Paid up Equity Share Capital	1109.50	862.50
Reserve & surplus	7016.87	1293.77
Aggregate of Share Capital and Reserves	8126.37	2156.27
Total Income	1313.64	2047.50
Profit after Tax	(185.93)	(53.48)

II. Shiva Textfabs Limited (as per audited financial statements as on September 30, 2024 and the Audited financial statements for the financial year ended March 31, 2024):

(Amount in ₹ lakhs)

Particulars (Standalone basis)	September 30, 2024	March 31, 2024
Paid up Equity Share Capital	3191.05	2577.46
Reserve & surplus	17226.83	3286.31
Aggregate of Share Capital and Reserves	20417.88	5863.77
Total Income	21927.49	42000.31
Profit after Tax	1433.55	*49589.83

*During the year the company has transferred balance amount of loan waived off ₹ 48405.37 as revenue receipt and transferred it to exceptional item in statement of profit and loss account.

Detailed Rationale and benefits of the Scheme

The circumstances which justify and/or necessitate the proposed Scheme of Amalgamation of Rudra Ecovation Limited with Shiva Textfabs Limited; and benefits of the proposed amalgamation as perceived by the Board of Directors of these Companies, to the Shareholders and other stakeholders are, inter alia, as follows:

- i. Complementary Operations:** The Transferor Company has expertise in spinning operations which complements the Transferee Company's capabilities in recycling and textile manufacturing. The Transferee Company is one of the largest vertically integrated plastic recyclers in Asia and produces PET chips, fibers, and textiles. The proposed Amalgamation will integrate the Transferor Company's spinning operations to streamline the supply chain.
- ii. Enhanced Market Leadership:** The proposed Amalgamation will strengthen the combined entity's position as a global leader in sustainable textiles, leveraging a fully integrated value chain.
- iii. Operational Synergies:** Integration of the Transferor and Transferee Companies will reduce raw material costs and will enhance manufacturing efficiencies. Consolidation of administrative functions and supply chains will improve profitability of the Combined entity.
- iv. Optimized Asset Utilization:** Physical and other infrastructure of the Transferor Company will be utilized more effectively to drive financial and operational gains.
- v. Economies of Scale:** The merged operations will reduce redundancies, improve resource utilization, and drive cost efficiencies. Scale advantages will enable better pricing and competitive market positioning.
- vi. Integrated Value Chain:** Shiva's raw materials directly feed Rudra's spinning processes, which supply yarn for Shiva's textile production. The fully integrated value chain reduces lead times, improves quality consistency, and minimizes waste.
- vii. Flexibility and Adaptability:** The merged entity will gain flexibility to respond to market demands and industry trends.
- viii. Regulatory Support:** Government policies encouraging recycling and sustainability create a favorable environment for expansion.
- ix. Aligned Global Sustainability Commitments:** The proposed Amalgamation aligns with the sustainability commitments of global brands which require increased recycled content in their products and packaging. Shiva's capacity to recycle 4 lakh kg of plastic bottles daily supports these objectives, giving the combined entity a competitive edge and ensuring steady growth opportunities.

(Formerly known as HIMACHAL FIBRES LIMITED)



x. **Environmental Impact:** Recycling reduces energy consumption by 60% and CO2 emissions by one-third compared to virgin materials. The merged entity's sustainable focus aligns with the environmental priorities of global clients.

xi. **Shareholder Benefits:** The improved financial profile enhances shareholder returns through better growth prospects.

The Scheme of Amalgamation is proposed for the aforesaid reasons. The Board of Directors and Management of the Transferor Company and the Transferee Company is of the opinion that the proposed Scheme is in the best interest of these Companies, their Shareholders and other stakeholders.

✉ hfi.corporate@gmail.com

🌐 www.rudraecovation.com

📍 **Registered Office:** Plot No. 43-44, Industrial Area, Barotiwala-174103 (HP)
Corporate Office: 4th Floor, Wood Stock Tower, B-35/958, Adarsh Nagar,
Ferozepur Road, Opposite Waves Mall, Ludhiana-141012, Punjab

CIN - L17119HP1980PLC031020 / L43292HP1980PLC031020

Annexure-III

Listed Transferor Company: Rudra Ecovation Limited

Category	Pre-Scheme			Pre-Scheme (On fully diluted Basis)	
	No. of Equity Shares	%	Outstanding Convertible Warrants	No. of Equity Shares	%
Promoter	1,57,91,500	13.97	45,00,000	2,02,91,500	16.63
Public	9,72,41,500	86.03	44,82,000	10,17,23,500	83.37
TOTAL	11,30,33,000	100.00	89,82,000	12,20,15,000	100.00

Category	Pre-Scheme		Allotment/ cancellation pursuant to the Scheme of Amalgamation			Post-Scheme (On fully diluted Basis)	
	No. of Equity Shares	%	Allotment of Shares pursuant to Scheme	Allotment of Convertible Warrants pursuant to Scheme	Cancellation due to Cross-holding	No. of Equity Shares	%
Promoter	34965119	99.46	3363590	958500	7040936	32246273	59.60
Public Shareholder (Unlisted Company)	189570	0.54	-	-	-	189570	0.35
Public Shareholder (Listed Company)	-	-	20712440	954666	-	21667106	40.05
TOTAL	3,51,54,689	100.00	2,40,76,030	1913166	70,40,936	54102949	100

* Includes 7040936 (includes 47,01,755 equity shares issued to the Transferor Company which is partly paid-up with Rs. 3.10 per share of paid-up value).

✉ hfi.corporate@gmail.com

🌐 www.rudraecovation.com

📍 **Registered Office:** Plot No. 43-44, Industrial Area, Barotiwala-174103 (HP)
Corporate Office: 4th Floor, Wood Stock Tower, B-35/958, Adarsh Nagar, Ferozepur Road, Opposite Waves Mall, Ludhiana-141012, Punjab