

Greenlam/2022-23

March 17, 2023

**The Manager**

BSE Limited  
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BSE Scrip Code: 538979

**The Manager**

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Email: [cmlist@nse.co.in](mailto:cmlist@nse.co.in)

NSE Symbol: GREENLAM

Dear Sir/Madam,

**SUBJECT: NOTICE OF THE MEETING OF THE EQUITY SHAREHOLDERS OF GREENLAM INDUSTRIES LIMITED CONVENED PURSUANT TO THE ORDER DATED FEBRUARY 22, 2023 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, NEW DELHI BENCH, IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN GREENLAM INDUSTRIES LIMITED AND HG INDUSTRIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013**

Pursuant to the Order of Hon'ble National Company Law Tribunal, New Delhi Bench (NCLT), dated February 22, 2023 in Company Application No. CA(CAA)No.06/ND/2023 ('Order'), a meeting of the Equity Shareholders of Greenlam Industries Limited (the Company) is being convened on Friday, April 21, 2023 at 02:00 p.m. (IST) ('Meeting') through video conferencing ('VC') / other audio visual means ('OAVM') as per applicable laws, to consider, and if thought fit, to approve, with or without modification, the proposed Scheme of Arrangement between Greenlam Industries Limited and HG Industries Limited and their respective Shareholders and Creditors under Sections 230 to 232 of the Companies Act, 2013, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder ('Scheme').

In this regard, as required under Regulation 30 & 51 and Paragraph A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of the Notice dated March 16, 2023 convening the Meeting along with the Explanatory Statement and Annexures for your information and records ('Notice').

As per the directions of the Order and in terms of the applicable law, the Company is providing the facility of remote e-voting and e-voting during the Meeting (collectively referred to as 'e-voting') to its equity shareholders, to enable them to cast their votes on the resolution proposed to be passed at the Meeting, by electronic means, the Company has engaged the services of Linkintime (India) Private Limited ('LIPL'), as the authorized agency to provide the e-voting facility and to enable the equity shareholders (or its authorized representatives, as the case may be) of the Company to attend and participate in the Meeting through VC/OAVM, the facility of casting votes by the equity shareholders using remote e-voting system (e-voting from a place other than venue of the Meeting) as well as e-voting during the Meeting will be provided by LIPL.

The voting rights of the equity shareholders shall be in proportion to their share in the paid-up share capital of the Company as on the Cut-off date i.e., Friday, April 14, 2023.

The detailed instructions for joining the Meeting through VC/OAVM, manner of casting vote through remote e-voting and e-voting during the Meeting, are provided in the enclosed Notice of the Meeting.

The Notice of the Meeting is also available on the website of the Company i.e. [www.greenlamindustries.com](http://www.greenlamindustries.com).

The above is for your information and records.

Thanking you,  
Yours faithfully,

For **GREENLAM INDUSTRIES LIMITED**

**PRAKASH KUMAR BISWAL**  
**COMPANY SECRETARY &**  
**VICE PRESIDENT – LEGAL**



## GREENLAM INDUSTRIES LIMITED

CIN: L21016DL2013PLC386045

Registered & Corporate Office: 203, 2<sup>nd</sup> Floor, West Wing, Worldmark 1, Aerocity,  
IGI Airport, Hospitality District, New Delhi – 110037, India

Phone: +91-11-42791399 | E-mail: investor.relations@greenlam.com | Website: www.greenlamindustries.com

### NATIONAL COMPANY LAW TRIBUNAL, NEW DELHI CONVENED MEETING OF THE EQUITY SHAREHOLDERS

(Convened pursuant to Order dated 22 February 2023 of the Hon'ble National Company Law Tribunal, New Delhi)

MEETING OF THE EQUITY SHAREHOLDERS OF GREENLAM INDUSTRIES LIMITED	
Day	: Friday
Date	: 21 April 2023
Time	: 02:00 p.m. IST
Mode	: Through Video Conference / Other Audio-Visual Means

REMOTE E-VOTING FOR THE EQUITY SHAREHOLDERS OF GREENLAM INDUSTRIES LIMITED	
Cut-off date for remote e-voting	: Friday, 14 April 2023
Commencing on	: Tuesday, 18 April 2023 at 09:00 a.m. IST
Ending on	: Thursday, 20 April 2023 at 05:00 p.m. IST

E-voting facility shall be available to the equity shareholders of Greenlam Industries Limited during the Meeting.

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FORM NO. CAA. 2

Pursuant to Section 230(3) of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

IN THE NATIONAL COMPANY LAW TRIBUNAL, NEW DELHI BENCH

COMPANY APPLICATION CA (CAA) NO. 06 OF 2023

IN THE MATTER OF SECTIONS 230 TO 232

AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN GREENLAM INDUSTRIES LIMITED AND HG INDUSTRIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**HG Industries Limited**, formerly known as Himalaya )  
Granites Limited, a company incorporated under the )  
provisions of Companies Act, 1956 having its registered )  
office at 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, )  
IGI Airport, Hospitality District, New Delhi - 110 037; CIN )  
L20100DL1987PLC408363 )  
)

... Applicant No. 1 / Transferor Company

And

**Greenlam Industries Limited**, a company incorporated )  
under the provisions of Companies Act, 1956 having its )  
registered office at 203, 2nd Floor, West Wing, Worldmark )  
1, Aerocity, IGI Airport, Hospitality District, New Delhi - )  
110 037; CIN L21016DL2013PLC386045 )  
)

... Applicant No. 2 / Transferee Company

**NOTICE OF THE MEETING OF THE EQUITY SHAREHOLDERS OF  
GREENLAM INDUSTRIES LIMITED**

NOTICE is hereby given that by an order dated 22 February 2023 (**Order**), the Hon'ble National Company Law Tribunal, New Delhi (**Hon'ble NCLT**) has directed convening of a meeting of the equity shareholders of Greenlam Industries Limited (**Company or Transferee Company**) for the purpose of considering, and if thought fit, approving the arrangement embodied in the Scheme of Amalgamation among Transferee Company and HG Industries Limited (**Transferor Company**) and their respective shareholders and creditors (**Scheme**) pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and the other applicable provisions thereof and applicable rules thereunder (**Act**).

In pursuance of the Order and as directed therein further, this Notice is hereby given that a meeting of the equity shareholders of the Transferee Company will be held on Friday, 21 April 2023 at 02:00 p.m. IST through video conference (**VC**) or other audio visual means (**OVAM**) in compliance with the provisions of applicable law (**Meeting**) at which time , the equity shareholders of the Transferee Company are requested to attend and consider and, if thought fit, to approve with or without modification(s), the following Resolution:

*"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013, and any other applicable provisions of the Companies Act, 2013 (**Act**), and the rules framed thereunder, as amended or re-enacted from time to time, and in accordance with the provisions of the Memorandum of Association and Articles of Association of Greenlam Industries Limited (**Company**), and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 issued by the Securities and Exchange Board of India (**SEBI**) and as amended from time to time, read with the observation letters issued by, BSE Limited and the National Stock*

*Exchange of India Limited both dated January 11, 2023 and relevant provisions of other applicable laws, and subject to the approval and sanction of the jurisdictional National Company Law Tribunal (NCLT) and / or the National Company Law Appellate Tribunal, High Court(s), Supreme Court of India or such other forum or authority as may be vested with the appellate jurisdiction in relation to approval of the Scheme and such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such terms and conditions and modifications, as may be imposed, prescribed or suggested by the appropriate authorities and subject to such other approvals, consents, permissions, and/or sanctions of any appropriate authority, body or institution, which may be agreed to by the Board of Directors of the Company (**Board**, which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution) the proposed Scheme of Amalgamation between HG Industries Limited (formerly known as Himalaya Granites Limited) (**Transferor Company**) and Greenlam Industries Limited (**Company or Transferee Company**) and their respective shareholders and creditors (**Scheme**) and all concerned for the amalgamation of the Transferor Company with and into the Transferee Company, as per the draft enclosed to this notice, be and is hereby approved;*

**RESOLVED FURTHER THAT** *for the purpose of giving effect to the above Resolution and for removal of any difficulties or doubts, the Board, be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, expedient, usual or proper, and to settle any questions or difficulties or doubts that may arise, including passing of such accounting entries and / or making such adjustments in the books of accounts as considered necessary to give effect to the above Resolution, settling of any questions or difficulties arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of the Scheme and if necessary, to waive any of those, and do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect or to carry out such modifications/directions as may be required and/or imposed and/or permitted by NCLT while sanctioning the Scheme or by any statutory or regulatory authorities, or to approve withdrawal (and where applicable, re-filing) of the Scheme at any stage for any reason including in case any changes and/or modifications are suggested/required to be made in the Scheme or any condition suggested, required or imposed, whether by any shareholder, creditor, SEBI, the NCLT, and/or any other authority, are in its view not acceptable to the Company, and/or if the Scheme cannot be implemented otherwise, and to do all such acts, deeds and things as it may deem necessary and desirable in connection therewith and incidental thereto."*

**TAKE NOTICE** that in compliance with the provisions of (i) sections 230(4), 108, 110 and other applicable provisions, if any, of the Act; (ii) rule 6(3)(ix) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**Merger Rules**); (iii) rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) regulation 44 and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the applicable circulars under the Act, the Transferee Company has provided the facility of remote e-voting prior to the Meeting and e-voting at the Meeting so as to enable the equity shareholders to consider and approve the Scheme by way of aforesaid Resolution. In this regard, the Transferee Company has engaged the services of Link Intime India Private Limited (**Link Intime**) for the purposes of providing the facility of remote e-voting and e-voting to its equity shareholders. Accordingly, equity shareholders of the Transferee Company may cast their vote through (a) remote e-voting prior to the Meeting or (b) e-voting at the Meeting.

**TAKE FURTHER NOTICE** that the equity shareholders shall have the facility and option of voting on the resolutions for approval of the Scheme by casting their votes through remote e-voting prior to the Meeting during the period commencing from 09:00 a.m. IST on 18 April 2023 and ending at 05:00 p.m. IST on 20 April 2023. The voting rights of equity shareholders of the Transferee Company shall be in proportion to their share in the paid-up equity share capital of the Transferee Company as on a cut-off date i.e. Friday, 14 April, 2023 (**Cut-off Date**). A person who is not an equity shareholder as on the Cut-off Date, should treat the Notice for information purpose only. The equity shareholders opting to cast their votes by remote e-voting or e-voting during the Meeting through VC/ OAVM are requested to read the instructions set out in the Notes of this Notice for further details on remote e-voting and e-voting during the Meeting.

It is clarified that the votes cast by means of remote e-voting does not disentitle an equity shareholder as on the Cut-off Date from attending the Meeting. However, the equity shareholders who have cast their votes by remote e-voting will not be eligible to cast their votes through e-voting at the Meeting.

Copies of the Scheme, this Notice and the Explanatory Statement under Section 230(3) of the Act read with Rule 6 of the Merger Rules and all documents referred to therein are available on the website of the Transferee Company at [www.greenlamindustries.com](http://www.greenlamindustries.com) and can also be obtained free of charge from the registered office of the Transferee Company at 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi - 110 037, on all days, except Saturday, Sunday and public holidays, between 11:00 a.m. and 02:00 p.m., up to and including the date of the Meeting.

The Hon'ble NCLT has appointed Mr. G. P. Madaan as the Chairperson of the Meeting, Mr. Parvindra Nautiyal as Alternate Chairperson of the Meeting and Mr. Gaurav Chauhan, as the Scrutinizer of the Meeting. The above mentioned Scheme, if approved at the Meeting, will be subject to the subsequent approval of the Hon'ble NCLT.

Dated: 16 March 2023

Place: New Delhi

Sd/-

**G. P. Madaan**

Chairperson appointed for the Meeting

**Registered office:**

**Greenlam Industries Limited**

203, 2nd Floor, West Wing,

Worldmark 1, Aerocity,

IGI Airport, Hospitality District,

New Delhi - 110 037

CIN: L21016DL2013PLC386045

Website: [www.greenlamindustries.com](http://www.greenlamindustries.com)

E-mail: [investor.relations@greenlam.com](mailto:investor.relations@greenlam.com)

## Notes:

1. Pursuant to the Order dated 22 February 2023 (**Order**) passed in Company Application C.A. (CAA) No. 06 of 2023 by the National Company Law Tribunal, New Delhi, the meeting of the equity shareholders of the Transferee Company is being held through video conference (**VC**) or other audio visual means (**OVAM**) in compliance with the provisions of applicable law, without physical presence of the equity shareholders at a common venue (**Meeting**). The deemed venue of the Meeting will be the registered office of the Transferee Company. Since this Meeting is being held through VC/OAVM pursuant to the Order, the facility for appointment of proxies by the shareholders will not be available for the Meeting, and hence the Proxy Form, Attendance Slip and Route Map are not annexed hereto.
2. For convenience of the members and proper conduct of the Meeting, the shareholders can login and join at least 15 minutes before the time scheduled for the Meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.
3. The Transferee Company is seeking the approval of its equity shareholders to the Scheme by way of voting through remote e-voting prior to the Meeting or e-voting during the Meeting.
4. The Transferee Company has engaged the services of Link Intime India Private Limited (**Link Intime**) for facilitating remote e-voting to its equity shareholders for the Meeting and e-voting facility to its equity shareholders during the Meeting.
5. The Explanatory Statement pursuant to sections 230(3), 232(1) & (2) and 102 of the Act read with Rule 6 of the Merger Rules is enclosed herewith and forms part of this Notice.
6. The authorised representative of a body corporate which is a registered equity shareholder of the Transferee Company may attend and vote at the Meeting of the Transferee Company provided a certified true copy of the resolution of the board of directors or other governing body of the body corporate authorizing such representative to attend and vote at the Meeting, is sent to the Scrutinizer by email through its registered e-mail address to csgauravchauhan31@gmail.com and to Transferee Company at investor.relations@greenlam.com, pursuant to Section 113 of the Companies Act, 2013, no later than 48 hours before the Meeting.
7. The attendance of the equity shareholders attending the Meeting will be counted for the purpose of reckoning the quorum in terms of the Order. In case the quorum is not present at the Meeting, then the Meeting shall be adjourned by half an hour. Thereafter, the members present and voting shall be deemed to constitute the quorum in terms of the Order.
8. The registered equity shareholders are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the Register of Members of the Transferee Company/ list of beneficial owners as received from National Securities Depository Limited (**NSDL**) / Central Depository Services (India) Limited (**CDSL**) in respect of such joint holding, will be entitled to vote.
9. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the equity shareholders at the registered office of the Transferee Company between 11:00 a.m. to 02:00 p.m. on all working days (Monday to Friday) up to the date of the Meeting.
10. The notice of the Meeting will be published through advertisement in the following newspapers, viz. "Business Standard" in English and translation thereof in "Business Standard" in Hindi, both circulated in Delhi.
11. Notice of the Meeting along with all other documents are uploaded on the Transferee Company's website [www.greenlamindustries.com](http://www.greenlamindustries.com) and as directed in the Order, the Notice, together with a copy of the explanatory statement, a copy of the Scheme along with annexures is being sent to the equity shareholders through electronic mode at the e-mail id registered with the Transferee Company/Depository Participants/Registrar and Transfer Agent for communication purposes, and where such e-mail id is not available with the Transferee Company/ Depository Participants/Registrar and Transfer Agents, physical copies are being dispatched to their last known address.
12. The Notice of Meeting together with a copy of the explanatory statement, a copy of the Scheme along with Annexures are available on the websites of BSE Limited (**BSE**) and the National Stock Exchange of India Limited



(NSE) at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. Further, Notice of Meeting together with a copy of the explanatory statement, a copy of the Scheme along with Annexures are available on the website of Link Intime, the agency engaged for providing remote e-voting facility and e-voting facility during the Meeting.

13. As directed by the Order, Mr. Gaurav Chauhan, Company Secretary, has been appointed as the scrutinizer to scrutinize both the remote e-voting as well as voting through e-voting during the Meeting in a fair and transparent manner.
14. In compliance with the provisions as stated hereinabove, the equity shareholders of the Transferee Company whose names are appearing in the records of the Transferee Company as on Friday, 14 April 2023 (**Cut-off Date**) shall be eligible to attend and vote at the Meeting. A person, whose name is not recorded in the register of members or in the register of beneficial owners maintained by NSDL/CDSL as on the Cut-off Date shall not be entitled to avail the facility of remote e-voting or e-voting at the Meeting. Persons who are not equity shareholders of the Company as on the Cut-off Date should treat this Notice for information purposes only.
15. This notice is being sent to equity shareholders whose names are recorded in the register of members or in the register of beneficial owners maintained by NSDL/CDSL as on 03 March 2023. Any person, who acquires shares of the Transferee Company and becomes an equity shareholder of the Transferee Company after dispatch of the Notice and holds shares as of the Cut-off Date may obtain the User ID and Password by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in). However, if such person is already registered with Link Intime for remote e-voting then he / she can use his / her existing User ID and Password for casting his / her vote.
16. Kindly note that the equity shareholders of the Transferee Company can opt only one mode for voting i.e., either by e-voting at the Meeting or remote e-voting. The equity shareholders of the Transferee Company attending the Meeting and who have not cast their vote through remote e-voting shall be entitled to exercise their vote through e-voting at the Meeting. Equity shareholders who have already cast their votes through remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again through e-voting at the Meeting.
17. In accordance with the provisions of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the equity shareholders only if the Scheme is approved by majority of persons representing three-fourth in value of the equity shareholders, of the Transferee Company, voting through e-voting facility at the Meeting and through remote e-voting facility.
18. Further, in accordance with the SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021, the Scheme shall be acted upon only if the number of votes cast by the public shareholders (through remote e-voting and e-voting facility or postal ballot at the Meeting) in favour of the aforesaid resolution for approval of Scheme is more than the number of votes cast by the public shareholders against it.
19. The Scrutinizer, Mr. Gaurav Chauhan will submit his consolidated report to Mr. G. P. Madaan, Chairperson of the Meeting after completion of the scrutiny of the votes cast by the equity shareholders, which includes public shareholders, of the Transferee Company through (i) remote e-voting process and (ii) e-voting at the Meeting. The Scrutinizer in this report, will also separately include the result of the remote e-voting and e-voting at the meeting in respect of public shareholders. The Scrutinizer's decision on the validity of the vote shall be final. The results of votes cast through (i) remote e-voting process and (ii) e-voting at the Meeting will be announced within two working days from the date of the Meeting at the registered office of the Transferee Company. The results, together with the Scrutinizer's reports, will be displayed at the registered office of the Transferee Company, on the website of the Transferee Company, ([www.greenlamindustries.in](http://www.greenlamindustries.in)) and on the website of Link Intime, besides being communicated to BSE and NSE.
20. Members who desire to raise/ask questions during the Meeting are requested to send the same to [investor.relations@greenlam.com](mailto:investor.relations@greenlam.com) before 05:00 p.m. on 14 April, 2023. The speaker members are requested to maintain a time limit of 3 minutes to complete their questions. Members seeking any statutory information or any other matter/document/register, etc. in connection with this Meeting of the Company or for any other grievances may please send a request to the Company via e-mail at [investor.relations@greenlam.com](mailto:investor.relations@greenlam.com).
22. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder and all other

documents referred to in the Notice and Explanatory Statement will be made available electronically for inspection by the Members during the Meeting. All documents referred to in the Notice will also be available for electronic inspection from the date of circulation of this Notice up to the date of the Meeting. Also, the Notice of this Meeting along with requisite documents shall also be available on the Company's website [www.greenlamindustries.com](http://www.greenlamindustries.com).

23. VC/OAVM facility provided by the Transferor Company, is having a capacity to allow 2,000 members to participate at the Meeting on a first-come-first-serve basis. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, Key Managerial Personnel (KMPs), the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. may be allowed to attend the Meeting without restriction on account of first-come-first-served principle.
24. Members are requested to contact the Company's Registrar and Share Transfer Agent (RTA), Link Intime (India) Private Limited, Noble Heights, 1st Floor, Plot NH2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058 (Telephone No.: +91-11-41410592; Fax No.: +91- 11-41410591; E-mail: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)) for reply to their queries/redressal of complaints, if any, or contact Mr. Prakash Kumar Biswal, Company Secretary & Vice President - Legal at the Registered/Corporate Office of the Company (Phone No.: +91-11-42791399; E-mail: [investor.relations@greenlam.com](mailto:investor.relations@greenlam.com)).
25. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Transferee Company hereby requests the Members who have not registered their e-mail addresses so far, to register their e-mail addresses with their DPs in case shares are held by them in electronic form and with the Company's RTA i.e. Link Intime (India) Private Limited in case shares are held by them in physical form for receiving all communication including the notices, circulars etc. from the Company electronically. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
26. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to the RTA in case the shares are held in physical form. Non-Resident Indian Members are requested to inform RTA, immediately on change in their residential status on return to India for permanent settlement, and update on particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code number, if not furnished earlier.
27. Members may avail the facility of nomination by nominating a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's RTA i.e. Link Intime (India) Private Limited. Members are requested to submit the said details to their DPs in case the shares are held in electronic form and to RTA in case the shares are held in physical form.
28. Securities and Exchange Board of India (SEBI) has mandated that, no share can be transferred, transmitted and transposed in physical mode. Hence, the Company has stopped accepting any fresh lodgement of transfer, transmission and transposition of shares in physical form. In view of this, Members holding shares in physical form are requested to get their shares dematerialized at the earliest. Members can contact the Company or the Company's RTA i.e. Link Intime (India) Private Limited for assistance in this regard.
29. SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.

**THE INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE MEETING AND REMOTE E-VOTING ARE AS UNDER: -**

The remote e-voting period begins on Tuesday, 18 April 2023 at 09:00 a.m. and ends on Thursday, 20 April 2023 at 05:00 p.m. The remote e-voting module shall be disabled by Link Intime for voting thereafter. The equity shareholders, whose names appear in the register of members or in the register of beneficial owners as on the Cut-off Date may cast

their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Transferee Company as on the Cut-off Date.

### **PROCESS REGARDING ATTENDING, SPEAKING AND VOTING DURING MEETINGS**

#### **A. Process and manner for attending the Meeting:**

**Step - 1:-** Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

**Step - 2:-** Select the "Company" and 'Event Date' and register with your following details: -

- i. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No:
  - a. Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
  - b. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.
  - c. Shareholders holding shares in physical form shall provide Folio Number registered with the Transferee Company.
- ii. PAN: Enter your 10-digit Permanent Account Number (PAN). Members who have not updated their PAN with the depository participant / Transferee Company shall use the sequence number provided to you, if applicable.
- iii. Mobile No: Enter your mobile number.
- iv. Email ID: Enter your email id, as recorded with your depository participant / Transferee Company.

**Step - 3:-** Click "**Go to Meeting**" (You are now registered for InstaMeet and your attendance is marked for the Meeting).

#### **B. Process for shareholders to speak during the Meeting through InstaMeet:**

The Transferee Company is providing two way teleconferencing facility for the ease of participation of the members at the Meeting.

**Step - 1:-** Shareholders who would like to speak during the Meeting must register their request 7 days in advance with the Transferee Company by sending an email to [investor.relations@greenlam.com](mailto:investor.relations@greenlam.com).

**Step - 2:-** Shareholders will get confirmation on first cum first basis depending upon the provision made by the Transferee Company.

**Step - 3:-** Shareholders will receive "speaking serial number" once they mark attendance for the Meeting.

**Step - 4:-** Other shareholders may ask questions to the panellist, via active chat-board during the Meeting.

**Step - 5:-** Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

**NOTE** - Shareholders are requested to speak only when Moderator / Scrutinizer of the Meeting will announce the name and serial number for speaking.

#### **C. Instructions for shareholders to vote during the Meeting through InstaMeet:**

Once the electronic voting is activated by the Scrutinizer during the Meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

**Step - 1:-** On the Shareholders VC page, click on the link for e-voting "Cast your vote".

**Step - 2:-** Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.

**Step - 3:-** After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

- Step - 4:-** Cast your vote by selecting appropriate option i.e., "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the Cut-off Date under 'Favour/Against'.
- Step - 5:-** After selecting the appropriate option i.e., Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- Step - 6:-** Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

**NOTE:**

- i. Shareholders, who will be present in the Meeting through InstaMeet facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the Meeting. Shareholders who have voted through remote e-voting prior to the Meeting will be eligible to attend / participate in the Meeting through InstaMeet. However, they will not be eligible to vote again during the Meeting.
- ii. Shareholders are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
- iii. Shareholders are required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the Meeting.
- iv. Please note that shareholders connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio / Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

**In case shareholders have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.**

**PROCESS REGARDING REMOTE E-VOTING FOR SHAREHOLDERS**

As per the SEBI circular dated 9 December 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various e-voting service provider portals directly from their demat accounts.

**Login method for Individual shareholders holding securities in demat mode is given below:**

**1. Individual Shareholders holding securities in demat mode with NSDL:**

**Existing IDeAS user:**

Existing IDeAS user can visit the e-services website of NSDL viz. <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under value added 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 i.e. Link Intime and you will be re-directed to "InstaVote" website for casting your vote during the remote e-voting period.

**If you are not registered for IDeAS e-Services:**

- i. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>
- ii. 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 site wherein you can see e-voting page. Click on company name or e-Voting service provider name i.e. Link Intime and you will be redirected to "InstaVote" website for casting your vote during the remote e-voting period.

## **2. Individual Shareholders holding securities in demat mode with CDSL**

**Step - 1:-** Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.

**Step - 2:-** After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by the Transferee Company. On clicking the e- voting option, the user will be able to see e-voting page of the e-voting service provider i.e. Link Intime for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-voting service providers, so that the user can visit the e-voting service providers' website directly.

**OR**

If the user is not registered for Easi/Easiest, the option to register is available at CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login & New System Myeasi Tab and then click on registration option.

**OR**

Alternatively, the user can directly access the e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered mobile number & email address as recorded in the demat account. After successful authentication, the user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting service providers.

## **3. Individual Shareholders (holding securities in demat mode) login through their depository participants**

**Step - 1:-** You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-voting facility. After successful login, you will be able to see e-voting option.

**Step - 2:-** Once you click on e-Voting option, you will be redirected to NSDL / CDSL depository site after successful authentication, wherein you can see e-voting feature.

**Step - 3:-** Click on the company name or e-voting service provider name i.e. Link Intime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

**Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:**

Individual shareholders of the Transferee Company, holding shares in physical form / non-Individual shareholders holding securities in demat mode as on the Cut-off Date for e-voting may register for e-voting facility of Link Intime as under:

**Step - 1:-** Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

**Step - 2:-** Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

### **a. User ID:**

Shareholders holding shares in physical form shall provide Event No. 230078 + Folio Number registered with the Transferee Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

**b. PAN:**

Enter your 10-digit Permanent Account Number (PAN) (shareholders who have not updated their PAN with the depository participant/ Transferee Company shall use the sequence number provided to you, if applicable).

**c. DOB/DOI:**

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your depository participant / Transferee Company - in DD/MM/YYYY format)

**d. Bank Account Number:**

Enter your Bank Account Number (last four digits), as recorded with your depository participant / Transferee Company.

*\*Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

*\*Shareholders holding shares in **NSDL**, shall provide 'D' above*

**Step - 3:-** Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

**Step - 4:-** Click "confirm" (Your password is now generated).

**Step - 5:-** Click on 'Login' under '**SHARE HOLDER**' tab.

**Step - 6:-** Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

**Cast your vote electronically:**

**Step - 1:-** After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.

**Step - 2:-** E-voting page will appear.

**Step - 3:-** Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

**Step - 4:-** After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on '**No**' and accordingly modify your vote.

**Guidelines for Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution / authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 - 4918 6000.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through depository i.e. NSDL and CDSL.

Login type	Helpdesk details
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000
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 <a href="mailto:helpdesk.evoting@cDSLindia.com">helpdesk.evoting@cDSLindia.com</a> or contact at toll free no. 1800 22 55 33

**Individual Shareholders holding securities in Physical mode who have forgotten the password:**

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-voting website of Link Intime: <https://instavote.linkintime.co.in>

**Step - 1:-** Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'

**Step - 2:-** Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No. 230078 + Folio Number registered with the Transferee Company.

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use "Forget User ID" and "Forget Password" option available at abovementioned depository/ depository participants website.

**Note:**

- i. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ii. For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- iii. During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".

Pursuant to Section 230(3) of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

IN THE NATIONAL COMPANY LAW TRIBUNAL, NEW DELHI BENCH

COMPANY APPLICATION CA (CAA) NO. 06 OF 2023

IN THE MATTER OF SECTIONS 230 TO 232

AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN GREENLAM INDUSTRIES LIMITED AND HG INDUSTRIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**HG Industries Limited**, formerly known as Himalaya )  
Granites Limited, a company incorporated under the )  
provisions of Companies Act, 1956 having its registered )  
office at 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, )  
IGI Airport, Hospitality District, New Delhi – 110 037; CIN )  
L20100DL1987PLC408363 )  
)

... Applicant No. 1 / Transferor Company

And

**Greenlam Industries Limited**, a company incorporated )  
under the provisions of Companies Act, 1956 having its )  
registered office at 203, 2nd Floor, West Wing, Worldmark )  
1, Aerocity, IGI Airport, Hospitality District, New Delhi – )  
110 037; CIN L21016DL2013PLC386045 )  
)

... Applicant No. 2 / Transferee Company

**EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1), 232(2), 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 READ WITH RULE 6(3) OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. Pursuant to an order pronounced on 22 February 2023 (**Order**), the Hon'ble National Company Law Tribunal, New Delhi (**Hon'ble NCLT**) has directed convening of a meeting of the equity shareholders of Greenlam Industries Limited (**Company or Transferee Company**) for the purpose of considering, and if thought fit, approving the arrangement embodied in the Scheme of Amalgamation among Transferee Company and HG Industries Limited (**Transferor Company**) and their respective shareholders and creditors (**Scheme**) pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and the other applicable provisions thereof and applicable rules thereunder (**Act**). In pursuance of the Order and as directed therein, a Notice is being given that a meeting of the equity shareholders of the Transferee Company will be held on Friday, 21 April 2023 at 02:00 p.m. IST at through video conference (**VC**) or other audio visual means (**OVAM**) in compliance with the provisions of applicable law (**Meeting**) for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme. This is a statement accompanying the Notice for the Meeting as required under the Act (**Explanatory Statement**). A copy of the Order has been enclosed as **Annexure 1**.
2. A copy of the Scheme which has been, *inter alia*, approved by the Board of Directors (**Board**) of the Transferee Company and Transferor Company at their respective meetings both held on 30 June 2022 is enclosed as **Annexure 2**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.



3. The Scheme, *inter alia*, provides for the following:
  - (i) the transfer and vesting of all properties, assets, investments, liabilities, rights, benefits, interests, title or power of every kind, nature, description and obligations of the Transferor Company, on a going concern basis, to the Transferee Company (**Amalgamation**) and the consequent payment of consideration by the Transferee Company, in lieu of 25.09% of the total paid up share capital of the Transferor Company which is held by public shareholders (remaining 74.91% of the total paid up share capital of the Transferor Company is held by the Transferee Company), by way of issuance and allotment of 1 number of equity share of INR 1 each fully paid up in the share capital of the Transferee Company in respect of 2 equity shares of INR 5 each fully paid up in the share capital of Transferor Company to the public shareholders of Transferor Company on the Record Date; and
  - (ii) various other matters consequential or integrally connected therewith.
4. The equity shareholders of the Transferee Company would be entitled to vote in the Meeting through e-voting. In addition, the Transferee Company is seeking the approval of its equity shareholders to the Scheme by way of remote e-voting.
5. The attendance of the equity shareholders of the Transferee Company attending the Meeting will be counted for the purpose of reckoning the quorum in terms of the Order. In case the quorum is not present at the Meeting, then the Meeting shall be adjourned by half an hour. Thereafter, the persons present and voting shall be deemed to constitute the quorum.
6. In accordance with the provisions of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the equity shareholders only if the Scheme is approved by majority of persons representing three-fourth in value of the equity shareholders, of the Transferee Company, voting /through e-voting at the Meeting or through remote e-voting facility.
7. Further, in accordance with the SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021, the Scheme shall be acted upon only if the number of votes cast by the public shareholders (through remote e-voting and by e-voting at the Meeting) in favour of the aforesaid resolution for approval of Scheme is more than the number of votes cast by the public shareholders against it.
8. The Hon'ble NCLT has appointed Mr. G. P. Madaan as the Chairperson of the Meeting (**Chairperson**), Mr. Parvindra Nautiyal as Alternate Chairperson of the Meeting (**Alternate Chairperson**) and Mr. Gaurav Chauhan, as the Scrutinizer of the Meeting (**Scrutinizer**). The above-mentioned Scheme, if approved at the Meeting, will be subject to the subsequent approval of the Hon'ble NCLT.
9. The Transferee Company and Transferor Company have filed the Scheme with the Registrar of Companies, Delhi in the Form No. GNL – 1.
10. Details as per Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**Merger Rules**):
  - (i) Details of order of the Hon'ble NCLT directing the calling, convening, and conducting of the Meeting:

Please refer to paragraph no. 1 of this Explanatory Statement for date of the Order and the date, time, and venue of the Meeting.
  - (ii) Details of the Company:

**GREENLAM INDUSTRIES LIMITED i.e., THE TRANSFEE COMPANY**

    - (a) Corporate Identification Number: L21016DL2013PLC386045
    - (b) Permanent Account Number: AAFCG2966D
    - (c) Name of the Company: Greenlam Industries Limited

- (d) Date of Incorporation: 12 August 2013
- (e) Type of Company: Listed public limited company
- (f) Registered Office and e-mail address: 203, 2<sup>nd</sup> Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi – 110 037; investor.relations@greenlam.com
- (g) Summary of the main objects as per the memorandum of association and main business carried on by the Transferee Company:
- (A) The main objects of the Transferee Company as provided in Clause III (A) (1) of its Memorandum of Association are set out below:
- "...To carry on business as manufacturers, traders, exporters, importers, dealers, wholesalers, retailers, service providers including installers, commission agents, of laminates of all sizes and descriptions, veneers, pre-laminated board, decorative laminates, decorative laminated sheets, high pressure laminates, post forming laminates, decorative veneers, ready to install doors, door sets, fire rated doors, Veneered Engineering Flooring and flooring of all kinds and descriptions and Particle Board of all kinds and descriptions and other paper based, wood based and plastic based products of all kinds and descriptions and industrial laminated sheets, compact laminates of every descriptions, post formed panels, whether laminated or not, restroom cubicles, lockers and every type of partition systems and to act as decorators and manufacturers and deal in housing furniture and fittings, interior decorators, commercial and industrial furniture and fittings and implements and tools of all descriptions and provide consultancy in total interior and exterior decoration and furniture solution..."*
- (B) The main business carried on by the Transferee Company is as follows:
- The Transferee Company is engaged in the business of, *inter alia*, manufacturing of laminates, decorative veneers, engineered wooden flooring, engineered wooden doors and allied products through its factories situated at – a. Behror, Rajasthan, b. Nalagarh, Himachal Pradesh, and c. Prantij, Gujarat. The Transferee Company has branches and dealers' network spread all over the country and also exports its products to various countries overseas.
- (h) Details of change of name, registered office, and objects of the Transferee Company during the last five years
- (A) Change of Name: There has been no change in the name of the Transferee Company during the last five years.
- (B) Change of Registered Address: Registered office of the Transferee Company shifted to the National Capital Territory of Delhi pursuant to Special Resolution passed by members of the Company on 12 March 2021 and approved by the order of Regional Director North-Eastern Region dated 08 July 2021. The change in the registered office came into effect from 27 August 2021.
- (C) Change of Objects: There has been a change in the objects of the Transferee Company vide special resolution passed at the Annual General Meeting of the Transferee Company held on 28 August 2018.
- (i) Name of Stock Exchanges where securities of the company are listed:
- The equity shares of the Transferee Company are listed on BSE Limited (**BSE**) and National Stock Exchange of India Limited (**NSE**). Further, the non-convertible debentures of the Transferee Company are listed on the NSE.

(j) Details of the capital structure of the Transferee Company including authorized, issued, subscribed and paid-up share capital Transferee Company as on 31 March 2022 and 31 December 2022 is as under:

(A) The share capital structure of the Transferee Company is as under:

**As on 31 March 2022:**

Particulars	Amount(in INR)
<b>Authorised share capital</b>	
15,00,00,000 equity shares of INR 1 each	15,00,00,000
<b>TOTAL</b>	<b>15,00,00,000</b>
<b>Issued, subscribed and fully paid-up share capital</b>	
12,06,81,870 equity shares of INR 1 each	12,06,81,870
<b>TOTAL</b>	<b>12,06,81,870</b>

**As of 31 December 2022:**

Particulars	Amount(in INR)
<b>Authorised share capital</b>	
15,00,00,000 equity shares of INR 1 each	15,00,00,000
<b>TOTAL</b>	<b>15,00,00,000</b>
<b>Issued, subscribed and fully paid-up share capital</b>	
12,69,92,550 equity shares of INR 1 each	12,69,92,550
<b>TOTAL</b>	<b>12,69,92,550</b>

*Note: On 20 July 2022, the Transferee Company issued and allotted 63,10,680 equity shares through preferential allotment to Smiti Holding and Trading Company Private Limited, pursuant to special resolution passed by the shareholders of the Transferee Company in its extra-ordinary general meeting dated 16 July 2022.*

(B) The expected post scheme capital structure of the Transferee Company will be as follows:

Particulars	Amount(in INR)
<b>Authorised share capital</b>	
19,00,00,000 equity shares of INR 1 each	19,00,00,000
<b>TOTAL</b>	<b>19,00,00,000</b>
<b>Issued, subscribed and fully paid-up share capital</b>	
12,75,73,851 equity shares of INR 1 each	12,75,73,851
<b>TOTAL</b>	<b>12,75,73,851</b>

(k) Details of the promoters and directors of the Transferee Company along with their addresses:

(A) The details of the promoter of the Transferee Company as on date of this Notice are as follows:

Sr. No.	Name of the Promoter	Address
1.	Saurabh Mittal	66, Anand Lok, Khel Gaon Marg, Andrewsganj, New Delhi – 110 049

(B) The details of the directors of the Transferee Company as on date of this Notice are as follows:

Sr. No.	Name of the Director and DIN	Designation	Address
1.	Shiv Prakash Mittal DIN: 00237242	Non-Executive Chairman	Flat No. 2NW, 5, Queens Park, Kolkata – 700019
2.	Saurabh Mittal DIN: 00273917	Managing Director & CEO	66, Anand Lok, Khel Gaon Marg, Andrewsganj, New Delhi-110049
3.	Parul Mittal DIN: 00348783	Whole-time-Director	66, Anand Lok, Khel Gaon Marg, Andrewsganj, New Delhi-110049
4.	Matangi Gowrishankar DIN: 01518137	Independent Director	E-1001/1002 Maestros, Salunke Vihar, Rd Wanwadi, Wanowarie, Pune - 411040, Maharashtra
5.	Sandip Das DIN: 00116303	Independent Director	909A, Magnolias, DLF Golf Links, DLF Phase 5, Golf Course Road, Gurgaon-122009, Haryana
6.	Yogesh Kapur DIN: 00070038	Independent Director	D 1063, New Friends Colony, Delhi, India 110025

**HG INDUSTRIES LIMITED i.e., the TRANSFEROR COMPANY**

- (l) Corporate Identification Number: L20100DL1987PLC408363
- (m) Permanent Account Number: AAACH5121L
- (n) Name of the Company: HG Industries Limited, formerly known as Himalaya Granites Limited.
- (o) Date of Incorporation: 11 December 1987.
- (p) Type of Company: Listed public limited company.
- (q) Registered Office and e-mail address: 203, 2<sup>nd</sup> Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi – 110 037; investors@hgl.co.in
- (r) Summary of the main objects as per the memorandum of association and main business carried on by Transferor Company:

(A) The main objects of Transferor Company as provided in Clause III (A) (1) in its Memorandum of Association are set out below:

*"... (1) To carry on business as manufacturers, traders, exporters, importers, dealers, wholesalers, retailers, service providers including installers, commission agents, of plywood of all sizes and descriptions, paper boards, hardboards, blockboards, insulation boards, teakwood, firewood, commercial and teak plywood, packing cases, medium density fibreboard, high density fibreboard, laminates of all sizes and descriptions, veneers, pre-laminated board, decorative laminates, decorative laminated sheets, high pressure laminates, post forming laminates, decorative veneers, ready to install doors, door sets, fire rated doors, panel doors, flush doors, windows, veneered engineered flooring and flooring of all kinds and descriptions and chipboards, particle board of all kinds and descriptions and other requisites of construction works and other paper based, wood based and plastic based products of all kinds and descriptions and industrial laminated sheets, compact laminates of every descriptions, post formed panels, whether laminated or not, restroom cubicles, lockers and every type of partition systems and to act as decorators and manufacturers and deal in housing furniture and fittings, interior decorators, commercial and industrial furniture and fittings and implements and tools of all descriptions and provide consultancy in total interior and exterior decoration and furniture solutions.*

(2) To sell, lease or let out its land, building, office, factory sheds, building, guesthouse and land appurtenant thereto, wholly or partly, which are not in the immediate requirement of the Company to any person, firm, company, etc. either individually or in any combination thereof.

(3) To engage in the business of dealer, distributor, trader, stockiest, agent including clearing and forwarding agent for all kind of goods, products and merchandise”

(B) The main business carried out by Transferor Company is as follows:

The Transferor Company is in the process of setting-up a manufacturing plant at Tindivanam, Tamil Nadu for manufacturing of plywood and allied products.

(s) Details of change of name, registered office, and objects of the Transferor Company during the last five years

(A) Change of Name: The name of Transferor Company was changed from Himalaya Granites Limited to HG Industries Limited on 02 July 2021.

(B) Change of Registered Address: Registered office of the Transferor Company shifted to the National Capital Territory of Delhi pursuant to Special Resolution passed by members of the Company on 21 January 2022 and approved by the order of Regional Director, Southern Region, Ministry of Corporate Affairs, Chennai dated 12 October 2022. The change in the registered office came into effect from 05 December 2022.

(C) Change of objects: There have been changes in the objects of the Transferor Company vide special resolution passed in Annual General Meeting held on 27 September 2019 and special resolutions passed by members of the Transferor Company through postal ballot on 19 March 2021 and 10 June 2021.

(t) Name of Stock Exchanges where securities of Transferor Company are listed:

The equity shares of Transferor Company are listed on BSE.

(u) Details of the capital structure of Transferor Company including authorized, issued, subscribed and paid-up share capital of Transferor Company as on 31 March 2022 and 31 December 2022 is as under:

The authorized, issued, subscribed and paid-up share capital of Transferor Company as on 31 March 2022 and 31 December 2022 is as under:

Particulars	Amount(in INR)
<b><u>Authorised share capital</u></b>	
80,00,000 equity shares of INR 5 each	4,00,00,000
<b>TOTAL</b>	<b>4,00,00,000</b>
<b><u>Issued, subscribed and fully paid-up share capital</u></b>	
46,33,568 equity shares of INR 5 each	2,31,67,840
<b>TOTAL</b>	<b>2,31,67,840</b>

(v) Details of the promoters and directors of Transferor Company along with their addresses:

(A) The details of the promoter of Transferor Company as on date of this Notice are as follows:

Sr. No.	Name of the Promoter	Address
1.	Greenlam Industries Limited	203, 2 <sup>nd</sup> Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi - 110 037

(B) The details of the directors of Transferor Company as on date of this Notice are as follows:

Sr. No.	Name of the Director and DIN	Designation	Address
1.	Ramesh Kumar Haritwal DIN: 01486666	Managing Director & CEO	Flat no. T23, 101, 1 <sup>st</sup> floor, Tower 23 Chaitanya, No 8 & 8D Stephenson Road, Perambur, Chennai-600 011, Tamil Nadu.
2.	Mathangi Ramanujam DIN: 07095686	Non-Executive Director	12/2, Arumugha Chetty lane, Triplicane Triuvallikkeni, Chennai-600005, Tamil Nadu
3.	Shalabh Jalan DIN: 01089278	Independent Director	23 A Tirumani Building Ashutosh Choudhury Avenue, Ballygunge Kolkata-700 019, West Bengal
4.	Manojit Dash DIN: 08960450	Independent Director	61, Nehru Colony, 03 <sup>rd</sup> Floor, Regent Park, Kolkata-700 040, West Bengal.

(iii) If the scheme of compromise or arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such scheme of compromise or arrangement, including holding, subsidiary or of associate companies.

Transferor Company is a subsidiary of the Transferee Company. The Transferee Company is the promoter of the Transferor Company. Transferee Company holds 74.91% of the entire issued and paid-up share capital of Transferor Company. Mr. Shalabh Jalan, Independent Director, of the Transferor Company, holds 1,00,000 shares of the Transferee Company as on 03 March 2023. The parties to the scheme do not have any common directors.

(iv) The date of the board meeting of the company at which the scheme was approved by the Board of Directors including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate in such resolution.

The Board of Directors of the Transferee Company approved the scheme at their meeting dated 30 June 2022. Details of the manner in which the directors of the Transferee Company voted at this meeting are as follows:

Sr. No.	Name of the Director	Voted in favor/against/abstained
1.	Shiv Prakash Mittal	Voted in favour
2.	Saurabh Mittal	Voted in favour
3.	Parul Mittal	Voted in favour
4.	Matangi Gowrishankar	Voted in favour
5.	Sandip Das	Voted in favour
6.	Yogesh Kapur	Voted in favour
7.	Mr. Vijay Kumar Chopra(erstwhile director)	Voted in favour

The Board of Directors of Transferor Company approved the scheme at their meeting dated 30 June 2022. Details of the manner in which the directors of Transferor Company voted at this meeting are as follows:

Sr. No.	Name of the Director	Voted in favor/against/abstained
1.	Ramesh Kumar Haritwal	Voted in favour
2.	Mathangi Ramanujam	Voted in favour
3.	Shalabh Jalan	Voted in favour
4.	Manojit Dash	Voted in favour

(v) Details required in terms of Rule 6(3)(v) of the Merger Rules

(a) Parties involved in such compromise or arrangement

Please refer to paragraph no. 1 of this Explanatory Statement for details of the parties involved in the Scheme.

(b) In case of amalgamation or merger, appointed date, effective date, share swap ratio (if applicable) and other considerations, if any

(A) "Appointed Date" means 1 April 2022 or such other date as the Board of Directors of the Transferor Company or the Transferee Company may determine or as the Securities and Exchange Board of India, the Stock Exchanges or the Tribunal(s) may direct.

(B) "Effective Date" or coming into effect of this Scheme or upon the Scheme becoming effective or effectiveness of the Scheme means the date on which the certified copy of the order of the Tribunal(s) under Sections 230 to 232 of the Act sanctioning the Scheme is filed by the Transferor Company and the Transferee Company with the Registrar of Companies. In case the certified copy of the order of the Tribunal(s) are filed with the relevant Registrar of Companies. In case the certified copy of the order of the Tribunal(s) is filed with the Registrar of Companies on different dates by the Transferor Company and the Transferee Company, then the later of such date of filing(s) will be the Effective Date;

(C) "Record Date" means the date to be fixed by the respective Board of Directors of the Transferor Company and the Transferee Company in mutual consultation with each other, to determine the shareholders of the Transferor Company to whom equity shares of the Transferee Company will be issued pursuant to this Scheme;

(D) Upon the Scheme becoming effective and in consideration of the transfer and vesting of the undertaking of Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall issue and allot shares of the Transferee Company to the public shareholders of Transferor Company holding 25.09% of its total paid up share capital, whose names are recorded in the register of members as a member of Transferor Company on the Record Date, (in the ratio of their respective shareholding in Transferor Company), in the following manner:

*"1 (one) equity shares of the face value of INR 1/- each credited as fully paid up in the share capital of Greenlam Industries Limited (Transferee Company) for every 2 (two) fully paid up equity shares of the face value of INR 5/- each held in HG Industries Limited (Transferor Company)."*

(c) Summary of valuation report (if applicable) including basis of valuation and fairness opinion of the registered valuer, if any, and the declaration that the valuation report is available for inspection at the registered office of the company:

For the purposes of the Scheme, a report in relation to the share swap ratio (**Registered Valuer's Report**) to determine the total shares to be issued by the Transferee Company, to shareholders of Transferor Company, in exchange of their interest in the Transferor Company in consideration of the merger, was issued on 29 June 2022 by Incwert Advisory Private Limited (IBBI Registration No. IBBI/RV-E/05/2019/108), Registered Valuer. The Registered Valuer's report has been enclosed as **Annexure 3**.

In compliance with paragraph (A)(2)(d) of Part I of Securities and Exchange Board of India (**SEBI**) Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021 (**SEBI Scheme Master Circular**), a fairness opinion dated 29 June 2022 has been issued by SKP Securities Limited, a SEBI registered Category I Merchant Banker having Regn. No. INM000012670 (**Fairness Opinion**) on the share swap ratio as recommended in the Registered Valuer's Report. The Fairness Opinion has been enclosed as **Annexure 4**.

The recommendation of the share swap ratio has been approved by the Audit Committee and the Committee of Independent Directors and Board of the Transferee Company.

The Registered Valuer's Report and Fairness Opinion are enclosed herewith as Annexure 3 and Annexure

4 respectively and also available for inspection at the website of the Transferee Company at [www.greenlamindustries.com](http://www.greenlamindustries.com).

(d) Details of capital/debt restructuring, if any:

The scheme does not envisage any restructuring of the share capital of the Transferee Company. However, the Scheme provides that:

- (A) Upon the Scheme becoming effective and in consideration of the Amalgamation, the Transferee Company shall issue equity shares credited as fully-paid up shares in the Transferee Company to the public shareholders of Transferor Company holding 25.09% of its total paid up share capital, whose names are recorded in the register of members as members of Transferor Company on the Record Date as per the share swap ratio mentioned in paragraph 10 (v) (b) (D) above.
- (B) Pursuant to the Scheme, the issued, subscribed and paid-up share capital of the Transferee Company shall stand suitably increased consequent upon the issuance of new equity shares.
- (C) On the coming into effect of the Scheme, Transferor Company shall stand dissolved without being wound-up. On the Effective Date, (i) the Board of Transferor Company shall, without any further acts, resolutions, filings, instruments or deeds, cease to exist and stand dissolved; and (ii) the name of Transferor Company shall be struck off from the records of the Registrar of Companies.
- (D) The pre-Scheme and post-Scheme shareholding pattern of the Transferee Company, and pre-Scheme shareholding pattern of the Transferor Company are attached as **Annexure 5** and **Annexure 6** respectively.

The scheme does not envisage any debt restructuring of the Transferee Company or the Transferor Company.

(e) Rationale for the Amalgamation:

The Scheme is expected to have, *inter alia*, the following benefits:

- (A) it would enable the Transferee Company to leverage its combined assets and to create a more competitive business, both in scale and operations;
- (B) it would consolidate the businesses of the Transferor Company and the Transferee Company which will result in focused growth, operational efficiencies, business synergies and unlock the value of the assets of the Transferor Company;
- (C) it would enhance operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources and ultimately enhancing overall shareholders value;
- (D) it would achieve synergies in costs (particularly in respect of customer relationship management and establishing sales and marketing channels), operations, stronger and wider capital and financial base for future growth;
- (E) it would allow for an integrated and coordinated approach to investment strategies and more efficient allocation of capital and cash management;
- (F) it would broaden the Transferee Company's product portfolio by adding plywood and allied products;
- (G) it would prevent overlap of sales and marketing channels of the Transferor Company and the Transferee Company;
- (H) it would consolidate administrative and managerial functions and elimination of multiple record-keeping, *inter alia*, other expenditure and optimal utilization of resources by elimination of unnecessary duplication of activities and related costs thus resulting in reduced expenditure.

The Amalgamation pursuant to the Scheme is in the interest of both the Transferor Company and the Transferee Company, their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.



(f) Benefits of the compromise or arrangement as perceived by the Board of Directors to the company, members, creditors, and others (as applicable)

Please refer to paragraph no. (vi) below for benefits of the Scheme as perceived by the Board to the Transferee Company, members, creditors, and other stakeholders.

(g) Amounts due to unsecured creditors.

The Transferee Company has unsecured creditors to whom a credit of INR 2,534,434,391/- was due as on 30 November 2022.

The Transferor Company has unsecured creditors to whom a credit of INR 275,885,980/- was due as on 30 November 2022.

(vi) Disclosure about the effect of the compromise or arrangement on:

(A) Transferor Company

Sr. No.	Category of stakeholder	Effect of scheme on stakeholders
1.	Shareholders	<p>The Transferor Company has only one class of shareholders i.e., the equity shareholders and does not have any preference shareholders.</p> <p>The Board noted that the proposed Scheme is in the interest of the shareholders. The Board also noted that pursuant to the Scheme, the entire business, assets and liabilities of the Transferor Company shall vest in the Transferee Company.</p> <p>Upon the Scheme becoming effective, the Transferee Company, in terms of the Scheme, shall issue and allot its 1 (one) equity shares of the face value of INR 1/- each credited as fully paid up for every 2 (two) fully paid-up equity shares of the face value of INR 5/- each held in Transferor Company.</p> <p>If any shareholder of the Transferor Company becomes entitled to a fractional of a new equity share, entitlements or credit on the issue and allotment of the new equity shares by the Transferee Company, all the fractional entitlements of various shareholders shall be aggregated and without any further act, deed or thing to be done, such consolidated new equity shares shall stand vested in a trust to be set up by the board of the Transferee Company. Such trust shall dispose of the aggregate of all such fractional holdings within a period of 90 days from the date of allotment of the new equity shares and distribute the net proceeds (after deduction of expenses incurred) to the respective shareholders of the Transferor Company in proportion to their respective fractional entitlements.</p> <p>The shares allotted to shareholders of the Transferor Company shall rank <i>pari passu</i> in all respects with the then existing shares of the Transferee Company and accordingly such shareholders will have share in larger business operations and asset base.</p> <p>Considering the overall rationale and benefit of the Scheme, the Board is of the view that the Scheme is in the best interest of all stakeholders, including the shareholders of the Transferor Company, and no shareholder of the Transferor Company is expected to have disproportionate advantage or disadvantage in any manner.</p>

Sr. No.	Category of stakeholder	Effect of scheme on stakeholders
		The Scheme is in the best interests of the shareholders of the Transferor Company, including the minority shareholders, and will not adversely affect their rights or interest of any shareholder of the Transferor Company, in any manner whatsoever.
2.	Promoters	The Transferee Company is the promoter of the Transferor Company and holds 74.91% of the share capital of the Transferor Company. Upon the coming into effect of this Scheme and with effect from Appointed Date, the entire issued and paid up share capital of the Transferor Company held by the Transferee Company shall automatically stand cancelled without any further application, act or deed and there shall be no obligation in that behalf on the Transferee Company.
3.	Non-Promoter Shareholders	Refer Entry 1 of this table for details regarding effect on the shareholders.
4.	Key Managerial Persons	<p>Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. In the circumstances, the key managerial personnel of Transferor Company shall cease to be the key managerial personnel of the Transferor Company and they will not become key managerial personnel of the Transferee Company.</p> <p>They key managerial personnel of Transferor Company and their relatives may be deemed to have an interest in the Scheme to the extent of the equity shares held by them in the Transferor Company and/or the Transferee Company.</p>
5.	Directors	<p>Upon the Scheme becoming effective, Transferor Company shall stand dissolved without being wound up. In the circumstances, the directors of Transferor Company shall cease to be the directors of Transferor Company and they will not become directors of the Transferee Company.</p> <p>The directors of Transferor Company and their relatives may be deemed to have an interest in the Scheme to the extent of the equity shares held by them in the Transferor Company and/or the Transferee Company</p>
6.	Employees	Upon the Scheme becoming effective, all staff and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff and employees of the Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to their employment in Transferor Company.
7.	Creditors	Upon the Scheme becoming effective, the liabilities of the Transferor Company shall stand transferred to the Transferee Company.

Sr. No.	Category of stakeholder	Effect of scheme on stakeholders
		The Scheme does not affect the rights of the creditors of the Transferor Company as there will not be any reduction in amounts payable to the creditors of the Transferor Company post sanctioning of the Scheme. Further, the Scheme shall not affect the rights of the creditors of the Transferor Company as the Transferee Company is financially sound, solvent and profit making, as may be evidenced by its financial statements.
8.	Debenture Holders	Not applicable.
9.	Depositors	Not applicable.
10.	Debenture Trustee/ Deposit Trustee	Not applicable.

A report adopted by the Board of Directors of the Transferor Company explaining effect of the Scheme on its equity shareholders, key managerial personnel, promoters and non-promoter shareholders, is attached at **Annexure 7**.

(B) Transferee Company

Sr. No.	Category of stakeholder	Effect of scheme on stakeholders
1.	Shareholders	<p>The Transferee Company has only one class of shareholders i.e., the equity shareholders and does not have any preference shareholders.</p> <p>The Board noted that the proposed Scheme is in the interest of the shareholders. The Board also noted that pursuant to the Scheme, the entire business, assets and liabilities of the Transferor Company shall vest in the Transferee Company.</p> <p>Upon the Scheme becoming effective, the Transferee Company, in terms of the Scheme, shall issue and allot its 1 (one) equity shares of the face value of INR 1/- each credited as fully paid up for every 2 (two) fully paid up equity shares of the face value of INR 5/- each held in Transferor Company.</p> <p>The shares allotted to shareholders of the Transferor Company shall rank <i>pari passu</i> in all respects with the then existing shares of the Transferee Company.</p> <p>Considering the overall rationale and benefit of the Scheme, the Board is of the view that the Scheme is in the best interest of all shareholders, including the shareholders of the Transferee Company, and no shareholder is expected to have disproportionate advantage or disadvantage in any manner.</p> <p>The Scheme is in the best interests of the shareholders of the Transferee Company, including the minority shareholders, and will not adversely affect their rights or interest of any shareholder of the Transferee Company, in any manner whatsoever.</p>
2.	Promoters	<p>The Promoters will be treated at par with the other (non-promoter) shareholders of the Transferee Company.</p> <p>Please refer to Entry 1 above of this table for details regarding effect on the shareholders of the Transferee Company.</p>

Sr. No.	Category of stakeholder	Effect of scheme on stakeholders
3.	Non-Promoter Shareholders	Please refer to Entry 1 above of this table for details regarding effect on the shareholders of the Transferee Company.
4.	Key Managerial Persons	Upon the Scheme becoming effective, no key managerial personnel of the Transferee Company is expected to have disproportionate advantage or disadvantage in any manner.
5.	Directors	Upon the Scheme becoming effective, no director of the Transferee Company is expected to have disproportionate advantage or disadvantage in any manner.
6.	Employees	Upon the Scheme becoming effective, there will be no impact on the employment of employees of the Transferee Company.
7.	Creditors	The Scheme does not affect the rights of the creditors of the Transferee Company as there will not be any reduction in amounts payable to the creditors of the Transferee Company post sanctioning of the Scheme. Further, the Scheme also does not affect the rights of the creditors of the Transferee Company as the Transferee Company is financially sound, solvent and profit making, as may be evidenced by its financial statements.
8.	Debenture Holders	Refer Entry 7 of this table for details regarding effect on the debenture holders of the Transferee Company.
9.	Depositors	Not applicable.
10.	Debenture Trustee/ Deposit Trustee	The Scheme is not expected to have any adverse effect on the debenture trustee of the Transferee Company i.e. Axis Trustee Services Limited.

A report adopted by the Board of Directors of the Transferee Company explaining effect of the Scheme on its equity shareholders, key managerial personnel, promoters and non-promoter shareholders, is attached at **Annexure 8**.

(vii) Disclosure about effect of compromise or arrangement on material interests on directors, Key Managerial Personnel (KMP) and debenture trustee.

None of the Key Managerial Personnel (as defined under the Act) of Transferee Company and their respective Relatives (as defined under the Act) have any interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Transferee Company, if any. The effect of the Scheme on the material interests of its directors and Key Managerial Personnel of the Transferee Company and their respective Relatives, is not in any way different from the effect on other shareholders of the Transferee Company. The details of the shareholding of the directors and Key Managerial Personnel of the Transferee Company as on date of notice is as follows:

Sr. No.	Name	Designation	No. of shares held in the Company
1.	Shiv Prakash Mittal	Non-Executive Chairman	2530000
2.	Saurabh Mittal	Managing Director & CEO	11645855
3.	Parul Mittal	Whole-time Director	2394000
4.	Matangi Gowrishankar	Independent Director	NIL
5.	Sandip Das	Independent Director	15025
6.	Yogesh Kapur	Independent Director	NIL

Sr. No.	Name	Designation	No. of shares held in the Company
7.	Ashok Kumar Sharma	Chief Financial Officer	28000
8.	Prakash Kumar Biswal	Company Secretary & Vice President – Legal	25

*(viii) Details of Investigations or proceedings instituted or pending against the Transferee Company or Transferor Company under the Act:*

There are no proceedings / investigations pending against the Transferee Company or the Transferor Company under Sections 210 – 217, 219, 220, and 223 – 227 of the Act. Further, no winding up petition is pending against the Transferee Company or the Transferor Company.

As on date of this Notice, the Transferee Company is involved in adjudication, recovery and other proceedings initiated against it, a list of which is annexed as **Annexure 9**. Proceedings that are pending adjudication against the directors of the Transferee Company are also set out at **Annexure 10**. There are no proceedings pending adjudication against the promoter of the Transferee Company.

As on date of this Notice, there are no proceeding pending against the Transferor Company. There are proceedings pending adjudication, against one of the directors of the Transferor Company, as set out at **Annexure 11**.

There are proceedings pending adjudication against the promoter of the Transferor Company i.e., the Transferee Company, which have been set out at Annexure 9.

*(ix) Details of availability of the documents for obtaining extracts from or making or obtaining copies.*

Copies of the following documents will be available for obtaining extract from or for making or obtaining copies of or for inspection by the members of the Transferee Company at its registered office between 11:00 a.m. to 02:00 p.m. on all working days (Monday to Friday) up to the date of the Meeting and on the website of the Transferee Company at investor.relations@greenlam.com.

An advance notice should be given by e-mail to the Transferee Company at investor.relations@greenlam.com, if it is desired to obtain copies of the Notice from the registered office of the Transferee Company. Alternatively, a request for obtaining an electronic/soft copy of the Notice may be made by writing an email to www.greenlamindustries.com.

- (A) This Notice, Explanatory Statement and all documents annexed hereto;
- (B) Certified copy of the Order;
- (C) Copy of the Scheme;
- (D) Copies of Memorandum of Association and Articles of Association of the Transferee Company and the Transferor Company;
- (E) Copy of the latest consolidated financial details of the Transferee Company as of 31 March 2022;
- (F) Copy of the latest standalone financial details of the Transferor Company as of 31 March 2022;
- (G) Copy of the last unaudited standalone and consolidated financial results of the Transferee Company for the quarter and nine months ended 31 December 2022 which were subjected to limited review by an independent auditor and approved by the Board of Directors of the Transferee Company;
- (H) Copy of the last unaudited financial results of the Transferor Company for the quarter and nine months ended 31 December 2022 which were subjected to limited review by an independent auditor and approved by the Board of Directors of the Transferor Company;
- (I) Copy of valuation report dated 29 June 2022 issued by Incwert Advisory Private Limited obtained by the Transferee Company and Transferor Company recommending the share exchange ratio;

- (J) Copy of report dated 29 June 2022 obtained by Transferee Company from SKP Securities Limited, certifying that the share exchange ratio provided in the valuation report and contemplated in the Scheme is fair and reasonable to the shareholders of the Transferee Company;
  - (K) Copy of report dated 29 June 2022 obtained by Transferor Company from Srujan Alpha Capital Advisors LLP, certifying that the share exchange ratio provided in the valuation report and contemplated in the Scheme is fair and reasonable to the shareholders of the Transferor Company;
  - (L) Copies of the certificates issued by the respective statutory auditors of the Transferee Company and Transferor Company certifying the accounting treatment provided in the Scheme as being compliant with applicable Accounting Standards as specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other generally accepted accounting principles;
  - (M) Copies of audit committee report and committee of independent directors of the Transferee Company and Transferor Company recommending the Scheme;
  - (N) Copies of board resolution dated 30 June 2022 of the Transferee Company and Transferor Company approving the Scheme;
  - (O) Copies of observation letters dated 11 January 2023 granted from BSE and NSE to the Transferee Company and observation letter dated 11 January 2023 granted from BSE to the Transferor Company;
  - (P) Copies of report adopted by Board of Directors of Transferee Company and Transferor Company as per provisions of Section 232(2)(c) of the Act;
  - (Q) Copy of pre-scheme and post-scheme shareholding pattern of the Transferee Company;
  - (R) Copy of pre-scheme shareholding pattern of the Transferor Company;
  - (S) Copies of contracts or agreements material to the compromise or arrangement;
  - (T) Copies of Form GNL-1 filed with the Registrar of Companies, Delhi along with challans, evidencing filing of the Scheme;
  - (U) Copy of net-worth certificates dated 31 March 2022 and 30 September 2022 certifying net worth of Transferee Company
- (x) Details of approvals, sanctions, or no-objection(s) from regulatory or any other governmental authorities required, received or pending for the purpose of the Scheme:
- (A) In terms of Regulation 94 of the Listing Regulations, the BSE and the NSE by their respective letters dated 11 January 2023, have issued their observations to the Scheme for the Transferee Company conveying their no adverse observation to the Scheme. Copy of the Observation Letters dated 11 January 2023 as received from BSE and NSE are enclosed as **Annexure 12** and **Annexure 13**, respectively.
  - (B) As required by the SEBI Scheme Master Circular, the Transferee Company has filed its Complaints Report dated 19 August 2022 with the BSE and Complaints Report dated 19 September 2022 with the NSE. Copies of the complaints reports of BSE and NSE filed by the Transferee Company are enclosed as **Annexure 14** and **Annexure 15**, respectively.
  - (C) The Scheme was filed by the Transferee Company and Transferor Company with Hon'ble NCLT on 16 January 2023 and the Hon'ble NCLT has passed directions to convene Meeting vide Order pronounced on 22 February 2023.
  - (D) The Scheme is subject to approval by the requisite majority of the shareholders, secured and unsecured creditors of the Transferee Company and Transferor Company in terms of the applicable provisions of the Act and the Merger Rules.
  - (E) Further the Transferee Company confirms that the Notice of the Scheme in prescribed form is also being served on all concerned authorities in terms of the Hon'ble NCLT's Order including the Central Government, the Registrar of Companies, the Income-tax authority, SEBI, BSE, NSE.

- (F) The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.
- (G) *Brief background and salient features of the Scheme are as follows:*
- (a) Upon the Scheme coming into effect and with effect from the Appointed Date, the Transferor Company together with all its properties, assets, investments, liabilities, rights, benefits, interests, title or power of every kind, nature, description and obligations therein shall be and stand merged and transferred to, and vested in, and shall be deemed to be transferred to and vested in the Transferee Company on a going concern basis in the manner described hereunder, and shall become the property of and an integral part of the Transferee Company;
  - (b) Public shareholders holding 25.09% of the Transferor Company's total paid up share capital (as remaining 74.91% of the total paid up share capital of the Transferor Company is held by the Transferee Company), will become shareholders of the Transferee Company, by virtue of the merger;
  - (c) Appointed Date means 1 April 2022 or such other date as the Board of Directors of the Transferor Company or the Transferee Company may determine or as the Securities and Exchange Board of India, the Stock Exchanges or the Hon'ble NCLT may direct;
  - (d) Effective Date or coming into effect of this Scheme or upon the Scheme becoming effective or effectiveness of the Scheme means the date on which the certified copy of the order of the Hon'ble NCLT under Sections 230 to 232 of the Act sanctioning the Scheme is filed with the relevant Registrar of Companies. In case the certified copy of the order of the Hon'ble NCLT are filed with the relevant Registrar of Companies on different dates, then the later of such date of filing(s) will be the Effective Date;
  - (e) The Scheme shall be effective from the Appointed Date but shall be operative from the Effective Date;
  - (f) Upon the Scheme becoming effective, all staff and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff and employees of the Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to their employment in Transferor Company.
  - (g) The Scheme is conditional upon and subject to the following:
    - i. The Scheme being approved by the respective requisite majorities of the members and / or creditors of the Transferor Company and the Transferee Company as required under the Act and as may be directed by the Hon'ble NCLT and / or any other competent authority and it being sanctioned by the Hon'ble NCLT and / or any other competent authority, as may be applicable, subject to any dispensation granted by the Hon'ble NCLT from convening meetings of the members and / or creditors received by the Transferor Company and / or the Transferee Company;
    - ii. the Scheme being approved by the public shareholders of the Transferor Company and the Transferee Company including through e-voting in accordance with the SEBI Merger Circulars;
    - iii. the requisite sanctions, approvals, no-objections or consents of the SEBI, the Stock Exchanges or any governmental or regulatory authority, as may be required by Applicable Law; and
    - iv. the certified copy of the order of the Hon'ble NCLT sanctioning the Scheme, being filed with the relevant Registrar of Companies by the Transferor Company and the Transferee Company.

Upon the Scheme coming into effect, the equity shares issued to the public shareholders of the Transferor Company holding 25.09% of the Transferor Company's total paid up share capital are proposed to be listed on the BSE and NSE.

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound-up. Further, on and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the relevant Registrar of Companies.

A copy of the proposed Scheme is attached as Annexure 2 to this Notice and Explanatory Statement.

The Scheme is not prejudicial to the interest of the shareholders and creditors of the Transferee Company.

The features set out above being only the salient features of the Scheme, which are subject to details set out in the Scheme, the equity shareholders are requested to read the entire text of the Scheme (annexed herewith) to get fully acquainted with the provisions thereof and the rationale and objectives of the Scheme.

(xi) Additional disclosures required in terms of the Observation Letter

- A. *Transferee Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Transferee Company, its promoters and directors, before Hon'ble NCLT and Shareholders, while seeking approval of the scheme.*

A list of litigations as of the date of this notice have been enclosed as Annexure 9, Annexure 10 and Annexure 11 to this Explanatory Statement.

- B. *The entities involved in the scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*

Transferor Company and the Transferee Company shall comply with the provisions of the SEBI Scheme Master Circular. As has been expressly set-out under clause 6 of the Scheme, all the liabilities of Transferor Company shall stand transferred to the Transferee Company upon the Scheme coming into effect and with effect from the Appointed Date.

- C. *Transferee Company shall ensure that additional information and undertakings, if any, submitted by the Transferee Company, after filing the scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the listed company and the Stock Exchanges.*

Any additional information and undertakings submitted by the Transferee Company, after filing the scheme with the Stock Exchange, from the date of receipt of the observation letters from the stock exchanges shall be displayed on the website of the Transferee Company at [www.greenlamindustries.com](http://www.greenlamindustries.com).

- D. *Transferee Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*

The financials in the scheme including financials considered for valuation report are not for period more than 6 months old. Transferee Company has obtained Registered Valuer's Report on Fair Share Exchange Ratio dated 29 June 2022 issued by Incwert Advisory Private Limited (IBBI Registration No. IBBI/RV-E/05/2019/108), Registered Valuer, recommending the share exchange ratio. The audited financial results for the year ended 31 March 2022 have been considered for the Registered Valuer's Report.

- E. *Transferee Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*

As set-out under clause 8.7 of the Scheme of Arrangement filed with the Hon'ble NCLT, the proposed equity shares will be issued mandatorily in dematerialised form to the shareholders of the Transferor Company. All those shareholders who hold shares of Transferor Company in physical form shall also receive the proposed equity shares in dematerialized form provided the details of their account with the depository participant are intimated in writing to the Transferee Company and/or its registrar at least 2 working days before the Record Date, or such other time period, as may be prescribed in



accordance with the applicable laws. If no such intimation is received from any shareholder who holds shares of the Transferor Company in physical form at least 2 working days before the Record Date, or such other time period, as may be prescribed in accordance with the applicable laws, or if the details furnished by any shareholder do not permit electronic credit of the shares of the Transferee Company, then such proposed equity shares shall stand vested in a trust to be set up by the Board of the Transferee Company and will be credited to the respective depository participant accounts of such shareholders as and when the details of such shareholders' account with the depository participant are intimated in writing by the shareholders to the Transferee Company and/or its registrar.

Dated: 16 March 2023  
Place: New Delhi

Sd/-  
**G. P. Madaan**  
Chairperson appointed for the Meeting

**Registered office:**  
**Greenlam Industries Limited**  
203, 2nd Floor, West Wing,  
Worldmark 1, Aerocity,  
IGI Airport, Hospitality District,  
New Delhi - 110 037  
CIN: L21016DL2013PLC386045  
Website: [www.greenlamindustries.com](http://www.greenlamindustries.com)  
E-mail: [investor.relations@greenlam.com](mailto:investor.relations@greenlam.com)



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**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**NEW DELHI BENCH**  
**COURT- IV**

**CA (CAA) 6/(ND)/2023**

Under Sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromise, Arrangements and Amalgamation Rules, 2016)

**IN THE MATTER OF SCHEME OF AMALGAMATION OF:**

**HG INDUSTRIES LIMITED**

.....TRANSFEROR COMPANY  
(APPLICANT COMPANY-1)

AND

**GREENLAM INDUSTRIES LIMITED**

.....TRANSFeree COMPANY/  
(APPLICANT COMPANY -2)

**WITH THEIR  
RESPECTIVE SHAREHOLDERS AND CREDITORS**

(Hereinafter the Applicant Company No.1 and Applicant Company No.2 are collectively referred to as 'the Applicant Companies')

**Order Delivered on: 22.02.2023**

**CORAM:**

**SH. P.S.N. PRASAD, HON'BLE MEMBER (JUDICIAL)**

**DR. BINOD KUMAR SINHA, HON'BLE MEMBER (TECHNICAL)**

**ORDER**

**PER: DR. BINOD KUMAR SINHA, MEMBER (TECHNICAL)**

Under Consideration is the Company Scheme Application jointly filed by the Applicant Companies under Sections 230 and 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) for the purpose of approving the proposed Scheme of Amalgamation ('Scheme') of M/s. HG Industries Limited (Applicant

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Company No.1/Transferor Company) and M/s. Greenlam Industries Limited (Applicant Company No.2/Transferee Company). The copy of the proposed scheme of Amalgamation has been placed on record. It is represented that the registered office of both the Applicant Companies are situated in Delhi, therefore, jurisdiction lies with this Tribunal.

2. M/s. HG Industries Limited ("Transferor Company" or "Applicant Company - 1") bearing CIN: L20100DL1987PLC408363 was incorporated on 11.12.1987 and registered office of the Applicant Company-1 is presently situated at B 203, 2nd Floor, West Wing, Worldmark 1, Aero city , IGI Airport, Hospitality District, New Delhi - 110037. The Authorized Share Capital of the Applicant Company- 1 is Rs.4,00,00,000/-. The issued, subscribed and paid-up capital of the Applicant Company-1 is Rs.2,31,67,840/-.
3. M/s. Greenlam Industries Limited ("Transferee Company" or "Applicant Company No. 2") bearing CIN: L21016DL2013PLC386045 was incorporated on 12.08.2013 having its registered office situated at 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi South West Delhi DL 110037. The Authorized Share Capital of the Applicant Company- 2 is Rs.15,00,00,000/-. The issued, subscribed and paid-up capital of the Applicant Company-2 is Rs.12,06,81,870/-.
4. The Board of Directors of the respective Applicant Companies have approved the proposed Scheme of Amalgamation in their respective Board Meetings held on 30.06.2022. The certified copy of the Board Resolutions of the Applicant Company No.1 and Applicant Company No.2 are annexed as Annexure A-XXIII (Page 836-839) and Annexure A-XXIV (Page 840-843) of the Company Scheme Application respectively.
5. The Learned Counsel for the Applicant Companies submits that the shares of the Applicant Company No.1 and Applicant Company No.2 are listed on the Stock Exchanges. The no objection letter dated 11.01.2023 issued by

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BSE to Applicant Company No.1 is annexed as Annexure A – XXV (Page no. 844-846) of the Company Scheme Application. The no objection letter dated 11.01.2023 issued by BSE and letter dated 11.01.2023 issued by NSE are annexed to Applicant Company No.2 are annexed as Annexure A-XXVI (Page no. 847-849) and Annexure-XXVII (Page no. 850-852) of the Company Scheme Application respectively.

6. The Learned Counsel for the Applicant Companies submit that Transferee Company/Applicant Company No.2 holds 74.91 % of the paid-up share capital of the Transferor Company/Applicant Company No.1. The business activities of the Transferee Company and the Transferor Company complement each other.
7. The Learned Counsel for the Applicant Companies submits that the rationale for the Scheme of Amalgamation between the Applicant Companies are as follows:
  - a. The amalgamation would enable the Transferee Company to leverage its combined assets and to create a more competitive business, both in scale and operations;
  - b. The amalgamation would consolidate the businesses of the Transferor Company and the Transferee Company resulting in focused growth, operational efficiencies, business synergies and unlocking the value of the assets of the Transferor Company;
  - c. The amalgamation would enhance operational, organizational and financial efficiencies, and achieve economies of scale by pooling resources and ultimately enhancing overall shareholders value;
  - d. The amalgamation would achieve synergies in costs (particularly in respect of customer relationship management and establishing sales and marketing channels), operations, a stronger and wider capital and financial base for future growth; and
  - e. The amalgamation would allow for an integrated and coordinated approach to investment strategies and more efficient allocation of capital and cash management.





8. The Applicant Companies have placed on record their respective Certificate of Incorporation ('CoI'), Memorandum of Association ('MoAs'), Article of Associations ('AoAs'), List of Directors and MCA Master Date. The Applicant Companies further placed on record the Audited Balance Sheet of the respective Applicant Companies as on 31.03.2022 and unaudited Half Yearly Financial Results of the respective Applicant Companies as on 30.09.2022.
9. The Applicant Companies have placed on record respective certificate from statutory auditors of the Applicant Companies certifying that accounting treatment provided in the Scheme is being compliant with the applicable Accounting Standards as specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other generally accepted accounting principles. The copy of the Certificate issued by the statutory Auditor of the Applicant Company No.2 and Applicant Company No.1 are annexed as Annexure A-XXXVIII (page no. 947-949) and 'Annexure A-XXXIX' (page no.950-953) respectively to the Company Scheme Application.
10. The Learned Counsel for the Applicant Companies submits that the Appointed Date for the Scheme of Amalgamation means April 01,2022 or such other date as the Board of Directors of the Transferor Company or the Transferee Company may determine or as the Securities and Exchange Board of India, the Stock Exchanges or the Tribunal(s) may direct. The copy of the Scheme of Amalgamation between the Applicant Companies is annexed as 'Annexure A-XXVIII' (page no. 853-873) to the Company Scheme Application.





11. The Learned Counsel for the Applicant Companies submits that upon coming into effect of the Scheme:-
- (i) the 34,70,966 equity shares aggregating to 74.91% of the entire issued and paid-up share capital of the Transferor Company held by the Transferee Company shall automatically stand cancelled, and
  - (ii) the public shareholders of the Transferor Company holding the balance 25.09% of the share capital shall be issued and allotted in dematerialized form, at the earliest 1 equity share of the Transferee Company of INR 1 fully paid up in exchange for 2 equity shares of INR 5 each fully paid up of the Transferor Company.
12. The Learned Counsel for the Applicant Companies submits that the Transferee Company and the Transferor Company, collectively have obtained a valuation report dated 29 June 2022 from M/s. Incwert Advisory Private Limited recommending the above-mentioned share exchange ratio. The copy of the valuation report dated 29.07.2022 issued by M/s. Incwert Advisory Private Limited is annexed as 'Annexure A-XXXI (page no. 883-897)'.
13. The Learned Counsel for the Applicant Companies submit that the Applicant Company No.1 as on 06.01.2023 has 1,330 Equity Shareholders and no preference shareholders or other category of shareholders. The copy of the certificate of the Chartered Accountant certifying the list of the Equity Shareholders of the Applicant Company No.1 as on 06.01.2022 is annexed as 'Annexure A-XVI' (page no. 707-815) to the Company Scheme Application.
14. The Learned Counsel for the Applicant Companies submits that there is only 'One' Secured Creditor in the Applicant Company No.1 to whom a credit of INR 212,872,402/- was due as on 30 November 2022. Further, it is submitted that the Secured Creditor holding 100 % of value of debt has by way of an affidavit has given written consent to the proposed scheme of Amalgamation. The copy of the certificate of the Chartered Accountant certifying the list of the Secured Creditors of the Applicant Company No.1 as

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on 30.11.2022 is annexed as 'Annexure A-XVII' (page no.816-817) to the Company Scheme Application. The copy of the consent affidavit from the Secured Creditor of the Applicant Company No.1 is annexed as 'Annexure A-XXXV (Colly.)' (page no. 915-942) to the Company Scheme Application.

15. The Learned Counsel for the Applicant Companies submits that there are '8' Unsecured Creditors aggregating to the value of Rs.275,885,980/- as on 30.11.2022 in the Applicant Company No.1. The certificate of the chartered accountant certifying list of the Unsecured Creditors of the Applicant Company No.1 as on 30.11.2022 is annexed as 'Annexure A-XVIII' (page no. 818-819) to the Company Scheme Application.
16. The Learned Counsel for the Applicant Companies submit that the Applicant Company No.2 as on 06.01.2023 has 13,464 Equity Shareholders and and no preference shareholders or any other category of shareholders. The copy of the certificate of the Chartered Accountant certifying the list of the Equity Shareholders of the Applicant Company No.1 as on 06.01.2022 is annexed as 'Annexure A-VI' (page no. 214 -613) to the Company Scheme Application.
17. The Learned Counsel for the Applicant Companies submits that there are '8' Secured Creditors in the Applicant Company No.2 to whom a total credit of Rs.3,129,916,101/- is due as on 30.11.2022. Further, it is submitted that all the '8' Secured Creditor holding 100 % of value of debt have by way of affidavit have given written consent to the proposed scheme of Amalgamation. The certificate of the chartered accountant certifying the list of secured creditors of the Applicant Company No.2 as on 30.11.2022 is annexed as 'Annexure A-VII' (page no. 614-615) to the Company Scheme Application. The copy of the consent affidavit of the Secured Creditors of the Applicant Company No.2 are annexed as Annexure A-XXXVII (page no.994-946) to the Company Scheme Application.
18. The Learned Counsel for the Applicant Companies submits that the Applicant Company No.2 has '697' unsecured creditors to whom a credit of INR 2,534,434,391/- was due as on 30 November 2022. The certificate of

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the chartered accountant certifying list of the Unsecured Creditors of the Applicant Company No.2 as on 30.11.2022 is annexed as 'Annexure A-VIII' (page no. 616-632) to the Company Scheme Application.

19. We have heard the Learned Counsel for the Applicant Companies and perused the record. Taking into consideration aforesaid submissions, following directions are issued: -

**A1. In relation to Transferor Company/Applicant Company No.1**

**i) With respect to convening the meeting of the Equity Shareholders: -**

In view of the fact that the Applicant Company No.1 being a listed entity and has 1330 Equity Shareholders, **meeting of the Equity Shareholders of the Applicant Company No.1 is directed to be held within a period of 60 days at such date and time as mutually decided by the Applicant Company No.1 and the Chairperson appointed** at Registered Office of the Applicant Company No.1 or such other place as may be decided within the jurisdiction where registered office is situated or through audio visual means enabled with e-voting for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed Scheme of Amalgamation. The quorum for the meeting of Equity Shareholders of the Applicant Company No.1 is at least 250 equity shareholders present in person or through Authorised Representative.

**ii) With respect to convening the meeting of the Secured Creditors: -**

The Applicant Company No.1 has only 1(one) Secured Creditor to whom, a credit of INR 212,872,402/- is due as on 30.11.2022 and the sole secured creditor has given its written consent to the proposed Scheme of Amalgamation. Therefore, in view of Section 230 (9) of the Companies Act, 2019, the requirement of convening the meeting of the **Secured Creditors of the Applicant Company No.1 is hereby dispensed with.**







iii) **With respect to convening the meeting of the Unsecured Creditors: -**

In view of the fact that the Applicant Company No.1 has '8' Unsecured Creditors aggregating to the value of Rs.275,885,980/- in the Applicant Company No.1, meeting of the Unsecured Creditors of the **Applicant Company No.1 is directed to be** within a period of 60 days at such date and time as mutually decided by the Applicant Company No.1 and the Chairperson appointed at Registered Office of the Applicant Company No.1 or such other place as may be decided within the jurisdiction where registered office is situated or through audio visual means enabled with e-voting for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed Scheme of Amalgamation. The quorum for the meeting of Unsecured Creditors of the Applicant Company No.1 is at least 3 Unsecured Creditors present in person or through Authorised Representative.

iv) Dr. V.K. Subburaj (Mobile No. 9868284555, Email Id vksubburaj80@gmail.com) is appointed as the Chairperson, Mr. Vishal Ganda, Advocate (Mobile No. 9811177701, Email Id vishal.ganda@covg.co.in) is appointed as Alternate Chairperson and Mr. Kushagra Goyal, Chartered Accountant (Mobile No. 9811097574 , Email Id-fca.kushagraoyal@gmail.com), is appointed as Scrutinizer for both the meeting of the Equity Shareholders and Unsecured Creditors of the Applicant Company No.1 in terms of the direction issued herein.

v) The Fees of the Chairperson for the aforesaid both the meetings shall be Rs.1,50,000/-. The Fees of the Alternate Chairperson for the aforesaid both the meetings Shall be Rs.1,25,000/- and the Fees of the Scrutinizer for the aforesaid both the meetings shall be Rs.1,25,000/- in addition to meeting their incidental expenses. The fees of Chairperson, Alternate Chairperson and Scrutinizer along with the travelling expenses and other out of pocket expenses shall be borne by the Applicant Companies. A copy of this order shall be supplied to the learned counsels for the Applicant

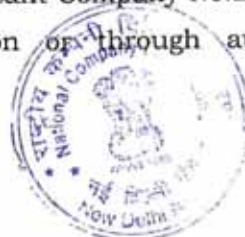


Companies who in turn shall supply a copy of the same to the Chairperson, Alternate Chairperson and the Scrutinizer.

- vi) The Applicant Company No.1 is further directed to serve notice along with copy of scheme upon: (1) the Regional Director (Northern region), Ministry of Corporate Affairs, Delhi; (2) the Registrar of Companies, NCT of Delhi & Haryana; (3) Income Tax Authority within whose jurisdiction the Applicant Company No.1 is assessed to tax; (4) SEBI; (5) NSE; (6) BSE; (7) Official Liquidator, Lok Nayak Bhavan, 8<sup>th</sup> Floor, Khan Market, New Delhi-11001 and any sectoral authorities who may have bearing on the operation of the Applicant Company No.1, pursuant to Section 230(5) of the Companies Act, 2013 and Rule 8 of the Companies (Compromises Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from such authorities within 30 days of the date of receipt of the notice, it will be presumed that they have no objection to the proposed Scheme.

**A2. In relation to Transferee Company/Applicant Company No.2**

- i) **With respect to convening the meeting of the Equity Shareholders: -**  
In view of the fact that the Applicant Company No.1 being a listed entity and has 13,464 Equity Shareholders, **meeting of the Equity Shareholders of the Applicant Company No.2 is directed to be held on within a period of 60 days at such date and time as mutually decided by the Applicant Company No.2 and the Chairperson appointed** at Registered Office of the Applicant Company No.2 or such other place as may be decided within the jurisdiction where registered office is situated or through audio visual means enabled with e-voting for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed Scheme of Amalgamation. The quorum of the meeting of the Equity Shareholders of the Applicant Company No.2 is at least 600 equity shareholders present in person or through authorised Authorised Representative.



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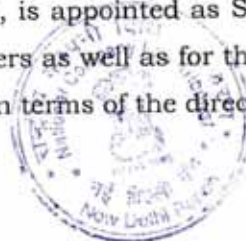
ii) **With respect to convening the meeting of the Secured Creditors: -**

The Applicant Company No.2 has 8 (eight) Secured Creditors to whom, a total credit of INR 3,129,916,101/- is due as on 30.11.2022 and all the Secured Creditors have given their respective written consent to the proposed Scheme of Amalgamation. Therefore, in view of Section 230 (9) of the Companies Act, 2019, the requirement of convening the meeting of the **Secured Creditors of the Applicant Company No.2 is hereby dispensed with.**

iii) **With respect to convening the meeting of the Unsecured Creditors: -**

In view of the fact that Applicant Company No.2 has '93' Unsecured Creditors aggregating to the value of Rs.2,534,434,391/- as on 30.11.2022, **meeting of the Unsecured Creditors of the Applicant Company No.2 is directed to be held** within a period of 60 days at such date and time as mutually decided by the Applicant Company No.2 and the Chairperson appointed at Registered Office of the Company or such other place as may be decided within the jurisdiction where registered office is situated or through audio visual means enabled with e-voting for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed Scheme of Arrangement. The quorum of the meeting of the Unsecured Creditors of the Applicant Company No.2 is at least 30 Unsecured Creditors present in person or through Authorised Representative.

- iv) Mr. G.P. Madaan, Advocate (Mobile No. 9810530312, Email Id- gpm@madaanlaw.in) is appointed as the Chairperson, Mr. Parvindra Nautiyal, Advocate, (Mobile No. 8882017384, Email Id Adv.parvindra@gmail.com) is appointed as Alternate Chairperson and Mr Gaurav Chauhan, Company Secretary (Mobile No. 9711717331 , Email Id- csgauravchauhan31@gmail.com), is appointed as Scrutinizer for both the meeting of the Equity Shareholders as well as for the Unsecured Creditors of the Applicant Company No.2 in terms of the direction issued herein.





- v) The Fees of the Chairperson for the aforesaid both the meetings shall be Rs.1,50,000/-. The Fees of the Alternate Chairperson for the aforesaid both the meetings Shall be Rs.1,25,000/- and the Fees of the Scrutinizer for the aforesaid both the meetings shall be Rs.1,25,000/- in addition to meeting their incidental expenses. The fees of Chairperson, Alternate Chairperson and Scrutinizer along with the travelling expenses and other out of pocket expenses shall be borne by the Applicant Companies.
- vi) The Applicant Company No.2 is further directed to serve notice along with copy of scheme upon: (1) the Regional Director (Northern region), Ministry of Corporate Affairs, Delhi; (2) the Registrar of Companies, NCT of Delhi & Haryana; (3) Income Tax Authority within whose jurisdiction the Applicant Company No.2 is assessed to tax; (4) SEBI; (5) NSE; (6) BSE and any sectoral authorities who may have bearing on the operation of the Applicant Company No.2, pursuant to Section 230(5) of the Companies Act, 2013 and Rule 8 of the Companies (Compromises Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from such authorities within 30 days of the date of receipt of the notice, it will be presumed that they have no objection to the proposed Scheme.
- B. The above-mentioned Applicant Companies to comply with the General Circular No. 10/2022 and General Circular No. 11/2022 read with General Circular No. 14/2020 dated 08<sup>th</sup> day of June, 2020 and General Circular No. 14/2020 dated 13<sup>th</sup> day of April, 2020 clarifying the passing of ordinary and special resolutions by companies under the Companies Act, 2013 read with rules made thereunder in case the meetings are conducted through audio visual means enabled with e-voting. The Companies may conduct the meeting of shareholders through Video Conferencing or Other Audio-Visual Means (VC/OAVM) and submit a report to this Tribunal about the compliance of the same.



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- C. In case the quorum as noted above for the aforesaid respective meetings is not present at the meeting, then the meeting shall be adjourned by half an hour. Thereafter the persons present and voting shall be deemed to constitute the quorum.
- D. A copy of this order shall be supplied to the learned counsels for the Applicant Companies who in turn shall supply a copy of the same to the respective Chairperson, Alternate Chairperson and the Scrutinizer of the meetings as directed above.
- E. That individual notices of the above said meetings shall be sent by the Applicant Companies through registered post or speed post or through courier or e—mail, 30 days in advance before the scheduled date of the meeting, indicating the day, date, the place and the time as aforesaid, together with a copy of Scheme, copy of explanatory statement, required to be sent under the Companies Act, 2013 and the prescribed form of proxy shall also be sent along with it, and in addition to the above any other documents as may be prescribed under the Act or Rules may also be duly sent with the notice.
- F. That an individual notice of the aforesaid meetings of the Applicant Companies shall be advertised in two local newspapers viz. “Business Standard” in English and translation thereof in “Business Standard” in Hindi, both circulated in Delhi not less than one month before the date fixed for the meetings. The Applicant Companies shall also publish the notice on their websites, if any and file a compliance affidavit of service with this Tribunal.
- G. The Chairperson shall be responsible to report the results of the meetings to the Tribunal in Form No. CAA 4, as per Rule 14 of the Rules within 7 (seven) days of the conclusion of the meetings. The Chairperson shall be assisted by the Alternate Chairperson and the Scrutinizer, who will assist the Chairperson and Alternate Chairperson in preparing and finalizing the reports.

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H. Voting shall be allowed on the proposed Scheme by voting in person, by proxy, through postal ballot or through electronic means as may be decided by the Chairperson in consultation with the counsel of the Applicant Companies in terms of the provisions of the Companies Act, 2013 and Rules framed there under.

20. The Applicant Companies Shall file Compliance Affidavit with regard to the directions given in this order proving dispatch of service of notices to relevant Equity Shareholders and Unsecured Creditors of the respective Applicant Company as well as service of notice to the regulatory authorities.

**Sd/-**  
**(DR. BINOD KUMAR SINHA)**  
**MEMBER (T)**

**Sd/-**  
**(P.S.N. PRASAD)**  
**MEMBER (J)**



*Vishal Rana*  
24-02-2023

*Prasad*  
24/02/2023  
सहायक पंजीयक  
ASSISTANT REGISTRAR  
राष्ट्रीय कम्पनी विधि अदिकरण  
NATIONAL COMPANY LAW TRIBUNAL  
C.G.O. COMPLEX, NEW DELHI-110003

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**SCHEME OF ARRANGEMENT  
BETWEEN  
HG INDUSTRIES LIMITED  
(FORMERLY KNOWN AS HIMALAYA GRANITES LIMITED)  
(AS THE TRANSFEROR COMPANY)  
AND  
GREENLAM INDUSTRIES LIMITED  
(AS THE TRANSFEREE COMPANY)  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND ALL CONCERNED**

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

**A. Preamble**

This Scheme of Arrangement (**Scheme**) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (**Act**) and the rules and regulations made thereunder, for the amalgamation of HG Industries Limited (**Transferor Company**) with and into Greenlam Industries Limited (**Transferee Company**), the consequent dissolution of the Transferor Company without winding up and matters incidental thereto.

**B. Parts of the Scheme**

This Scheme is divided into the following parts:

- Part I** - Which deals with preliminary matters, definitions of the terms used in the Scheme and sets out the objects, share capital, of the Transferor Company and the Transferee Company and rationale for the Scheme;
- Part II** - Which deals with the amalgamation of the Transferor Company with and into the Transferee Company; and
- Part III** - Which deals with the general terms and conditions applicable to this Scheme.

**PART I – PRELIMINARY, DEFINITIONS AND INTERPRETATIONS**

**1. PRELIMINARY**

- 1.1 The Transferor Company was incorporated on 11 December 1987 as Himalaya Granites Private Limited under the Companies Act, 1956. The Transferor Company's Corporate Identification Number was L20100TN1987PLC015161 and its registered office was situated at Panchalam Village, Melpettai Post, Tindivanam, Tamil Nadu – 604307. Subsequently, the Transferor Company was converted into a public limited company pursuant to a shareholders' resolution dated 28 February 1994 and a fresh certificate of incorporation was issued to the Transferor Company by the Registrar of Companies, Tamil



Nadu at Chennai on 21 March 1994. Pursuant to the said conversion, the name of the Transferor Company was changed from Himalaya Granites Private Limited to Himalaya Granites Limited. The name of the Transferor Company was changed from Himalaya Granites Limited to HG Industries Limited on 2 July 2021 pursuant to a fresh certificate of incorporation issued by the Registrar of Companies, Chennai. On 13 December 2021, the Board of Directors of the Transferor Company passed a resolution approving, *inter alia*, shifting its registered office from the State of Tamil Nadu to the National Capital Territory of Delhi. The members of the Transferor Company approved this shifting of registered office by passing a special resolution on 21 January 2022. Subsequently, the Transferor Company initiated the relevant process under the Act. On 12 October 2022, the Transferor Company received the approval of the Regional Director, Southern Region, Ministry of Corporate Affairs, Chennai for shifting registered office from the state of Tamil Nadu to National Capital Territory of Delhi. The registered office of the Transferor Company is now situated at 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi – 110 037, and the CIN of the Transferor Company now is L20100DL1987PLC408363.

1.2 The Transferee Company was incorporated on 12 August 2013 under the Companies Act, 1956. The Transferee Company's Corporate Identification Number is L21016DL2013PLC386045 and its registered office is situated at 203, 2<sup>nd</sup> Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi – 110 037.

1.3 The main objects of the Transferor Company as set out in its memorandum of association are as under:

**"The main objects to be pursued by the Company on its Incorporation are:**

*(1) To carry on business as manufacturers, traders, exporters, importers, dealers, wholesalers, retailers, service providers including installers, commission agents, of plywood of all sizes and descriptions, paper boards, hardboards, blockboards, insulation boards, teakwood, firewood, commercial and teak plywood, packing cases, medium density fibreboard, high density fibreboard, laminates of all sizes and descriptions, veneers, pre-laminated board, decorative laminates, decorative laminated sheets, high pressure laminates, post forming laminates, decorative veneers, ready to install doors, door sets, fire rated doors, panel doors, flush doors, windows, veneered engineered flooring and flooring of all kinds and descriptions and chipboards, particle board of all kinds and descriptions and other requisites of construction works and other paper based, wood based and plastic based products of all kinds and descriptions and industrial laminated sheets, compact laminates of every descriptions, post formed panels, whether laminated or not, restroom cubicles, lockers and every type of partition systems and to act as decorators and manufacturers and deal in housing furniture and fittings, interior decorators, commercial and industrial furniture and fittings and implements and tools of all descriptions and provide consultancy in total interior and exterior decoration and furniture solutions.*

*(2) To sell, lease or let out its land, building, office, factory sheds, building, guesthouse and land appurtenant thereto, wholly or partly, which are not in the immediate requirement of the Company to any person, firm, company, etc. either individually or in any combination thereof.*

*(3) To engage in the business of dealer, distributor, trader, stockiest, agent including clearing and forwarding agent for all kind of goods, products and merchandise."*





- 1.4 The main objects of the Transferee Company as set out in its memorandum of association are as under:

**"The main objects to be pursued by the Company on its incorporation are:**

*To carry on business as manufacturers, traders, exporters, importers, dealers, wholesalers, retailers, service providers including installers, commission agents, of laminates of all sizes and descriptions, veneers, pre-laminated board, decorative laminates, decorative laminated sheets, high pressure laminates, post forming laminates, decorative veneers, ready to install doors, door sets, fire rated doors, Veneered Engineering Flooring and flooring of all kinds and descriptions and Particle Board of all kinds and descriptions and other paper based, wood based and plastic based products of all kinds and descriptions and Industrial laminated sheets, compact laminates of every descriptions, post formed panels, whether laminated or not, restroom cubicles, lockers and every type of partition systems and to act as decorators and manufacturers and deal in housing furniture and fittings, interior decorators, commercial and industrial furniture and fittings and implements and tools of all descriptions and provide consultancy in total interior and exterior decoration and furniture solution."*

- 1.5 The Transferor Company is in the process of setting-up a manufacturing plant at Tindivanam, Tamil Nadu for manufacturing of plywood and allied products.
- 1.6 The Transferee Company is engaged in the business of, *inter alia*, manufacturing of laminates, decorative veneers, engineered wooden flooring, engineered wooden doors and allied products through its factories situated at – a. Behror, Rajasthan, and b. Nalagarh, Himachal Pradesh, and is in the process of commencing manufacturing of laminates at its recently acquired plant at Prantij, Gujarat. The Transferee Company has branches and dealers' network spread all over the country and also exports its products to various countries overseas.
- 1.7 The Transferor Company is a subsidiary of the Transferee Company. The Transferor Company's equity shares are listed on the BSE Limited (BSE). The Transferee Company's equity shares are listed on the BSE and the National Stock Exchange of India Limited (NSE) (together, the **Stock Exchanges**). Further, the non-convertible debentures of the Transferee Company are listed on the NSE.
- 1.8 The Scheme does not affect the rights of the creditors of the Transferor Company and the Transferee Company as there will not be any reduction in amounts payable to the creditors of the Transferor Company and the Transferee Company post sanctioning of the Scheme. The Scheme also does not affect the rights of the creditors of the Transferor Company and the Transferee Company as they are financially sound, solvent and the Transferee Company is profit making as may be evidenced by its financial statements.

**2. DEFINITIONS**

- 2.1 In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the meanings as set-out hereunder:
- 2.1.1 **Act** means the Companies Act, 2013 and the rules made thereunder;
- 2.1.2 **Applicable Law(s)** means central, state, provincial, local or municipal law, common law, ordinance, rule, regulation, order, writ, injunction, directive, judgment, decree, or policy or guideline having the force of law for the time being in the Republic of India;



- 2.1.3 **Appointed Date** means 1 April 2022 or such other date as the Board of Directors of the Transferor Company or the Transferee Company may determine or as the Securities and Exchange Board of India, the Stock Exchanges or the Tribunal(s) may direct;
- 2.1.4 **Appropriate Authority** means any applicable central, state or local government, legislative body, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, including, but not limited, to the Securities and Exchange Board of India, Stock Exchanges, Department for Promotion of Industry and Internal Trade, Registrar of Companies, Competition Commission of India, National Company Law Tribunal, Insurance Regulatory and Development Authority of India, Reserve Bank of India and the High Courts;
- 2.1.5 **Board of Directors or Board** means the board of directors of the Transferee Company or the Transferor Company, as the case may be, and unless repugnant to the subject, context or meaning thereof, shall be deemed to include every committee (including any committee of directors) or any person authorized by the board of directors or by any such committee;
- 2.1.6 **BSE** means the BSE Limited;
- 2.1.7 **Effective Date or coming into effect of this Scheme or upon the Scheme becoming effective or effectiveness of the Scheme** means the date on which the certified copy of the order of the Tribunal(s) under Sections 230 to 232 of the Act sanctioning the Scheme is filed with the relevant Registrar of Companies. In case the certified copy of the order of the Tribunal(s) are filed with the relevant Registrar of Companies on different dates, then the later of such date of filing(s) will be the Effective Date;
- 2.1.8 **Encumbrance or Encumbered** means: (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, deposit by way of security, bill of sale, claims, right to acquire, assignment, deed of trust, title, retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any person, including any right granted by any transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law; (ii) a contract to give or refrain from giving any of the foregoing; (iii) any voting agreement, interest, option, right of pre-emption, right of first offer, refusal or transfer restriction in favour of any person; and (iv) any adverse claim as to title, possession or use;
- 2.1.9 **NSE** means the National Stock Exchange of India Limited;
- 2.1.10 **Record Date** means the date to be fixed by the respective Board of Directors of the Transferor Company and the Transferee Company in mutual consultation with each other, to determine the shareholders of the Transferor Company to whom equity shares of the Transferee Company will be issued pursuant to this Scheme;
- 2.1.11 **Registrar of Companies** means the relevant Registrar of Companies having jurisdiction over the Transferor Company and the Transferee Company;
- 2.1.12 **Scheme** means this Scheme of Amalgamation in its present form or with any modification(s) and amendments made under Clause 21 of this Scheme from time to time and with appropriate approvals and sanctions as imposed or directed by the Tribunal(s) or such other competent authority, as may be required under the Act, as applicable, and under all other Applicable Law;
- 2.1.13 **SEBI** means the Securities and Exchange Board of India;



- 2.1.14 **SEBI Listing Regulations** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 2.1.15 **SEBI Merger Circulars** means the Master Circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021 issued by SEBI and as amended from time to time;
- 2.1.16 **Stock Exchange** means the BSE and / or the NSE, and **Stock Exchanges** shall mean both together;
- 2.1.17 **Transferee Company** means Greenlam Industries Limited, (E-mail id: prakash.biswal@greenlam.com) (CIN: L21016DL2013PLC386045) a public listed company incorporated on 12 August 2013 under the Companies Act, 1956 and having its registered office at 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi – 110 037;
- 2.1.18 **Transferor Company** means HG Industries Limited (Email id: investors@hgl.co.in), (CIN: L20100DL1987PLC408363), a public listed company incorporated on 11 December 1987 under the Companies Act, 1956 and having its registered office at 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi – 110 037;
- 2.1.19 **Transition Period** means the period starting from the date immediately after the Appointed Date and ending on the Effective Date; and
- 2.1.20 **Tribunal(s)** means the relevant bench of National Company Law Tribunal having jurisdiction over the Transferor Company and the Transferee Company.
- 2.2 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other Applicable Law, bye-laws, as the case may be, or any statutory modification or re-enactment thereof for the time being in force.
- 2.3 In this Scheme, unless the context otherwise requires:
- 2.3.1 references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- 2.3.2 the headings are inserted for ease of reference only and shall not affect the construction or interpretation of the relevant provision of this Scheme;
- 2.3.3 any phrase introduced by the terms "including", "include" or any similar expression shall be construed without limitation;
- 2.3.4 references to one gender includes all genders;
- 2.3.5 words in the singular shall include the plural and *vice versa*; and.
- 2.3.6 any reference to any statute or statutory provision shall include:
- a. all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and
  - b. such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is



capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.

### 3. SHARE CAPITAL

3.1 The share capital of the Transferor Company as on 31 March 2022 is:

Particulars	Amount (In INR)
<b>Authorised share capital</b>	
80,00,000 equity shares of INR 5 each	4,00,00,000
<b>TOTAL</b>	<b>4,00,00,000</b>
<b>Issued, subscribed and fully paid-up share capital</b>	
46,33,568 equity shares of INR 5 each	2,31,67,840
<b>TOTAL</b>	<b>2,31,67,840</b>

As on the date of approval of the Scheme by the Board of Directors of the Transferor Company, there is no change in the authorized, issued, subscribed and paid-up share capital of the Transferor Company.

The shares of the Transferor Company are listed on the BSE.

3.2 The share capital of the Transferee Company as on 31 March 2022 is:

Particulars	Amount (In INR)
<b>Authorised share capital</b>	
15,00,00,000 equity shares of INR 1 each	15,00,00,000
<b>TOTAL</b>	<b>15,00,00,000</b>
<b>Issued, subscribed and fully paid-up share capital</b>	
12,06,81,870 equity shares of INR 1 each	12,06,81,870
<b>TOTAL</b>	<b>12,06,81,870</b>

As on the date of approval of the Scheme by the Board of Directors of the Transferee Company, there is no change in the authorized, issued, subscribed and paid-up share capital of the Transferee Company. However, the Board of Directors of the Transferee Company in their meeting held on 20 June 2022 has, subject to the approval of shareholders of the Transferee Company, approved the issuance of upto 63,10,680 fully



paid up equity shares of the Transferee Company having a face value of INR 1 (Rupee One Only) each.

The equity shares of the Transferee Company are listed on the Stock Exchanges.

#### 4. RATIONALE FOR THE SCHEME

4.1 The Transferee Company holds 74.91% of the share capital of the Transferor Company which was acquired in the financial year (FY) 2021-22. The Transferee Company is engaged in the business of, *inter alia*, manufacturing of laminates, decorative veneers, engineered wooden flooring, engineered wooden doors and allied products and the Transferor Company is in the process of setting-up a manufacturing plant at Tindivanam, Tamil Nadu for manufacturing of plywood and allied products. The business activities of the Transferor Company and the Transferee Company complement each other. The amalgamation pursuant to this Scheme, would, *inter alia*, have the following benefits:

4.1.1 It would enable the Transferee Company to leverage its combined assets and to create a more competitive business, both in scale and operations;

4.1.2 It would consolidate the businesses of the Transferor Company and the Transferee Company which will result in focused growth, operational efficiencies, business synergies and unlock the value of the assets of the Transferor Company;

4.1.3 It would enhance operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources and ultimately enhancing overall shareholders value;

4.1.4 It would achieve synergies in costs (particularly in respect of customer relationship management and establishing sales and marketing channels), operations, stronger and wider capital and financial base for future growth;

4.1.5 It would allow for an integrated and coordinated approach to investment strategies and more efficient allocation of capital and cash management;

4.1.6 It would broaden the Transferee Company's product portfolio by adding plywood and allied products;

4.1.7 It would prevent overlap of sales and marketing channels of the Transferor Company and the Transferee Company;

4.1.8 It would consolidate administrative and managerial functions and elimination of multiple record-keeping, *inter alia*, other expenditure and optimal utilization of resources by elimination of unnecessary duplication of activities and related costs thus resulting in reduced expenditure.

4.2 The amalgamation pursuant to the Scheme is in the interest of both the Transferor Company and the Transferee Company, their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

#### 5. EFFECTIVENESS OF THE SCHEME AND OPERATIVE DATE

The Scheme shall be effective in its present form or with any modification(s) approved or imposed or directed by the Securities and Exchange Board of India (SEBI), the Stock Exchanges or the Tribunal(s) from the Appointed Date but shall be operative from the Effective Date.



## PART II - AMALGAMATION OF THE TRANSFEROR COMPANY

### 6. TRANSFER AND VESTING OF THE TRANSFEROR COMPANY INTO THE TRANSFEREE COMPANY

- 6.1 Upon the Scheme coming into effect and with effect from the Appointed Date, the Transferor Company together with all its properties, assets, investments, liabilities, rights, benefits, interests, title or power of every kind, nature, description and obligations therein shall, pursuant to the provisions of Sections 230 to 232 of the Act and in accordance with Section 2(1B) of the Income-Tax Act, 1961, without any further act, deed, matter or thing, be and stand merged and transferred to, and vested in, and shall be deemed to be transferred to and vested in the Transferee Company on a going concern basis in the manner described hereunder, and shall become the property of and an integral part of the Transferee Company.
- 6.2 Without prejudice to the generality of Clause 6.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date, all the assets of, or used for the Transferor Company, as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery including without limitation plant and machinery, whether leased or otherwise, other fixed assets, vehicles, furniture, fixtures and appliances, computers and office equipment pertaining to the Transferor Company, shall stand vested in the Transferee Company, and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the asset or property being vested, and the title to such asset or property shall be deemed to have been transferred and vested accordingly.
- 6.3 In respect of movable assets of the Transferor Company, other than those dealt with in Clause 6.2 above, including all current assets, investments in shares and any other securities, sundry debts, receivables, bills, credits, loans and advances related to Transferor Company, if any, whether recoverable in cash or in kind or for value to be received, deposits including accrued interest, bank balances, cash balances, development rights, advances paid to any parties for any business purpose, earnest money, security deposits, retention monies and any deposits with any government, quasi government, local or other authority or body or with customers or any company or other person, upon the coming into effect of this Scheme and with effect from the Appointed Date, the same shall, without any further act, instrument or deed, stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and / or the Transferee Company, and without any approval or acknowledgement of any third party.
- 6.4 All immovable properties in connection with the Transferor Company, including land together with the buildings and structures thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold (including any right to use) or licensed or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in / or be deemed to have been and stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and / or the Transferee Company, and without any approval or acknowledgement of any third party. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent, charges, and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The mutation or



substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the Appropriate Authority pursuant to the sanction of this Scheme by the Tribunal(s) in accordance with the terms hereof. The Transferor Company shall take all steps as may be necessary to ensure that lawful and peaceful possession, right, title, interest of such immovable property of the Transferor Company is transferred to and vested in the Transferee Company in accordance with the terms hereof.

- 6.5 Without prejudice to the generality of the Clauses above, upon the coming into effect of this Scheme and with effect from the Appointed Date, any and all intellectual property rights, know-how, patents, trademarks and confidential information which are owned by or licensed to the Transferor Company, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world including any and all registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trademarks, appertaining to the Transferor Company, if any, shall stand transferred to and vested in the Transferee Company. The Transferee Company and the Transferor Company shall, post the Effective Date, intimate the Appropriate Authority in relation to the transfer of these intellectual property rights from the Transferor Company to the Transferee Company pursuant to this Scheme, if required under Applicable Law.
- 6.6 Loans, borrowings and other liabilities of the Transferor Company shall, without any further act or deed, become loans, borrowings and liabilities of the Transferee Company, and all rights, powers, duties and obligations in relation thereto shall stand transferred to and vested in, and shall be exercised by or against the Transferee Company as if it had entered into such loans, incurred such borrowings and assumed such liabilities. Thus, the primary obligation to redeem or repay such liabilities upon the Scheme becoming effective shall be that of the Transferee Company.
- 6.7 Any contracts inter-se the Transferor Company and the Transferee Company shall stand cancelled and cease to operate upon the coming into effect of this Scheme.
- 6.8 If and to the extent there are loans, deposits or balances or other remaining outstanding inter-se the Transferor Company and the Transferee Company, the obligations in respect thereof shall, on and from the Effective Date, come to an end and suitable effect shall be given in the books of the Transferee Company.
- 6.9 In so far as the existing Encumbrance, if any, in respect of the loans, borrowings, debts, liabilities is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in Transferor Company which have been in respect of the liabilities as transferred to the Transferee Company pursuant to this Scheme. Provided that if any of the assets of the Transferor Company which are being transferred to the Transferee Company pursuant to this Scheme have not been Encumbered in respect of the transferred liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.
- 6.10 The transfer and vesting as aforesaid shall be subject to subsisting charges, if any, in respect of any assets of the Transferor Company. The Scheme shall not operate to enlarge



the security for any loan, deposit or facility availed by the Transferor Company, and the Transferee Company shall not be obliged to create any further or additional security thereof after the Effective Date or otherwise.

- 6.11 In so far as the existing security in respect of the loans or borrowings of the Transferor Company and other liabilities of the Transferor Company are concerned, such security shall, without any further act, instrument or deed be continued with the Transferee Company. The Transferor Company and the Transferee Company shall file necessary particulars and/or modification(s) of charge, with the relevant Registrar of Companies to give formal effect to the above provisions, if required.
- 6.12 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all liabilities, duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for the Transferor Company, shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing. The Transferee Company shall, and does hereby undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any.
- 6.13 Where any of the liabilities and obligations attributed to the Transferor Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company.
- 6.14 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all records, files, papers, engineering and process information, product and service information (including documentation, designs, formulae, drawings, data, specifications, manuals and instructions), computer programs, software, manuals, data catalogues, quotations, sales and advertising materials, business plans, budgets, forecasts and estimates, list of present and former customers and suppliers, customers credit information, customers pricing information, tax records, records to be maintained under any Applicable Law, rule or regulation, and other records, whether in physical, machine readable or other form, in connection with or relating to the Transferor Company, shall stand transferred to or vested in the Transferee Company.
- 6.15 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferee Company shall, if so required under any Applicable Law or otherwise, execute deeds of confirmation, assignment or novation or other writings or arrangement with any party to any contracts, deeds, bonds, agreements, commitments, understandings, binding arrangements, licenses, purchase orders and all other forms of engagements, arrangements and agreements in relation to the Transferor Company and any offers, tenders, permits, rights, subsidies, concessions, entitlements, clearances, licenses (including the licenses granted to any governmental, statutory or regulatory bodies) or the like and other instruments of whatsoever nature to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company.





- 6.16 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all existing and future incentives, unavailed credits and exemptions, benefits, advantages, privileges, remissions, grants, subsidies, carried forward tax losses (including depreciation) and other statutory benefits, including in respect of income tax (including and not limited to advance income tax, taxes deducted at source, MAT credits), excise (including modvat / cenvat), customs, sales tax, VAT, service tax, GST, etc., to which the Transferor Company is entitled to shall be available to and vest in the Transferee Company. The Transferor Company and the Transferee Company shall be entitled, wherever necessary, to revise their returns filed under various laws, as may be applicable, including returns filed under the income tax, wealth tax, commercial tax, trade tax, sales tax, VAT, entry tax, GST, central excise laws, and also, without limitation, the TDS / TCS certificates.
- 6.17 Upon coming into effect of the Scheme and with effect from the Appointed Date, the Transferee Company is also expressly permitted to revise its income tax returns and other returns filed under the tax laws and to claim refunds, advance tax including MAT and withholding tax credits, etc., pursuant to the provisions of this Scheme.
- 6.18 It is clarified that the taxes paid by the Transferor Company relating to the period on or after the Appointed Date including by way of deduction at source, which pertain to the Transferor Company, will be deemed to be the taxes paid by the Transferee Company and the Transferee Company shall be entitled to claim credit for such taxes deducted / paid against its tax liabilities notwithstanding that the certificates / challans or other documents for payment of such taxes are in the name of the Transferor Company.
- 6.19 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferee Company shall be entitled to secure the record of the change in the legal ownership upon the vesting of the assets of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act.
- 6.20 All licenses, permits, brands, trade marks including rights to use brands / trademarks, any other rights / entitlements, quotas, consents, exemptions, registrations, no-objection certificates, approvals (including, but not limited to, environmental approvals, statutory and regulatory approvals), permissions, registrations and benefits, subsidies, concessions, grants, rights, electricity, gas, water and other service connections, telephone connections, communication facilities, installations, utilities, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date the licenses, permits, quotas, consents, exemptions, registrations, no-objection certificates, approvals (including, but not limited to, environmental approvals, statutory and regulatory approvals), permissions, registrations, incentives, accumulated tax losses, tax deferrals and benefits, subsidies, concessions, grants, rights, electricity, gas, water and other service connections, telephone connections, communication facilities, installations, utilities, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

**7. EMPLOYEES**



- 7.1 Upon the Scheme becoming effective, all staff and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff and employees of the Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to their employment in the Transferor Company.
- 7.2 With effect from the date of filing of the Scheme with the Tribunal(s) and up to and including the Effective Date, the Transferee Company agrees that any accumulated balances and benefits standing to the credit of the employees of the Transferor Company in the existing provident fund, gratuity fund and / or superannuation fund of which they are members will be transferred to such provident fund, gratuity fund and superannuation fund nominated by the Transferee Company or to the government provident fund. It is clarified that the services of the staff and employees of the Transferor Company will be treated as having been continuous for the purpose of the said fund or funds. The Transferee Company will also file relevant intimations in respect of the transfer of employees of the Transferor Company with the statutory authorities concerned who shall take the same on record and substitute the name of the Transferor Company with the Transferee Company.
- 7.3 With effect from the date of filing of the Scheme with the Tribunal(s) and up to and including the Effective Date, the Transferor Company shall not vary the terms and conditions of employment of any of the employees of the Transferor Company except in the ordinary course of business or without prior consent of the Board of Directors of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Company.

## 8. CONSIDERATION AND CANCELLATION OF SHARES

- 8.1 As on date of receipt of approval of the Board of Directors of each of the Transferor Company and the Transferee Company, the Transferee Company holds 74.91% of the entire issued and paid up share capital of the Transferor Company. The remaining 25.09% of the Transferor Company is held by public shareholders which include bodies corporate, non-resident Indians and trusts.
- 8.2 Upon the coming into effect of this Scheme and with effect from Appointed Date, the 34,70,966 equity shares aggregating to 74.91% of the entire issued and paid up share capital of the Transferor Company held by the Transferee Company shall automatically stand cancelled without any further application, act or deed and there shall be no obligation in that behalf on the Transferee Company.
- 8.3 As far as the balance shareholding of 25.09% held by the public shareholders of the Transferor Company are concerned, after giving effect to Clause 8.2 above and upon the coming into effect of this Scheme, the Transferee Company shall subject to the provisions of the Scheme and without any further application, act or deed and in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**SEBI Listing Regulations**) read with the SEBI Master Circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021 as amended from time to time (**SEBI Merger Circulars**), issue and allot, at the earliest 1 number of equity share of INR 1 each fully paid up in its share capital in respect of 2 equity shares of INR 5 each fully paid up in the share capital of the Transferor Company to the shareholders of the Transferor Company whose names appear in its register of members and/or the records of the depositories (or to such of their respective heirs, executors,



administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferee Company) as on the Record Date (**New Equity Shares**). If any shareholder of the Transferor Company becomes entitled to a fractional of a New Equity Share, entitlements or credit on the issue and allotment of the New Equity Shares by the Transferee Company, all the fractional entitlements of various shareholders shall be aggregated and without any further act, deed or thing to be done, such consolidated New Equity Shares shall stand vested in a trust to be set up by the Board of the Transferee Company. Such trust shall dispose of the aggregate of all such fractional holdings within a period of 90 days from the date of allotment of the New Equity Shares and distribute the net proceeds (after deduction of expenses incurred) to the respective shareholders of the Transferor Company in proportion to their respective fractional entitlements. The physical share certificates held by such shareholders in the Transferor Company shall, without any further application, act, instrument or deed will be deemed to have been automatically cancelled and such shareholders will not be required to surrender the physical share certificates.

- 8.4 New Equity Shares issued in terms of the Scheme shall, in compliance with applicable regulations, be listed and admitted to trading on the Stock Exchange where the equity shares of the Transferee Company are listed and admitted to trading.
- 8.5 Upon the coming into effect of the Scheme and with effect from Appointed Date, the New Equity Shares of the Transferee Company to be issued and allotted to the shareholders of the Transferor Company as provided in the Scheme shall be subject to the provisions of the Articles of Association of the Transferee Company and shall rank *pari passu* from the date of allotment in all respects with the existing equity share of the Transferee Company including entitlement in respect of dividends, which are declared post the Appointed Date.
- 8.6 Upon the Scheme coming into effect and with effect from the Appointed Date, the entire issued, subscribed and paid-up equity capital of the Transferor Company shall, *ipso facto*, without any further application, act, deed or instrument stand extinguished and cancelled.
- 8.7 The New Equity Shares issued to the shareholders of the Transferor Company by the Transferee Company shall be issued only in dematerialised form by the Transferee Company. All those shareholders who hold shares of the Transferor Company in physical form shall also receive the New Equity Shares in dematerialized form provided the details of their account with the depository participant are intimated in writing to the Transferee Company and/or its registrar at least 2 working days before the Record Date, or such other time period, as may be prescribed in accordance with the Applicable Law. If no such intimation is received from any shareholder who holds shares of the Transferor Company in physical form at least 2 working days before the Record Date, or such other time period, as may be prescribed in accordance with the Applicable Law, or if the details furnished by any shareholder do not permit electronic credit of the shares of the Transferee Company, then such New Equity Shares shall stand vested in a trust to be set up by the Board of the Transferee Company and will be credited to the respective depository participant accounts of such shareholders as and when the details of such shareholders' account with the depository participant are intimated in writing by the shareholders to the Transferee Company and/or its registrar.
- 8.8 In the event the Transferor Company or the Transferee Company restructures their equity share capital by way of any corporate action including share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio, as per clause



8.3 above, shall be adjusted accordingly, to take into account the effect of any such corporate actions on the valuation of the equity shares.

**9. AGGREGATION OF AUTHORISED CAPITAL**

9.1 The provisions of this Clause shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.

9.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the authorised share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable, if any, to the relevant Registrar of Companies by the authorised share capital of the Transferor Company as on the Effective Date and the memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme or any dispensation that may be granted by the Tribunal(s), shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the provisions of the Act would be required to be separately passed. For this purpose, the filing fees and stamp duty, if any, already paid by the Transferor Company on its authorised share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the authorised share capital so increased.

9.3 Pursuant to the Scheme becoming effective and consequent upon the amalgamation of the Transferor Company into the Transferee Company, the authorised share capital of the Transferee Company will be as under:

<b>Particulars</b>	<b>Amount (In INR)</b>
<b>Authorised share capital</b>	
19,00,00,000 equity shares of INR 1 each	19,00,00,000
<b>TOTAL</b>	<b>19,00,00,000</b>

9.4 It is clarified that no special resolution under Sections 13 or 14 of the Act shall be required to be passed by the Transferee Company separately in a general meeting for increase in the authorized share capital of the Transferee Company pursuant to the Scheme and Clause V of the memorandum of association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

*"The Authorised Share Capital of the Company is Rs. 19,00,00,000 (Rupees Nineteen Crore only) divided into 19,00,00,000 (Nineteen Crore) equity shares of Re. 1 (Rupee One only) each, with the right, privileges and conditions attached thereto as are provided by the Regulations of the Company for the time being, with the power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the Regulations of the Company and to*



*vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Regulations of the Company."*

However, if the Authorised Share Capital of the Transferor Company and/or the Transferee Company undergoes any change during the Transition Period, either as a consequence of any corporate action or otherwise, then the Authorised Share Capital of the Transferee Company as mentioned under Clause 9.3 and 9.4 above shall automatically stand modified/adjusted to take into account the effect of such change.

## **10. ACCOUNTING TREATMENT**

Notwithstanding anything to the contrary contained herein, upon this Scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in relation to the amalgamation in its books of account in accordance with Ind AS 103 – 'Business Combinations' read with Appendix C to Ind AS 103 – 'Business Combinations'. As the Transferor Company shall stand dissolved without being wound up upon the Scheme becoming effective, hence there is no accounting treatment prescribed under this Scheme in the books of the Transferor Company.

10.1 The Transferee Company shall record the assets and liabilities including reserves of the Transferor Company vested in it pursuant to the Scheme, at their respective carrying values as appearing in the books of Transferor Company.

10.2 No adjustments shall be made to reflect fair values, or recognize any new assets or liabilities. The only adjustments made, will be made so as to harmonize the accounting policies.

10.3 The balance of the retained earnings appearing in the financial statements of the Transferor Company shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company. Alternatively, it may be transferred to the general reserve, if any.

10.4 The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.

10.5 Pursuant to the amalgamation of the Transferor Company with the Transferee Company, inter-company balances between Transferee Company and the Transferor Company, if any, appearing in the books of the Transferee Company shall stand cancelled. Further, the value of investments held by Transferee Company in the Transferor Company shall stand cancelled.

10.6 The difference between net assets (assets minus liabilities) of the Transferor Company and share capital issued as consideration after factoring adjustment in clauses 10.1 to 10.5 as mentioned above shall be transferred to capital reserve.

## **11. TAX TREATMENT**

11.1 Upon coming into effect of the Scheme, any refund under the applicable tax laws due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall be receivable by and stand vested with the Transferee Company.



11.2 The Transferor company is currently following the old regime of the income tax laws and has unabsorbed depreciation and carry forward losses, and the Transferee Company is in the new regime. Consequently, upon coming into effect of the Scheme, the Transferee Company shall not take benefit of the unabsorbed depreciation and carry forward losses of the Transferor Company.

**12. CONDUCT OF BUSINESS DURING THE TRANSITION PERIOD**

12.1 The Transferor Company and the Transferee Company have agreed that during the Transition Period, the business of the Transferor Company and the Transferee Company shall be carried out with diligence and business prudence in the ordinary course consistent with past practice in good faith and in accordance with Applicable Law.

12.2 During the Transition Period:

- a. the Transferor Company shall carry on, and be deemed to have carried on the business, operations or activities of the Transferor Company and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all the assets, properties, rights, title, interest, liabilities, authorities, contracts, investments and decisions relating to Transferor Company for and on account of, on behalf of and / or in trust for, the Transferee Company.
- b. all profits or income accruing or arising to the Transferor Company, or losses arising or expenditure incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), in relation to the Transferor Company, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure, as the case may be, of the Transferee Company. The Transferor Company shall not incur any expenditure except in the ordinary course of business.
- c. any of the rights, powers, authorities, privileges attached to or exercised by the Transferor Company shall be deemed to have been exercised by it for and on behalf of, and in trust for and as an agent of the Transferee Company.
- d. the Transferor Company shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or Encumber or deal, except: (i) when the same is expressly provided in this Scheme; or (ii) when the same is in the ordinary course of business as carried on the date of filing of this Scheme with the Tribunal(s); or (iii) when a written consent of the Transferee Company has been obtained in this regard.
- e. all assets howsoever acquired by the Transferor Company for carrying on the business, operations or activities and the liabilities shall be deemed to have been acquired and are also contracted for and on behalf of the Transferee Company; however, no onerous or extraordinary asset shall have been acquired by, or onerous liability shall be incurred by the Transferor Company after the Appointed Date without prior written consent of the Transferee Company.



- f. the Transferor Company shall not utilize the profits or income, if any, for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of the Transferee Company.
- 12.3 The Transferor Company shall, pending sanction of the Scheme, apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals, sanctions, registration, exemptions as may be required / granted under any Applicable Law for the time being in force which the Transferor Company and the Transferee Company require in relation to the amalgamation of the Transferor Company into the Transferee Company or which the Transferee Company requires to own the assets and liabilities of the Transferor Company and carrying on the business of the Transferor Company on a going concern basis.
- 12.4 The transfer of assets, properties and liabilities of Transferor Company and the continuance of proceedings relating thereto by or against the Transferor Company shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds things done and duly executed by the Transferor Company, in regard thereto as done executed by the Transferee Company on behalf of itself.
- 12.5 For the sake of clarity, it is confirmed that all assets or investments, properties, right, title or interest acquired by or the liabilities incurred by the Transferor Company after the Appointed Date but prior to the Effective Date in relation to the Transferor Company shall also, 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 the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.
- 13. LEGAL PROCEEDINGS**
- 13.1 If any suit, appeal and other proceedings of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of this merger or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made. In the event that the legal proceedings referred to herein require the Transferor Company and the Transferee Company to be jointly treated as parties thereto, Transferee Company shall be added as party to such proceedings and shall prosecute and defend such proceedings in cooperation with the Transferor Company.
- 13.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in Clause 13.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of Transferor Company.
- 13.3 On and from the Effective Date, the Transferee Company shall, and may, if required, initiate, continue any legal proceedings in relation to the Transferor Company.
- 14. CONTRACTS, DEEDS OTHER INSTRUMENTS**



- 14.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements (including agreements for sale of immovable property), commitments, understandings, binding arrangements, licenses, purchase orders and all other forms of engagements, arrangements and agreements and any offers, tenders or the like and other instruments of whatsoever nature to which the Transferor Company is a party, or the benefit to which the Transferor Company may be eligible, subsisting or operative immediately on or before the Effective Date, entered into and which are in effect (in whole or in part) prior to or on the Appointed Date in accordance with the terms and conditions thereof, and those which are entered into by the Transferor Company between the Appointed Date and the Effective Date shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.
- 14.2 Further, without prejudice to the amalgamation of the Transferor Company with and into the Transferee Company, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings, assignment and / or novation or enter into any arrangements, confirmations, on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company, to give effect to the provisions of this Scheme or at any time after this Scheme becomes effective, if so required or becomes necessary. The contracts entered into by the Transferor Company till the Effective Date shall be vested in the Transferee Company and unless required under such contract, the Transferee Company would not be required to carry out assignment of such contracts with any party whatsoever.
- 14.3 Pursuant to this Scheme, the Transferee Company shall be deemed to be authorised to bid for any tender of any private entity or any Government or public sector undertaking and to implement to the same extent as it would or might have been carried on by the Transferor Company. For calculating any pre-qualification criteria such as financial, technical, etc. for the Transferor Company, the track record and qualifications of the Transferor Company shall be considered and shall be deemed to automatically vest in the Transferee Company pursuant to the Scheme for purpose of such tenders.
- 14.4 As a consequence of the amalgamation of the Transferor Company with and into the Transferee Company in accordance with and pursuant to this Scheme, the recording of change in name in the records of the statutory or regulatory authorities from the Transferor Company to the Transferee Company, whether relating to any license, permit, approval or any other matter, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority.

**15. SAVING OF CONCLUDED TRANSACTIONS**

The transfer and vesting of business and the continuance of proceedings by or against the Transferor Company, to the extent it relates to the Transferor Company above shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

**16. DISSOLUTION OF THE TRANSFEROR COMPANY**





On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound-up. Further, on and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the relevant Registrar of Companies.

**17. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Company which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then, the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the limits in the Transferee Company.

**PART III - GENERAL CLAUSES, TERMS AND CONDITIONS**

**18. APPLICATION TO THE TRIBUNAL(S) OR SUCH OTHER COMPETENT AUTHORITY**

The Transferor Company and the Transferee Company shall make all necessary applications to the SEBI, the Stock Exchanges, and all applications / petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to the Tribunal(s) for sanction of this Scheme under the provisions of Applicable Law.

**19. APPROVAL OF MEMBERS OF THE TRANSFEROR COMPANY AND TRANSFEE COMPANY**

Subject to any dispensation that may be granted by the Tribunal(s), each of the Transferor Company and the Transferee Company undertake that the approval of the members of each of the Transferor Company and the Transferee Company, respectively, shall be sought for the Scheme, in a meeting of such members with voting occurring through postal ballot and e-voting in accordance with the provisions of the Act. The explanatory statement to the notice sent to the members for convening such meeting shall provide all requisite details as may be material for the members to consider whilst voting on the Scheme.

**20. APPROVAL OF CREDITORS OF THE TRANSFEROR COMPANY AND TRANSFEE COMPANY**

Subject to any dispensation that may be granted by the Tribunal(s), each of the Transferor Company and the Transferee Company undertake that the approval of the creditors of each of the Transferor Company and the Transferee Company, respectively, shall be sought for the Scheme, in a meeting of such creditors. The explanatory statement to the notice sent to the creditors for convening such meeting shall provide all requisite details as may be material for the creditors to consider whilst voting on the Scheme.

**21. MODIFICATIONS / AMENDMENTS TO THE SCHEME**

**21.1** Subject to the approval of the SEBI, the Stock Exchanges and the Tribunal(s), the Transferor Company and the Transferee Company by their respective Board of Directors or any duly authorized committee may make or consent to, on behalf of all persons concerned, any modifications or amendments to the Scheme, or to any conditions or limitations that the Tribunal(s) or any other authority may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate by the respective Board of Directors of committees, including withdrawal of this Scheme and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things



necessary for putting the Scheme into effect. No modification or amendment to the Scheme will be carried out or effected by the Board without the approval of the SEBI, the Stock Exchanges and the Tribunal(s).

21.2 The Transferor Company and the Transferee Company shall be at liberty to withdraw from this Scheme, in case of any condition or alteration imposed by the SEBI, the Stock Exchanges or the Tribunal(s) or any other authority or any bank or financial institution is unacceptable to them or otherwise if so mutually agreed.

21.3 For the purpose of giving effect to this Scheme or to any modification thereof, the Board of Directors of the Transferor Company and the Transferee Company or any other duly authorized committee thereof are authorized severally to give such directions including directions for setting any question of doubt or difficulty that may arise under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.

## 22. CONDITIONALITY OF THE SCHEME

22.1 The Scheme is conditional upon and subject to the following:

- a. the Scheme being approved by the respective requisite majorities of the members and / or creditors of the Transferor Company and the Transferee Company as required under the Act and as may be directed by the Tribunal(s) and / or any other competent authority and it being sanctioned by the Tribunal(s) and / or any other competent authority, as may be applicable, subject to any dispensation granted by the Tribunal(s) from convening meetings of the members and / or creditors received by the Transferor Company and / or the Transferee Company;
- b. the Scheme being approved by the public shareholders of the Transferor Company and the Transferee Company including through e-voting in accordance with the SEBI Merger Circulars;
- c. the requisite sanctions, approvals, no-objections or consents of the SEBI, the Stock Exchanges or any governmental or regulatory authority, as may be required by Applicable Law; and
- d. the certified copy of the order of the Tribunal(s) sanctioning the Scheme, being filed with the relevant Registrar of Companies by the Transferor Company and the Transferee Company.

## 23. BINDING EFFECT

Upon the Scheme becoming effective, the same shall be binding on the Transferee Company and all concerned parties without any further act, deed, matter or thing.

## 24. EXECUTING DEEDS OR ARRANGEMENTS TO GIVE EFFECT TO THE SCHEME

The Transferee Company will, at any time after the Transition Period and in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Transferor Company to which any of the Transferor Company is a party in order to give formal effect to the provisions of the Scheme. The Transferee



Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Company.

**25. COSTS**

All costs, charges, taxes including duties, levies and all other expenses if any (save as expressly otherwise agreed), incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferee Company.

**26. STOCK EXCHANGE DISCLOSURES**

Each of the Transferor Company and the Transferee Company shall make the necessary disclosures of the Scheme to the Stock Exchanges in terms of the SEBI Listing Regulations and the SEBI Merger Circulars, as amended from time to time.

**27. SEVERABILITY**

If any part of this Scheme is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future Applicable Law, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Transferor Company and the Transferee Company (acting through their respective Boards of Directors) shall attempt to bring about appropriate modification to this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

For Greenlam Industries Limited

  
Prakash Kumar Biswal  
Company Secretary &  
Vice President-Legal

For HG INDUSTRIES LIMITED

  
Company Secretary



**Incwert Advisory Private Limited**  
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Date: 29 June 2022

The Audit Committee/Board of Directors

HG Industries Limited  
Panchalam Village,  
Melpettai Post,  
Tindivanam, Tamil Nadu  
604307

The Audit Committee/Board of Directors

Greenlam Industries Limited,  
203, 2<sup>nd</sup> Floor, West Wing, Worldmark 1,  
Aerocity, IGI Airport,  
Hospitality District, New Delhi,  
110 037

Sub: Recommendation of Share Exchange Ratio pursuant to the Scheme of Arrangement presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, for the amalgamation of HG Industries Limited with and into Greenlam Industries Limited

Dear Sir/Madam,

We refer to the Letter of Engagement dated 13 June 2022 whereby the management of HG Industries Limited (the "Transferor Company") and Greenlam Industries Limited (the "Transferee Company") (individually and collectively herein referred to as the "Client" or "You" or "the Company" or "the Companies" or "respective Companies", as the context may require) have appointed Incwert Advisory Private Limited ("Incwert" or "Valuer" or "Registered Valuer" or "RV" or "We" or "us") for recommending the share exchange ratio in connection with the proposed amalgamation of HG Industries Limited with and into Greenlam Industries Limited pursuant to the Scheme of Arrangement ("the Scheme") presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder.

Incwert is a Registered Valuer Entity with the Insolvency and Bankruptcy Board of India ("IBBI") for the asset class 'Securities or Financial Assets' having registration number IBBI/RV-E/05/2019/108.

The share exchange ratio (Share Exchange Ratio) in this report refers to the number of equity share(s) of the face value of Rs. 1 (Indian Rupees One) each credited as fully paid up in the share capital of Greenlam Industries Limited which would be issued to the equity shareholders of HG Industries Limited for every 1 equity share of the face value of Rs.5 (Indian Rupees Five) each of HG Industries Limited pursuant to the proposed Scheme of Arrangement.

For the purpose of this report, we have considered the valuation date to be 28 June 2022 ("Valuation Date").

At the request of the Management of the respective Companies, we have had discussions with the Merchant Banker/s (as appointed by the Client) on the valuation approach & methodologies adopted and assumptions made by us.

In the following paragraphs, we have summarised our valuation analysis together with the description of the valuation approaches, methodologies and limitations in our scope of work.

Document Classification: Public

Incwert Advisory Private Limited is an Indian  
Private limited company.  
CIN U74999HR2018PTC075936

Registered office:  
Tower F 1302,  
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Gurugram – 122105, India

PK

## 1 CONTEXT AND PURPOSE OF THIS REPORT

### 1.1 Overview

- 1.1.1 The Transferor Company was incorporated on 11 December 1987 as Himalaya Granites Private Limited under the Companies Act, 1956. The Transferor Company's Corporate Identification Number is L20100TN1987PLC015161 and its registered office is situated at Panchalam Village, Melpettai Post, Tindivanam, Tamil Nadu – 604307. Subsequently, the Transferor Company was converted into a public limited company pursuant to a shareholders' resolution dated 28 February 1994, and a fresh certificate of incorporation was issued to the Transferor Company by the Registrar of Companies, Tamil Nadu at Chennai on 21 March 1994. Pursuant to the said conversion, the name of the Transferor Company was changed from Himalaya Granites Private Limited to Himalaya Granites Limited. The name of the Transferor Company was changed from Himalaya Granites Limited to HG Industries Limited on 2 July 2021 pursuant to a fresh certificate of incorporation issued by the Registrar of Companies, Chennai. On 13 December 2021, the Board of Directors of the Transferor Company passed a resolution approving, inter alia, shifting its registered office from the State of Tamil Nadu to the National Capital Territory of Delhi. The members of the Transferor Company approved this shifting of the registered office by passing a special resolution on 21 January 2022. Subsequently, the Transferor Company initiated the relevant process under the Act.
- 1.1.2 The Transferee Company was incorporated on 12 August 2013 under the Companies Act, 1956. The Transferee Company's Corporate Identification Number is L21016DL2013PLC386045 and its registered office is situated at 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi,- 110 037.
- 1.1.3 We understand that the Transferor Company is in the process of setting up a manufacturing plant at Tindivanam, Tamil Nadu for manufacturing of plywood and allied products.
- 1.1.4 The Transferee Company is engaged in the business of, inter alia, manufacturing of laminates, decorative veneers, engineered wooden floorings, engineered wooden doors and allied products through its factories at a) Behror, Rajasthan and b) Nalagarh, Himachal Pradesh and is in the process of commencing manufacturing of laminates at its recently acquired plant at Prantij, Gujarat. The Transferee Company has branches and dealers' network spread all over the country and also exports its products to various countries overseas.
- 1.1.5 The Transferor Company is a subsidiary of the Transferee Company. The Transferor Company's equity shares are listed on the BSE Limited (BSE). The Transferee Company's equity shares are listed on the BSE and the National Stock Exchange of India Limited (NSE) (together, the Stock Exchanges). Further, the non-convertible debentures of the Transferee Company are listed on the NSE.

### 1.2 Context and purpose

- 1.2.1 We have been given to understand that pursuant to the Scheme, the management of the Companies ("Management") are contemplating the amalgamation of HG Industries Limited with and into Greenlam Industries Limited, the consequent dissolution of the Transferor Company without winding up and matters incidental thereto ("Proposed Transaction").
- 1.2.2 The Proposed Transaction would involve merging HG Industries Limited with and into Greenlam Industries Limited.
- 1.2.3 In this connection, the Management has appointed Incwert Advisory Private Limited to submit a report recommending the Share Exchange Ratio pursuant to the Proposed Transaction for

the consideration of the Board of Directors (including audit committees and committee of independent directors, as applicable) of HG Industries Limited and Greenlam Industries Limited in accordance with the Companies Act, 2013 and other applicable rules and regulations thereof.

- 1.2.4 We understand that the appointed date for the proposed amalgamation as per the draft Scheme of Arrangement shall be 01 April 2022 or such other date as the Board of Directors of the Transferor Company or the Transferee Company may determine or as the Securities and Exchange Board of India, the Stock Exchanges or the Tribunal(s) may direct.
- 1.2.5 The scope of our service is to conduct a relative (and not absolute) valuation of the equity shares of the Transferor Company and the Transferee Company and report the fair Share Exchange Ratio for the Proposed Transaction in accordance with the internationally accepted valuation standards/International Valuation Standards.

## 2 BASIS OF VALUATION

- 2.1.1 In transactions of the nature of – merger or amalgamation of companies or merger or demerger of businesses, the consideration is often discharged primarily by issue of securities of the acquirer or transferee entity with reference to an exchange ratio or entitlement ratio, considering the relative values.
- 2.1.2 Such relative values are generally arrived at by applying an appropriate valuation approach or a combination of valuation approaches. If a combination of valuation approaches or methodologies is adopted, appropriate weights are assigned to arrive at a single value. Relative values are usually derived by using similar valuation approaches, methodologies and weights. However, the use of differing methodologies or approaches may be justified in circumstances, e.g., a merger of a listed company and an unlisted company, or where the listed company is infrequently traded.
- 2.1.3 As part of the valuation exercise, we have been provided with the audited financial results of the Companies for the year ended 31 March 2022. We have taken into consideration The current market parameters in our analysis and have made adjustments for additional facts made known towards the date of our Report. The Management has informed us that there are no unusual or abnormal events in the companies materially impacting their operating/financial performance after 31 March 2022 till the report date other than certain corporate events relating to the preferential issue of equity shares by the Transferee Company and purchase of manufacturing facilities of Bloom Dekor Limited by the Transferee Company. Further, we have been informed that all material information impacting the valuation has been disclosed to us. We have relied on such information while arriving at the Share Exchange Ratio for the Proposed Transaction.
- 2.1.4 In the event, that either of the Companies restructure their equity share capital by way of share split/ consolidation/ issue of bonus shares before the Proposed Transaction becomes effective, then the issue of shares pursuant to the Share Exchange Ratio recommended in this report shall be adjusted accordingly to take into account the effect of any such corporate actions.

### 2.2 Base of valuation

- 2.2.1 The base of valuation has been "Fair value".
- 2.2.2 The definition of "Fair value" as per International Valuation Standards, 2022 ("IVS") issued by the International Valuation Standards Council ("IVSC"), is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date

- 2.2.3 Fair value is the price in an orderly transaction in the principal (or most advantageous) market at the valuation date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.
- 2.2.4 Valuation approaches and methods selected duly consider the guidance in "IVS 105 Valuation Approaches and Methods" which defines the approaches and methods for valuing an asset and provides guidance on the use of various valuation approaches and methods.

### 2.3 Premise of value

- 2.3.1 The premise of value refers to the conditions and circumstances of how an asset is deployed. As part of our analysis, we have considered the following assumption to be appropriate:
- Going-concern basis - Going concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained workforce, an operational unit, the necessary licenses, and procedures in place etc.
  - As-is-where-is basis - considers the current use of the asset which may or may not be its highest and best use.

### 2.4 Intended users

- 2.4.1 This report is intended for the consumption of the Board of Directors (including audit committees and committee of independent directors, as applicable) of the Companies and for the purpose of submission to the relevant regulatory or statutory authorities in India, including the National Company Law Tribunal, Regional Directors, Registrar of Companies, SEBI, Stock exchanges, and for complying with the applicable provisions of the Companies Act, 2013 and other applicable laws.
- 2.4.2 In the event, the Companies or Management of the Companies or representatives of the Company intend to extend the use of this report beyond the purpose mentioned herein above, with or without our consent, we will not accept any responsibility to any other party to whom our report may be shown or who may acquire a copy of the report issued by Incwert.

## 3 SOURCES OF INFORMATION

- 3.1.1 This Report is prepared based on the below sources of information as provided to us by the management of the Client:
- a) Draft Scheme of Arrangement;
  - b) Audited consolidated and standalone financial results of Greenlam Industries Limited for the financial year ended 31 March 2022.
  - c) Audited financial results of HG Industries Limited for the financial year ended 31 March 2022;
  - d) ITR-6 of both the Companies for AY 2021-22
  - e) Projected financial statements for HG Industries Limited for eight years from 01 April 2022 to 31 March 2030;
  - f) Details of contingent liability as of 31 March 2022;
  - g) Following additional information concerning HG Industries Limited was supplied to us by the Management:
    - o Detailed project report for setting up of the new manufacturing unit of plywood and allied products
    - o Fair valuation of land and building dated 16 June 2022
    - o Bank sanction letter relating to the various credit facilities and
    - o Certified copies of the Board resolution approving the setting up of the manufacturing plant among others

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- h) Other data and information provided by respective companies, as may be requested by us;
  - i) Discussions with the Management to obtain requisite explanation and clarification of data provided;
  - j) Interviews and correspondence with the respective company's management on which we have relied;
- 3.1.2 In addition to the above, we have obtained information from the public sources/ proprietary databases including analyst consensus numbers.
- 3.1.3 The management of the Companies were provided with an opportunity to review a draft of our Report (*excluding the valuation and recommended Share Entitlement and Exchange ratios*) as part of our standard practice to ensure that factual inaccuracies/omissions are avoided in our final report.

## 4 PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

- 4.1.1 In connection with this exercise, we have adopted the following procedures to carry out the valuation:
- Requested and received financial and qualitative information
  - Used data available in the public domain
    - Where available, published general market data, including economic, government and industry information which may affect the value of the businesses;
    - Where available, financial data for publicly traded or private companies engaged in the same or similar lines of business to develop appropriate multiples and operating comparisons as part of the market approach of valuation.
  - Discussion (physical/ or over a phone call) with the Management to:
    - Understand the business and fundamental factors that affect its meaning-generating capability, including strengths, weaknesses, opportunity and threats analysis and historical financial performance.
  - Undertook Industry Analysis:
    - Research publicly available market data including economic factors and industry trends that may impact the valuation
    - Analysis of key trends and valuation multiples of comparable companies/comparable transactions using proprietary databases subscribed by us
  - Selection of internationally accepted valuation methodologies as considered appropriate by us.

## 5 DISCLOSURE OF INTEREST/ CONFLICT AND OTHER AFFIRMATIVE STATEMENTS

- 5.1.1 We hereby certify that, to the best of my knowledge and belief that:
- We are not affiliated to the Client in any manner whatsoever.
  - We do not have a prospective interest in the business, which is the subject of this Report.
  - Details of services for the Client performed within a five-year period immediately preceding acceptance of this engagement, as an appraiser or in any other capacity – We have not provided any services to the Client.



- Our fee is not contingent on an action or event resulting from the analyses, opinions or conclusions in this Report.

5.1.2 The information provided by the management has been appropriately analysed and reviewed in carrying out the valuation.

5.1.3 Sufficient time and information were provided to us to carry out the valuation.

## 6 SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

6.1.1 Our work in preparing the Report was undertaken, and our Report has been produced in accordance with the terms of our engagement with the Transferor Company and the Transferee Company. Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, diligence services, or consulting/ tax-related services.

6.1.2 This Report, its contents and results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement along with subsequent discussions with the management; (ii) the date of this Report and (iii) are based on the data detailed in the section – Sources of information. We have been informed that the business activities of the Companies have been carried out in the normal and ordinary course between 31 March 2022 and the Valuation Date and that subject to the following corporate events no material changes have occurred in their respective operations and financial positions between 31 March 2022 and the Valuation Date:

- Disclosure about the purchase of laminate manufacturing facilities situated at Prantij, Gujarat from Bloom Dekor Limited by the Transferee Company vide execution of an asset purchase agreement dated 22 June 2022.
- Preferential issue of up to 63,10,680 equity shares of the Transferee Company at INR 309 per equity share aggregating to approximately INR 1,950 million, approved by the Board of Directors on 20 June 2022. This transaction is subject to approval of the shareholders of the Transferee Company for which the Transferee Company is taking necessary steps.

6.1.3 An analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular, and the information made available to us.

6.1.4 For the valuation exercise, market parameters have been considered up to and including the Valuation Date. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

6.1.5 Transferee Company being listed on the stock exchanges, the information relating to the future financial performance is considered by the Management of the Company to be price-sensitive and not made available to us. The financial forecasts of the Transferee Company used in the preparation of the Report reflect our judgment of the consensus view of the analysts and the management in the case of the Transferor Company, based on circumstances prevailing around the valuation date. It is usually the case that some events and circumstances do not occur as expected or are not anticipated. Therefore, actual results during the forecast period almost always may differ from the forecasts and as such differences may be material.

6.1.6 For the purpose of this engagement and Report, we have made no investigation of, and assume no responsibility for, the title to the assets or liabilities against the respective Companies. Further, we have not carried out any physical verification of the assets and liabilities of the respective Companies. Our conclusion of value assumes that the title to the

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assets and liabilities of the respective companies reflected in their respective audited/provisional latest financial statements is intact as of the date of this Report. We take no responsibility for the identification of such assets and liabilities.

- 6.1.7 The final analysis will have to be tempered by the exercise of reasonable discretion by the valuer and judgement, considering all the relevant factors. There will always be several factors example given, management capability, present and prospective competition, the yield on comparable securities, and market sentiments among others, which are not evident from the face of the balance sheet but will strongly influence the worth of a share. This concept is well recognised in judicial decisions and pronouncements.
- 6.1.8 The recommendation rendered in this Report only represents our recommendation based upon information to date, furnished by the management of the Client and other sources. The said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation in this Report is not intended to advise anybody to take a buy or sell decision for which specific opinion needs to be taken from expert advisors. The Report does not constitute an offer or invitation to any section of the public to subscribe for or purchase any securities in, or the other business or assets or liabilities of the Companies.
- 6.1.9 The determination of a value is not a precise science, and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. There is, therefore, no single undisputed valuation. While we have provided our recommendation of the Share Exchange Ratio based on the information made available to us and within the scope of our engagement, others may have a different opinion. The final responsibility for the determination of the share exchange ratio at which the Proposed Transaction shall take place will be with the Board of Directors of the Companies who should take into account other factors such as their assessment of the Proposed Transaction and input of other advisors.
- 6.1.10 Our work did not constitute an audit of the financial statements, and accordingly, we do not express any opinion on the truth and fairness of the financial position, as indicated in this Report. Our work did not constitute a validation of the financial statements of the companies/businesses, and accordingly, we do not express any opinion on the same. Also, with respect to explanations and information sought from the management, we have been given to understand that the management has not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusions are based on the assumptions and information provided by the management of the Client. Any omissions, inaccuracies or misstatements may materially impact our valuation analysis and outcome.
- 6.1.11 We do not imply, and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, that a more extensive examination might disclose. The Report assumes that the Companies comply fully with the relevant laws and regulations applicable in all its areas of operations unless otherwise stated and that the companies will be managed in a competent and responsible manner. Further, except as expressly stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of lawful title and compliance with local laws, litigations and other contingent liabilities that are not recorded in the audited/ unaudited balance sheet of the Companies.
- 6.1.12 This Report does not investigate the business / commercial reasons behind the Proposed Transaction nor the likely merits of such transaction. Similarly, it does not address the relative benefits of the Proposed Transaction as compared with any other alternative business transaction or other alternatives or whether such options could be achieved or are available.
- 6.1.13 This Report sets out our conclusions on a) relative valuation of relevant businesses as part of the amalgamation and b) Share Exchange Ratio and has been prepared in accordance with

the letter on engagement. The Report will be used by the Client for purposes agreed upon in the letter of engagement.

- 6.1.14 We have based our analysis based on information provided to us by the Management and other information as stated under "Sources of Information". For our analysis, we have relied on published and secondary sources of data, whether or not provided by the Client. We have not independently verified the accuracy or timeliness of the same.
- 6.1.15 Any changes in the basis of preparation of financial statements of the Companies may significantly impact our analysis and therefore, the valuation.
- 6.1.16 The valuation does not consider findings made by other external agencies in carrying out the valuation analysis other than those which are made available by the Management of the Companies, for example, report on fair valuation of the land and building of the Transferor Company.
- 6.1.17 This Report is prepared on the basis of the sources of information listed in the above section. We have relied upon written representation provided by the Management that the information contained in the Report is materially accurate and complete, fair in its manner of portrayal and therefore, forms a reliable basis for the Valuation.
- 6.1.18 Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties other than in connection with the proposed Scheme, without our prior written consent except for disclosures to be made to relevant regulatory/statutory authorities. We owe no duty (whether in contract or in tort or under statute or otherwise) with respect to or in connection with the attached Report or any part thereof to a party other than to the Board of Directors of the respective Companies. This report is not a substitute for the third party's own due diligence, appraisal, enquiries, and independent advice that the third party should undertake for his purpose.
- 6.1.19 It is understood that the analysis presented herein does not represent a fairness opinion on the Share Exchange Ratio. Any decision by the Client regarding whether to proceed with Proposed Transaction shall rest solely with the Client.
- 6.1.20 This Report is subject to the laws in India and should be used in connection with the proposed scheme.
- 6.1.21 The valuation analysis and results are governed by the concept of materiality.
- 6.1.22 This Report does not in any manner address the prices at which equity shares of the Companies or any other listed shareholder will trade after the announcement of the Proposed Transaction, and we express no opinion or recommendation as to how shareholders of the companies involved in the restructuring should vote at the shareholders' meeting(s) to be held in connection with the Proposed Transaction.

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## 7 SHAREHOLDING PATTERN OF THE COMPANIES

The issued and subscribed equity share capital of HG Industries Limited as on 24 June 2022 is INR 23.17 million consisting of 46,33,568 equity shares with the face value of INR 5/- each. The shareholding pattern is as follows:

Sr. no.	Category of shareholder	Number of Shares	Percentage holding
1	Promotor & Promoter Group	34,70,966	74.91%
2	Public	11,62,602	25.09%
	Total	46,33,568	100.00%

Source: Management information

The issued and subscribed equity share capital of Greenlam Industries Limited as on 24 June 2022 is INR 120.68 million consisting of 12,06,81,870 equity shares with the face value of INR 1/- each. The shareholding pattern is as follows:

Sr. no.	Category of shareholder	Number of Shares	Percentage holding
1	Promoter & Promoter Group	6,50,43,310	53.90%
2	Public	5,56,38,560	46.10%
	Total	12,06,81,870	100.00%

Note: As of the Valuation Date, there is no change in the authorized, issued, subscribed and paid-up share capital of the Transferee Company. However, the Board of Directors of the Transferee Company in their meeting held on 20 June 2022, have approved the issuance of up to 63,10,680 fully paid-up equity shares of the Transferee Company having a face value of Re. 1/- (Rupee One Only) each. The preferential issue is subject to the approval of shareholders of the Transferee Company.

Source: Management information

## 8 APPROACH & METHODOLOGY

- 8.1.1 The Scheme contemplates the amalgamation of HG Industries Limited into and with Greenlam Industries Limited. Arriving at the fair Share Exchange Ratio for the Proposed Transaction would require determining the relative value of equity shares of HG Industries Limited and Greenlam Industries Limited. These values are to be determined independently, but on a relative basis for the respective Companies, without considering the effect of the proposed amalgamation.
- 8.1.2 Our choice of approach and methodology for the valuation has been arrived at using usual and conventional approaches and methodologies adopted for mergers, and are reasonable judgement in an independent and bona fide manner.

### 8.2 Valuation approach and methodologies

- 8.2.1 The standard of value used in our analysis is fair value, which is often defined as the price, in terms of cash or equivalent, that a buyer could reasonably be expected to pay, and a seller could reasonably be expected to accept, if the business were exposed for sale on the open market for a reasonable period of time, with both buyer and seller being in possession of the pertinent facts and neither being under any compulsion to act.
- 8.2.2 There are several commonly used and internationally accepted methods for determining the fair value of companies, which have been considered in the present case, to the extent relevant

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and applicable. Due cognizance and consideration have been given to International Valuation Standards, 2022 ("IVS") Valuation Approaches and Methods in valuing the Transferor Company and Transferee Company.

- 8.2.3 It should be understood that the valuation of any company or its assets is inherently subjective and is subject to certain uncertainties and contingencies all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the company. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the respective Company, and other factors which generally influence the valuation analysis.
- 8.2.4 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 the 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 is based on our previous experience of assignments of a similar nature.
- 8.2.5 There are several commonly used and accepted methods for determining the value and the Share Exchange Ratio which have been considered in the present case, to the extent relevant and applicable, including:
- a) Market Approach:
    - Market Price method
    - Comparable Companies Multiples
    - Comparable Transaction Multiple Method
  - b) Income Approach: Discounted Cash Flows Method
  - c) Cost Approach: Net Asset Value Method
- 8.2.6 As discussed below for the Proposed Transaction, we have considered these methods to the extent relevant and applicable.
- 8.2.7 This valuation could fluctuate with the 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.
- 8.2.8 We have relied on the judgment of the Management as regards contingent and other liabilities.
- 8.2.9 The valuation methodologies, as may be applicable, which have been used to arrive at the value of the Companies are discussed hereunder.

### 8.3 Market Price (MP) Method

- 8.3.1 The market price of an equity share as quoted on a Stock Exchange is generally 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, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share, especially where the market values are fluctuating in a volatile capital market. Further, in the case of a merger, where there is a question of evaluating the share price of one company against that of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

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- 8.3.2 The equity shares of Greenlam Industries Limited are listed on NSE and BSE and are traded frequently with higher trading volume in NSE in comparison to BSE hence, the share prices observed on the NSE over a reasonable period have been considered for arriving at the value per equity share of the Transferee Company under the Market Prices method. For arriving at the market price, we have considered the volume-weighted price on the stock exchanges over a reasonable period including upto 28 June 2022 (Valuation Date), i.e. the trading day immediately prior to the date on which the Scheme is placed before the Audit Committee of the respective Companies for their consideration.
- 8.3.3 The equity shares of HG Industries Limited are listed on BSE and traded frequently but under the graded surveillance measure (GSM) 4 category. Considering the restrictions that GSM puts on the trading of the shares, we have not considered this method for the Transferor Company.

#### 8.4 Comparable Companies Market Multiple ("CCM") Method

- 8.4.1 Under this method, the value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable companies, as apparent through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant for the assessment of the value of the company.
- 8.4.2 Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. In identifying the comparable companies, the business description and various operating metrics are to be analysed.
- 8.4.3 In the present valuation analysis, we carried out research on comparable companies listed in India. We have used enterprise value to revenue multiple for arriving at the value per equity share of the Companies.
- 8.4.4 HG Industries Limited is adding a new project for the manufacturing of plywood. Management expects the commercial production to commence from Q4 of FY23. As such, for valuing the company, stable forward period revenue has been discounted using a risk-adjusted rate for arriving at the value.

#### 8.5 Comparable Companies Transaction Multiple (CTM) Method

- 8.5.1 Under the CTM method, the value of the equity shares of a company is arrived at by using the prices implied by reported transactions/ deals of comparable companies.
- 8.5.2 Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. A version of the CTM includes deriving the value of the company from a transaction involving the company's own securities, with appropriate adjustments as necessary.
- 8.5.3 We have not used comparable transactions multiples to value the Companies due to the lack of availability of similar transactions along with complete data relating to premiums/discounts involved in such transactions which have taken place in the last 12-24 months.
- 8.5.4 The Board of Directors of the Transferee Company approved issuance of up to 63,10,680 equity shares to certain qualified institutional buyer on a preferential basis at INR 309 per equity share on 20 June 2022. The total size of the preferential issue is approximately INR 1,950 million. Based on reasoned judgement, we consider it appropriate to benchmark the value of the Transferee Company by also using the price of recent preferential issue as approved by the Board of Directors.
- 8.5.5 We understand that The Transferee Company had executed a share purchase agreement in August 2021 to acquire c.74.91 per cent of the equity share capital of the Transferor Company at INR 40.11 per equity share, which was followed by an open offer to acquire the remaining

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c. 25.09 per cent of the equity share capital of the Transferor Company at INR 41.0 per equity share. The shares of Transferor Company were not frequently traded then, and valuation was arrived at using other customary parameters.

- 8.5.6 We view that the last transaction price in own shares of the Transferor Company may not be very relevant considering that the company is currently in the process of setting up a new manufacturing unit of plywood and allied products in Tindivanam, Tamil Nadu, wherein the valuation of the company can obtain support from assumption on future income and cash flows.

## 8.6 Discounted Cash Flows (DCF) Method

- 8.6.1 Under the DCF method, the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm ("Enterprise Value" or "EV").

- 8.6.2 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 company that is available to all providers of the company's capital — both debt and equity.

Appropriate discount rate to be applied to cash flows, i.e. the cost of capital:

- 8.6.3 This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.
- 8.6.4 The value so computed by discounting the cash flows to the firm is adjusted for net borrowings, surplus assets including investments, minority or non-controlling interests, equity instruments granted as part of the share-based payment, and other matters to arrive at an aggregate equity value of the company.
- 8.6.5 Per management, the information relating to the future financial performance of Greenlam Industries Limited is price sensitive and as such not made available to us. We have used the analysts' forecasts available with some of the proprietary databases or supplied to us by the Management along with suitable qualitative factors to determine the value under the DCF method. For HG Industries Limited, a high-level business plan has been made available to us, which has been used to arrive at the value herein. As part of our analysis, we have suitably limited the base cash flow projections to three years considering that there is limited past actual outcome to test the reasonableness of assumptions for a longer period.

## 8.7 Net Asset Value (NAV) Method

- 8.7.1 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 realisable value basis or replacement cost basis. The cost approach assumes that a prudent investor would pay no more for an entity than the amount for which he could replace or re-create it or an asset with similar utility. Under a going-concern premise, the cost approach usually is best suited for valuing asset-intensive companies, such as investment or real estate holding companies, or companies with unstable or unpredictable earnings.
- 8.7.2 The Scheme of Arrangement would normally be proceeded with on the assumption that the companies being part of the amalgamating process are going concerns and an actual realisation of their operating assets is not contemplated. Hence, we have considered it appropriate to not provide any weightage to the NAV method.

## 9 BASIS OF VALUATION AND SHARE EXCHANGE RATIO

- 9.1.1 The premise of arriving at the valuation and Share Exchange Ratio for the Proposed Transaction would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. The valuations and Share Exchange Ratio are based on the various methods explained herein earlier and various qualitative factors, business dynamics and growth potentials of the relevant company, having regard to the information base, critical underlying assumptions and limitations. It is, however, important to note that in doing so we are not attempting to arrive at the absolute equity values of the companies but at their relative values to facilitate the determination of a fair Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.
- 9.1.2 While we have provided our recommendation of the fair equity Share Exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the fair equity Share Exchange Ratio. The final responsibility for the determination of the exchange ratio at which the Proposed Transaction shall take place will be with the Board of Directors of the respective Companies who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors.
- 9.1.3 As considered appropriate, we have applied methodologies within the approaches discussed above and arrived at an assessment of the value of the companies forming a part of the amalgamation for computation of the Share Exchange Ratio. To arrive at the consensus on the Share Exchange Ratio, suitable minor adjustments/ rounding off have been done in the relative values arrived at by us.

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## 10 CONCLUSION

10.1.1 Based on the foregoing, and after considering the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the following equity Share Exchange Ratio for the proposed amalgamation of HG Industries Limited with and into Greenlam Industries Limited:

1 (one) equity shares of the face value of INR 1/- (Rupee One) each credited as fully paid up in the share capital of Greenlam Industries Limited for every 2 (two) fully paid-up equity shares of the face value of Rs. 5/- (Rupees Five) each held in HG Industries Limited

Respectfully submitted,  
For Incwert Advisory Private Limited  
Registered Valuer Entity under Companies (Registered Valuers and Valuation) Rules, 2017  
IBBI Registration No. IBBI/RV-E/05/2019/108  
Asset class: Securities or Financial Assets



Punit Khandelwal  
Director  
Registered Valuer under Companies (Registered Valuers and Valuation) Rules, 2017  
IBBI Registration No. IBBI/RV/05/2019/11375  
Asset class: Securities or Financial Assets

APPENDIX – 1

The computation of Merger Share Exchange Ratio for amalgamation of HG Industries Limited with and into Greenlam Industries Limited is computed as below:

Valuation approach	HG Industries Limited (A)		Greenlam Industries Limited (B)	
	Value per share (in INR)	Weight	Value per share (in INR)	Weight
Income Approach - DCF method (i)	150.5	33.3%	331.9	33.3%
Market Approach				
- Market price method (ii)	NA	NA	316.6	22.2%
- Comparable Companies' Multiple method (iii)	163.2	66.7%	304.1	22.2%
- Recent transaction price method (iv)	NA	NA	309.0	22.2%
Cost Approach - Net asset value method	NA	NA	NA	NA
Relative value per share (weighted average of (i), (ii), (iii) and (iv))	159.0		317.2	
Share Exchange Ratio (rounded) (A/B)	0.50			

NA = Not applicable/adopted

NM = Not meaningful

- a) Market price method is not considered for HG Industries Limited as its equity shares are traded frequently but under the graded surveillance measure (GSM) 4 category. Considering the restrictions that GSM puts on the trading of the shares, we considered it appropriate to not assign weights to this method for the Transferor Company.
- b) Recent transaction price method is not used in valuing the Transferor Company since the last transaction price in own shares of the Transferor Company may not be very relevant considering that the company is currently in the process of setting up a new manufacturing unit of plywood and allied products in Tindivanam, Tamil Nadu, wherein the valuation of the company can obtain support from the assumption on future income and cash flows.
- c) Cost approach – Net asset value method is not considered to value both the Companies considering the Scheme would normally be proceeded with on the assumption that the Companies being part of the amalgamating process are going concerns and an actual realisation of their operating assets is not contemplated.

.....End of report.....



Dated : 29/06/2022

The Board of Directors  
**Greenlam Industries Limited**  
 203, 2nd Floor, West Wing, Worldmark 1,  
 Aerocity, IGI Airport, Hospitality District,  
 New Delhi – 110 037

Dear Sir / Madam,

**Sub: Fairness Opinion on the share exchange ratio for the Scheme of Arrangement between Greenlam Industries Limited ("GIL" or "Transferee Company") and HG Industries Limited (Formerly Himalaya Granites Limited) ("HGIL" or "Transferor Company") (GIL and HGIL together referred to as "Companies") and their respective shareholders and all concerned, towards amalgamation of the Transferor Company with and into the Transferee Company ("Scheme").**

This opinion is issued pursuant to the terms of our engagement letter dated June 13, 2022 with GIL under which GIL has requested SKP Securities Limited ("SKP"), a SEBI Registered Category (I) Merchant Banker to provide fairness opinion on the share exchange ratio for the proposed Scheme.

#### **BACKGROUND, PURPOSE AND USE OF THIS REPORT**

We understand that the management of GIL and HGIL is contemplating a restructuring exercise wherein entire business and whole of the undertaking of HGIL will be transferred to GIL as a going concern with the following objective:

1. The Transferee Company holds 74.91% of the share capital of the Transferor Company which was acquired in the financial year FY 2021-22. The Transferee Company is engaged in the business of, *inter alia*, manufacturing of laminates, decorative veneers, engineered wooden flooring, engineered wooden doors and allied products and the Transferor Company is in the process of setting-up a manufacturing plant at Tindivanam, Tamil Nadu for manufacturing of plywood and allied products. The business activities of the Transferor Company and the Transferee Company complement each other. The amalgamation pursuant to this Scheme, would, *inter alia*, have the following benefits:
  - i. it would enable the Transferee Company to leverage its combined assets and to create a more competitive business, both in scale and operations;
  - ii. it would consolidate the businesses of the Transferor Company and the Transferee Company which will result in focused growth, operational efficiencies, business synergies and unlock the value of the assets of the Transferor Company;
  - iii. it would enhance operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources and ultimately enhancing overall shareholders value;
  - iv. it would achieve synergies in costs (particularly in respect of customer relationship management and establishing sales and marketing channels), operations, stronger and wider capital and financial base for future growth;



PRIVATE WEALTH | BROKING | DISTRIBUTION | INSTITUTIONAL EQUITIES | INVESTMENT BANKING

NSE & BSE : IN2000199335 | Research Analyst : INH300002902 | NSDL & CDSL : IN-DP-155-2015  
 AMFI : ARN 0006 | CIN : L74140WB1990PLC049032 | PM : INP000006509 | MB : INM000012670

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- v. it would allow for an integrated and coordinated approach to investment strategies will allow for a more efficient allocation of capital and cash management;
- vi. it would broaden the Transferee Company's product portfolio by adding plywood and allied products;
- vii. it would prevent overlap of sales and marketing channels of the Transferor Company and the Transferee Company;
- viii. it would consolidate administrative and managerial functions and elimination of multiple record-keeping, inter alia, other expenditure and optimal utilization of resources by elimination of unnecessary duplication of activities and related costs thus resulting in reduced expenditure.

The share exchange ratio ("**Share Exchange Ratio**") of the equity shareholders of HGIL for the proposed Scheme refers to

- the number of equity share(s) of the face value of Re. 1/- (Rupee One) each credited as fully paid up in the share capital of GIL which would be issued to the equity shareholders of HGIL for exchange of the fully paid-up equity share(s) of the face value of Rs. 5/- (Rupees Five) each held in HGIL.

For the aforesaid purpose, the management of the Companies has appointed Incwert Advisory Private Limited (referred as "**Valuer**") to prepare a report on the share exchange ratio for the scheme to be placed before the Audit Committee and the Board of Directors of the Companies, as per the requirement of SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665, dated November 23, 2021 as amended ("**SEBI Circular**").

In this connection we have been requested by GIL to render our professional services by way of issue of fairness opinion on the Share Exchange Ratio to the audit committee and Board of Directors of the Transferee Company as to whether the Share Exchange Ratio, as recommended by the Valuer, in their report dated June 29, 2022 is fair and reasonable.

This report is intended only for the sole use and information of GIL, and only in connection with the proposed Scheme including for the purpose of obtaining judicial and regulatory approvals for the proposed Scheme. It is hereby notified that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed Scheme as aforesaid can be done only with our prior written permission. We acknowledge that this report will be shared to the extent as may be required, with the National Company Law Tribunal, stock exchanges, advisors of the Companies in relation to the proposed scheme, as well as with the statutory authorities.

As per the Valuation Report, the following exchange ratio is recommended by the Valuer:

**For equity shareholders of HGIL:**

- 1 (One) equity shares of the face value of Re. 1/- (Rupees One) each credited as fully paid up in the share capital of GIL for every 2 (Two) fully paid up equity share(s) of the face value of Rs. 5/- (Rupees Five) each held in HGIL.

**SOURCES OF INFORMATION:-**

We have relied upon the following sources of information:

1. Memorandum and Articles of Association of the Companies.
2. Audited financial statements of the GIL for the financial years ('FY') ended March 31, 2020, March



31, 2021 and March 31, 2022.

3. Audited financial statements of the HGIL for the FY ended March 31, 2020, March 31, 2021 and March 31, 2022.
4. Draft of the proposed Scheme of Arrangement between the Companies.
5. Discussion (including oral) with management of the Companies regarding the proposed Scheme, current operations and future prospects.
6. Discussion (including oral) and documents as provided by the Valuer for the purpose of this engagement.
7. Equity shares trading data of GIL from the website of National Stock Exchange of India Limited and BSE Limited.
8. Such other information, documents, data, reports, discussions and verbal & written explanations from the Companies as well as advisors for proposed amalgamation, information available at public domain & websites as were considered relevant for the purpose of the Fairness Opinion.

**EXCLUSIONS AND LIMITATIONS:-**

1. We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the management of the Companies for the purpose of this opinion without carrying out any audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the assets of the Companies.
2. We have solely relied upon the information provided to us by the management of the GIL. We have not reviewed any books or records of Companies.
3. We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of the Companies and neither express any opinion with respect thereto nor accept any responsibility therefor.
4. We have not made any independent valuation or appraisal of the assets or liabilities of the Companies. In particular we do not express any opinion as to the value of assets of the Companies, whether at current market prices or in future.
5. We are not experts in the evaluation of litigation or other actual or threatened claims and hence have not commented on the effect of such litigation or claims on the valuation. We are not legal, tax, regulatory or actuarial advisors. We are financial advisors only and have relied upon, without independent verification, the assessment of the Companies with respect to these matters. In addition, we have assumed that the Draft Scheme of Arrangement will be approved by the regulatory authorities and that the proposed scheme will be consummated substantially in accordance with the terms set forth in the Draft Scheme of Arrangement.
6. We understand that the managements of the Companies during our discussion with them would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion.
7. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have any



obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we are not authorized to solicit, and did not solicit, interests for any party with respect to the acquisition, business combination or other extra-ordinary transaction involving the Companies or any of its assets, nor did we negotiate with any other party in this regard.

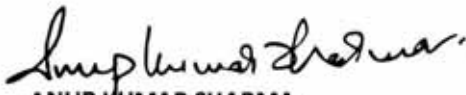
8. We express no opinion whatever and make no recommendation at all as to the decision to effect to the proposed Scheme or as to how the holders of equity shares or secured or unsecured creditors of Companies should vote at their respective meetings held in connection with the proposed Scheme of Arrangement. We do not express and should not be deemed to have expressed any views on any other terms of the proposed Scheme. We also express no opinion and accordingly accept no responsibility for or as to the prices at which the equity shares of Transferee Company and Transferor Company will trade following the announcement of the proposed Scheme or as to the financial performance of Companies following the completion of the proposed Scheme of Arrangement.
9. In the ordinary course of business, SKP is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of SKP may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities of any company that may be involved in the Scheme.
10. In no circumstances however, will SKP or its directors or employees accept any responsibility or liability to any third party.

**CONCLUSION: -**

In the circumstances, having regard to all the relevant factors and on the basis of information and explanation given to us, we are of the opinion on the date hereof, that the Share Exchange Ratio as recommended by the Valuer, which forms the basis for this proposed Scheme of Arrangement is fair and reasonable.

SKP has issued the Fairness Opinion with the understanding that Draft Scheme shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final Scheme alters the transaction.


Yours Faithfully,  
For SKP SECURITIES LIMITED



ANUP KUMAR SHARMA  
(Head – Merchant Banking)  
SEBI REGN No. INM000012670



Place: Kolkata

Shareholding Pattern as on March 03, 2023 (Pre Merger)		 Greenlam Industries Limited	
1.	Name of Listed Entity: Greenlam Industries Limited		
2.	Scrip Code/Name of Scrip/Class of Security: 538979		
3	Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-		
S. No.	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?		No
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4	Whether the Listed Entity has any shares in locked-in?		No
5	Whether any shares held by promoters are pledge or otherwise encumbered?		No
6	Whether the Listed Entity has equity shares with differential voting rights?		No
7	Whether the Listed Entity has any Significant Beneficial Owner?	Yes	



Greenlam Industries Limited																	
Table 1 - Summary Statement holding of specified securities																	
Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total shares (calculate as per SCRR, 1957)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities	Shareholding, as a % assuming full conversion of convertible securities	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								Class eg: X	Class eg: Y	Total			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII) As a	(IX)	(X)	(XI)=	(XII)	(XIII)	(XIV)				
(A)	Promoter & Promoter Group	5	65043310	0	0	65043310	51.2182	65043310	65043310	51.2182	0	0.0000	0	0.0000	65043310		
(B)	Public	13074	61949240	0	0	61949240	48.7818	61949240	61949240	48.7818	0	0.0000	NA	NA	61889420		
(C)	Non Promoter - Non Public	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	NA	NA	0		
(C1)	Shares Underlying DRs	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	NA	NA	0		
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	NA	NA	0		
	Total	13029	126992550	0	0	126992550	100.0000	126992550	126992550	100.0000	0	0.0000	0	0.0000	126932730		





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

Sl. No.	Category & Name of the shareholders	Entity Type	PAN	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = (viii) As % of Total nos. shares held	Number of Voting Rights held in each class of securities			(ix)	(x)	(xi) = (x) / (vii) %	(xii)	(xiii)	(xiv)	
											Class X	Class Y	Total							
1	Indian																			
(a)	Individuals / Hindu Undivided Family	Promoters	AEAPN8901Q	4	16845755	0	16845755	0	16845755	13.2652	0	16845755	13.2652	0	0.0000	0	0.0000	0	0.0000	16845755
	Saurabh Mittal			3	11645855	0	11645855	0	11645855	9.1705	0	11645855	9.1705	0	0.0000	0	0.0000	0	0.0000	11645855
	Shri Prakash Mittal			1	2530000	0	2530000	0	2530000	1.9922	0	2530000	1.9922	0	0.0000	0	0.0000	0	0.0000	2530000
	Pecul Mittal			1	2384000	0	2384000	0	2384000	1.8851	0	2384000	1.8851	0	0.0000	0	0.0000	0	0.0000	2384000
	Santosh Mittal			1	275900	0	275900	0	275900	0.2178	0	275900	0.2178	0	0.0000	0	0.0000	0	0.0000	275900
	Master Jai Mittal			0	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Miss Jai Mittal			0	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(b)	Central Government / State Government(s)	Promoter Group	CUTPM0007N	0	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(c)	Financial Institutions / Banks	Promoter Group	CUTPM0005C	0	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(d)	Any Other (Specify)			1	48197555	0	48197555	0	48197555	37.9531	0	48197555	37.9531	0	0.0000	0	0.0000	0	0.0000	48197555
	Bodini Corporate			1	48197555	0	48197555	0	48197555	37.9531	0	48197555	37.9531	0	0.0000	0	0.0000	0	0.0000	48197555
	Sm Greenlam Investments Private Limited			1	48197555	0	48197555	0	48197555	37.9531	0	48197555	37.9531	0	0.0000	0	0.0000	0	0.0000	48197555
	HG Industries Limited (Formerly Himalaya Granites Limited)			0	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	S. M. Safirinvest Private Limited			0	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Prime Properties Private Limited			0	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Sub Total (A)[1]			5	65043310	0	65043310	0	65043310	51.2182	0	65043310	51.2182	0	0.0000	0	0.0000	0	0.0000	65043310
2	Foreign																			
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)			0	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(b)	Government Institutions			0	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(c)	Foreign Portfolio Investor			0	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(d)	Any Other (Specify)			0	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(e)	Sub Total (A)[2]			0	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Total Shareholding Of Promoter And Promoter Group (A) = (A)[1]+(A)[2]			5	65043310	0	65043310	0	65043310	51.2182	0	65043310	51.2182	0	0.0000	0	0.0000	0	0.0000	65043310





**Greenlam Industries Limited**



**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

S. No.	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights of securities		No. of Shares Underlying Outstanding convertible securities	Shareholding, as a % assuming full conversion of convertible securities	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form		
									No of Voting Rights Class eg: X	y			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)		No. (a)	As a % of total Shares held(b)
1	Custodian/DR Holder Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021		(iii) 0	(iv) 0	(v) 0	(vi) 0	(vii) 0	(viii) As a % of (A+B+C2) 0.0000	0	0	(ix) 0	(x) 0.0000	(xi) 0	(xii) 0.0000	(xiii) NA	(xiv) 0	(xv) 0		
2	Total Non-Promoter- Non Public Shareholding (C)= (C1)+(C2)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0		

*(Signature)*

*(Signature)*

**Greenlam Industries Limited**



**Table V - Statement showing details of significant beneficial owners**

Details of the SBO				Details of the Registered Owner				Details of Holding / Exercise of Rights of SBO				Date of creation/ acquisition of significant beneficial interest	
Name	PAN	Passport No. in case of a foreign national	Nationality	Name	PAN	Passport No. in case of a foreign national	Nationality	Shares	Voting Rights	Whether by Virtue of Rights on distributable dividend or any other distributable profit	Exercise of Control	Exercise of Significant Influence	
			(Applicable in case of Any other is selected)				(Applicable in case of Any other is selected)						
Saurabh Mittal	AEAPM5901Q	-	Indian	SM Greenlam Investments Private Limited (formerly Greenply Leasing & Finance Private Limited)	AAACG9286D	-	Indian	47.12			No	No	08-02-2019
Parul Mittal	ABNPM8707E	-	Indian	SM Greenlam Investments Private Limited (formerly Greenply Leasing & Finance Private Limited)	AAACG9286D	-	Indian	39.84			No	No	08-02-2019

For HG INDUSTRIES LIMITED

*Prabhat Kumar Singh*  
Company Secretary

For Greenlam Industries Limited

*Prabhat Kumar Singh*  
Company Secretary &  
Vice President-Legal

**Shareholding Pattern Post Merger**



1. Name of Listed Entity: Greenlam Industries Limited  
 2. Scrip Code/Name of Scrip/Class of Security: 538979

3 Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-

S. No.	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?	-	No
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?	-	No
3	Whether the Listed Entity has any shares against which depository receipts are issued?	-	No
4	Whether the Listed Entity has any shares in locked-in?	-	No
5	Whether any shares held by promoters are pledge or otherwise encumbered?	-	No
6	Whether the Listed Entity has equity shares with differential voting rights?	-	No
7	Whether the Listed Entity has any Significant Beneficial Owner?	Yes	-



**Greenlam Industries Limited**

**Table I - Summary Statement holding of specified securities**

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % of total no. of shares (calculate as per SCRR, 1957)	No. of Voting Rights		No. of Shares Underlying Outstanding convertible securities	Shareholding, as assuming full conversion of convertible securities	Number of Locked In shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form	
								Class eg: X	Class eg: Y Total						(X)
(A)	Promoter & Promoter Group	5	65043310	0	0	65043310	65043310	50.9848	0	50.9848	0	0.0000	0	0.0000	65043310
(B)	Public	14336	62530541	0	0	62530541	62530541	49.0152	0	49.0152	0	0.0000	NA	NA	62470721
(C)	Non Promoter - Non Public	0	0	0	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
(C1)	Shares Underlying DRs	0	0	0	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
	<b>Total</b>	<b>14341</b>	<b>127573851</b>	<b>0</b>	<b>0</b>	<b>127573851</b>	<b>100.0000</b>	<b>127573851</b>	<b>0</b>	<b>100.0000</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0.0000</b>	<b>127514031</b>




**Greenlam Industries Limited**  
**Table II - Statement showing shareholding pattern of the Promoter and Promoter Group**

Sl. No.	Category & Name of the Shareholders	Entity Type	PAN	No. of sharehold-ers	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlyin Depositor V Receipts	Total nos. shares held	Shareholding % concerned as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlyin Depositor V Receipts	Shareholding, as a % of the total voting rights of all securities (D)/(E+F+G)	Number of Locked in shares	Number of Shares pledged or otherwise encumbered	Number of Shares held in dematerialise d form			
										No. of Voting Rights		Total as a % of Total Voting Rights						No. (A)	No. (B)	No. (C)
										Class	Other									
1	Indian																			
(a)	Individuals / Hindu Undivided Family	Promoters	AGAPM5001Q	4	18843735	0	0	18843735	13.2047	18843735	13.2047	0	0.0000	0	0.0000	18843735				
	Saurabh Mittal	Promoter Group	AGAPM5001Q	1	11645855	0	0	11645855	9.1287	11645855	9.1287	0	0.0000	0	0.0000	11645855				
	Shilpa Prakash Mittal	Promoter Group	AGAPM5001Q	1	2530000	0	0	2530000	1.8832	2530000	1.8832	0	0.0000	0	0.0000	2530000				
	Praveen Mittal	Promoter Group	AGAPM5001Q	1	2394000	0	0	2394000	1.8766	2394000	1.8766	0	0.0000	0	0.0000	2394000				
	Saishobh Mittal	Promoter Group	AGAPM5001Q	1	2759000	0	0	2759000	2.1163	2759000	2.1163	0	0.0000	0	0.0000	2759000				
	Masirah Mittal	Promoter Group	AGAPM5001Q	1	0	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0				
	Mishra Mittal	Promoter Group	AGAPM5001Q	1	0	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0				
(b)	Central Government / State Government(s)			0	0	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0				
(c)	Financial Institutions / Banks			0	0	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0				
(d)	Any Other (Specify)			1	48197555	0	0	48197555	37.7801	48197555	37.7801	0	0.0000	0	0.0000	48197555				
	Matica Corporate	Promoter Group	BAACG0386D	1	48197555	0	0	48197555	37.7801	48197555	37.7801	0	0.0000	0	0.0000	48197555				
	S.M. Greenlam Investments Private Limited	Promoter Group	BAACG0386D	1	48197555	0	0	48197555	37.7801	48197555	37.7801	0	0.0000	0	0.0000	48197555				
	S. M. Subraman Investment Private Limited	Promoter Group	BAACG0386D	1	48197555	0	0	48197555	37.7801	48197555	37.7801	0	0.0000	0	0.0000	48197555				
	Prime Prosperities Private Limited	Promoter Group	BAACG0386D	1	48197555	0	0	48197555	37.7801	48197555	37.7801	0	0.0000	0	0.0000	48197555				
	Sub Total (A)(1)			8	65043310	0	0	65043310	50.9848	65043310	50.9848	0	0.0000	0	0.0000	65043310				
2	Foreign			0	0	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0				
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)			0	0	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0				
(b)	Government			0	0	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0				
(c)	Institutions			0	0	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0				
(d)	Foreign Portfolio Investor			0	0	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0				
(e)	Any Other (Specify)			0	0	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0				
	Sub Total (A)(2)			0	0	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0				
	TOTAL Shareholding Of Promoter And Promoter Group (A)(1)+(A)(2)			8	65043310	0	0	65043310	50.9848	65043310	50.9848	0	0.0000	0	0.0000	65043310				







**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

Category & Name of the shareholders	PAN	Nos. of sharehold-ers	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities	Shareholding % assuming full conversion of convertible securities	Number of Locked in shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
								No of Voting Rights Class eg: X Class eg: Y Total	% of (A+B+C)			No. (a)	As a % of total Shares held(b)		
	(e)	(iii)	(iv)	(v)	(vi)	(vii) = (iii)+(iv)+(v)+(vi)	(viii) As a % of (A+B+C2)	(ix)	(x)	(xi) = (x)/(viii)	(xii) = (x)/(xi)	(xiii)	(xiv)	(xv)	
1 Custodian/DR Holder Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	0
2 Total Non-Promoter- Non Public Shareholding (C1)= (C11)+(C12)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	0

*[Signature]*



*[Signature]*



**Greenlam Industries Limited**

**Table V - Statement showing details of significant beneficial owners**




Details of the SBO				Details of the Registered Owner				Details of Holding / Exercise of Rights of SBO				Date of creation/ acquisition of significant beneficial interest	
Name	PAN	Passport No. in case of a foreign national	Nationality (Applicable in case of Any other is selected)	Name	PAN	Passport No. in case of a foreign national	Nationality (Applicable in case of Any other is selected)	Shares	Voting Rights	Whether by Virtue of Rights on distributable dividend or any other distributable profit	Exercise of Control		Exercise of Significant Influence
Saurabh Mittal	AEAPM5901Q	-	Indian	SM Greenlam Investments Private Limited (formerly Greenply Leasing & Finance Private Limited)	AAACG9286D	-	Indian	47.12		No	No	No	08-02-2019
Parul Mittal	ABNPM8707E	-	Indian	SM Greenlam Investments Private Limited (formerly Greenply Leasing & Finance Private Limited)	AAACG9286D	-	Indian	39.84		No	No	No	08-02-2019

For Greenlam Industries Limited  
  
 Prakash Kumar Jaiswal  
 Company Secretary &  
 Vice President-Legal

For HG INDUSTRIES LIMITED  
  
 Anand Kumar Jaiswal  
 Company Secretary

**Shareholding Pattern as on March 03, 2023 (Pre Merger)**



**HG INDUSTRIES LIMITED**  
(Formerly Hindalloya Granites Limited)

1. Name of Listed Entity: **HG INDUSTRIES LIMITED**  
 2. Scrip Code/Name of Scrip/Class of Security : **BSE Scrip Code 513723: Rs-5/- each.**  
 3. Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-

S. No.	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?	-	NO
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?	-	NO
3	Whether the Listed Entity has any shares against which depository receipts are issued?	-	NO
4	Whether the Listed Entity has any shares in locked-in?	-	NO
5	Whether any shares held by promoters are pledge or otherwise encumbered?	-	NO
6	Whether the Listed Entity has equity shares with differential voting rights?	-	NO
7	Whether the Listed Entity has any Significant Beneficial Owner?	Yes	-


Category (i)	Category of shareholder (ii)	Nos. of shareholders (iii)	No. of paid up equity shares held (iv)	Partly paid-up equity shares held (v)	Nos. of shares underlying Depository Receipts (vi)	Total nos. shares held (vii) = (iv)+(v)+(vi)	Shareholding as a % total no. of shares (calculated as per SCRR, 1957) (viii) As a % of (A+B+C2) (A+B+C2) (viii)	Number of Voting Rights held in each class of securities (ix)			Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (x)-(vii)-(x) (A+B+C2) (xi)	Number of Locked in shares (xii)		Number of Shares pledged or otherwise encumbered (xiii)		Number of equity shares held in dematerialized form (xiv)
								No of Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class X*	Class Y	Total						
(A)	Promoter & Promoter Group	1	3470966	0	0	3470966	74.91	3470966	0	3470966	74.91	0	0	0	0.00	3470966
(B)	Public	1312	1162602	0	0	1162602	25.09	1162602	0	1162602	25.09	0	0	0	0.00	1038550
(C)	Non Promoter- Non Public	0	0	0	0	0	0	0	0	0	0.00	0	0	0	0.00	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0.00	0	0	0	0.00	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0.00	0	0	0	0.00	0
	Total	1313	4633568	0	0	4633568	100.00	4633568	0	4633568	100.00	0	0	0	0.00	4509516

Table 1 - Summary Statement holding of specified securities



Category	Category & name of the Shareholders (1)	PAN (1)	Number of Shareholders (1)	No of fully paid-up equity shares held (1)	Partly paid-up equity shares held (1)	Nos of shares underlying Depository Receipts (1)	Total nos. shares held (1) (1+2+3+4)	Shareholding % calculated as per SEBI (1992) as % of (A+B+C) VII	Number of Voting rights			Number of Voting rights held in each class of securities (1)		No. of Shares Underlying Outstanding convertible securities (including Warrants) (1)	Total shareholding as a % of convertible securities (as a percentage of diluted shares) (0) = (10) / (1) * 100 (A+B+C)	Number of Locked in shares (1)	Number of Shares Pledged or otherwise encumbered (1)	Number of Shares Held in dematerialized form (1)
									Class 'e'	Class 'f'	Total	Class 'e'	Class 'f'					
(A) Promoter and Promoter Group																		
(1) Indian																		
(a) Individual/ Hindu Undivided Family			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0	0.00	0
(b) Central Government/ State Government(s)			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0	0.00	0
(c) Financial institution/ Banks			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0	0.00	0
(d) Any other (Bodies Corporate)			1	3470966	0	0	3470966	74.91	3470966	0	3470966	74.91	0	0	0	0	0.00	3470966
1	GREENLAM INDUSTRIES LIMITED	AAJCC2366D	1	3470966	0	0	3470966	74.91	3470966	0	3470966	74.91	0	0	0	0	0.00	3470966
Sub-Total (A) (2)			1	3470966	0	0	3470966	74.91	3470966	0	3470966	74.91	0	0	0	0	0.00	3470966
(2) Foreign																		
(a) Individual (Non-Resident individual/ Foreign Individual(s))			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0	0.00	0
(b) Government			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0	0.00	0
(c) Institutions			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0	0.00	0
(d) Foreign Trust(s)			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0	0.00	0
(e) Any other (Specify)			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0	0.00	0
Sub-Total (A) (2)			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0	0.00	0
Total Shareholding of Promoter and Promoter Group (A) = (A1)+(A2)			1	3470966	0	0	3470966	74.91	3470966	0	3470966	74.91	0	0	0	0	0.00	3470966



Table 10 - Statement showing shareholding pattern of the Public shareholder

S.No.	Category & Name of the Shareholders (I)	PAN (II)	Nos. of shares held (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of underlying shares held (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding % calculated as per SCRT (VIII) = (VII)/(I)+(II)+(III)	Number of Voting Rights held in each class of securities			Total as a % of Voting Rights (X)	Total as a % of Total Voting Rights (XI)	No. of Shares Locked in (XII)	As a % of total Shares held (XIII)	Number of Shares pledged or otherwise encumbered (XIV)	As a % of total shares held (XV)	Sub-categorization of Shares (XVI)
									No. of Shares									
									(XVII)	(XVIII)	(XIX)							
1	Individuals (Classified)																	
(a)	Includes (Classified)																	
(b)	Mutual Funds																	
(c)	Mutual Funds - Equity																	
(d)	Mutual Funds - Debt																	
(e)	Mutual Funds - Hybrid																	
(f)	Mutual Funds - Other																	
(g)	Insurance Companies																	
(h)	Investment Companies																	
(i)	Asset Reconstruction Companies																	
(j)	Securitization Companies																	
(k)	Mutual Funds																	
(l)	Mutual Funds - Equity																	
(m)	Mutual Funds - Debt																	
(n)	Mutual Funds - Hybrid																	
(o)	Mutual Funds - Other																	
(p)	Other Financial Institutions																	
(q)	Sub-Fund (R)																	
(r)	Foreign Direct Investment																	
(s)	Foreign Venture Capital Investors																	
(t)	Foreign Venture Capital Investors - Equity																	
(u)	Foreign Venture Capital Investors - Debt																	
(v)	Foreign Venture Capital Investors - Other																	
(w)	Overseas Depositories (India) (Dr) (Balance) (Rupee)																	
(x)	Any Other (N/A)																	
(y)	Sub-Total (Z)																	
(z)	Central Government / State Government(s)																	
(aa)	Central Government / State Government (G)																	
(ab)	State Government / Governor																	
(ac)	State Government / Minister																	
(ad)	Sub-Total (A)																	
(ae)	Non-Institutions																	
(af)	Associate companies (S.185)																	
(ag)	Directors and their relatives (including non-independent directors and nominees)																	
(ah)	Key Managerial Personnel																	
(ai)	Sub-Total (B)																	
(aj)	Relations of promoters (other than immediate relatives) of promoters (as per Section 186 of Companies Act, 2013)																	
(ak)	Trusts, Promoters and Associates (S.186)																	
(al)	Trusts, Promoters and Associates (S.186) - Promoter and Promoter Group category																	
(am)	Trusts, Promoters and Associates (S.186) - Non-Promoter and Non-Promoter Group category																	
(an)	Resident Individuals (including non-resident Indians) (S.23)																	
(ao)	Resident Individuals (including non-resident Indians) (S.23) - Resident																	
(ap)	Resident Individuals (including non-resident Indians) (S.23) - Non-Resident																	
(aq)	Sub-Total (C)																	
(ar)	Foreign Institutional Investors (FII) (S.25)																	
(as)	Foreign Institutional Investors (FII) - Equity																	
(at)	Foreign Institutional Investors (FII) - Debt																	
(au)	Foreign Institutional Investors (FII) - Other																	
(av)	Sub-Total (D)																	
(aw)	Foreign Venture Capital Investors (FVCI) (S.26)																	
(ax)	Foreign Venture Capital Investors (FVCI) - Equity																	
(ay)	Foreign Venture Capital Investors (FVCI) - Debt																	
(az)	Foreign Venture Capital Investors (FVCI) - Other																	
(ba)	Sub-Total (E)																	
(bb)	Other (S.27)																	
(bc)	Sub-Total (F)																	
(bd)	Total Public Shareholding (B) = (B)(1) + (B)(2) + (B)(3) + (B)(4)																	



**Table IV - Statement showing shareholding pattern of the Non Promoter – Non Public shareholder**

(1) Category & Name of the Shareholders	(2) PAN	(3) Nos. of share holder	(4) No. of fully paid up equity shares held	(5) Partly paid-up equity shares held	(6) Nos. of shares underlying Depository Receipts	(7) Total nos. shares held $(IV+V+VI)$	(8) Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	(9) of Voting Rights held in each securities		(10) of Share underlying convertible securities including percentage of Warranted share capital (XI)	(11) Number of Locked shares		(12) Number of equity shares held in dematerialized form (XIV)
								(IX) No of Voting Rights	(X) Total Voting rights		(a) No. of shares held	(b) % of total shares held	
(1) Custodian/DR Holder													
(a) Name of DR Holder (if available)													
(i) abc...													
(ii) efg...													
(2) Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021													
(a) Name (abc...)													
Total Non Promoter - Non Public Shareholding (C) =													
(C)(1) + (C)(2)													



Table V - Statement showing details of significant beneficial owners (SBOs)

Sr. No.	Details of the SBO		Details of the registered owner			Details of holding/ exercise of right of the SBO in the				Date of creation / acquisition / of significant beneficial interest		
	Name	PAN/ Passport No. in case of a foreign national	Nationality	Name	PAN/ Passport No. in case of a foreign national	Nationality	Shares	Voting rights	Whether by virtue of: Rights on distributable dividend or any other distribution		Exercise of control	Exercise of significant influence
1	SAURABH MITTAL	AEAPM5901Q	INDIAN	GREENLAM INDUSTRIES LIMITED	AAFCG2966D	NA	74.91		No	No	No	3/12/2021
2	PARUL MITTAL	ABNPM8707E	INDIAN	GREENLAM INDUSTRIES LIMITED	AAFCG2966D	NA	74.91		No	No	No	3/12/2021

For Greenlam Industries Limited

  
Prakash Kumar Bhatnagar  
Company Secretary &  
Vice President-Legal

For HG INDUSTRIES LIMITED

  
Company Secretary





**HG INDUSTRIES LIMITED**  
(Formerly Himalaya Granites Limited)

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF HG INDUSTRIES LIMITED (FORMERLY HIMALAYA GRANITES LIMITED) AT ITS MEETING HELD ON WEDNESDAY, FEBRUARY 01, 2023, AT THE REGISTERED OFFICE OF THE COMPANY AT 203, 2<sup>ND</sup> FLOOR, WEST WING, WORLDMARK 1, AEROCITY, IGI AIRPORT, HOSPITALITY DISTRICT, NEW DELHI – 110037, IN ACCORDANCE WITH SECTION 232(2)(c) OF THE COMPANIES ACT, 2013, EXPLAINING EFFECT OF THE SCHEME OF ARRANGEMENT ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTER SHAREHOLDERS LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT RATIO**

**DIRECTORS PRESENT:**

Mr. Ramesh Kumar Haritwal, Chairman  
Ms. Matangi Ramanujam, Member  
Mr. Manojit Dash, Member  
Mr. Shalabh Jalan, Member

**IN ATTENDANCE:**

Mr. Hariom Pandey, Company Secretary

**INVITEES:**

Mr. Jayasankar Ramalingam, Chief Financial Officer

**1. BACKGROUND OF THE PROPOSED SCHEME OF AMALGAMATION**

- 1.1 A draft of the proposed Scheme of arrangement amongst HG Industries Limited ("the Company" or "Transferor Company") and Greenlam Industries Limited ("Transferee Company") and their respective shareholders and creditors which provides for amalgamation of Transferor Company with and into the Company ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, as amended ("Companies Act") and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended ("Merger Rules") read with SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021, as amended ("SEBI Master Circular"), was prepared and placed before the Audit Committee of the Board of Directors of the Company, Committee of Independent Directors of the Company and the Board of Directors of the Company.
- 1.2 The Company is in the process of setting-up a manufacturing plant at Tindivanam, Tamil Nadu for manufacturing of plywood and allied products.
- 1.3 The Transferee Company holds 74.91% of the share capital of the Company.
- 1.4 The Scheme, *inter alia*, provides for the transfer and vesting of all the assets and liability of the Company, on a going concern basis, to the Transferee Company and the consequent payment of consideration by the Transferee Company, in lieu of the remaining 25.09% of the total paid up share capital of the Company which is held by public shareholders, by way of issuance and allotment of 1 number of equity share of INR 1 each fully paid up in the share capital of the Transferee Company in respect of 2 equity shares of INR 5 each fully paid up in

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**HG INDUSTRIES LIMITED**  
(Formerly Himalaya Granites Limited)

the share capital of the Company to the public shareholders of the Company on the Record Date (as defined in the Scheme).

- 1.5 A meeting of the Audit Committee of the Board of Directors of the Company was held on June 30, 2022 and a meeting of the Committee of Independent Directors of the Company was held on June 30, 2022, *inter-alia*, to consider and recommend to the Board of Directors of the Company, the proposed Scheme.
- 1.6 Both the Audit Committee and the Committee of Independent Directors of the Company favorably recommend the Scheme to the Board of Directors of the Company (“Board”) for its approval. The Scheme was then approved by the Board in its meeting dated June 30, 2022.
- 1.7 Under the provisions of Section 232(2)(c) of the Companies Act, a report from the Board of Directors of the Company (“Report”) is required and this Report must explain effect of the scheme of arrangement on each class of shareholders, key managerial personnel, promoters and non-promoters shareholders lying out in particular the share exchange ratio, specifying any special valuation difficulties (if any).
- 1.8 This Report is made in compliance with the Section 232(2)(c) of the Companies Act.
- 1.9 Capitalized terms used in this Report but not defined shall have the same meaning as defined under the Scheme.

**2. NEED FOR THE AMALGAMATION AND RATIONALE OF THE SCHEME**

- 2.1 The Transferee Company holds 74.91% of the share capital of the Company which was acquired in the financial year (FY) 2021-22. The Transferee Company is engaged in the business of, *inter alia*, manufacturing of laminates, decorative veneers, engineered wooden flooring, engineered wooden doors and allied products and the Company is in the process of setting-up a manufacturing plant at Tindivanam, Tamil Nadu for manufacturing of plywood and allied products. The business activities of the Company and the Transferee Company complement each other. The amalgamation pursuant to this Scheme, would, *inter alia*, have the following benefits:
  - a. it would enable the Transferee Company to leverage its combined assets and to create a more competitive business, both in scale and operations;
  - b. it would consolidate the businesses of the Company and the Transferee Company which will result in focused growth, operational efficiencies, business synergies and unlock the value of the assets of the Company;
  - c. it would enhance operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources and ultimately enhancing overall shareholders value;

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- d. it would achieve synergies in costs (particularly in respect of customer relationship management and establishing sales and marketing channels), operations, stronger and wider capital and financial base for future growth;
  - e. it would allow for an integrated and coordinated approach to investment strategies and more efficient allocation of capital and cash management;
  - f. it would broaden Transferee Company 's product portfolio by adding plywood and allied products;
  - g. it would prevent overlap of sales and marketing channels of the Company and the Transferee Company;
  - h. it would consolidate administrative and managerial functions and elimination of multiple record-keeping, *inter alia*, other expenditure and optimal utilization of resources by elimination of unnecessary duplication of activities and related costs thus resulting in reduced expenditure.
- 2.2 The amalgamation pursuant to the Scheme is in the interest of both the Company and the Transferee Company, their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

### 3. SALIENT FEATURES OF THE SCHEME

- 3.1 The Board discussed and noted the following salient features of the Scheme:
- a. The Scheme provides for amalgamation of the business of Company with and into the Transferee Company in accordance with Section 2(1B) and other applicable provisions of the Income-Tax Act, 1961.
  - b. The Scheme shall be effective in its present form or with any modification(s) approved or imposed or directed by the Securities and Exchange Board of India (SEBI), the Stock Exchanges or the Tribunal(s) from the Appointed Date but shall be operative from the Effective Date.
  - c. The Scheme is conditional upon and subject to the following:
    - i. the Scheme being approved by the respective requisite majorities of the members and / or creditors of the Company and the Transferee Company as required under the Act and as may be directed by the Tribunal(s) and / or any other competent authority and it being sanctioned by the Tribunal(s) and / or any other competent authority, as may be applicable, subject to any dispensation granted by the Tribunal(s) from convening meetings of the members and / or creditors received by the Company and / or the Transferee Company;

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- ii. the Scheme being approved by the public shareholders of the Company and the Transferee Company including through e-voting in accordance with the SEBI Merger Circulars;
  - iii. the requisite sanctions, approvals, no-objections or consents of the SEBI, the Stock Exchanges or any governmental or regulatory authority, as may be required by Applicable Law; and
  - iv. the certified copy of the order of the Tribunal(s) sanctioning the Scheme, being filed with the relevant Registrar of Companies by the Company and the Transferee Company.
- 3.2 Upon the Scheme coming into effect and with effect from the Appointed Date, all the assets and liability of the Company will be transferred and vested in the Transferee Company on a going concern basis and shall become the property of and an integral part of the Transferee Company without any further act, deed, matter or thing.
- 3.3 New Equity Shares issued in terms of the Scheme to the eligible shareholders of the Company pursuant to the Scheme shall subject to receipt of necessary approvals, in compliance with applicable regulations, be listed and admitted to trading on the Stock Exchanges where the equity shares of the Transferee Company are listed and admitted to trading.
- 3.4 Upon the Scheme becoming effective, transfer of authorised share capital of the Company and consequential increase in the authorised share capital of the Transferee Company.
- 3.5 Upon the Scheme becoming effective, the Company shall stand dissolved without being wound-up. Further, on and from the Effective Date, the name of the Company shall be struck off from the records of the relevant Registrar of Companies.
- 4. DOCUMENT PLACED BEFORE THE BOARD**
- 4.1 Draft Scheme of Amalgamation;
- 4.2 Valuation Report on Fair Share Exchange Ratio dated June 29, 2022 issued by Incwert Advisory Private Limited (IBBI Registration No. IBBI/RV-E/05/2019/108), Registered Valuer ("Valuation Report"), recommending the Share exchange ratio;
- 4.3 Fairness Opinion dated June 29, 2022 issued by Srujan Alpha Capital Advisors LLP, Merchant Banker (SEBI Registered Merchant Banker), providing its opinion on the share entitlement ratio specified in the Valuation Report ("Fairness Opinion");
- 4.4 Statutory Auditors Certificate dated June 29, 2022 issued by M/s. S. P. Shaw & Co., Chartered Accountants, the Statutory Auditors of the Company confirming the accounting treatment prescribed in the Scheme.

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(Formerly Himalaya Granites Limited)

- 4.5 Report of the Audit Committee of the Company dated June 30, 2022, prepared in terms of the requirements of the SEBI Master Circular; and
- 4.6 Report of the Committee of Independent Directors of the Company dated June 30, 2022, prepared in terms of the requirements of the SEBI Master Circular.
- 4.7 Copy of the last standalone unaudited quarterly and half yearly financial results of the Company as on September 30, 2022.
- 4.8 Audited financial details of the Company for last three financial years.
- 4.9 Pre-Scheme and post-Scheme shareholding pattern of the Transferee Company, and pre-Scheme shareholding pattern of the Company.

**5. EFFECT OF SCHEME ON STAKEHOLDERS**

Sr. No.	Category of Stakeholder	Effect of the Scheme on Stakeholders
(i)	Shareholders	<p>The Transferor Company has only one class of shareholders i.e., the equity shareholders and does not have any preference shareholders.</p> <p>The Board noted that the proposed Scheme is in the interest of the shareholders. The Board also noted that pursuant to the Scheme, the entire business, assets and liabilities of the Company shall vest in the Transferee Company.</p> <p>Upon the Scheme becoming effective, the Transferee Company, in terms of the Scheme, shall issue and allot its 1 (one) equity shares of the face value of INR 1/- each credited as fully paid up for every 2 (two) fully paid up equity shares of the face value of INR 5/- each held in Company.</p> <p>The shares allotted to shareholders of the Company shall rank pari passu in all respects with the then existing shares of the Transferee Company and accordingly such shareholders will have share in larger business operations and asset base.</p> <p>Considering the overall rationale and benefit of the Scheme, the Board is of the view that the Scheme is in the best interest of all stakeholders, including the shareholders of the Company, and no shareholder of the Company is expected to have disproportionate advantage or disadvantage in any manner.</p>

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**HG INDUSTRIES LIMITED**  
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		The Scheme is in the best interests of the shareholders of the Company, including the minority shareholders, and will not adversely affect their rights or interest of any shareholder of the Company, in any manner whatsoever.
(ii)	<b>Promoters</b>	The Transferee Company is the promoter of the Company and holds 74.91% of the share capital of the Company. Upon the coming into effect of this Scheme and with effect from Appointed Date, the entire issued and paid up share capital of the Company held by the Transferee Company shall automatically stand cancelled without any further application, act or deed and there shall be no obligation in that behalf on the Transferee Company.
(iii)	<b>Non-Promoter Shareholders</b>	Please refer to point (i) above for details regarding effect on the shareholders.
(iv)	<b>Key Managerial Personnel ("KMPs")</b>	Upon the Scheme becoming effective, the Company shall stand dissolved without being wound up. In the circumstances, the key managerial personnel of the Company shall cease to be the key managerial personnel of the Company and they will not become key managerial personnel of the Transferee Company. The key managerial personnel of the Company and their relatives may be deemed to have an interest in the Scheme to the extent of the equity shares held by them in the Company and/or the Transferee Company. Upon the Scheme becoming effective, all staff and employees of the Company in service on the Effective Date shall be deemed to have become staff and employees of the Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to their employment in Company.

## 6. SHARE ENTITLEMENT RATIO AND VALUATION

- 6.1 Incwert Advisory Private Limited (IBBI Registration No. IBBI/RV-E/05/2019/108), the Registered Valuer appointed to determine the share entitlement ratio for the amalgamation pursuant to the Scheme and issue the valuation report on fair share exchange ratio in connection with the Scheme. The Registered Valuer has not expressed any difficulty while determining the Share Entitlement Ratio.
- 6.2 In consideration of the transfer of and vesting of the assets and liabilities of the Company and in terms of the Scheme, the Transferee Company shall issue and allot equity shares to the

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**HG INDUSTRIES LIMITED**  
(Formerly Himalaya Granites Limited)

equity shareholders of the Company, as per the following share entitlement ratio as determined in the Valuation Report:

*"1 (one) equity shares of the face value of Re. 1/- each credited as fully paid up in the share capital of Greenlam Industries Limited (Transferee Company) for every 2 (two) fully paid up equity shares of the face value of Rs. 5/- each held in HG Industries Limited (Transferor Company).*

6.3 The recommendation of the share entitlement ratio has been certified as being fair and has been approved by the Board of the Company.

6.4 The Fairness Opinion also does not indicate any special valuation difficulties.

#### 7. ADOPTION OF THE REPORT BY THE DIRECTORS

The Board has adopted this Report after noting and considering the information set forth in this Report. The Board or any duly authorized committee / persons by the Board is entitled to make relevant modifications to this Report, if required and such modifications and amendments shall deem to be form part of this Report.

For and on behalf of the Board of Directors of  
**HG INDUSTRIES LIMITED**



**RAMESH KUMAR HARITWAL**  
MANAGING DIRECTOR & CEO  
DIN: 01486666

Place: New Delhi

Date: February 01, 2023

Registered Office: 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi - 110037

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REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GREENLAM INDUSTRIES LIMITED AT ITS MEETING HELD ON THURSDAY, FEBRUARY 02, 2023, AT THE REGISTERED OFFICE OF THE COMPANY AT 203, 2<sup>ND</sup> FLOOR, WEST WING, WORLDMARK 1, AEROCITY, IGI AIRPORT, HOSPITALITY DISTRICT, NEW DELHI – 110037, IN ACCORDANCE WITH SECTION 232(2)(c) OF THE COMPANIES ACT, 2013, EXPLAINING EFFECT OF THE SCHEME OF ARRANGEMENT ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTER SHAREHOLDERS LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT RATIO

#### DIRECTORS PRESENT

Mr. Shiv Prakash Mittal, Non-Executive Chairman  
 Mr. Saurabh Mittal, Managing Director & CEO  
 Ms. Parul Mittal, Whole-time Director  
 Ms. Matangi Gowrishankar, Independent Director  
 Mr. Sandip Das, Independent Director  
 Mr. Yogesh Kapur, Independent Director

#### IN ATTENDANCE

Mr. Prakash Kumar Biswal, Company Secretary & Vice President – Legal

#### INVITEES

Mr. Ashok Kumar Sharma, Chief Financial Officer  
 Mr. Anish Sinha, Practice Head – Infrastructure & SAP Basis, Information Technology Services  
 Ms. Reema Bajaj, Deputy Manager – Secretarial & Legal

### 1. BACKGROUND OF THE PROPOSED SCHEME OF AMALGAMATION

- 1.1 A draft of the proposed Scheme of arrangement amongst Greenlam Industries Limited (“the Company” or “Transferee Company”) and HG Industries Limited (“Transferor Company”) and their respective shareholders and creditors which provides for amalgamation of Transferor Company with and into the Company (“Scheme”) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, as amended (“Companies Act”) and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended (“Merger Rules”) read with SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended (“SEBI Master Circular”), was prepared and placed before the Audit Committee of the Board of Directors of the Company, Committee of Independent Directors of the Company and the Board of Directors of the Company.
- 1.2 The Company is engaged in the business of, *inter alia*, manufacturing of laminates, decorative veneers, engineered wooden flooring, engineered wooden doors and allied products through its factories situated at – a. Behror, Rajasthan, b. Nalagarh, Himachal Pradesh, and c. Prantij, Gujarat. The Company has branches and dealers’ network spread all over the country and also exports its products to various countries overseas.

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- 1.3 The Company holds 74.91% of the share capital of the Transferor Company.
- 1.4 The Scheme, *inter alia*, provides for the transfer and vesting of all the assets and liability of the Transferor Company, on a going concern basis, to the Company and the consequent payment of consideration by the Company, in lieu of the remaining 25.09% of the total paid up share capital of the Transferor Company which is held by public shareholders, by way of issuance and allotment of 1 number of equity share of INR 1 each fully paid up in the share capital of the Company in respect of 2 equity shares of INR 5 each fully paid up in the share capital of the Transferor Company to the public shareholders of the Transferor Company on the Record Date (as defined in the Scheme).
- 1.5 A Meeting of the Audit Committee of the Board of Directors of the Company was held on June 29, 2022 and a meeting of the Committee of Independent Directors of the Company was held on June 30, 2022, *inter-alia*, to consider and recommend to the Board of Directors of the Company, the proposed Scheme.
- 1.6 Both the Audit Committee and the Committee of Independent Directors of the Company favorably recommend the Scheme to the Board of Directors of the Company ("Board") for its approval. The Scheme was then approved by the Board in its meeting dated June 30, 2022.
- 1.7 Under the provisions of Section 232(2)(c) of the Companies Act, a report from the Board of Directors of the Company ("**Report**") is required and this Report must explain effect of the scheme of arrangement on each class of shareholders, key managerial personnel, promoters and non-promoters shareholders lying out in particular the share exchange ratio, specifying any special valuation difficulties (if any).
- 1.8 This Report is made in compliance with the Section 232(2)(c) of the Companies Act.
- 1.9 Capitalized terms used in this Report but not defined shall have the same meaning as defined under the Scheme.

## 2. NEED FOR THE AMALGAMATION AND RATIONALE OF THE SCHEME

- 2.1 The Company holds 74.91% of the share capital of the Transferor Company which was acquired in the financial year (FY) 2021-22. The Company is engaged in the business of, *inter alia*, manufacturing of laminates, decorative veneers, engineered wooden flooring, engineered wooden doors and allied products and the Transferor Company is in the process of setting-up a manufacturing plant at Tindivanam, Tamil Nadu for manufacturing of plywood and allied products. The business activities of the Transferor Company and the Company complement each other. The amalgamation pursuant to this Scheme, would, *inter alia*, have the following benefits:



- a. it would enable the Company to leverage its combined assets and to create a more competitive business, both in scale and operations;
  - b. it would consolidate the businesses of the Transferor Company and the Company which will result in focused growth, operational efficiencies, business synergies and unlock the value of the assets of the Transferor Company;
  - c. it would enhance operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources and ultimately enhancing overall shareholders value;
  - d. it would achieve synergies in costs (particularly in respect of customer relationship management and establishing sales and marketing channels), operations, stronger and wider capital and financial base for future growth;
  - e. it would allow for an integrated and coordinated approach to investment strategies and more efficient allocation of capital and cash management;
  - f. it would broaden Company's product portfolio by adding plywood and allied products;
  - g. it would prevent overlap of sales and marketing channels of the Transferor Company and the Company;
  - h. it would consolidate administrative and managerial functions and elimination of multiple record-keeping, *inter alia*, other expenditure and optimal utilization of resources by elimination of unnecessary duplication of activities and related costs thus resulting in reduced expenditure.
- 2.2 The amalgamation pursuant to the Scheme is in the interest of both the Transferor Company and the Company, their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

### 3. SALIENT FEATURES OF THE SCHEME

3.1 The Board discussed and noted the following salient features of the Scheme:

- a. The Scheme provides for amalgamation of the business of Transferor Company with and into the Company in accordance with Section 2(1B) and other applicable provisions of the Income-Tax Act, 1961.

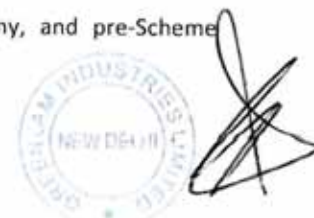


- b. The Scheme shall be effective in its present form or with any modification(s) approved or imposed or directed by the Securities and Exchange Board of India (SEBI), the Stock Exchanges or the Tribunal(s) from the Appointed Date but shall be operative from the Effective Date.
  - c. The Scheme is conditional upon and subject to the following:
    - i. the Scheme being approved by the respective requisite majorities of the members and / or creditors of the Transferor Company and the Company as required under the Act and as may be directed by the Tribunal(s) and / or any other competent authority and it being sanctioned by the Tribunal(s) and / or any other competent authority, as may be applicable, subject to any dispensation granted by the Tribunal(s) from convening meetings of the members and / or creditors received by the Transferor Company and / or the Company;
    - ii. the Scheme being approved by the public shareholders of the Transferor Company and the Company including through e-voting in accordance with the SEBI Merger Circulars;
    - iii. the requisite sanctions, approvals, no-objections or consents of the SEBI, the Stock Exchanges or any governmental or regulatory authority, as may be required by Applicable Law; and
    - iv. the certified copy of the order of the Tribunal(s) sanctioning the Scheme, being filed with the relevant Registrar of Companies by the Transferor Company and the Company.
- 3.2 Upon the Scheme coming into effect and with effect from the Appointed Date, all the assets and liability of the Transferor Company will be transferred and vested in the Company on a going concern basis and shall become the property of and an integral part of the Company without any further act, deed, matter or thing.
- 3.3 New Equity Shares issued in terms of the Scheme to the eligible shareholders of the Transferor Company pursuant to the Scheme shall subject to receipt of necessary approvals, in compliance with applicable regulations, be listed and admitted to trading on the Stock Exchanges where the equity shares of the Company are listed and admitted to trading.
- 3.4 Upon the Scheme becoming effective, transfer of authorised share capital of the Transferor Company and consequential increase in the authorised share capital of the Company.

- 3.5 Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound-up. Further, on and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the relevant Registrar of Companies.

**4. DOCUMENT PLACED BEFORE THE BOARD**

- 4.1 Draft Scheme of Amalgamation;
- 4.2 Valuation Report on Fair Share Exchange Ratio dated June 29, 2022 issued by Incwert Advisory Private Limited (IBBI Registration No. IBBI/RV-E/05/2019/108), Registered Valuer ("Valuation Report"), recommending the Share exchange ratio;
- 4.3 Fairness Opinion dated June 29, 2022 issued by SKP Securities Limited, Merchant Banker (SEBI Registered Merchant Banker), providing its opinion on the share entitlement ratio specified in the Valuation Report ("Fairness Opinion");
- 4.4 Statutory Auditors Certificate dated June 29, 2022 issued by M/s. SS Kothari Mehta & Company, Chartered Accountants, the Statutory Auditors of the Company confirming the accounting treatment prescribed in the Scheme.
- 4.5 Report of the Audit Committee of the Company dated June 29, 2022, prepared in terms of the requirements of the SEBI Master Circular; and
- 4.6 Report of the Committee of Independent Directors of the Company dated June 30, 2022, prepared in terms of the requirements of the SEBI Master Circular.
- 4.7 Certificate of post Scheme Net Worth of the Company issued by M/s. SS Kothari Mehta & Company, Chartered Accountants, the Statutory Auditors of the Company dated June 30, 2022 calculated as per SEBI (LODR) Regulations, 2015.
- 4.8 Copy of the last standalone unaudited quarterly and half yearly financial results of the Company as on September 30, 2022.
- 4.9 Audited Consolidated financial details of the Company for last three financial years.
- 4.10 Pre-Scheme and post-Scheme shareholding pattern of the Company, and pre-Scheme shareholding pattern of the Transferor Company.



5. EFFECT OF SCHEME ON STAKEHOLDERS

Sr. No.	Category of Stakeholder	Effect of the Scheme on Stakeholders
(i)	Shareholders	<p>The Company has only one class of shareholders i.e., the equity shareholders and does not have any preference shareholders.</p> <p>The Board noted that the proposed Scheme is in the interest of the shareholders. The Board also noted that pursuant to the Scheme, the entire business, assets and liabilities of the Transferor Company shall vest in the Company.</p> <p>Upon the Scheme becoming effective, the Company, in terms of the Scheme, shall issue and allot its 1 (one) equity shares of the face value of INR 1/- each credited as fully paid up for every 2 (two) fully paid up equity shares of the face value of INR 5/- each held in Transferor Company.</p> <p>The shares allotted to shareholders of the Transferor Company shall rank pari passu in all respects with the then existing shares of the Company.</p> <p>Considering the overall rationale and benefit of the Scheme, the Board is of the view that the Scheme is in the best interest of all shareholders, including the shareholders of the Company, and no shareholder is expected to have disproportionate advantage or disadvantage in any manner.</p> <p>The Scheme is in the best interests of the shareholders of the Company, including the minority shareholders, and will not adversely affect their rights or interest of any shareholder of the Company, in any manner whatsoever.</p>
(ii)	Promoters	<p>The promoters will be treated at par with the other (non-promoter) shareholders of the Company. Please refer to point (i) above of this table for details regarding effect on the shareholders of the Company.</p>
(iii)	Non-Promoter Shareholders	<p>Please refer to point (i) above for details regarding effect on the shareholders.</p>
(iv)	Key Managerial Personnel ("KMPs")	<p>Upon the Scheme becoming effective, no key managerial personnel of the Company are expected to have disproportionate advantage or disadvantage in any manner.</p>




## 6. SHARE ENTITLEMENT RATIO AND VALUATION

- 6.1 Incwert Advisory Private Limited (IBBI Registration No. IBBI/RV-E/05/2019/108), the Registered Valuer appointed to determine the share entitlement ratio for the amalgamation pursuant to the Scheme and issue the valuation report on fair share exchange ratio in connection with the Scheme. The Registered Valuer has not expressed any difficulty while determining the Share Entitlement Ratio.
- 6.2 In consideration of the transfer of and vesting of the assets and liabilities of the Transferor Company and in terms of the Scheme, the Company shall issue and allot equity shares to the equity shareholders of the Transferor Company, as per the following share entitlement ratio as determined in the Valuation Report:  
*"1 (one) equity shares of the face value of Re. 1/- each credited as fully paid up in the share capital of Greenlam Industries Limited (Transferee Company) for every 2 (two) fully paid up equity shares of the face value of Rs. 5/- each held in HG Industries Limited (Transferor Company).*
- 6.3 The recommendation of the share entitlement ratio has been certified as being fair and has been approved by the Board of the Company.
- 6.4 The Fairness Opinion also does not indicate any special valuation difficulties.

## 7. ADOPTION OF THE REPORT BY THE DIRECTORS

The Board has adopted this Report after noting and considering the information set forth in this Report. The Board or any duly authorized committee / persons by the Board is entitled to make relevant modifications to this Report, if required and such modifications and amendments shall deem to be form part of this Report.

For and on behalf of the Board of Directors of  
**GREENLAM INDUSTRIES LIMITED**



  
**SAURABH MITTAL**  
**MANAGING DIRECTOR & CEO**  
DIN: 00273917  
Place: New Delhi  
Date: February 02, 2023

**DETAILS OF LITIGATION INITIATED BY / AGAINST GREENLAM INDUSTRIES LIMITED**

Sr. No	Court / Tribunal	Case Number / Letter No.	Description of Parties	Brief of Proceedings	Particulars of Amounts involved (in INR)
1.	Second Appeal, MP Commercial Tax Department, Appellate Board	Appeal Case No. 424/15/VAT	Greenply Industries Ltd (Deco Division) V MP Commercial Tax Department	A reassessment order by the MP commercial tax department for the period of 2009 to 2010 was confirmed in Appeal by the Deputy Commissioner Division 3, Indore. This order is in challenge before the Appellate Board.	12,62,747
2.	West Bengal Taxation Tribunal	R.N 2399 of 2017	Greenlam Industries Ltd. V State of West Bengal	A challenge to the levy under Section 4 of the West Bengal Tax on Entry of Goods into the Local Area Act, 2012 has been made in light of the entry tax demanded by the State in lieu of the assessment orders passed by the joint commissioner of commercial tax for the period FY 2015-2016, FY 2016-2017 and FY 2017-2018.	59,48,172
3.	West Bengal Taxation Tribunal	R.N 2056 of 2017	Greenply Industries Ltd. V State of West Bengal	A challenge to the levy under Section 4 of the West Bengal Tax on Entry of Goods into the Local Area Act, 2012 has been made in light of the entry tax demanded by the State in lieu of the assessment orders passed by the joint commissioner of commercial tax for the period FY 2014-2015.	43,32,605
4.	Appellate Authority, Deputy Commissioner of State Tax, Gujarat	Case number not assigned yet	Greenlam Industries Ltd. vs State Tax, Gujarat	An appeal against the order of State Tax Officer passed under Section 130 of the CGST Act, 2017 imposing tax, fine and penalty during the period FY 2019 - 2020.	2,74,174
5.	CGST Audit Circle, Alwar	Show cause notice no. V(1)JAR/177/G-2/Awar/2019-20/2216	Greenlam Industries Ltd. vs. Office of the Deputy	Proceedings initiated by Office of Assistant Commissioner, Central Goods & Service Tax Audit Circle, Alwar for failure to pay the tax under Central Goods and Service Tax, 2017 on account of difference in export values furnished by Greenlam in GSTR-1, GSTR-3B and GSTR-9 for FY 2017-2018.	8,08,657



Sr. No	Court / Tribunal	Case Number / Letter No.	Description of Parties	Brief of Proceedings	Particulars of Amounts involved (in INR)
6.	CGST Circle, Alwar	Show cause notice no. GADT/CnGI/ADT/GST/4445/2020/5A86	Greenlam Industries Limited v. Office of The Deputy Commissioner, CGST	Proceedings initiated by Office of Assistant Commissioner, Central Goods & Service Tax Audit Circle, Alwar for failure to reverse the Input Tax Credit attributable to the exempt supplies in terms of Section 17(2) of the Central Goods and Service Tax, 2017 for FY 2017-2018.	6,47,800
7.	CGST Circle, Alwar	Show cause notice no. GADT/CnGI/ADT/GST/4445/2020/6004	Greenlam Industries Limited v. Office of The Deputy Commissioner, CGST	Proceedings initiated by Office of Assistant Commissioner, Central Goods & Service Tax Audit Circle, Alwar on failure to pay the Goods and Service Tax on uniforms provided to the employees free of charge for FY 2018 – 2019.	2,77,135
8.	CGST Circle, Alwar	Show cause notice no. GADT/CnGI/ADT/GST/4445/2020/56D2	Greenlam Industries Limited v. Office of The Deputy Commissioner, CGST	Proceedings initiated by Office of Assistant Commissioner, Central Goods & Service Tax Audit Circle, Alwar on wrongly availing the Input Tax Credit for FY 2018 – 2019.	3,742
9.	CGST Circle, Alwar	Show cause notice no. GADT/CnGI/ADT/GST/4445/2020/GR2	Greenlam Industries Limited v. Office of The Deputy Commissioner, CGST	Proceedings initiated by Office of Assistant Commissioner, Central Goods & Service Tax Audit Circle, Alwar for failure to pay the Integrated Goods and Services Tax on ocean freight on high seas purchase.	7,96,286
10.	Rajasthan High Court	S.B. Civil Writ Petition 17229 / 2018	Greenply Industries Ltd. v. Nandlal	Writ Petition against the award passed by the Labour Court and Industrial Tribunal, Alwar for declaring termination of the services of the workman Respondent to be illegal and reinstatement of the Respondent.	Cannot be ascertained
11.	Labour Court and Industrial Tribunal, Alwar	LCR No. 170 of 2014	Baldev Singh Bhati v. Greenply Industries Ltd.	Proceeding before Labour Court and Industrial Tribunal, Alwar for declaring termination of the services of the workman Respondent to be illegal and reinstatement of the Respondent.	Cannot be ascertained
12.	Labour Court and Industrial Tribunal, Alwar	LCR 4 of 2017	Kashmira Saini v. Greenlam Industries Ltd.	Proceeding before Labour Court and Industrial Tribunal, Alwar for declaring termination of the services of the workman Respondent to be illegal and reinstatement of the Respondent.	Cannot be ascertained
13.	Labour Court and Industrial Tribunal,	LCR No 163 of 2014	Pradeep Kumar Yadav v Greenply Industries Ltd.	Proceeding before Labour Court and Industrial Tribunal, Alwar for declaring termination of the	Cannot be ascertained





Sr. No	Court / Tribunal	Case Number / Letter No.	Description of Parties	Brief of Proceedings	Particulars of Amounts involved (in INR)
	Alwar			services of the workman Respondent to be illegal and reinstatement of the Respondent.	
14.	Office of the Addl. Commissioner of Mundra SEZ Port, Mundra	23/16.05.2019	Greenlam Industries Limited v. Additional Commissioner of customs, Mundra, Gujarat	Application for refund of IGST deposited with interest in compliance of notification no 79/2017 dated 13.10.2017 to follow the pre-import condition.	65,140
15.	Office of the Addl. Commissioner of Customs, Mundra SEZ Port, Mundra.	24/16.05.2019	Greenlam Industries Limited v. Additional Commissioner of customs, Mundra, Gujarat	Application for refund of IGST deposited with interest in compliance of notification no 79/2017 dated 13.10.2017 to follow the pre-import condition.	36,372
16.	Office of the Addl. Commissioner of customs, customs house, Kandla.	S/6-06/REF/2019-20/5422 dated 10.02.2020.	Greenlam Industries Limited v. Additional Commissioner of Customs, kandla, Gujarat	Application for refund of IGST deposited with interest in compliance of notification no 79/2017 dated 13.10.2017 to follow the pre-import condition.	11,67,607
17.	Office of the Dy. Commissioner, Adani Hazira Port, Hazira.	GL/BHR/REF/2019-20/1587	Greenlam Industries Limited v. Deputy Commissioner of Customs, Hazira port, Gujarat	Application for refund of IGST deposited with interest in compliance of notification no 79/2017 dated 13.10.2017 to follow the pre-import condition.	10,64,743
18.	Commissioner. Of Customs Appeals, Ahmedabad	C/10043/2021	Greenlam Industries Limited v. Deputy Commissioner of Customs, Hazira port, Gujarat	Appeal against rejection of refund of IGST deposited with interest in compliance of notification no 79/2017 dated 13.10.2017 to follow the pre-import condition.	12,20,451
19.	Commissioner. Of Customs Appeals, New Delhi	CC(A)/CUS/D-II/ICD PPG/1008-1010/2022-23	Greenlam Industries Limited v. Deputy Commissioner of Imports, ICD Patparganj, New Delhi	Appeal against rejection of refund of IGST deposited with interest in compliance of notification no 79/2017 dated 13.10.2017 to follow the pre-import condition.	5,01,092
20.	Office of the Dy. Commissioner of Imports, Group II, TKD, New Delhi	GL/BHR/REF/2019-20/168 DATED 13.05.2019	Greenlam Industries Limited v. Deputy Commissioner of Imports, ICD Tughliakabad, New Delhi.	Application for refund of IGST deposited with interest in compliance of notification no 79/2017 dated 13.10.2017 to follow the pre-import condition.	4,34,805



Sr. No	Court / Tribunal	Case Number / Letter No.	Description of Parties	Brief of Proceedings	Particulars of Amounts involved (in INR)
21.	Commissioner. Of Customs Appeals, New Delhi	Vide letter no 14132 dated 09.08.2019	Greenlam Industries Limited v. Commissioner of Customs Imports, ICD, Tughlakabad, New Delhi.	Appeal against rejection of refund of IGST deposited with interest in compliance of notification no 79/2017 dated 13.10.2017 to follow the pre-import condition.	4,33,968
22.	Labour Court and Industrial Tribunal, Alwar	LCR No 189/21 of 2023	Ajay Kumar Sharma v. Greenlam Industries Ltd.	Proceeding before Labour Court and Industrial Tribunal, Alwar for declaring termination of the services of the workman Respondent to be illegal and reinstatement of the Respondent.	Cannot be ascertained
23.	Court of Civil Judge Senior Division Nalagarh, Distt Solan, HP	Civil Suit No. 230 of 2017	Sachdev Singh Vs Greenlam Industries Limited	Petitioner has filed a suit for damages on account of allegedly causing pollution to the groundwater of the village.	15,00,000
24.	Presiding Judge, H.P Industrial Tribunal Cum Labour Court Judicial Complex-Shimla, HP	Civil Suit No. 56 of 2021 & 57 of 2021	Dinesh Kumar & Parvinder Singh Vs Greenlam Industries Ltd.	Proceeding before Presiding Judge, H.P Industrial Tribunal Cum Labour Court Judicial Complex-Shimla, HP for declaring termination of the services of the respondent workman to be illegal and reinstatement of the respondent workman.	Cannot be ascertained
25.	The Additional Excise and Taxation Commissioner Cum-Appellate Authority (South Zone) Shimla, HP	15/2019-20 dated 30.05.2019	Greenlam Industries Ltd. Vs Deputy Commissioner State Taxes & Excise- Cum - Assessing Authority, BBN, Baddi	Appeal against the order of the Deputy Commissioner of States Taxes and Excise Cum Assessing Authority, BBN Baddi disallowing the Input Tax Credit claimed by Greenlam Industries Ltd. under the Himachal Pradesh Value Added Tax Act, 2005 for the purchase of diesel for the manufacturing plants.	18,44,801
26.	Additional Director General (Adjudication), DRI, Mumbai	SCN No. DRI/KZU/CF/ENQ-74(INT-09)2018/4064-4073 dated 29.07.2019	Greenlam Industries Limited Vs Directorate of Revenue Intelligence, Kolkata	Proceedings initiated for failure to pay duty of Customs for import of Phenol, Kraft Papers, Base Papers & other chemicals etc and availed benefit of exemption of Integrated Goods and Service Tax and / or Compensation Cess on the imported goods.	19,61,36,468

Sr. No	Court / Tribunal	Case Number / Letter No.	Description of Parties	Brief of Proceedings	Particulars of Amounts involved (in INR)
27.	Assist/Deputy Commissioner, CGST Division Baddi, Distt Solan, HP	SCN No. IV(6)LdZU/INV/Gr.B/43/2018/1056 dated 08.07.2020	Greenlam Industries Ltd v. Directorate General of GST Intelligence, Ludhiana	Proceedings initiated for failure to pay service tax on ocean freight involved in imports of goods made by Greenlam Industries under the reverse charge mechanism.	3590007
28.	Commissioner of Income Tax (Appeals), Kolkata	CIT(A),DIB RUGARH/10155/2019-20	Greenlam Industries Ltd. v. Assistant Commissioner of Income Tax Circle, Tinsukia	Appeal against the order of the Assistant Commissioner of Income Tax, Tinsukia declaring deduction of Amortization of Leasehold Land as illegal and liability to pay tax on international transactions for the assessment year 2016 – 2017.	81,81,807
29.	National Faceless Appeal Centre	209827980151221	Greenlam Industries Ltd. v. Income Tax Officer, National Faceless Assessment Center, Delhi	Appeal against the order of the Income Tax Officer, National Faceless Assessment Center, Delhi wherein Greenlam Industries Ltd has been directed to pay tax on account of failure to calculate the total income under the Income Tax Act, failing to satisfy the arm's length principle for the international transactions for the assessment year 2017 – 2018.	2,12,84,544
30.	National Faceless Appeal Centre	215457410161221	Greenlam Industries Ltd. v. Income Tax Officer, National Faceless Assessment Center, Delhi	Appeal against the order of the Income Tax Officer, National Faceless Assessment Center, Delhi wherein Greenlam Industries Ltd has been directed to pay tax on account of failure to calculate the total income under the Income Tax Act, failing to satisfy the arm's length principle for the international transactions for the assessment year 2018 – 2019.	1,24,27,315
31.	National Faceless Appeal Centre	137254450070222	Greenlam Industries Ltd. v. Assistant Commissioner of Income Tax Circle 1, Dibrugarh	Appeal against the Rectification Order passed by the Assistant Commissioner of Income Tax Circle, Dibrugarh, for the assessment year 2014 – 2015.	14,13,170
32.	National Faceless Appeal Centre	NFAC/2013-14/101137 33	Greenlam Industries Ltd. v.	Appeal against the reassessment order passed by	21,68,34,520



Sr. No	Court / Tribunal	Case Number / Letter No.	Description of Parties	Brief of Proceedings	Particulars of Amounts Involved (in INR)
	Appeal Centre		Assistant Commissioner of Income Tax, Circle 1, Dibrugarh	the Assistant Commissioner of Income Tax Circle, Dibrugarh, for the assessment year 2014 – 2015.	
33.	National Faceless Appeal Centre	476872530 070922	Greenlam Industries Ltd. v. Tax Officer, National Faceless Appeal Centre	Appeal against the penalty order passed by the Assistant Commissioner of Income Tax Circle, Dibrugarh, for the assessment year 2015 – 2016.	18,40,142
34.	National Faceless Appeal Centre	739762700201022	Greenlam Industries Ltd. v. Tax Officer, National Faceless Appeal Centre	Appeal against the Income Tax Officer, National Faceless Assessment Center, Delhi wherein Greenlam Industries Ltd has been directed to pay tax on account of disallowance of claim on Education Cess, addition on the issue of export incentives, addition on the issue of non-deduction of TDS on foreign remittance, for the assessment year 2020 – 2021	4,56,25,510
35.	National Faceless Appeal Centre	937934930280123	Greenlam Industries Ltd. v. Income Tax Officer, National Faceless Appeal Centre	Appeal against the Income Tax Officer, National Faceless Assessment Center, Delhi wherein Greenlam Industries Ltd has been directed to allegedly pay tax on the issue of non-deduction of TDS on foreign remittance, Disallowance of Advertisement and Sales Promotion expenses, for the assessment year 2021 – 2022	22,43,85,757

For Greenlam Industries Limited



Authorised representative

DETAILS OF LITIGATION INITIATED BY / AGAINST THE DIRECTORS OF GREENLAM INDUSTRIES LIMITED

PROCEEDINGS AGAINST THE DIRECTORS OF GREENLAM INDUSTRIES LIMITED				
1. Commissioner of Income Tax - Appeals	345754320280421	Shiv Prakash Mittal v. Assistant Commissioner of Income Tax, Circle 1, Dibrugarh	Appeal has been preferred by Director Mr. Shiv Prakash Mittal against the re-assessment order passed against him for the FY 2016 – 2017.	22,94,989
2. National Company Law Tribunal, Mumbai	Interim Application No. 3274 of 2022 in Company Petition No. 1011 of 2022	Matangi Gowrishankar v. Pradeep Kumar Sethi, Resolution Professional	Director Ms. Matangi Gowrishankar, in her capacity as an erstwhile independent non-executive Director of Cox and Kings Financial Service Limited, has filed an application against the wrongful impleadment against an alleged fraudulent transaction undertaken by Cox and Kings Financial Service Limited.	Not ascertained.

For Greenlam Industries Limited



*[Signature]*  
Authorised representative



**DETAILS OF LITIGATION INITIATED BY / AGAINST HG INDUSTRIES, ITS PROMOTERS AND THE DIRECTORS**

Sr. No	Court / Tribunal	Case Number / Letter No.	Description of Parties	Brief of Proceedings	Particulars of Amounts Involved (in INR)	
<b>PROCEEDINGS BY / AGAINST HG INDUSTRIES LIMITED</b>						
NIL						
<b>PROCEEDINGS BY / AGAINST THE DIRECTORS OF HG INDUSTRIES LIMITED</b>						
1.	Calcutta High Court	WPA 20350 of 2022	Shalabh v. Assistant Commissioner Of Income Tax And Ors	Jalan	An assessment order for the period FY 2017 – 2018 was passed by Assistant Commissioner of Income Tax, Central Circle 1(4), Kolkata against the Director, Mr. Shalabh Jalan. Subsequently, proceeding was initiated for charging penalty under the Income Tax Act, 1961. Mr. Jalan filed an application under Section 270AA before the adjudicating officer seeking immunity against the penalty to be imposed under the Income Tax Act, 1961, which was rejected by an order of the adjudicating officer.  Against this order, writ petition has been preferred by Mr. Jalan.	Not ascertained
2.	Calcutta High Court	WPA 20354 of 2022	Shalabh v. Assistant Commissioner of Income Tax And Ors	Jalan	An assessment order for the period FY 2018 - 2019 was passed by Assistant Commissioner of Income Tax, Central Circle 1(4), Kolkata against the Director, Mr. Shalabh Jalan. Subsequently, proceeding was initiated for charging penalty under the Income Tax Act, 1961. Mr. Jalan filed an application under Section 270AA before the adjudicating officer seeking immunity against the penalty to be imposed under the Income Tax Act, 1961, which was rejected by an order of the adjudicating officer.  Against this order, writ petition has been preferred by Mr. Jalan.	Not ascertained



Sr. No	Court / Tribunal	Case Number / Letter No.	Description of Parties	Brief of Proceedings	Particulars of Amounts involved (in INR)
3.	Calcutta High Court	WPA 20357 of 2022	Shalabh v. Assistant Commissioner of Income Tax And Ors Jalan	An assessment order for the period FY 2019 - 2020 was passed by Assistant Commissioner of Income Tax, Central Circle 1(4), Kolkata against the Director, Mr. Shalabh Jalan. Subsequently, proceeding was initiated for charging penalty under the Income Tax Act, 1961. Mr. Jalan filed an application under Section 270AA before the adjudicating officer seeking immunity against the penalty to be imposed under the Income Tax Act, 1961, which was rejected by an order of the adjudicating officer. Against this order, writ petition has been preferred by Mr. Jalan.	Not ascertained
4.	Calcutta High Court	WPA 20360 of 2022	Shalabh v. Assistant Commissioner of Income Tax And Ors Jalan	An assessment order for the period FY 2020 - 2021 was passed by Assistant Commissioner of Income Tax, Central Circle 1(4), Kolkata against the Director, Mr. Shalabh Jalan. Subsequently, proceeding was initiated for charging penalty under the Income Tax Act, 1961. Mr. Jalan filed an application under Section 270AA before the adjudicating officer seeking immunity against the penalty to be imposed under the Income Tax Act, 1961, which was rejected by an order of the adjudicating officer. Against this order, writ petition has been preferred by Mr. Jalan.	Not ascertained

**PROCEEDINGS BY / AGAINST THE PROMOTERS OF HG INDUSTRIES LIMITED**

**GREENLAM INDUSTRIES LTD. IS A PROMOTER OF HG INDUSTRIES LIMITED AND PROCEEDINGS AGAINST IT HAVE BEEN DISCLOSED IN RELEVANT ANNEXURE**

For HG Industries Limited



Authorised representative



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/IP/2629/2022-23

"E-Letter"

January 11, 2023

The Company Secretary,  
**Greenlam Industries Ltd**  
 203, 2nd Floor, West Wing, Worldmark 1,  
 Aerocity, IGI Airport, Hospitality District,  
 New Delhi, Delhi, 110037.

Dear Sir,

**Sub: Observation Letter regarding the Scheme of Arrangement between HG Industries Limited and Greenlam Industries Limited and their respective Shareholders and all concerned**

We are in receipt of the Scheme of Arrangement filed by Greenlam Industries Ltd as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated January 10, 2023, has inter alia given the following comment(s) on the Scheme of Arrangement:

- a) "Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and Shareholders, while seeking approval of the scheme."
- b) "Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the Listed Company and the Stock Exchanges."
- c) "Company shall ensure compliance with the SEBI Circulars issued from time to time."
- d) "The entities involved in the scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company."
- e) "Company is advised that the information pertaining to all the Unlisted Companies involved, if any, in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f) "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g) "Company is advised that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."
- h) "Company is advised that the proposed Equity Shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."
- i) "Company shall ensure that the 'Scheme' shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- j) "Company to ensure that no changes to the draft Scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."



- k) "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company obliged to bring the observations to the notice of Hon'ble NCLT."
- l) "Company is advised to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- m) "It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft Scheme by SEBI/Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations."

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

- i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- iii. 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**  
**Senior Manager**

Sd/-

**Tanmayi Lele**  
**Assistant Manager**



## National Stock Exchange Of India Limited

Ref: NSE/LIST/31831

January 11, 2023

The Company Secretary  
Greenlam Industries Limited  
203, 2nd Floor, West Wing,  
Worldmark 1, Aerocity,  
IGI Airport, Hospitality District,  
New Delhi – 110 037.

**Kind Attn.: Mr. Prakash Biswal**

Dear Sir,

**Sub: Observation Letter for Draft Scheme of Arrangement between HG Industries Limited (“Transferor Company” or “HGIL”) and Greenlam Industries Limited (“Transferee Company” or “GIL”) and their respective shareholders and all concerned.**

We are in receipt of draft scheme of arrangement between HG Industries Limited (“Transferor Company” or “HGIL”) and Greenlam Industries Limited (“Transferee Company” or “GIL”) and their respective shareholders and all concerned under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder vide application dated July 19, 2022.

Based on our letter reference no. NSE/LIST/31831 dated December 05, 2022, submitted to SEBI and pursuant to SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 and Regulation 94(2) of SEBI (LODR) Regulations 2015, SEBI vide its letter dated January 10, 2023 has inter alia given the following comment(s) on the draft scheme of arrangement:

- a. *Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed Company and the stock exchanges.*
- c. *The entities involved in the scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*
- d. *Company shall ensure that information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- e. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- f. *Company shall ensure that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*



Signer: DIPTI VIPIL CHINCHHEDE  
Date: Wed, Jan 11, 2023 12:45:10 IST  
Location: NSE

- g. Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*
- h. Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- i. Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities/ tribunals shall be made without specific written consent of SEBI.*
- j. Company shall ensure that the observations of SEBI / Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- k. Company to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed Scheme.*
- l. It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

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

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 January 11, 2023, within which the Scheme shall be submitted to NCLT.

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

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Signer: DIPTI VIPIL CHINCHHEDE  
Date: Wed, Jan 11, 2023 12:45:10 IST  
Location: NSE

**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

Dipti Chinchkhede  
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: DIPTI VIPIL CHINCHKHEDE  
Date: Wed, Jan 11, 2023 12:45:10 IST  
Location: NSE



August 19, 2022

To,  
The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

Dear Sir,

**Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 with respect to the proposed Scheme of Arrangement between HG Industries Limited (formerly Himalaya Granites Limited) (“Transferor Company”) and Greenlam Industries Limited (the “Company” or “Transferee Company”) and their respective shareholders and all concerned for the amalgamation of the Transferor Company with and into the Transferee Company (“Scheme”)**

#### COMPLAINTS REPORT

##### Part A

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

##### Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NA	NA	NA

Thanking You,  
Yours faithfully,  
For GREENLAM INDUSTRIES LIMITED

PRAKASH  
KUMAR BISWAL

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PRAKASH KUMAR BISWAL  
Date: 2022.08.19 14:23:39  
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**PRAKASH KUMAR BISWAL  
COMPANY SECRETARY &  
VICE PRESIDENT - LEGAL**



September 19, 2022

To,  
The Manager – Listing Compliance,  
National Stock Exchange of India Limited,  
'Exchange Plaza' C-1, Block G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai – 400 051

Dear Sir,

**Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 with respect to the proposed Scheme of Arrangement between HG Industries Limited (formerly Himalaya Granites Limited) ("Transferor Company") and Greenlam Industries Limited (the "Company" or "Transferee Company") and their respective shareholders and all concerned for the amalgamation of the Transferor Company with and into the Transferee Company ("Scheme")**

#### COMPLAINTS REPORT

##### Part A

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

##### Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NA	NA	NA

Thanking You,

Yours faithfully,

For GREENLAM INDUSTRIES LIMITED

PRAKASH  
KUMAR BISWAL

Digitally signed by  
PRAKASH KUMAR BISWAL  
Date: 2022.09.19 12:48:02  
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PRAKASH KUMAR BISWAL  
COMPANY SECRETARY &  
VICE PRESIDENT - LEGAL



**HG INDUSTRIES LIMITED**  
(Formerly Himalaya Granites Limited)

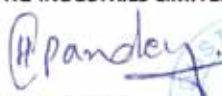
The financial details of HG Industries Limited (Formerly Himalaya Granites Limited) i.e., the Transferor Company for the previous 3 years as per the Audited Statement of Accounts:


**HG INDUSTRIES LIMITED**  
(Formerly Himalaya Granites Limited)

(Rs. in Crores)

Particulars	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2021-22	2020-21	2019-20
Equity Paid up Capital	2.32	2.32	2.32
Reserves and surplus	(0.61)	(0.59)	(0.58)
Carry forward losses	0.16	0.16	0.99
Net Worth	1.56	1.58	1.58
Miscellaneous Expenditure	NIL	NIL	NIL
Secured Loans	NIL	NIL	NIL
Unsecured Loans	NIL	NIL	NIL
Fixed Assets	1.46	1.17	1.29
Income from Operations	0.36	0.59	0.58
Total Income	1.40	0.64	0.61
Total Expenditure	1.34	0.65	4.52
Profit before Tax	0.06	(0.01)	(3.92)
Profit after Tax	0.03	(0.01)	(3.92)
Cash Profit (Profit after Tax before Depreciation)	16.23	9.96	(3.80)
EPS (In Rs.)	0.06	(0.02)	(12.20)
Book Value (In Rs.)	3.69	3.73	3.74

Thanking you,  
Yours faithfully,  
For HG INDUSTRIES LIMITED

  
HARIOM PANDEY  
COMPANY SECRETARY



Regd. Office: Panchalam Village, Melpettai Post, Vilupuram Dist., Tindivanam-604 307, Tamil Nadu, India.

+91 4147-290021

investors@hgl.co.in

www.hgl.co.in

CIN: L20100TN1987PLC015161





The Consolidated Financial details of Greenlam Industries Limited i.e., Transferee Company for the previous 3 years as per the Audited Statement of Accounts:

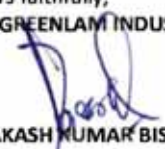
**GREENLAM INDUSTRIES LIMITED**

(Rs. in Crores)

Particulars	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2021-22	2020-21	2019-20
Equity Paid up Capital	12.07	12.07	12.07
Reserves and surplus	642.29	561.41	488.60
Carry forward losses	NIL	NIL	NIL
Net Worth	504.15	423.27	350.47
Miscellaneous Expenditure	NIL	NIL	NIL
Secured Loans	303.14	248.41	276.16
Unsecured Loans	42.12	NIL	18.00
Fixed Assets	476.56	431.28	445.42
Income from Operations	1703.40	1199.59	1320.59
Total Income	1710.70	1207.15	1325.00
Total Expenditure	1588.97	1098.78	1216.67
Profit before Tax	119.14	95.96	108.33
Profit after Tax	90.58	73.68	86.67
Cash Profit (Profit after Tax before Depreciation)	177.64	151.52	160.83
EPS (In Rs.)	7.52*	6.11*	7.18*
Book Value (in Rs.)	54.27*	47.56*	41.50*

\*The Company has sub-divided face value of its equity share from Rs. 5/- to Re. 1/- effective from the Record Date, i.e. February 11, 2022. Accordingly, paid up share capital of the Company has become Rs. 12,06,81,870/- divided into 12,06,81,870 equity shares of Re. 1/- each. The said sub-division of the shares have been given effect in the EPS and Book Value of all the periods reported above.

Thanking You,  
Yours faithfully,  
For GREENLAM INDUSTRIES LIMITED

  
PRAKASH KUMAR BISWAL  
COMPANY SECRETARY &  
VICE PRESIDENT - LEGAL





www.greenlamindustries.com

## GREENLAM INDUSTRIES LIMITED

### Statement of Un-audited Standalone Financial Results for the quarter and nine months ended December 31, 2022

Sl. No.	Particulars	Standalone					
		Quarter Ended		Nine Months ended		Year Ended	
		31.12.2022 (Un-audited)	30.09.2022 (Un-audited)	31.12.2021 (Un-audited)	31.12.2022 (Un-audited)	31.12.2021 (Un-audited)	31.03.2022 (Audited)
I.	Revenue from Operations	45,768.70	47,359.51	40,676.57	1,36,192.33	1,13,618.03	1,55,918.55
II.	Other Income	1,000.24	555.13	133.08	1,804.81	910.33	1,746.69
III.	<b>Total Income</b>	<b>46,768.94</b>	<b>47,914.64</b>	<b>40,809.65</b>	<b>1,37,997.14</b>	<b>1,14,528.36</b>	<b>1,57,665.24</b>
IV.	<b>Expenses:</b>						
	a) Cost of materials consumed	25,046.71	26,791.82	22,729.26	78,779.45	66,947.97	92,104.27
	b) Purchase of Stock-in-Trade	115.92	86.41	83.71	325.86	312.85	414.01
	c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	(327.59)	526.10	387.94	(2,095.18)	(1,623.45)	(2,326.82)
	d) Employee benefits expense	6,406.83	6,152.95	5,327.02	18,411.81	15,555.29	20,854.06
	e) Finance costs	589.44	556.82	390.96	1,662.05	1,028.63	1,347.75
	f) Depreciation and amortisation expense	1,508.73	1,439.93	1,423.89	4,306.99	4,087.37	5,430.66
	g) Other expenses	10,013.64	9,446.26	7,400.94	27,584.41	20,317.67	28,620.85
	<b>Total Expenses</b>	<b>43,353.68</b>	<b>45,000.29</b>	<b>37,743.72</b>	<b>1,28,975.39</b>	<b>1,06,626.33</b>	<b>1,46,444.78</b>
V.	Profit / (loss) before exceptional items and tax	3,415.26	2,914.35	3,065.93	9,021.75	7,902.03	11,220.46
VI.	Exceptional Items	-	-	-	-	258.96	258.96
VII.	<b>Profit / (loss) before tax</b>	<b>3,415.26</b>	<b>2,914.35</b>	<b>3,065.93</b>	<b>9,021.75</b>	<b>7,643.07</b>	<b>10,961.50</b>
VIII.	Tax Expenses						
	for Current	816.50	791.95	867.47	2,392.65	2,096.03	2,701.02
	for Earlier Years	-	-	-	-	-	68.72
	for Deferred	(42.53)	(80.18)	(84.06)	(227.04)	(397.80)	(344.75)
IX.	<b>Profit / (loss) for the period</b>	<b>2,641.29</b>	<b>2,202.58</b>	<b>2,282.52</b>	<b>6,856.14</b>	<b>5,944.84</b>	<b>8,536.50</b>
X.	Share of Profit / (Loss) of associates and joint ventures	-	-	-	-	-	-
XI.	Other Comprehensive Income						
	A (i) Items that will not be reclassified to profit or loss	(2.40)	95.22	121.28	8.06	39.51	31.37
	(ii) Income tax relating to items will not be reclassified to profit or loss	0.60	(23.96)	(30.52)	(2.03)	(9.94)	(7.90)
	B(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items will be reclassified to profit or loss	-	-	-	-	-	-
XII.	<b>Total Comprehensive Income</b>	<b>2,639.49</b>	<b>2,273.84</b>	<b>2,373.28</b>	<b>6,862.17</b>	<b>5,974.41</b>	<b>8,559.97</b>
XIII.	Paid-up equity share capital (face value of ₹1.00/- each)	1,269.93	1,269.93	1,206.82	1,269.93	1,206.82	1,206.82
XIV.	Other equity	-	-	-	-	-	61,986.46
XV.	<b>Earnings per equity share (face value of ₹1.00/- each) (in ₹):</b>						
	(1) Basic	2.13*	1.75*	1.89*	5.57*	4.93*	7.07
	(2) Diluted	2.13*	1.75*	1.89*	5.57*	4.93*	7.07

\* Not annualised

By order of the Board  
For Greenlam Industries Limited



Saurabh Mittal  
Managing Director & CEO  
[DIN: 00273917]

Place: New Delhi  
Date: February 02, 2023

Registered & Corporate office: 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi - 110 037  
Corporate Identity Number: L21016DL2013PLC388045 | T: +91-11-4279 1399 | E-mail: info@greenlam.com



## GREENLAM INDUSTRIES LIMITED

### Segmentwise Revenue, Results, Assets and Liabilities (Standalone)

(₹ in lakhs)

Sl. No.	Particulars	Standalone					
		Quarter Ended			Nine Months ended		Year Ended
		31.12.2022 (Un-audited)	30.09.2022 (Un-audited)	31.12.2021 (Un-audited)	31.12.2022 (Un-audited)	31.12.2021 (Un-audited)	31.03.2022 (Audited)
<b>1. Segment Revenue</b>							
a) Laminates & Allied Products	41,333.62	42,697.48	36,520.85	1,23,074.52	1,02,961.89	1,41,452.99	
b) Veneers & Allied Products	4,435.08	4,662.03	4,155.72	13,117.81	10,656.14	14,465.56	
c) Unallocated	-	-	-	-	-	-	
<b>Total</b>	<b>45,768.70</b>	<b>47,359.51</b>	<b>40,676.57</b>	<b>1,36,192.33</b>	<b>1,13,618.03</b>	<b>1,55,918.55</b>	
Less: Inter Segment Revenue	-	-	-	-	-	-	
<b>Gross Sales / Income from Operations</b>	<b>45,768.70</b>	<b>47,359.51</b>	<b>40,676.57</b>	<b>1,36,192.33</b>	<b>1,13,618.03</b>	<b>1,55,918.55</b>	
<b>2. Segment Result [Profit / (Loss) before tax and interest]</b>							
a) Laminates & Allied Products	6,330.86	6,287.64	5,916.13	18,597.50	15,619.66	21,226.37	
b) Veneers & Allied Products	(217.26)	(331.50)	(71.01)	(844.30)	(556.42)	(923.98)	
c) Unallocated	-	-	-	-	-	-	
<b>Total</b>	<b>6,113.60</b>	<b>5,956.14</b>	<b>5,845.12</b>	<b>17,753.20</b>	<b>15,063.24</b>	<b>20,302.39</b>	
Less (i) Interest	589.44	556.82	390.96	1,662.05	1,028.63	1,347.75	
(ii) Other Unallocable expenditure net of unallocable Income	2,108.90	2,484.97	2,388.23	7,069.40	6,132.58	7,734.18	
<b>Total Profit before Tax</b>	<b>3,415.26</b>	<b>2,914.35</b>	<b>3,065.93</b>	<b>9,021.75</b>	<b>7,902.03</b>	<b>11,220.46</b>	
Exceptional Item	-	-	-	-	258.96	258.96	
<b>Profit after Exceptional Item</b>	<b>3,415.26</b>	<b>2,914.35</b>	<b>3,065.93</b>	<b>9,021.75</b>	<b>7,643.07</b>	<b>10,961.50</b>	
<b>3. Segment Assets</b>							
a) Laminates & Allied Products	77,694.82	78,520.74	70,361.63	77,694.82	70,361.63	71,899.61	
b) Veneers & Allied Products	22,577.64	22,402.12	22,535.13	22,577.64	22,535.13	21,740.55	
c) Unallocated	55,883.99	53,364.91	24,921.63	55,883.99	24,921.63	37,281.62	
<b>Total</b>	<b>1,56,156.45</b>	<b>1,54,287.77</b>	<b>1,17,818.39</b>	<b>1,56,156.45</b>	<b>1,17,818.39</b>	<b>1,30,921.78</b>	
<b>4. Segment Liabilities</b>							
a) Laminates & Allied Products	29,848.13	28,581.60	25,003.04	29,848.13	25,003.04	28,048.43	
b) Veneers & Allied Products	2,720.10	3,095.37	2,121.23	2,720.10	2,121.23	2,352.85	
c) Unallocated	5,192.13	4,536.64	5,376.12	5,192.13	5,376.12	3,878.28	
<b>Total</b>	<b>37,760.36</b>	<b>36,213.61</b>	<b>32,500.39</b>	<b>37,760.36</b>	<b>32,500.39</b>	<b>34,279.56</b>	
<b>5. Capital employed</b>							
a) Laminates & Allied Products	47,846.69	49,939.14	45,358.59	47,846.69	45,358.59	43,851.18	
b) Veneers & Allied Products	19,857.54	19,306.75	20,413.90	19,857.54	20,413.90	19,387.70	
c) Unallocated	50,691.86	48,828.27	19,545.51	50,691.86	19,545.51	33,403.34	
<b>Total</b>	<b>1,18,396.09</b>	<b>1,18,074.16</b>	<b>85,318.00</b>	<b>1,18,396.09</b>	<b>85,318.00</b>	<b>96,642.22</b>	

By order of the Board  
For Greenlam Industries Limited

Place: New Delhi  
Date: February 02, 2023



Saurabh Mittal  
Managing Director & CEO  
[DIN: 00273917]



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## GREENLAM INDUSTRIES LIMITED

### Statement of Un-audited Consolidated Financial Results for the quarter and nine months ended December 31, 2022

(₹ in lakhs)

Sl. No.	Particulars	Consolidated					
		Quarter Ended			Nine Months ended		Year Ended
		31.12.2022 (Un-audited)	30.09.2022 (Un-audited)	31.12.2021 (Un-audited)	31.12.2022 (Un-audited)	31.12.2021 (Un-audited)	31.03.2022 (Audited)
I.	Revenue from Operations	50,350.07	51,803.70	44,970.95	1,49,214.99	1,24,001.04	1,70,340.41
II.	Other Income	592.23	519.23	197.24	1,352.71	597.43	729.46
III.	<b>Total Income</b>	<b>50,942.30</b>	<b>52,322.93</b>	<b>45,168.19</b>	<b>1,50,567.70</b>	<b>1,24,598.47</b>	<b>1,71,069.87</b>
IV.	<b>Expenses :</b>						
	a) Cost of materials consumed	25,046.71	26,791.82	22,729.26	78,779.45	66,947.97	92,104.27
	b) Purchase of Stock-in-trade	1,050.69	1,344.49	1,242.77	4,227.53	3,768.19	5,541.27
	c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	(81.04)	578.89	1,064.65	(2,400.57)	(1,839.78)	(3,215.61)
	d) Employee benefits expense	7,978.72	7,537.44	6,548.28	22,825.59	19,181.60	25,943.24
	e) Finance costs	603.25	570.75	405.43	1,701.60	1,074.02	1,408.00
	f) Depreciation and amortisation expense	1,621.83	1,543.64	1,531.31	4,639.82	4,396.44	5,849.57
	g) Other expenses	10,876.59	10,182.31	8,050.73	29,900.70	22,198.03	31,266.47
	<b>Total Expenses</b>	<b>47,096.75</b>	<b>48,549.34</b>	<b>41,572.43</b>	<b>1,39,674.12</b>	<b>1,15,726.47</b>	<b>1,58,897.21</b>
V.	Profit / (loss) before exceptional items and tax	3,845.55	3,773.59	3,595.76	10,893.58	8,872.00	12,172.66
VI.	Exceptional Items	-	-	-	-	258.96	258.96
VII.	<b>Profit / (loss) before tax</b>	<b>3,845.55</b>	<b>3,773.59</b>	<b>3,595.76</b>	<b>10,893.58</b>	<b>8,613.04</b>	<b>11,913.70</b>
VIII.	Tax Expenses						
	for Current	1,077.88	936.24	990.96	2,932.31	2,517.92	3,183.30
	for Earlier Years	-	-	-	-	-	68.72
	for Deferred	(50.58)	(81.04)	(84.47)	(232.52)	(397.90)	(396.55)
IX.	<b>Profit / (Loss) for the period</b>	<b>2,818.24</b>	<b>2,918.39</b>	<b>2,689.27</b>	<b>8,193.78</b>	<b>6,493.02</b>	<b>9,058.23</b>
X.	Profit or Loss attributable to Non Controlling Interests	(14.83)	(5.19)	(5.60)	(32.24)	(23.81)	(15.04)
XI.	Other Comprehensive Income						
	A (i) Items that will not be reclassified to profit or loss	(3.13)	95.64	121.28	7.02	39.51	31.37
	(ii) Income tax relating to items will not be reclassified to profit or loss	0.60	(24.13)	(30.52)	(2.03)	(9.94)	(7.90)
	B (i) Items that will be reclassified to profit or loss	191.53	146.34	-	597.46	132.71	197.98
	(ii) Income tax relating to items will be reclassified to profit or loss	-	-	-	-	-	-
XII.	<b>Total Comprehensive Income</b>	<b>3,007.24</b>	<b>3,136.24</b>	<b>2,780.03</b>	<b>8,796.23</b>	<b>6,655.30</b>	<b>9,279.68</b>
XIII.	<b>Profit/(Loss) for the period</b>						
	attributable to: (a) Owner of the Company	2,833.07	2,923.58	2,694.87	8,226.02	6,516.83	9,073.27
	(b) Non controlling interests	(14.83)	(5.19)	(5.60)	(32.24)	(23.81)	(15.04)
XIV.	Other Comprehensive Income						
	attributable to: (a) Owner of the Company	189.00	217.85	90.76	602.45	162.28	221.45
	(b) Non controlling interests	-	-	-	-	-	-
XV.	<b>Total Comprehensive Income</b>						
	attrib (a) Owner of the Company	3,022.07	3,141.43	2,785.63	8,828.47	6,679.11	9,294.72
	(b) Non controlling interests	(14.83)	(5.19)	(5.60)	(32.24)	(23.81)	(15.04)
XVI.	Paid-up equity share capital (face value of ₹1.00/- each)	1,269.93	1,269.93	1,206.82	1,269.93	1,206.82	1,206.82
XVII.	Other equity	-	-	-	-	-	64,228.53
XVIII.	Earnings per equity share (face value of ₹1.00/- each) (in ₹):						
	(1) Basic	2.28*	2.33*	2.23*	6.68	5.40*	7.52
	(2) Diluted	2.28*	2.33*	2.23*	6.68	5.40*	7.52

\* Not annualised

By order of the Board  
For Greenlam Industries Limited



Saurabh Mittal  
Managing Director & CEO  
[DIN: 00273917]



Place: New Delhi  
Date: February 02, 2023

Registered & Corporate office: 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi - 110 037  
Corporate Identity Number: L21016DL2013PLC386045 | T: +91-11-4279 1399 | E-mail: info@greenlam.com



## GREENLAM INDUSTRIES LIMITED

### Segmentwise Revenue, Results, Assets and Liabilities (Consolidated)

(₹ in lakhs)

Sl. No.	Particulars	Consolidated					
		Quarter Ended			Nine Months ended		Year Ended
		31.12.2022 (Un-audited)	30.09.2022 (Un-audited)	31.12.2021 (Un-audited)	31.12.2022 (Un-audited)	31.12.2021 (Un-audited)	31.03.2022 (Audited)
<b>1. Segment Revenue</b>							
a) Laminates & Allied Products	45,914.59	47,127.71	40,807.85	1,36,067.14	1,13,235.12	1,55,627.00	
b) Veneers & Allied Products	4,435.48	4,675.99	4,163.10	13,147.85	10,765.92	14,713.41	
c) Unallocated	-	-	-	-	-	-	
<b>Total</b>	<b>50,350.07</b>	<b>51,803.70</b>	<b>44,970.95</b>	<b>1,49,214.99</b>	<b>1,24,001.04</b>	<b>1,70,340.41</b>	
Less: Inter Segment Revenue	-	-	-	-	-	-	
<b>Net Sales / Income from Operations</b>	<b>50,350.07</b>	<b>51,803.70</b>	<b>44,970.95</b>	<b>1,49,214.99</b>	<b>1,24,001.04</b>	<b>1,70,340.41</b>	
<b>2. Segment Result [Profit / (Loss) before tax and interest]</b>							
a) Laminates & Allied Products	7,336.73	7,142.75	6,612.66	21,184.21	17,556.11	23,771.86	
b) Veneers & Allied Products	(213.14)	(320.05)	(114.52)	(853.90)	(677.55)	(1,112.49)	
c) Unallocated	-	-	-	-	-	-	
<b>Total</b>	<b>7,123.60</b>	<b>6,822.70</b>	<b>6,498.14</b>	<b>20,330.32</b>	<b>16,878.56</b>	<b>22,659.37</b>	
Less: (i) Interest	603.25	570.75	405.43	1,701.60	1,074.02	1,408.00	
(ii) Other Unallocable expenditure net of unallocable Income	2,674.80	2,478.36	2,496.95	7,735.14	6,932.54	9,078.71	
<b>Total Profit before Tax</b>	<b>3,845.55</b>	<b>3,773.59</b>	<b>3,595.76</b>	<b>10,893.58</b>	<b>8,872.00</b>	<b>12,172.66</b>	
Exceptional Item	-	-	-	-	258.96	258.96	
<b>Total</b>	<b>3,845.55</b>	<b>3,773.59</b>	<b>3,595.76</b>	<b>10,893.58</b>	<b>8,613.04</b>	<b>11,913.70</b>	
<b>3. Segment Assets</b>							
a) Laminates & Allied Products	88,852.60	89,337.00	85,412.62	88,852.60	85,412.62	81,046.34	
b) Veneers & Allied Products	22,593.51	22,417.72	22,757.67	22,593.51	22,757.67	21,779.05	
c) Unallocated	68,768.50	52,612.93	17,015.06	68,768.50	17,015.06	35,596.67	
<b>Total</b>	<b>1,80,214.61</b>	<b>1,64,367.65</b>	<b>1,25,185.35</b>	<b>1,80,214.61</b>	<b>1,25,185.35</b>	<b>1,38,422.06</b>	
<b>4. Segment Liabilities</b>							
a) Laminates & Allied Products	32,474.47	30,775.81	27,177.25	32,474.47	27,177.25	30,391.82	
b) Veneers & Allied Products	2,720.10	3,095.37	2,121.23	2,720.10	2,121.23	2,352.85	
c) Unallocated	9,497.74	5,479.10	5,351.12	9,497.74	5,351.12	3,956.21	
<b>Total</b>	<b>44,692.31</b>	<b>39,350.28</b>	<b>34,649.60</b>	<b>44,692.31</b>	<b>34,649.60</b>	<b>36,700.88</b>	
<b>5. Capital employed</b>							
a) Laminates & Allied Products	56,378.13	58,561.19	58,235.37	56,378.13	58,235.37	50,654.52	
b) Veneers & Allied Products	19,873.41	19,322.35	20,636.44	19,873.41	20,636.44	19,426.20	
c) Unallocated	59,270.76	47,133.83	11,663.94	59,270.76	11,663.94	31,640.46	
<b>Total</b>	<b>1,35,522.30</b>	<b>1,25,017.37</b>	<b>90,535.75</b>	<b>1,35,522.30</b>	<b>90,535.75</b>	<b>1,01,721.18</b>	

By order of the Board  
For Greenlam Industries Limited

Place: New Delhi  
Date: February 02, 2023



Saurabh Mittal  
Managing Director & CEO  
[DIN: 00273917]



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## GREENLAM INDUSTRIES LIMITED

### Notes to Standalone and Consolidated Financial Results

1. The above results have been reviewed by the Audit Committee at their adjourned meeting held on February 02, 2023 (Original Meeting held on February 01, 2023) and approved by the Board of Directors of the Company at their Meeting held on February 02, 2023 respectively. The limited review of these financial results has been carried out by the Statutory Auditors, as required under Regulation 33 and Regulation 52 read with Regulation 63 of SEBI (LODR) Regulation, 2015.
2. The previous periods figures have been regrouped and reclassified wherever necessary.
3. Segment Information as per Ind-AS 108, 'Operating Segments' is disclosed in Segment reporting.
4. The consolidated financial results include the financial results of subsidiaries Greenlam Asia Pacific Pte. Ltd., Greenlam America, Inc., Greenlam South Limited and HG Industries Limited and step-down subsidiaries Greenlam Europe (UK) Limited, Greenlam Asia Pacific (Thailand) Co., Ltd., Greenlam Holding Co., Ltd, PT. Greenlam Asia Pacific, Greenlam Decolan SA, PT Greenlam Indo Pacific, Greenlam Rus LLC and Greenlam Poland Sp. z.o.o.
5. In respect of setting up of greenfield project for manufacturing of 3.50 million laminate sheets/boards per annum at Naidupeta, Andhra Pradesh by Greenlam South Limited, a wholly-owned subsidiary of the Company, environment clearance and consent for establishment have been obtained, civil construction work is under progress, order for procurement of equipment has been placed, deliveries of equipment at the project site has been started and installation of the same are under progress. The project is expected to commence commercial production by Q1 of F.Y. 2023-24.
6. In respect of setting up of greenfield project for manufacturing of 2,31,000 cubic meter particle board per annum at Naidupeta, Andhra Pradesh by Greenlam South Limited, a wholly-owned subsidiary of the Company, environment clearance and consent for establishment have been obtained, contract for civil construction work has been started, order for procurement of major equipment has been placed and few of the consignment has been delivered at the project site. The project is on schedule which is expected to commence commercial production by Q4 of F.Y. 2023-24.
7. In respect of setting up of greenfield project for manufacturing of 18.9 million square meter plywood per annum at Tindivanam, Tamil Nadu by HG Industries Limited, a subsidiary of the Company, consent for establishment has been obtained, civil construction work is under progress, order for procurement of equipment has been placed and deliveries of equipment at the project site has been started and installation of the same are under progress. The project is on schedule which is expected to commence commercial production by Q4 of F.Y. 2022-23.
8. The Board of Directors at its meeting held on June 30, 2022, approved a Scheme of Arrangement ("Scheme") between HG Industries Limited ("Transferor Company") and Greenlam Industries Limited ("Transferee Company") and their respective shareholders and all concerned under Section 230 to 232 of the Companies Act, 2013 for amalgamation of Transferor Company with and into the Transferee Company with effect from April 01, 2022 ("Appointed Date"). The share exchange ratio shall be 1 equity shares of face value of Re. 1/- each of the Transferee Company for every 2 equity shares of face value of Rs. 5/- each of Transferor Company. Upon the Scheme becoming effective, the Transferee Company will issue equity shares to the shareholders of Transferor Company as on the record date. The equity shares held by Transferee Company in the Transferor Company will be extinguished as per the Scheme. The Scheme is subject to the receipt of requisite approvals from statutory and regulatory authorities, and the respective shareholders and creditors, under applicable law. The Company is taking necessary steps in this regard.
9. Pursuant to Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to state that all secured & redeemable debt securities issued by the Company and outstanding as on December 31, 2022 are secured by first pari passu charge on movable fixed assets of the Company, present & future; first pari passu charge on immovable fixed assets of the Company situated at Behror, Rajasthan and Nalagarh, Himachal Pradesh and second pari passu charge on current assets of the Company, present and future. The Company has asset cover of 6.89 times as on December 31, 2022.




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## GREENLAM INDUSTRIES LIMITED

10. Information as required pursuant to Regulation 52 (4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended, are given below:

Sl. No.	Particulars	Standalone				Consolidated			
		Quarter Ended	Quarter Ended	Nine Months Ended	Year Ended	Quarter Ended	Quarter Ended	Nine Months Ended	Year Ended
		31.12.2022	30.09.2022	31.12.2022	31.03.2022	31.12.2022	30.09.2022	31.12.2022	31.03.2022
a)	Net Worth (₹ in Lacs)	87037.18	84590.97	87037.18	62331.86	90892.61	88069.70	90892.61	64252.10
b)	Net Profit after Tax (₹ in Lacs)	2641.29	2202.58	6856.14	8536.51	2818.24	2918.39	8193.78	9058.25
c)	Earnings Per Share (* Not annualised)	2.13*	1.75*	5.57*	7.07	2.28*	2.33*	6.68*	7.52
d)	Net Debt-Equity Ratio (times) [(Non-Current Borrowings + Current Borrowings - Non Lien Cash and Bank Balance - Current Investments) / (Paid Up Share Capital + Reserves and Surplus - Intangible assets)]	0.04	0.08	0.04	0.25	0.16	0.09	0.16	0.26
e)	Long term Debt to Working Capital (times) [(Non-Current Borrowings + Current Maturities of Long Term Debt) / Net Working Capital]	0.51	0.50	0.51	0.55	0.72	0.45	0.72	0.49
f)	Total Debts to Total Assets Ratio (%) [(Non-Current Borrowings + Current Borrowings) / Total Assets]	18.81%	20.51%	18.81%	24.67%	23.08%	20.73%	23.08%	24.94%
g)	Debt Service Coverage Ratio (times) [(Profit After Tax + Finance Cost excluding interest expense on Right to Use Asset + Depreciation & Amortization +/- Non Operating Income or Expenses +/- Exceptional Gain or Loss) / (Finance Cost excluding interest expense on Right to Use Asset + Current Maturities of Non-Current Borrowings)] * annualize	3.07*	3.07*	3.29*	4.40	3.81*	3.98*	3.90*	4.61
h)	Interest Service Coverage ratio (times) [(EBIDTA +/- Non Operating Income or Expenses +/- Exceptional Items) / Total Interest on borrowings] (EBIDTA: Earnings before Interest, Depreciation & Amortization and Tax)	10.72	11.22	9.31	17.10	10.47	10.94	10.95	18.50
i)	Current Ratio (times) (Current Assets / Current Liabilities)	1.78	1.76	1.78	1.66	1.72	1.80	1.72	1.69
j)	Bad debts to Account Receivable Ratio (%) (Bad Debts / Average Trade Receivable)	0.00%	0.00	0.06%	0.02%	0.00%	0.00%	0.05%	0.02%
k)	Current Liability Ratio (times) (Current Liabilities / Total Liabilities)	0.31	0.32	0.31	0.36	0.31	0.32	0.31	0.37
l)	Debtors Turnover (Days) [(Trade Receivables / Revenue from Operations in Days)]	25	25	24	29	25	24	24	28
m)	Inventory Turnover (Days) [(Inventory / Revenue from Operations in Days)]	92	89	90	104	95	93	94	108
n)	Operating Margin (in %) [EBIDTA / Revenue From Operations] (EBIDTA: Earnings before Interest, Depreciation & Amortization and Tax and exceptional items)	9.67%	9.01%	9.48%	10.42%	10.71%	10.19%	10.46%	10.98%
o)	Net Profit Margin (%) (Net Profit after Tax / Revenue from Operations)	5.77%	4.65%	5.03%	5.47%	5.60%	5.63%	5.49%	5.32%

The information for the quarter ended December 31, 2021 have not been included as there was no outstanding non-convertible debentures as at that quarter end.

Place: New Delhi  
Date: February 02, 2023



By order of the Board  
For Greenlam Industries Limited

Saurabh Mittal  
Managing Director & CEO  
[DIN: 00273917]



Registered & Corporate office: 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi - 110 037  
Corporate Identity Number: L21016DL2013PLC386045 | T: +91-11-4279 1399 | E-mail: info@greenlam.com



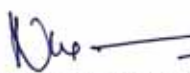
**S S KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

**Independent Auditor's Limited Review Report on unaudited standalone financial results of Greenlam Industries Limited for the quarter and year to date ended December 31, 2022, pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To the Board of Directors of  
Greenlam Industries Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Greenlam Industries Limited ('the Company') for the quarter and year to date results for the period April 1, 2022 to December 31, 2022 ('the statement') attached herewith, being prepared and submitted by the Company pursuant to the requirement of Regulation 33 and 52 read with Regulation 63 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations, 2015').
2. This statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, "Interim Financial Reporting" (Ind AS), prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules thereunder and other accounting principles generally accepted in India. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Listing Regulations, 2015, as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S S Kothari Mehta & Company**  
Chartered Accountants  
Firm Reg. no. - 000786N



**Naveen Aggarwal**  
Partner

Membership No. - 094380  
UDIN No 23094380BGUMVW6034  
Place: New Delhi  
Date: February 2, 2023





**Independent Auditor's limited review report on unaudited consolidated financial results of Greenlam Industries Limited for the quarter and year to date ended December 31, 2022 under Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations')**

**To the Board of Directors of  
Greenlam Industries Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Greenlam Industries Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and year to date ended December 31, 2022 attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('the Listing Regulations').
2. This statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34, "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. 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 ("the ICAI"). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of parent'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, 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 No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the financial results of the following entities:

**Subsidiaries**

Greenlam Asia Pacific Pte Ltd.  
Greenlam America Inc.  
Greenlam South Ltd.  
HG Industries Ltd.

**Subsidiaries of Greenlam Asia Pacific Pte. Ltd.**

Greenlam Europe (UK) Ltd.  
Greenlam Asia Pacific (Thailand) Co., Ltd.,  
Greenlam Holding Co., Ltd.  
Greenlam Decolan SA



**S S KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

PT. Greenlam Asia Pacific  
PT Greenlam Indo Pacific  
Greenlam RUS LLC  
Greenlam Poland Sp.Z.o.o

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of other auditors referred to in Paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principle laid down in the aforesaid Indian Accounting Standard ('Ind AS') prescribed under Section 133 the Act as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the financial results of one subsidiary included in the Statement, whose financial results reflect total revenues NIL, total net profit/ (loss) after tax of Rs. (19.97) lakhs and Rs. (66.62) lakhs and total comprehensive income/ (loss) of Rs. (24.46) lakhs and Rs. (71.15) lakhs for the quarter ended December 31, 2022 and nine months ended December 31, 2022, respectively. These financial results have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of this matter.

For **S S Kothari Mehta & Company**  
Chartered Accountants  
Firm Reg. No. - 000756N



**Naveen Aggarwal**  
Partner  
Membership No. - 094380  
UDIN No. - 23094380BGUMVX9997



Place : New Delhi  
Date : February 2, 2023

To  
The Board of Directors  
Greenlam Industries Limited  
2nd Floor, West Wing  
Worldmark 1, Aerocity  
IGI Airport, Hospitality District  
New Delhi-110037.

**Independent Auditor's Certificate pursuant to Regulation 54 read with Regulation 56 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular no -SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022 (as amended)**

- 1) This certificate is issued in accordance with the terms of our engagement letter dated 1<sup>st</sup> September 2022 with Greenlam Industries Limited ("the Company").
- 2) The accompanying statement of Security Cover as on December 31, 2022 ("the Statement") has been prepared by the Company's management in accordance with the requirements of Regulation 54 read with Regulation 56 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular no - SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022 (as amended) ("the Regulations") for the purpose of submission to the Stock exchanges & Debenture Trustee i.e. Axis Trustee Services Limited of the Company.

**Management's Responsibility for the Statement**

- 3) The preparation of the Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
- 4) The Management is also responsible for ensuring compliance with the requirements of the Regulations for the purpose of furnishing this Statement and providing all relevant information to the Debenture Trustee.

**Auditor's Responsibility**

- 5) Pursuant to requirement of the Regulations, it is our responsibility to provide reasonable assurance in the form of an opinion as to whether the amounts included in the Statement are in agreement with the unaudited standalone financial results, its underlying books of accounts and other relevant documents and records of the Company for the Nine months ended December 31, 2022 and the books values as mentioned in the statement are correct.
- 6) We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.



**S S KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

- 7) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC), Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

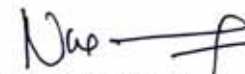
**Opinion**

- 8) Based on our examination, evidences obtained, and the information and explanations provided to us, along with the representations provided by the management, in our opinion unaudited standalone financial results, its underlying books of accounts and other relevant documents and records of the Company for the nine month ended December 31, 2022 and the books values as mentioned in the statement are correct.

**Restriction on distribution or use**

- 9) Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Regulations. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
- 10) The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the requirements of the Regulations which inter alia, requires it to submit this certificate along with the accompanying Statement to the Stock exchanges & Debenture Trustee(s) of the Company, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For S S Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No. 000756N

  
Naveen Aggarwal  
Partner

Membership No. 094380  
UDIN: -23094380BGUMVY8862



Place: - New Delhi  
Date: - February 2, 2023

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relates	Exclusive Charge	Exclusive Charge	Part-Passu Charge	Part-Passu Charge	Part-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Market Value for Assets charged on Exclusive basis (viii)	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSKA market value is not applicable)	Market Value for Part passu charge Assets (viii)	Carrying value/book charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSKA market value is not applicable)	Total Value (-164-M-N)
<b>ASSETS:</b>														
Property, Plant and Equipment				Yes	20,971	12,867	2,495		36,334			20,158		20,158
Capital Work-in-Progress				Yes	1,232	756			1,988			1,232		1,232
Right of Use Assets				Yes	926	568	4,671		6,165			5,542		5,542
Goodwill				No										
Intangible Assets				No			935		935					
Investments				No			135		135					
Loans				Yes	12,021	10,492	21,120		43,633				12,021	12,021
Inventories				Yes	30	26	2,668		2,724				30	30
Trade Receivables				Yes	23,986	20,936			44,922				23,986	23,986
Cash and Cash Equivalents				Yes	6,356	5,547			11,903				6,356	6,356
Bank Balances other than Cash and Cash Equivalents				Yes	805	703			1,508				805	805
Others				No			8		8					
<b>Total</b>				Yes	2,413	2,106	1,382		5,901			2,413		2,413
					68,740	54,001	33,415		1,56,156			29,346		72,544
<b>LIABILITIES:</b>														
Debt securities to which this certificate pertains				Yes	9,900				9,900					
Other debt sharing pari-passu charge with above debt				No										
Other debt														
Subordinated debt														
Borrowings				No		12,468	7,000		19,468					
Bank														
Debt Securities		not to be filled												
Others														
Trade payables				No			25,300		25,300					
Lease Liabilities							5,329		5,329					
Provisions							1,476		1,476					
Others					72		6,505		6,577					
<b>Total</b>					9,972	12,468	45,609		68,049					
Cover on Book Value					6.89									
Cover on Market Value (ix)														7.27



1. All amounts in Rs. Lakh  
2. Market valuation of Land and Buildings were done on November 15, 2021 and November 18, 2021 and the same has been considered for the market valuation of the asset offered under listed Debentures

**HG INDUSTRIES LIMITED**

(Formerly Himalaya Granites Limited)

Regd. Office : 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi - 110037

CIN : L20100DL1987PLC408363, Telephone: +91 011-42791399, Website: www.hgl.co.in, Email: investors@hgl.co.in

**Statement of Un-Audited Financial Results (Standalone) for the quarter and nine months ended December 31, 2022**

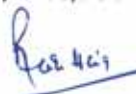
Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
I	Revenue from Operations	-	-	5.10	-	35.70	35.70
II	Other Income	0.20	0.80	0.80	1.42	19.84	103.82
III	<b>Total Income</b>	<b>0.20</b>	<b>0.80</b>	<b>5.90</b>	<b>1.42</b>	<b>55.54</b>	<b>139.52</b>
IV	<b>Expenses:</b>						
	a) Cost of Materials Consumed	-	-	-	-	-	-
	b) Purchase of Stock-in-trade	-	-	-	-	-	-
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-	-
	d) Employee benefits expense	19.45	20.17	22.78	57.48	50.91	73.26
	e) Finance Cost	-	-	0.03	-	0.03	0.22
	f) Depreciation and amortisation expense	-	(1.99)	2.91	-	8.28	10.60
	g) Rates & Taxes	-	-	-	-	4.45	-
	h) Other Expenses	5.84	6.15	10.37	12.68	23.35	49.81
	<b>Total Expenses</b>	<b>25.29</b>	<b>24.33</b>	<b>36.10</b>	<b>70.16</b>	<b>87.02</b>	<b>133.89</b>
V	<b>Profit(loss) before exceptional items and tax</b>	<b>(25.09)</b>	<b>(23.53)</b>	<b>(30.20)</b>	<b>(68.74)</b>	<b>(31.48)</b>	<b>5.63</b>
VI	Exceptional items	-	-	-	-	-	-
VII	<b>Profit(Loss) before tax</b>	<b>(25.09)</b>	<b>(23.53)</b>	<b>(30.20)</b>	<b>(68.74)</b>	<b>(31.48)</b>	<b>5.63</b>
VIII	<b>Tax Expenses:</b>						
	Current Tax	-	-	-	-	-	-
	Deferred Tax	(5.12)	3.49	-	(2.12)	-	2.98
IX	<b>Profit (Loss) for the period</b>	<b>(19.97)</b>	<b>(27.02)</b>	<b>(30.20)</b>	<b>(66.62)</b>	<b>(31.48)</b>	<b>2.65</b>
X	<b>Other Comprehensive Income</b>						
	A (i) Items that will not be reclassified to profit or loss	(6.06)	0.60	-	(6.12)	-	(6.31)
	(ii) Income tax relating to items will not be reclassified to profit or loss	1.57	(0.15)	-	1.59	-	1.64
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items will be reclassified to profit or loss	-	-	-	-	-	-
XI	<b>Total Comprehensive Income</b>	<b>(24.46)</b>	<b>(26.57)</b>	<b>(30.20)</b>	<b>(71.15)</b>	<b>(31.48)</b>	<b>(2.02)</b>
XII	Paid-up equity share capital (Face value of ₹ 5/- each)	231.68	231.68	231.68	231.68	231.68	231.68
XII	Other Equity	-	-	-	-	-	(60.86)
XIV	<b>Earnings per equity share (₹) (of ₹ 5/- each):</b>						
	i) Basic	(0.43)*	(0.59)*	(0.65)*	(1.44)*	(0.68)*	0.06
	ii) Diluted	(0.43)*	(0.59)*	(0.65)*	(1.44)*	(0.68)*	0.06

\* Not annualised

**Notes:**

- The above Financials Results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on February 01, 2023.
- As there is neither more than one business segment nor more than one geographical segment, segment information as per IND AS 108 is not applicable.
- The previous period figures have been regrouped and reclassified wherever necessary.
- The Board of Directors at its meeting held on June 30, 2022, approved the Scheme of Arrangement ("Scheme") between HG Industries Limited ("Transferor Company") and Greenlam Industries Limited ("Transferee Company") and their respective shareholders and all concerned under Section 230 to 232 of the Companies Act, 2013 for amalgamation of Transferor Company with and into the Transferee Company with effect from April 01, 2022 ("Appointed Date"). The share exchange ratio shall be 1 equity shares of face value of Re. 1/- each of the Transferee Company for every 2 equity shares of face value of Rs. 5/- each of Transferor Company. Upon the Scheme becoming effective, the Transferee Company will issue equity shares to the shareholders of Transferor Company as on the record date. The equity shares held by Transferee Company in the Transferor Company will be extinguished as per the Scheme. The Scheme is subject to the receipt of requisite approvals from statutory and regulatory authorities, and the respective shareholders and creditors, under applicable law. The Company is taking necessary steps in this regard.
- In respect of setting up of greenfield project for manufacturing of 18.9 million square meter plywood per annum at Tindivanam, Tamil Nadu by the Company, consent for establishment has been obtained, civil construction work is under progress, order for procurement of equipment has been placed and deliveries of equipment at the project site has been started and installation of the same are under progress. The project is on schedule which is expected to commence commercial production by Q4 of F.Y. 2022-23.

By order of the Board  
For **HG INDUSTRIES LIMITED**  
(Formerly Himalaya Granites Limited)



**Ramesh Kumar Haritwal**  
Managing Director & CEO  
[DIN: 01486666]



Place: **New Delhi**  
Date: **February 01, 2023**



**S.P. SHAW & CO.**

CHARTERED ACCOUNTANTS

**Independent Auditor's Limited Review Report on unaudited standalone financial results of HG Industries Limited for the quarter and nine months ended December 31, 2022 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To the Board of Directors of  
**HG Industries Limited**

We have reviewed the accompanying statement of unaudited standalone financial results ('the Statement') of **HG Industries Limited** ('the Company') for the quarter and nine months ended December 31, 2022, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations, 2015').

This statement which is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company. The preparation of the Statement is in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34, "Interim Financial Reporting" (Ind AS), prescribed under section 133 of the Companies Act, 2013, as amended read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of person responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in all material respects in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder including the amendment thereof and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S.P Shaw & CO.**  
**Chartered Accountants**  
**Firm Reg. no. – 314229E**

  
**(S.P. SHAW)**  
**Partner**

**Membership No. – 051927**  
**UDIN No.: 23051927BGUTUD9773**



Place: Kolkata  
Date: 01<sup>st</sup> day of February, 2023

**"Sagar Court" 7, Garstin Place 2nd Floor, Kolkata - 700 001**  
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**Greenlam**  
Industries Limited

**GREENLAM INDUSTRIES LIMITED**

**CIN: L21016DL2013PLC386045**

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