



Date: July 27, 2023

To,
BSE Limited
Corporate Relationship Department
New Trading Ring,
Rotunda Building, P J Tower,
Dalal Street, Fort,
Mumbai- 400 001.

Ref.: Scrip Code: BSE 542682

Company Name- Harish Textile Engineers Limited

Sub: Outcome of Board Meeting held on July 27, 2023.

Dear Sir/Madam,

With reference to the above subject matter and Pursuant to the provisions of Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we hereby notify that subject to receipt of requisite shareholder approvals, the Board of Directors of the Company at its meeting held on Thursday, July 27, 2023 have, interalia, approved the following:

1. Approved the sale/transfer of engineering business undertaking of the Company to Nfinia Industries Private Limited (a company owned and controlled by the promoter(s) of the company), as going concern, on slump sale basis, through business transfer agreement to be executed between the company and Nfinia Industries Private Limited.
2. Approved the related party transactions in order to transfer the Business Undertaking to a Company owned and controlled by the promoter(s) of the company.
3. Approved the related party transactions for raising funds from Related Parties.
4. Approved Notice of Postal Ballot by Remote E-Voting process for seeking approval of members for following resolutions: -
 - Approved the sale/transfer of engineering business undertaking of the Company to Nfinia Industries Private Limited (a company owned and controlled by the promoter(s) of the company), as going concern, on slump sale basis, through business transfer agreement to be executed between the company and Nfinia Industries Private Limited.



- Approved the Related Party Transactions in order to transfer the Business Undertaking to a Company owned and controlled by the promoter(s) of the company.
 - Approved the Related Party Transactions for raising funds from Related Parties.
5. Approved the valuation report for slump sale of Business Undertaking.
 6. Fixed cutoff date as July 28, 2023 for determining the eligibility of shareholders entitled to vote on the postal ballot.
 7. Fixed the period of E-voting which commences on Monday, July 31, 2023 (9.00 A.M.) and ends on Tuesday, August 29, 2023 (5.00 P.M.). Members can cast their vote online from July 31, 2023 (9.00 A.M.) to August 29, 2023 (5.00 P.M.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically.
 8. Approved the appointment of M/s D N Vora and Associates, Practicing Company Secretary as scrutinizer to scrutinize the process of postal ballot.
 9. Approved the Appointment of Bigshare Services Pvt Ltd ("Bigshare") to conduct Postal Ballot remote e-voting process.

We request you to take the above on your record and acknowledge the same.

The meeting commenced at 03.30 p.m. and concluded at 04.30 p.m.

Thanking you,

Yours Faithfully,

For Harish Textile Engineers Limited

Sandeep Gandhi
Managing Director
DIN: 00941665



Place: Mumbai

Encl: As above



The details as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 are as under-

<p>The amount and percentage of the turnover or revenue and net worth contributed by such unit or division of the listed entity during the last financial year ended (as of 31.03.2023).</p>	<p>Revenue: Engineering Division recorded revenue of Rs. 25.96 Crores which contributes 22.30 % of the total revenue of the company.</p> <p>Net worth: The Net Worth of the Textile Engineering Division as of March 31, 2023 was Rs. (9.15) Crores as against the overall net worth of Rs. 9.54 Crores being (95.91%) of the Net Worth.</p>
<p>Date on which the MOU for transfer has been entered into</p>	<p>The Board of Directors of the Company at its meeting held on July 27, 2023 have approved the transfer of Textile Engineering Division to M/s. Nfinia Industries Private Limited (NIPL), a Related Party, by way of a Slump Sale on a going concern basis. The Business Transfer Agreement ("BTA") and supplementary documents would be executed between the parties within a stipulated time period and the slump sale of the Engineering Division is conditional on completion of certain conditions (such as receipt of shareholder approvals and other third party consents for the business transfer).</p>
<p>The expected date of completion of sale/disposal</p>	<p>The date of completion of transfer shall be the effective date (effective date would mean (a) date on which all the required approvals for the said business transfer are received; or (b) such date as the Board of Directors of both the companies may mutually agree upon, whichever is later)</p>
<p>Consideration received / expected from such sale/disposal</p>	<p>Since the Net of the said undertaking is negative, Nfinia Industries Private Limited will be compensated in cash or kind by the transferor company for the consideration as may be decided on the effective date.</p>
<p>Brief details of buyers and whether any of the</p>	<p>Nfinia Industries Private Limited (NIPL) is a</p>





<p>buyers belonging to the promoters/promoters group/ group of companies. If yes, details thereof</p>	<p>private limited company, incorporated and owned and controlled by the Promoters/ Promoter group.</p>
<p>Whether the transaction would fall within related party transactions? If yes, whether same is done at "arm's length</p>	<p>Yes, the transaction would be a related party transaction. The said Slump Sale is being done on Arm's Length Basis as per the valuation report of M/s Vivro Financial Services Private Limited, category 1 Merchant Banker registered with SEBI having registration number INM000010122.</p>
<p>Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale.</p>	<p>As stated earlier, the said transaction would be given effect through execution of BTA subject to the receipt of approvals from the non-Promoter shareholders of the Company and would be finalized only upon receipt of their approval which is being obtained by way of a Postal Ballot.</p>
<p>(i) Name of the entity (ies) forming part of the slump sale/business transfer. Details in brief such as, size, turnover etc.</p>	<p>The proposed transaction contemplates a sale/transfer of the Company's Engineering Business Undertaking to NIPL by way of slump sale on a going concern basis.</p> <p>Details such as size and turnover of the Company and NIPL are as follows:</p> <ol style="list-style-type: none"> 1. Company Size: Net Worth of Harish Textile Engineers Limited as on March 31, 2023 was Rs. 9. 54 Crores Turnover: Turnover of Harish Textile Engineers Limited as on March 31, 2023 was Rs. 116.44 Crores 2. NIPL Size: Net Worth of Nfinia Industries Private Limited as on March 31, 2023 was Rs. 0.55 Crores Turnover: Turnover of Nfinia Industries



HARISH TEXTILE ENGINEERS LIMITED

CIN No.: L29119MH2010PLC201521



	Private Limited as on March 31, 2023 was Rs. NIL.
(ii) Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	As described above.
(iii) Area of business of the entity(ies)	<p>Company: Harish Textile Engineers Limited is engaged in the business of manufactures of Textile Machinery, Technical Textiles/Non-Woven and Polyester Staple Fibre. Company consist of three business undertaking such as</p> <ol style="list-style-type: none">Engineering DivisionNon-Woven DivisionPolyester Staple Fibre Division <p>NIPL: The Company will have business of Manufacturing of Textile Machineries post transfer of the said business undertaking</p>
(iv) Rationale for the business transfer/slump sale	<ol style="list-style-type: none">1. The Textile Engineering Business has been consistently making losses which in turn is dragging down the overall performance of the company2. Due to the Poor performance of textile machinery business overall Financial position and critical Ratios of the company are adversely affected3. Company is not in a position to undertake meaningful expansion for its other business segments.4. Due to poor Performance of the Textile Engineering Business, the value creation for all the stake holders of the company is adversely affected.5. Post the transfer of the undertaking, the profitability and all the critical financial parameters of the company are likely to





	substantially improve which in turn will have positive impact on value creation on all the shareholders. 6. The Promoters of the Company are of the view that on a standalone basis they may be able to focus better on Textile Engineering Business and also attract strategic alliance and strategic investors with a view to review the fortune of this business.
(v) In case of cash consideration – amount or otherwise share exchange ratio;	As described above.
(vi) Brief details of change in shareholding pattern (if any) of listed entity	Not applicable, since there is no share issuance involved as part of the proposed transaction.

Notes:

1. The numbers contained in the Segment disclosure derived from the audited financial statements for the year ended 31.03.2023 have been considered for the purposes of determining the percentage of revenue and net worth as depicted above.
2. The final consideration would be subject to minor adjustments as on the date of transfer and would be documented in the BTA to be entered into with the Buyer.

You are requested to kindly take the same on record and disseminate the above information in the required manner.

For Harish Textile Engineers Limited

Sandeep Gandhi
Managing Director
DIN: 00941665

**Place: Mumbai**