



16th December, 2022

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| The Department of Corporate Services BSE Limited Ground floor, P. J. Towers Dalal Street, Fort Mumbai – 400 001, India Scrip Code: 533168 | National Stock Exchange of India Ltd. Listing Department, Exchange Plaza, Plot No. C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051, Symbol: ROSSELLIND |
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Dear Sirs,

Sub.: Outcome of Board Meeting – Scheme of Arrangement between Rossell India Limited and Rossell Techsys Limited and their respective shareholders.

In terms of Regulation 30 read with para A, Part A of the Schedule III and Regulation 33 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI listing Regulations**”) and further to our letter dated 14th November, 2022 in connection with b. below, kindly be advised that the Board of Directors of the Company at its Meeting concluded a little while ago i.e. **16th December, 2022** has inter alia, considered and approved the following:

- a. **Conversion of 10,00,000 0.01% Compulsorily Convertible Preference Shares (“CCPS”)** of Rs. 10 each issued to BMG Enterprises Limited, the Holding Company in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Companies Act, 2013 and any other applicable law. Each CCPS was converted into 1 Equity Share of Rossell India Limited in accordance with the terms of CCPS allotted on 27th June, 2022. Accordingly after such conversion, the Preference Share Capital of the Company is reduced to Nil;

Post allotment of Equity Shares upon conversion, the issued, subscribed and paid-up Equity Share Capital of the Company stands increased from Rs. 7,33,92,950 comprising of 3,66,96,475 Equity Shares of Rs. 2/- each fully paid-up to Rs.7,53,92,950 comprising of 3,76,96,475 Equity Shares of Rs.2/- each fully paid up;

- b. **The Draft Scheme of Arrangement** between Rossell India Limited (“RIL” or “Demerged Company”) and Rossell Techsys Limited (“RTL” or “Resulting Company”) and their respective shareholders as may be modified from time to time pursuant to the provisions of Sections 230 to 232 read with section 66 and other applicable sections of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 subject to the requisite approvals and sanction of the jurisdictional bench of National Company Law Tribunal (“**NCLT**”) and subject to the approval of shareholders and / or creditors of the Company, Central Government, or such other competent authority as may be directed by the NCLT.



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Earlier, the Audit Committee had furnished its report to the Board recommending the Scheme. The Valuation Report for the Scheme has been provided by a Registered Valuer, Harsh Ruparelia, an independent Chartered Accountant. The Fairness Opinion on the Scheme has been furnished by M/s. Fedex Securities Private Limited, an independent Merchant Banker.

In accordance with the SEBI Circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015, we enclose the required information in Annexure-1.

The above is for your record and necessary dissemination.

Yours faithfully,

For **ROSSELL INDIA LTD.**

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



Encl.: As stated above



Annexure I

Disclosure of information pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI listing Regulations"), read with SEBI Circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015.

| Sr. No. | Particulars | Details | | | | | | | | |
|---------|---|---|---|-------------|---|---|---|--------------------------|--------|--------|
| 1 | brief details of the Division (s) to be demerged | <p>This Scheme of Arrangement ('Scheme') involves demerger of Rossell Techsys Division (Demerged Undertaking) of the Rossell India Limited ('Demerged Company' or 'RIL' or 'the Company') into a separate Company named as Rossell Techsys Limited (Resulting Company).</p> <p>The Demerged Company is engaged in the business of cultivation, manufacture and selling of Tea viz. Rossell Tea Division and in Aerospace and Defense business which has its engineering and manufacturing center in Bengaluru viz. Rossell Techsys Division.</p> | | | | | | | | |
| 2 | Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year | <p style="text-align: right;">(Rs. In Lakhs)</p> <table border="1"> <thead> <tr> <th>S. No.</th> <th>Particulars</th> <th>Turnover of the demerged Division for the year ended 31.03.2022</th> <th>Percentage to the total turnover of the Listed Entity for the year ended 31.03.2022</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Rossell Techsys Division</td> <td>14,980</td> <td>51.18%</td> </tr> </tbody> </table> | S. No. | Particulars | Turnover of the demerged Division for the year ended 31.03.2022 | Percentage to the total turnover of the Listed Entity for the year ended 31.03.2022 | 1 | Rossell Techsys Division | 14,980 | 51.18% |
| S. No. | Particulars | Turnover of the demerged Division for the year ended 31.03.2022 | Percentage to the total turnover of the Listed Entity for the year ended 31.03.2022 | | | | | | | |
| 1 | Rossell Techsys Division | 14,980 | 51.18% | | | | | | | |
| 3 | Rationale for demerge | <p>The Demerged Company is engaged in the business of cultivation, manufacture and selling of Tea viz. Rossell Tea Division and in Aerospace and Defense business which has its engineering and manufacturing center in Bengaluru viz. Rossell Techsys Division. The Resulting Company has been incorporated with the objective of engaging in the business similar to that of Rossell Techsys Division. Hence, it is proposed to segregate the same by way of demerger into the Resulting Company which will result in focused approach to exploit the growth potential of the Demerged Undertaking.</p> <p>The segregation of the Demerged Undertaking shall have the following benefits as outlined in the Scheme:</p> | | | | | | | | |





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| | | <ul style="list-style-type: none"> • Creating a dedicated Tech vertical with focused attention on the Aerospace and Defense business under RTL and a dedicated Tea vertical which shall continue under RIL; • Demerger will enable both Demerged Company and the Resulting Company to enhance business operations by streamlining operations, more efficient management control and outlining independent growth strategies; • Each undertaking will be able to target and attract new investors with specific knowledge, expertise and risk appetite corresponding to their own businesses. Thus, each undertaking will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of each business; • Demerger will enhance efficiencies and will have different business interest into separate corporate entity, resulting in operational synergies, simplification, focused management, streamlining and optimization of the group structure and efficient administration; • Pursuant to the Scheme, the Equity Shares issued by the Resulting Company would be listed on BSE and NSE and will unlock the value of the Demerged Undertaking for the shareholders of the Demerged Company. Further the existing shareholders of the Demerged Company would hold the shares of two (2) listed entities after the Scheme becoming effective; giving them flexibility in managing their investments in the two businesses having differential dynamics; • The proposed Demerger shall also benefit all the shareholders, creditors, employees and all other stakeholders and shall enable the group to achieve and fulfil its objectives more efficiently and economically; |
| 4 | <p>brief details of change in shareholding pattern (if any) of all entities</p> | <p>There will be no change in the shareholding pattern of the Demerged Company as upon the Scheme becoming effective and vesting of the Demerged Undertaking of the Demerged Company into the Resulting Company, the Resulting Company shall issue the Equity Share(s) to the shareholders of the Demerged Company in the proportion as provided in Clause 11 of the Scheme, as under:</p> <p><i>"[1] fully paid up equity share of Rs 2 (Indian Rupees Two each of the Resulting Company) for every [1] fully paid up equity</i></p> |





share of Rs 2 (Indian Rupees Two) each held in the Demerged Company”

(Equity shares to be issued by the Resulting Company as above are hereinafter referred to as “New Equity Shares”).

The existing paid up Equity Share capital of the Resulting Company held by the Demerged Company as on Effective Date shall stand cancelled without any further act or deed immediately and without any consideration and accordingly, the paid up share capital of the Resulting Company shall stand reduced to the extent of face value of such Equity Shares cancelled.

Considering the above, the brief details of Shareholdings (both Pre and Post Scheme) of Demerged Company and Resulting Company are given hereunder:

A. Rosell India Limited (“Demerged Company”)

| Category | Pre-Scheme | | Post-Scheme | |
|------------------------|-----------------------|---------------|----------------------|---------------|
| | No. of Equity Shares* | % | No. of Equity Shares | % |
| Promoters | 2,81,98,233 | 74.80 | 2,81,98,233 | 74.80 |
| Non-Promoters (Public) | 94,98,242 | 25.20 | 94,98,242 | 25.20 |
| Total | 3,76,96,475 | 100.00 | 3,76,96,475 | 100.00 |

*The shareholding has been calculated after conversion of entire CCPS into Equity Shares in accordance with the Terms of Issuance as advised in clause a of our Main letter.

B. Rosell Techsys Limited (“Resulting Company”)

| Category | Pre-Scheme | | Post-Scheme | |
|------------------------|----------------------|---------------|----------------------|---------------|
| | No. of Equity Shares | % | No. of Equity Shares | % |
| Promoters | 50,000 | 100.00 | 2,81,98,233 | 74.80 |
| Non-Promoters (Public) | - | - | 94,98,242 | 25.20 |
| Total | 50,000 | 100.00 | 3,76,96,475 | 100.00 |



CONTINUATION



| 5 | In case of cash consideration – amount or otherwise share exchange ratio | <table border="1" data-bbox="635 264 1302 595"> <thead> <tr> <th data-bbox="635 264 906 315">Particulars</th> <th data-bbox="906 264 1302 315">Share Entitlement Ratio</th> </tr> </thead> <tbody> <tr> <td data-bbox="635 315 906 595">For Equity Shareholders of Rossell India Limited</td> <td data-bbox="906 315 1302 595">"[1] fully paid up Equity Share of Rs 2 (Indian Rupees Two each of the Resulting Company) for every [1] fully paid up equity share of Rs 2 (Indian Rupees Two) each held in the Demerged Company</td> </tr> </tbody> </table> <p data-bbox="587 622 1434 1198">In the event that the equity shares to be issued result in fractional entitlement, the Resulting Company shall not issue fractional shares to such shareholder but shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated shares to a trustee (nominated by the Resulting Company in that behalf), who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices and at any time within a period of 90 days from the date of allotment of Resulting Company Shares, as the trustee may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the next Rupee.</p> | Particulars | Share Entitlement Ratio | For Equity Shareholders of Rossell India Limited | "[1] fully paid up Equity Share of Rs 2 (Indian Rupees Two each of the Resulting Company) for every [1] fully paid up equity share of Rs 2 (Indian Rupees Two) each held in the Demerged Company |
|--|--|--|-------------|-------------------------|--|--|
| Particulars | Share Entitlement Ratio | | | | | |
| For Equity Shareholders of Rossell India Limited | "[1] fully paid up Equity Share of Rs 2 (Indian Rupees Two each of the Resulting Company) for every [1] fully paid up equity share of Rs 2 (Indian Rupees Two) each held in the Demerged Company | | | | | |
| 6 | whether listing would be sought for the resulting entity | Yes, the Resulting Company shall apply to all the Stock Exchanges (where the shares of Demerged Company are listed) viz. BSE and NSE and SEBI for listing and admission of all New Equity Shares of the Resulting Company. | | | | |

