

Parshva Enterprises Ltd.

C.I.N=L51909MH2017PLC297910



PARSHVA
ENTERPRISES

Date : 14.05.2024

Scrip Code-542694

The Listing Department
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort Mumbai - 400 001

Sub.: Outcome of the meeting of the Board of Directors of Parshva Enterprises Limited held on May 14th, 2024

Ref: Disclosure in terms of Regulation 30 of SEBI (LODR) Regulations, 2015 - for approval of Scheme of Arrangement between Parshva Enterprises Limited (Demerged Company) and Simandhar Impex Limited (Resulting Company) and their respective shareholders and Creditors.

Dear Sir / madam,

In compliance with Regulation 30 of the SEBI (LODR) Regulations, 2015 ("Listing Regulations"), read with SEBI Master Circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 13, 2023 and SEBI Circular No.CIR/CFD/CMD/4/2015, dated 9th September, 2015 ("SEBI Circular"), We would like to inform you that based on the recommendation and report of the Audit Committee and the Committee of Independent Directors, the Board of Directors (the "Board") of Parshva Enterprises Limited ("PEL"), at its meeting held today i.e 14.05.2024, has *inter-alia*, considered and approved the Scheme of Arrangement and Demerger between Parshva Enterprises Limited ("PEL" "Transferor Company" / "Demerged Company") and Simandhar Impex Limited a wholly owned subsidiary of the PEL ("Transferee Company" / "Resulting Company") and their respective shareholders and Creditors (the "Scheme") under Sections 230 to 232, 66 and other applicable provisions of the Companies Act, 2013 ('Act') and rules made thereunder.

Accordingly the Board of Directors of Parshva Enterprises Limited ("the Demerged Company") on recommendation of its Audit Committee, considered and approved a Scheme of Arrangement ("Scheme") pursuant to Sections 230 to 232, 66 and other relevant provisions of the Companies Act, 2013 and the Rules made thereunder as amended, providing for:

- 1) Demerger of the 'Jewellery Business' (elaborated in the Scheme) of Parshva Enterprises Limited into Simandhar Impex Limited on a going concern basis;
- 2) Cancellation and reduction of entire existing paid up equity share capital of Simandhar Impex Limited (Resulting Company) held by Parshva Enterprises Limited (Demerged Company) and their nominees.

The Board of Directors of Simandhar Impex Limited (100% subsidiary of the Company) has approved the Scheme at their respective meeting.

The said Scheme would be subject to requisite approvals of the National Company Law Tribunal, BSE Limited, Securities and Exchange Board of India and other statutory / regulatory authorities as applicable, including those from the shareholders and/or creditors of the Demerged Company and the Resulting Company. Thereafter, once the Scheme becomes effective ('Effective Date'), resulting Company shall seek listing/trading approval from the BSE Limited for the equity shares issued by it under the Scheme.

The Scheme shall be filed with the Stock Exchanges for obtaining their 'No Objection Certificate' in terms of the provisions of Regulation 37 of the SEBI (LODR) Regulations, 2015 ('Listing Regulations') in due course.

The disclosures required under Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 and SEBI Circular No. SEBI/ HO/ CFD/ CFD-PoD-IP/CIR/2023/123, dated July 13, 2023, are given in **Annexure-1** hereto.



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Corp. Office : A-811, 8th Floor, Jaswanti Allied Business Centre, Ramchandra Ext. Road, Kanchpada, Malad-W, Mumbai-400 064

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The Scheme as approved by the Board of the Company would be available on the website of the Company at www.parshvaenterprises.co.in post submitting the same with the stock exchanges.

The Meeting commenced at 04:00 p.m. and concluded at 06:20 p.m.

This is for your information and record.

Thanking you,

Yours Faithfully

For Parshva Enterprises Limited

Prashant Vora

Prashant Vora
Managing Director
DIN: 06574912



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Annexure-I

SR NO.	Particulars	Details				
1	Brief details of the division(s) to be demerged;	<p>The Company (PEL) is operating in Three Business Divisions "Real Estate", "Jewellery" and "Cut & Polished diamonds" business since July 27, 2017.</p> <p>"Diamonds" consists of rough and polished diamonds of multiple categories based on different shapes, sizes, cut and fancy color to buy and sell in local markets.</p> <p>"Real Estate" consists of real estate properties both residential and commercial in Mumbai for the purpose of selling them on trading gains and real estate broking.</p> <p>"Jewellery" consists of gold jewellery i.e., chains, bangles, necklace, pendant, bracelet, earrings and other jewellery studded and non-studded with pearl, diamonds and other precious stones to sell in local markets.</p> <p>These Three Businesses are matured and developed and are currently at different stages of Maturity. To focus and develop these businesses independently the Company propose to demerge "Jewellery" business in a separate Company - Simandhar Impex Limited, which is 100% Subsidiary of Parshva Enterprises Limited.</p> <p>There is a proposal for the Scheme of Arrangement ("Scheme") between Parshva Enterprises Limited (PEL or Demerged Company) and Simandhar Impex Limited (Resulting Company), a wholly owned subsidiary of the PEL and their respective shareholders and creditors, for Demerger of Jewellery business i.e. (Demerged undertaking) of Parshva Enterprises Limited into Simandhar Impex Limited.</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	SR No.	Particulars	Demerged division	Total revenue from Demerged undertaking (Rs. in Lakhs)	% to total turnover Demerged Company
		1	Demerged Undertaking (for FY ended 31.03.2024)	Jewellery	301.49 Lakhs	12%
3	Rationale for demerger;	<p>Transferor Company is primarily engaged in three lines of business through separate divisions as follows:</p> <p>(a) "Diamonds" consists of rough and polished diamonds of multiple categories based on different shapes, sizes, cut and fancy color to buy and sell in local markets</p> <p>(b) "Real Estate" consists of real estate properties both residential and commercial in Mumbai for the purpose of selling them on trading gains and real estate broking.</p>				



		<p>(c) "Jewellery" consists of gold jewellery i.e., chains, bangles, necklaces, pendant, bracelet, earrings and other jewellery studded and non-studded with pearl, diamonds and other precious stones to sell in local markets.</p> <p>After a careful evaluation of the business of the Company, the Company believes that segregation of the "Jewellery" undertaking of the Company to house such undertaking in the Resulting Company will inter alia facilitate pursuit of scale and independent growth plans (organically and inorganically) with more focused management and flexibility as well as liquidity for shareholders (following the listing of the shares of the Resulting Company) but also de-risk the businesses from each other and allow potential investors and other stakeholders the option with choosing the businesses.</p> <p>The proposed demerger would result in segregation and transfer of the Jewellery business into Simandhar Impex Limited (Transferee / Resulting Company) and continued housing of the other Divisions in Transferor Company.</p> <p>This Scheme is expected to result in the following benefits for Transferor Company and/or Resulting Company (as applicable):</p> <p>a) Segregation of business of the Jewellery division of the Demerged Company into Resulting Company in a manner provided in this scheme resulting into enhanced strategic flexibility to build a viable platform solely focusing on each of the business;</p> <p>b) Allowing management of each company to pursue independent growth strategies and unlock significant value for shareholders;</p> <p>c) Allow in creating the ability to achieve valuation based on respective risk-return profile and cash flow, attracting right investors and thus enhancing flexibility in accessing capital;</p> <p>d) Provide scope of separate companies for independent collaboration and expansion including expanding potential Clients/Customer market for each business;</p> <p>e) Simandhar Impex Limited will acquire the Jewellery Division on going concern basis from Parshva Enterprises Limited. Parshva Enterprises Limited will focus on other commercial activities/businesses. The demerger will ensure focused management attention and resources and skill set allocation.</p>
4	Brief details of change in shareholding pattern (if any) of all entities;	<p>There are Two entities involved in the Proposed Scheme of Demerger:</p> <p>(i) Demerged Company: There will be no change in shareholding pattern of Parshva Enterprises Limited ("PEL" or Demerged Company / Transferor Company.</p> <p>(ii) The Resulting Company: The Resulting Company (Simandhar Impex Limited) shall, without any further act or deed, issue and allot to each shareholder of the Demerged Company, whose name is recorded in the register of members and records of the depository as members of the Demerged Company, on the Record Date, 3 (Three) equity share of Rs.10/- (Rupees Ten only) each of Resulting Company will be credited as fully paid-up for every 10 (Ten) equity share of Rs.10/- (Rupees Ten) each held by such shareholder in the Demerged Company such that the</p>



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		shareholding in the Resulting Company on such issuance of shares will be same of the shareholding in the Demerged Company.
5	In case of cash consideration - amount or otherwise share exchange ratio;	<p>No cash consideration is payable under the scheme. Consideration for demerger shall be discharged by way of issuance of fully paid equity shares by the Transferee Company [Resulting Company] (having face value of Rs. 10/- each), to the shareholders of the Transferor Company (Demerged Company) as on the record date (as defined in the Scheme), in 3:10 ratio, in consideration for the demerger:</p> <p>In other words, 3 equity share of the Transferee company (Resulting Company) (of Rs. 10/- each, fully paid up) to be allotted to the shareholders of the Transferor Company (Demerged Company), against every 10 equity shares of the Transferor Company (Demerged Company) (of Rs. 10/- each, fully paid up) held by such shareholder as on the Record Date.</p> <p>The above Share Entitlement Ratio has been determined on the basis of Share Entitlement Report dated 14th May, 2024 issued by Mrs. Rajul Iyer, a Registered Valuer (as defined in the Companies (Registered Valuers and Valuation) Rules, 2017).</p>
6	Whether listing would be sought for the resulting entity.	Yes, since the Resulting Company is required to issue its equity shares as consideration for demerger, and the same shall be issued to a large number of public shareholders (who are shareholders of the Transferor Company / Demerged Company as on the Record Date), the Resulting Company is required to, and is proposed to be listed on the BSE Limited pursuant to the Scheme.



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