

Date: March 10, 2023

To,

BSE Limited

25th floor,” Phiroze Jeejeebhoy Tower”,

Dalal Street, Mumbai-400 001

BSE Code- 505725

Sub: – Pursuant to Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- i) Intimation for approval of Scheme of Arrangement
- ii) Intimation for appointment of Secretarial and Internal Auditor of the Company for FY23

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, together with any amendments thereto from time to time (the ‘**SEBI Listing Regulations**’) and read with SEBI Circular bearing reference number CIR/CFD/CMD/4/2015 dated September 9, 2015 (‘**SEBI Circular**’), this is to inform that Board of Directors (‘**Board**’) of the Company in its meeting held today i.e., **March 10, 2023**, which commenced at 04:00 P.M. and concluded at 4:35 P.M., *inter alia*, considered and approved the following:

1. As per the recommendation of the Audit Committee Meeting held today i.e. March 10, 2023, Scheme of Arrangement amongst Growth Securities Private Limited (‘**Demerged Company**’), Algoquant Investments Private Limited (Formerly Mandelia Investments Private Limited) (‘**Amalgamating Company**’) and Algoquant Fintech Limited (Formerly Hindustan Everest Tools Ltd) (‘**Resulting Company**’ / ‘**Amalgamated Company**’) and their respective shareholders and creditors, in terms of the provisions of Section(s) 230 to 232 read with Section 66 and other applicable sections and provisions of the Companies Act, 2013 read together with the rules made thereunder (‘**Scheme**’) subject to the approval of shareholders, creditors, stock exchange viz. BSE Limited, National Company Law Tribunal and any other respective authorities, as may be required.

Algoquant Fintech Limited (Formerly Hindustan Everest Tools Limited)

Registered Office- 705, Iscon Elegance, Prahlad Nagar, Ahmedabad, Gujarat-380015 | **CIN-** L74110GJ1962PLC136701

Email ID: investors@algoquantfintech.com | **Mobile:** +91-9910032394 | **Website:** www.algoquantfintech.com



2. Appointment of Mr. Parth P Shah, practising Company Secretary, as Secretarial Auditor of the Company for FY 2022-23
3. Appointment of M/s V B R G Associates, Chartered Accountant, as Internal Auditor of the Company for FY2022-23

Requisite details in accordance with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 are enclosed herewith as Annexure 1 for aforesaid point 1 and Annexure 2 for aforesaid point 2 and 3.

Kindly take the above information in your records.

Thanking You

**For Algoquant Fintech Limited
(Formerly Hindustan Everest Tools Ltd)**

Atul Kaushal

Company Secretary & Compliance officer

M. No : A67692

Encl: As above

Annexure 1 – w.r.t Scheme of Arrangement –

Requisite details in accordance with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015

S. No.	Particulars	Description												
1.	Name of the entity (ies) forming part of the amalgamation/merger/demerger, details in brief such as, size, turnover etc.	<p>This is a Scheme of Arrangement involving:</p> <ol style="list-style-type: none"> Growth Securities Private Limited (‘Demerged Company’) [“GSPL”] Algoquant Investments Private Limited (<i>Formerly Mandelia Investments Private Limited</i>) (‘Amalgamating Company’) [“AIPL”] Algoquant Fintech Limited (<i>Formerly Hindustan Everest Tools Ltd</i>) (‘Resulting Company’ / ‘Amalgamated Company’) [“AFL”] <p>Set out below are the net-worth as on December 31, 2022 and turnover for the nine months period ending December 31, 2022, of the entities involved in the Scheme:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Net worth (In Rs Lakhs)</th> <th>Turnover (standalone) (In Rs Lakhs)</th> </tr> </thead> <tbody> <tr> <td>Growth Securities Private Limited</td> <td>1,593.08</td> <td>2,776.07</td> </tr> <tr> <td>Algoquant Investments Private Limited</td> <td>337.52</td> <td>3.38</td> </tr> <tr> <td>Algoquant Fintech Limited</td> <td>4,360.72</td> <td>1,255.97</td> </tr> </tbody> </table>	Particulars	Net worth (In Rs Lakhs)	Turnover (standalone) (In Rs Lakhs)	Growth Securities Private Limited	1,593.08	2,776.07	Algoquant Investments Private Limited	337.52	3.38	Algoquant Fintech Limited	4,360.72	1,255.97
Particulars	Net worth (In Rs Lakhs)	Turnover (standalone) (In Rs Lakhs)												
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Algoquant Fintech Limited	4,360.72	1,255.97												

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>i) Turnover of Demerged Division/ Demerged Undertaking as on March 31, 2022; - Rs 6,44.49 Lakhs</p> <p>ii) Turnover of the listed entity i.e., AFL as on March 31, 2022; - Rs. 1,639.17 Lakhs</p> <p>iii) Turnover of the Demerged Division/ Demerged Undertaking for the financial year 2021-22 as percentage to the total turnover of the listed entity i.e., AFL for the said financial year is 39.32 %</p>
3	whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms-length”	<p>Yes, the transaction is among related party entities.</p> <p>However, Ministry of Corporate affairs has clarified <i>vide</i> General Circular No. 30/2014 dated July 17, 2014 that transactions arising out of the compromise, arrangement and amalgamation dealt with under specific provisions of the companies Act 2013, will not fall within the preview of the related party transaction in terms of Section 188 of the Companies Act, 2013.</p>
4	Area of business of the entity(ies)	<p>a) Growth Securities Private Limited (“GSPL”/“Demerged Company”) is a private limited company, incorporated under the Companies Act, 1956 (as amended) on 19th July 1996, having its registered office at Unit No. 503A-B, 504 A-B, 5th Floor, Tower A WTC Block No. 51, Road 5E, Zone-5, GIFT City Gandhinagar - 382 355, Gujarat.</p> <p>The Demerged Company is engaged in two business divisions viz. (i) Commercial exploitation of real estate, wherein it leases properties and earns rentals thereon (Real Estate Business), and (ii) stock broking business wherein it operates as stock broker having trading membership of National Stock Exchange of India Limited (“NSE”), BSE Limited (“BSE”), and Multi</p>

		<p>Commodity Exchange of India Limited ("MCX"), Self-Clearing Membership of NSE Clearing Limited ("NCL") and Clearing / Self Clearing Membership of Indian Clearing Corporation Limited ("ICCL"), Depository Participant with Central Depository Services Limited ("CDSL"), Mutual Fund Distributor, and also acts as a service provider and offers an IT enabled trading portal to its clients (collectively referred to as "Stock Broking Business"). The Stock Broking business will be merged into Resulting/ Amalgamated entity and the Demerged Company will continue the business of commercial exploitation of real estate, on-going concern basis.</p> <p>b) Algoquant Investments Private Limited ('Amalgamating Company') is a private limited company incorporated under the provisions of the Companies Act, 1956 (as amended) on 28th February 1983, having its registered office at 705, Iscon Elegance, S.G Highway, Satelite Prahlad Nagar Ahmedabad – 380 015, Gujrat.</p> <p>The Amalgamating Company is engaged in undertaking investments in securities of group companies (not being banking or insurance business in contravention of Banking Regulations Act 1949 or Insurance Act, 1938). The Amalgamating Company is the holding company of Amalgamated Company and holds 51.92% shareholding in the Amalgamated Company and qualifies as a shareholder under promoter and promoter group</p> <p>c) Algoquant Fintech Limited ('Resulting Company' / 'Amalgamated Company') is a public limited company, incorporated under the Companies Act, 1956 (as</p>
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		<p>amended) on 25th January 1962, having its registered office at Unit No. 705, 07th Floor of ISCON Elegance, developed at Plot No. 24, Prahalad Nagar, Ahmedabad 382 355 – Gujarat. AFL was formerly engaged in the business of trading in metals, which was discontinued w.e.f. 01st April 2021. Presently, AFL is engaged in the business of trading in financial instruments using various trading algorithms. The equity shares of AFL are listed on the BSE Ltd.</p>
5	Rationale for amalgamation/merger / demerger	<p>The management of the respective Participating Companies viz. GSPL, AIPL and AFL, are of the view that the arrangement proposed in this Scheme is, in particular, expected to have the following benefits:</p> <ul style="list-style-type: none"> i) Consolidation of the complementing strengths will enable the Resulting Company / Amalgamated Company to have increased capability for offering diversified products and services on a single platform. Its enhanced resource base and client relationships are likely to result in better business potential and prospects for the consolidated entity and its stakeholders. ii) The combined financial strength is expected to further accelerate the scaling up of the operations of the Resulting Company / Amalgamated Company. Deployment of resources in a more efficient manner is likely to enable faster expansion of the business operations of the Resulting/ Amalgamated Company. Amongst others, the demerger of Stock Broking Business Undertaking of the Demerged Company into the Resulting Company will enable the consolidated entity to have an extensive pan India network for deeper market penetration and

		<p>enhancement of the overall customer satisfaction, engagement and retention.</p> <p>iii) The consolidation of funds and resources will lead to optimization of working capital utilization and stronger financial leverage, improved balance sheet, and consolidation of cross location talent pool.</p>
6	in case of cash consideration – amount or otherwise share exchange ratio;	<p>i) There is no cash consideration involved.</p> <p>ii) <u>Part B of the Scheme of Arrangement</u></p> <p>Following share exchange ratio has been determined for allotment of the equity shares of the Resulting Company having face value of INR 2/- each, to the shareholders of the Demerged Company as on Part B Record Date (as per the Scheme), in consideration for the demerger of Stock Broking Business Undertaking of the Demerged Company and consolidation thereof with and into the Resulting Company.</p> <ul style="list-style-type: none"> Share exchange ratio for demerger basis Valuation Report / Fair equity share entitlement ratio report <i>727 (Seven Hundred Twenty-Seven) equity shares of AFL of INR. 2.00/- each, fully paid-up for every 100 (One Hundred) equity shares of GSPL of INR 10.00/- each, fully paid-up.</i> <p>iii) <u>Part C of the Scheme of Arrangement</u></p> <p>Following share exchange ratio has been determined for allotment of the equity shares of the Amalgamated Company having face value of INR 2/- each to the shareholders of the Amalgamating Company as on Part C Record Date (as per the Scheme), in consideration for the amalgamation of the Amalgamating Company with and into the Amalgamated Company.</p> <ul style="list-style-type: none"> Share exchange ratio for amalgamation basis Valuation Report / Fair equity share entitlement ratio report <i>8278 (Eight Thousand Two Hundred Seventy-Eight) equity shares of AFL of INR. 2.00/- each, fully paid-up for every</i>

		<p><i>100 (One Hundred) equity shares of AIPL of INR 100.00/- each, fully paid-up.</i></p> <p>In compliance with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, (LODR Regulations), for the Scheme of Amalgamation/ Arrangement proposed to be filed under Sections 230-234 and Section 66 of Companies Act, 2013, the scheme envisages issuance of Bonus shares by AFL, as provided in Part D of the Scheme, which is as follows:</p> <p>iv) <u>Part D of the Scheme of Arrangement</u></p> <p>Resulting Company / Amalgamated Company shall issue and allot by way of bonus, to each equity shareholder whose name is recorded in the Registrar of Members of the Resulting Company / Amalgamated Company and/or the records of the depository(ies) as equity shareholder of Resulting Company / Amalgamated Company on the Part D Record Date in the following ratio:</p> <p>“1 (One) new bonus fully paid-up equity share having face value of INR 2/- (Indian Rupees Two) (“Bonus Shares”) for every 2 (Two) equity shares of AFL having face value of INR 2/- (Indian Rupees Two) each held by a shareholder of AFL as on Part D Record Date.”</p>
7	brief details of change in shareholding pattern (if any) of listed entity	<p>i) The transaction will not lead to any change in control of the Resulting Company / Amalgamated Company as the shareholders of the Demerged Company and Amalgamating Company belong to promoter and promoter group of the Resulting Company / Amalgamated Company.</p> <p>ii) Detail of pre & post Scheme shareholding pattern of all companies involved in the Scheme is enclosed herewith as Annexure 3;</p>
8	Whether listing would be sought for the Resulting entity	No, the Resulting entity/ Amalgamated entity, is already listed on BSE Limited

Annexure 2

Particular	Internal Auditor	Secretarial Auditor
Reason for change viz. appointment, resignation, removal, death or otherwise;	Appointment	Appointment
Date of appointment/cessation (as applicable) & term of appointment	March 10, 2023 (To conduct the internal auditor for financial year 2022-23)	March 10, 2023 (To conduct the secretarial auditor for financial year 2022-23)
Brief profile (in case of appointment)	M/s V B R G Associates, Chartered Accountant, represented by its partner Mr. Vipul Bansal <i>inter alia</i> engaged in audit and assurance service since more than 4 years.	Parth P Shah, Practicing Company Secretary Mr. Parth Shah is a member of the Institute of Company Secretaries of India and also holds bachelor's degree in Law and bachelor's degree in Commerce. He has a experience of five years in the field of Corporate and allied laws.
Disclosure of relationships between directors (in case of appointment of a director).	N.A.	N.A.

Annexure 3:-

Detail of pre & post Scheme shareholding pattern of all companies involved in the Scheme

a) Pre & Post Shareholding of Growth Securities Pvt Ltd “GSPL”

Name	Nos. of Shares	% of Holdings
Dhruv Gupta	2,57,400	85.80%
Devansh Gupta	42,600	14.20%
Total	3,00,000	100.00%

Note: - there is no change in the shareholding of GSPL post implementation of scheme of Arrangement, hence post scheme shareholding will remain same.

b) Pre-Scheme Shareholding of Algoquant Investments Pvt Ltd “AIPL”

Name	Nos. of Shares	% of Holdings
Algoquant Financials LLP	52,745	100.00%
Devansh Gupta (as a nominee of Algoquant Financials LLP)	1	0.00%
Total	52,746	100.00%

Note: - AIPL is an amalgamating entity, upon implementation of Scheme of arrangement, AIPL will be dissolved without being wound up. Hence, post scheme shareholding of AIPL is Not Applicable.

c) Pre & Post Shareholding of Algoquant fintech Limited “AFL”

Pre-Scheme Shareholding			Post Scheme Shareholding	
Name / Category	Nos. of Shares	% of Holdings	No. of Shares -	% of Holdings
Promoter & Promoter Group	52,96,075	65.90%	1,15,06,558	73.68%
Public	27,39,925	34.10%	41,09,888	26.32%
Total	80,36,000	100.00%	1,56,16,446	100.00%