

ISMT/SEC/23-24

February 9, 2024

Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, Plot No. C/1, G Block, Bandra
Kurla Complex, Bandra (E),
Mumbai-400051
(Symbol: ISMTLTD)

Corporate Relationship Department
BSE Ltd
PJ Towers, Dalal Street, Fort,
Mumbai-400001
(Scrip Code: 532479)

Dear Sir / Madam,

Subject: Notice of the Meeting alongwith the Statement and related Annexures

Pursuant to Regulations 30 and 51 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in continuation of earlier communication vide letter No. ISMT/SEC/23-24 dated 22 January 2024; this is to inform that the Notice of the meeting of equity shareholders of the Company, the Statement pursuant to provisions of Sections 102, 230 to 232 of the Companies Act, 2013 read with rules thereof and related annexures thereto have been sent on 9 February 2024 only by electronic mode, to those members, whose e-mail addresses are registered with the Company / the Depositories as on 2 February 2024.

The copy of the Notice along with the Statement is enclosed herewith. The Notice alongwith the Statement and related annexures thereto are available at the website of the Company, viz. www.ismt.co.in.

You are requested to take the same on record.
Thanking you,

Yours faithfully,
For ISMT Limited

Nishikant Ektare
Managing Director
Encl: As above



ISO IATF: 16949:2016

Corporate & Registered Office
Panama House (Earlier known as Lunkad Towers),
Viman Nagar, Pune- 411 014, India.
Phone: +91 20 4143 4100 | Fax: +91 20 26630779
E-mail: secretarial@ismt.co.in Website: www.ismt.co.in
CIN: L27109PN1999PLC016417



ISO: 9001:2015



BS ISO 45001:2018
ISO: 14001:2015

**MEETING OF THE EQUITY SHAREHOLDERS OF ISMT LIMITED CONVENED
IN ACCORDANCE WITH THE ORDER OF THE HON'BLE NATIONAL
COMPANY LAW TRIBUNAL, MUMBAI BENCH**

Day	Thursday
Date	14 March 2024
Time	11:00 a.m. (IST)

REMOTE E-VOTING FOR THE MEETING

Cut off date for determining the equity shareholders entitlement to vote	Thursday, 7 March 2024
Commencing on	Monday, 11 March 2024 at 9:00 a.m. (IST)
Ending on	Wednesday, 13 March 2024 at 5:00 p.m. (IST)

E-VOTING DURING THE MEETING

E-voting through VC/OAVM facility shall also be available to the equity shareholders of the Company during the meeting.

INDEX

#	Contents	Page Number
1.	Notice for convening Meeting of Equity Shareholders (Including Public Shareholders) of ISMT Limited, under the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT")	1 to 19
2.	Explanatory Statement Under Sections 230, 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016	20 to 57
3.	Annexure – 1 Copy of the Scheme of Arrangement and Merger between ISMT Limited ("Transferor Company") and Kirloskar Ferrous Industries Limited ("Transferee Company") and their respective shareholders ("Scheme").	58 to 84
4.	Annexure – 2 Copy of Valuation Report issued by Shri. Amit Jain in respect of the Transferor Company.	85 to 101
5.	Annexure – 3 Copy of Valuation Report issued by M/s. BDO Advisory LLP in respect of the Transferee Company.	102 to 120



#	Contents	Page Number
6.	Annexure – 4 Copy of the Fairness Opinion issued by M/s. Keynote Financial Services Limited in respect of the Transferor Company.	121 to 128
7.	Annexure – 5 Copy of the Fairness Opinion issued by M/s. JM Financial Limited in respect of the Transferee Company.	129 to 132
8.	Annexure – 6 Pre-Scheme shareholding pattern of the Transferor Company.	133 to 137
9.	Annexure – 7 Pre-Scheme and Post Scheme shareholding pattern of the Transferee Company.	138 to 155
10.	Annexure – 8 Copy of the Observation Letter received by the Transferor Company from National Stock Exchange of India Limited ('NSE').	156 to 158
11.	Annexure – 9 Copy of the Observation Letter received by the Transferor Company from BSE Limited ('BSE').	159 to 161
12.	Annexure - 10 Copy of the Observation Letter received by the Transferee Company from BSE.	162 to 164
13.	Annexure – 11 Copies of the Report on Complaints and the Compliance Report filed by the Transferor Company with BSE and NSE.	165 to 166
14.	Annexure – 12 A copy of the Report on Complaints and the Compliance Report filed by the Transferee Company with BSE.	167 to 170
15.	Annexure – 13 Copies of the Audited Financial Statements (Standalone and Consolidated) of the Transferor Company as on 31 March 2023.	171 to 192
16.	Annexure – 14 Copies of the Audited Financial Statements (Standalone and Consolidated) of the Transferee Company as on 31 March 2023.	193 to 210



#	Contents	Page Number
17.	Annexure - 15 Copies of the Unaudited Financial Results (Standalone and Consolidated) of the Transferor Company for the quarter ended 31 December 2023	201 to 223
18.	Annexure – 16 Copies of the Unaudited Financial Results (Standalone and Consolidated) of the Transferee Company for the quarter ended 31 December 2023	224 to 234
19.	Annexure – 17 A copy of the Report of the Board of the Transferor Company, <i>inter-alia</i> explaining the effect of the Scheme on each class of Shareholders, KMPs, Promoters and Non-promoter Shareholders and Employees.	235 to 238
20.	Annexure – 18 A copy of the Report of the Board of the Transferee Company, <i>inter-alia</i> explaining the effect of the Scheme on each class of Shareholders, KMPs, Promoters and Non-promoter Shareholders and Employees.	239 to 243
21.	Annexure - 19 Details of the ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Transferor Company, its' Promoters and Directors.	244 to 258
22.	Annexure - 20 Details of the ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken against the Transferee Company, its' Promoters and Directors.	259 to 271
23.	Annexure – 21 Details of Assets & Liabilities and Revenue of the Transferee Company prior to and after the Scheme of Amalgamation along with the details of Assets & Liabilities and Revenue of Transferor Company that are being merged in the Transferee Company.	272 to 272



The Notice & Explanatory Statement of the meeting, issued pursuant to Sections 230 to 232 of the Companies Act, 2013 (“Act”) and other applicable provisions of the Act read with the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 (page numbers from 1 to 58) and Annexure 1 to Annexure 21 (page numbers 59 to 272) constitute a single and complete set of documents and should be read together as they form an integral part of this document.

FORM NO. CAA. 2

[Pursuant to Section 230 (3) of the Companies Act, 2013 and Rule 6 and Rule 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH, MUMBAI

COMPANY SCHEME APPLICATION NO. 238 OF 2023

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230-232 and other relevant provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

ISMT Limited
(CIN: L27109PN1999PLC016417),

**...First Applicant Company/
Transferor Company**

Kirloskar Ferrous Industries Limited
(CIN: L27101PN1991PLC063223),

**...Second Applicant Company/
Transferee Company**

Notice of meeting of the Equity Shareholders of ISMT Limited (which includes public shareholders) convened in accordance with the Order of the Hon’ble National Company Law Tribunal, Mumbai Bench



To,
The Equity Shareholders of ISMT Limited,

Notice is hereby given that by an order dated 4 January 2024 read with that of 16 January 2024 passed in the Company Scheme Application No. 238 of 2023 (“**Order**”) by the Hon’ble National Company Law Tribunal, Mumbai Bench (“**NCLT**”) has directed inter-alia that a meeting of the equity shareholders of ISMT Limited (“**ISMT / Transferor Company**”) be convened and held for the purpose of considering, and if thought fit, approving with or without modification, the proposed Scheme of Arrangement and Merger of ISMT Limited with and into Kirloskar Ferrous Industries Limited (“**KFIL/ Transferee Company**”) and their respective shareholders (“**Scheme**”) under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Act**”) along with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“**Merger Rules**”) and other applicable rules under the Act. The Scheme, if approved by the equity shareholders, will be subject to the subsequent approval of NCLT and such other approvals, permissions and sanctions of Regulatory or other Authorities, as may be necessary.

TAKE NOTICE that in pursuance of the Order and as directed therein, a meeting of the equity shareholders of the Transferor Company will be held on Thursday, 14 March 2024 at 11:00 a.m. (IST) (“**Meeting**”) through Video Conferencing (“**VC**”)/ Other Audio-Visual Means (“**OAVM**”) in compliance with the applicable provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) and by following the operating procedures (with requisite modifications as may be required) specified under the Circulars issued by the Ministry of Corporate Affairs (“**MCA**”) from time to time (collectively referred to as ‘**MCA Circulars**’) and by the Securities and Exchange Board of India (“**SEBI**”) from time to time (collectively referred to as ‘**SEBI Circulars**’), wherein, you are requested to attend the Meeting. The deemed venue of the Meeting shall be Registered Office of the Transferor Company.

TAKE FURTHER NOTICE that a copy of the Scheme, the Notice and the Explanatory Statement under Sections 230(3), 232(1), 232(2) and 102 of the Act read with Rule 6 of the Merger Rules and other Annexures as stated in the Index are enclosed herewith. A copy of this Notice and the accompanying documents will be placed on the website of the Transferor Company at www.ismt.co.in and will also be available on the website of BSE Limited (“**BSE**”) at www.bseindia.com , at National Stock Exchange of India Limited (“**NSE**”) at www.nseindia.com and also on the website of Central Depository Services (India) Limited at www.evotingindia.com



A copy of the Scheme along with the explanatory statement can be obtained free of charge, between 9:00 a.m. to 6:00 p.m. on any day (except Saturday, Sunday and public holidays) up to one day prior to the date of the Meeting from the Registered Office of the Transferor Company or by sending a request, along with details of your DP ID and Cline ID / Folio Number, shareholding in the Transferor Company, by e-mail at secretarial@ismt.co.in, or at the offices of the Advocates for the Transferor Company, M/s. Pioneer Legal, at 901/9th Floor, Nariman Bhavan, Nariman Point, Mumbai 400021 at contactus@pioneerlegal.com.

TAKE FURTHER NOTICE that the NCLT has appointed Mr. D. P. Semwal as the Chairperson of the Meeting.

TAKE FURTHER NOTICE that the NCLT has appointed Mr. Milind Kasodekar, Practicing Company Secretary (Membership No. FCS-2756 and COP No. CP-1681) as the Scrutinizer for the Meeting.

The voting rights of the equity shareholders shall be in proportion to their shareholding in the Transferor Company as on the close of business hours of Thursday, 7 March 2024 (**'Cut-Off Date'**). The Transferor Company has appointed Central Depository Services (India) Limited ("CDSL") for providing VC / OAVM facility and remote e-voting as well as e-voting facility for the Meeting of the equity shareholders.

TAKE FURTHER NOTICE that since this Meeting is held through VC/ OAVM facility pursuant to the Order passed by the NCLT and in compliance with the MCA Circulars and the SEBI Circulars, physical attendance of the equity shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the equity shareholders will not be available for the present Meeting and hence, the Proxy Form, the Attendance Slip and the route map are not annexed to this Notice. However, in pursuance of Section 113 of the Act, authorized representatives of Institutional / Corporate Shareholders may be appointed for the purpose of voting through remote e-voting or e-voting during the Meeting and for participation in the Meeting through VC / OAVM facility, provided that such equity shareholders send a scanned copy (PDF / JPG Format) of their Board or Governing Body resolution / authorization etc., authorizing their representative to attend the Meeting through VC on their behalf, vote through e-voting during the Meeting and/or to vote through remote e-voting, to the scrutinizer at Milind.kasodekar@kmdscs.com with a copy marked to secretarial@ismt.co.in by quoting the concerned DP ID and Client ID or Folio Number, before the remote e-voting or e-voting during the Meeting, as the case may be.



Equity Shareholders are requested to consider, and if thought fit, to pass with requisite majority, the following resolution:

“RESOLVED THAT pursuant to and in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other rules, circulars and notifications made thereunder (including any amendment, statutory modification, variation or re-enactment thereof for the time being in force) as may be applicable; Section 2(1B) of the Income-tax Act, 1961; the Securities and Exchange Board of India Act, 1992 and the regulations thereunder including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be applicable; and any other applicable laws and regulations, including such other directions, guidelines or regulations issued / notified by the Securities and Exchange Board of India, the stock exchange(s), which may be applicable, any and all of which as notified or as may be amended from time to time and including any statutory replacement or re-enactment thereof, if any; the Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 issued by the Securities and Exchange Board of India; the no adverse observations letter issued by BSE Limited & NSE dated 25 July 2023; and subject to the provisions of the Memorandum of Association and Articles of Association of ISMT Limited (“**Company**”); and subject to the approval of Hon’ble National Company Law Tribunal, Mumbai Bench, Mumbai (“**NCLT**”); and subject to receipt of all the permissions and consents specified in the Scheme of Arrangement and Merger of the Company with and into Kirloskar Ferrous Industries Limited (“**KFIL**”) and their respective shareholders (“**Scheme**”), as may be necessary; and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**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 arrangement embodied in the Scheme, the draft of which was circulated along with this Notice, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper.”



TAKE FURTHER NOTICE that:

- a) in compliance with the provisions of (i) MCA Circulars; (ii) Sections 108 and 230 of the Act read with the rules framed thereunder, as amended; (iii) Regulation 44 and other applicable provisions of the SEBI Listing Regulations, as amended; (iv) Master Circular No. *SEBI/HO/CFD/POD-2/P/CIR/2023/93* dated 20 June 2023 issued by the SEBI and (v) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, the Transferor Company has engaged the services of CDSL for the purpose of providing facility of voting by remote e-voting and e-voting during the Meeting, as the case may be, so as to enable the equity shareholders, which includes the Public Shareholders (as defined in the Notes below), to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by equity shareholders of the Transferor Company to the Scheme shall be carried out only through remote e-voting and e-voting during the Meeting;
- b) in compliance with the aforesaid MCA Circulars and the Order passed by NCLT, (a) the aforesaid Notice, (b) the Scheme, (c) the explanatory statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Merger Rules and any other applicable provisions of Act and the rules made thereunder and (d) the enclosures as indicated in the Index (collectively referred to as “**Particulars**”), are being sent through electronic mode to those equity shareholders, whose e-mail addresses are registered with the Transferor Company, the Registrar and Share Transfer Agent of the Transferor Company and/or the concerned depositories. The aforesaid Particulars are being sent to all the equity shareholders whose names appear in the register of members / list of beneficial owners on Friday, 2 February 2024.

Equity Shareholders holding shares in physical mode and whose email ids are not registered, are requested to register their email id with KFin Technologies Limited (RTA) at einward.ris@kfintech.com with copy to secretarial@ismt.co.in by sending a duly signed request letter mentioning their name as registered with the RTA, address, email id, mobile number, self- attested copy of PAN, DPID/ Client id or folio number and number of shares held. Shareholders holding shares in dematerialized mode are requested to register/update their email address with the relevant Depository Participants.

- c) the equity shareholders may note that the aforesaid Particulars will be available on the Transferor Company’s website www.ismt.co.in websites of the Stock Exchanges i.e. BSE at www.bseindia.com, NSE at www.nseindia.com and on the website of CDSL at www.evotingindia.com;
- d) the Transferor Company has extended the remote e-voting facility for its equity shareholders, which includes the Public Shareholders, to enable them to cast their votes electronically. The instructions for remote e-voting and e-voting during the Meeting are appended to the Notice. The equity shareholders, which includes the Public Shareholders, opting to cast their votes by remote e-voting or e-voting during the Meeting are requested



to read the instructions in the Notes appended to this Notice. In case of remote e-voting, the votes should be cast from Monday, 11 March 2024 at 9:00 a.m. (IST) to Wednesday, 13 March 2024 at 5:00 p.m. (IST).

- e) Any person, who becomes an equity shareholder of the Transferor Company after dispatch of the Notice and whose names appear in the records of the Transferor Company as on the Cut-Off Date, may cast the vote by following the instructions of remote e-voting and e-voting during the Meeting provided in this Notice.
- f) that the scrutinizer shall after the conclusion of e-voting at the Meeting, first download the votes cast during the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Transferor Company and shall make a Consolidated Scrutinizer's Report of the total votes cast in favor or against, invalid votes, if any, and whether the resolution has been carried or not, and submit his combined report to the Chairperson of the Meeting. Thereafter, the Chairperson or person authorized by him in writing shall declare the result of the voting. The scrutinizer will also separately indicate the result of the remote e-voting and e-voting during the Meeting in respect of the Public Shareholders. The Scrutinizer's decision on the validity of the votes shall be final. The results of the votes cast through remote e-voting and e-voting during the Meeting including separate results of the remote e-voting and e-voting during the Meeting exercised by the Public Shareholders, will be announced within the stipulated time. The results, together with the scrutinizer's report, shall be communicated to BSE and NSE and will be displayed at the Registered Office and on the website of the Transferor Company and on the website of CDSL at www.evotingindia.com
- g) The result of the Meeting shall be submitted to NCLT by the Chairperson of the Meeting or authorized person in the prescribed form along with the Scrutinizer's Report and the same shall be displayed at the Registered Office of the Transferor Company and its website www.ismt.co.in and on the website of CDSL at www.evotingindia.com immediately after submission. Further the result of the voting shall be reported to BSE & NSE.
- h) Subject to the receipt of requisite majority of votes in favor of the Scheme, the resolution shall be deemed to have been passed on the date of the Meeting, i.e., on 14 March 2024.

sd/-

Mr. D. P. Semwal
Chairperson for the Meeting
Date : 8 February 2024
Place: Pune



NOTES

Instructions for participating in the Meeting through VC and e-voting

1. Only registered equity shareholders of the Transferor Company as on the Cut-Off Date may attend the said Meeting of the equity shareholders of the Company, being conducted through VC/OAVM and vote by remote e-voting or e-voting during the Meeting.
2. Explanatory statement under Sections 230(3), 232(1), 232(2) and 102 of the Act read with Rule 6(3) of the Merger Rules, in respect of the business set out in the Notice, is annexed hereto.
3. Equity shareholders attending the Meeting through VC/ OAVM will be counted for the purpose of reckoning the quorum as prescribed under Section 103 of the Act. In case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter, the shareholders present shall be deemed to constitute the quorum.
4. In terms of the directions contained in the Order, the notice convening the Meeting will be published by the Transferor Company through advertisement in the Financial Express (Pune Edition) in English language, having nationwide circulation and in Loksatta (Pune Edition) in Marathi language, having circulation in Pune indicating the day, date, place and time of the Meeting and stating that the copy of the Scheme, the explanatory statement required to be furnished pursuant to Sections 230 to 232 of the Act can be obtained free of charge by sending an email mentioning DP ID and Client ID / Folio Number and shareholding to the Transferor Company at secretarial@ismt.co.in
5. CDSL will provide the facility for voting by the equity shareholders through remote e-voting / e-voting during the Meeting and, for participation during the Meeting through VC / OAVM facility.
6. All the documents referred to in the accompanying explanatory statement, shall be available for inspection at the website of the Transferor Company at www.ismt.co.in A transcript of the Meeting shall also be made available on the website of the Transferor Company.
7. Master Circular No. *SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023*, as amended from time to time issued by the SEBI (hereinafter referred to as the “**SEBI Circular**”), inter alia, provides that the approval of Public Shareholders of the Transferor Company to the Scheme shall be obtained by way of voting through remote e-voting and e-voting during the Meeting. Since, the Transferor Company is seeking the approval of its equity shareholders (which includes Public Shareholders) to the Scheme by way of voting through remote e-voting and e-voting during the Meeting, no separate procedure for



voting through remote e-voting and e-voting during the Meeting would be required to be carried out by the Transferor Company for seeking the approval to the Scheme by its Public Shareholders in terms of the SEBI Circular. The aforesaid notice sent to the equity shareholders (which includes Public Shareholders) of the Transferor Company would be deemed to be the notice sent to the Public Shareholders of the Transferor Company. For this purpose, the term “**Public**” shall have the meaning assigned to it in Rule 2 of the Securities Contracts (Regulations) Rules, 1957 and the term “**Public Shareholders**” shall be construed accordingly. In terms of SEBI Circular, the Transferor Company has provided the facility of voting by remote e-voting and e-voting during the Meeting to its Public Shareholders.

NCLT, by its Order, has, inter alia, held that since the Transferor Company is directed to convene a Meeting of its equity shareholders, which includes Public Shareholders, and the voting in respect of the equity shareholders, which includes Public Shareholders, is through remote e-voting and e-voting during the Meeting, the same is in sufficient compliance of the SEBI Circular.

8. The Scheme shall be considered approved by the equity shareholders of the Transferor Company if the resolution mentioned in the Notice has been approved by the requisite majority of equity shareholders in terms of the provisions of Sections 230 to 232 of the Act.
9. Further, in accordance with the SEBI Circular, the Scheme shall be acted upon only if the number of votes cast by the Public Shareholders (through remote e-voting and e-voting during 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.
10. In case of joint holders, an equity shareholder whose name appears first in the order of names as per the Register of Members of the Transferor Company will be entitled to vote at the Meeting, provided the votes are not already cast through remote e-voting.

E-VOTING FACILITY:

- a) Members can login to www.evotingindia.com, to join the meeting through VC, 15 minutes before and after the scheduled time of commencement of the meeting. Participation through VC is available to 1,000 members on first come first serve basis.
- b) Instructions for E-Voting:
 - i. E-Voting begins on Monday, 11 March 2024, at 9.00 AM (IST) and ends on Wednesday, 13 March 2024 at 5.00 PM (IST). Thereafter, the same shall be disabled. Members as on cut-off date of March 7, 2024, can cast votes.
 - ii. Members who have voted prior to the date of the meeting would not be entitled to vote at the meeting.



- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020, under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that participation by public non-institutional shareholders/ retail shareholders is at a negligible level.
- iv. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility. This necessitates registration on various ESPs & maintenance of multiple login credentials by shareholders.
- v. To improve efficiency of e-voting process, it has been decided to enable e-voting to demat account holders, by way of single login credential, thru demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast vote without registering again with ESPs, thereby, facilitating seamless authentication & also enhancing ease and convenience of participating in e-voting.
- vi. Members are advised to update mobile number & email Id in relation to their demat account to access e-Voting facility.
- vii. Pursuant to the aforesaid SEBI Circular, Login method for e-Voting & joining virtual meetings for Individual shareholders holding shares in Demat mode is:

Type of shareholder	Login Method
Individual Shareholder holding shares in Demat mode with CDSL	<p>Users opting for CDSL Easi/ Easiest facility, can login thru existing login credentials. Option available to reach e-Voting page without further authentication. URL for users to login to Easi/ Easiest is https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon & select New System Myeasi. After successful login, Easi/ Easiest user will be able to see e-Voting option for eligible companies where e-voting is in progress as per information provided by respective company.</p> <p>On clicking e-voting option, user will be able to see e-Voting page of e-Voting service provider for casting vote during e-Voting period or joining virtual meeting & voting during meeting. Additionally, there is also link provided to access system of all e-Voting Service Providers i.e. CDSL/ NSDL/ KFIN/ LINKINTIME, so that user can visit e-Voting service providers' website directly. If user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p>



	<p>Alternatively, user can directly access e-Voting page by providing Demat Number & PAN from e-Voting link available on www.cdsindia.com home page or click on https://evoting.cdsindia.com/Evoting/EvotingLogin. System will authenticate user by sending OTP on registered Mobile Number & Email id as recorded in Demat Account. After successful authentication, user will be able to see e-Voting option where e-voting is in progress & will enable to access system of e-Voting Service Providers.</p>
<p>Individual Shareholders holding shares in demat mode with NSDL</p>	<p>If you are already registered for NSDL IDeAS facility, please visit e-Services website of NSDL. Open web browser https://eservices.nsdl.com either on Computer or mobile. Once home page is launched, click “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. Enter your login credential. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services & you will be able to see e-Voting page. Click on company name or e-Voting service provider name & you will be re-directed to e-Voting service provider website for casting your vote during remote e-Voting period or joining virtual meeting & voting during the meeting. If user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit e-Voting website of NSDL. Open web browser by typing https://www.evoting.nsdl.com/ either on Computer or mobile. Once home page of e-Voting system is launched, click on “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. Enter your User ID (i.e. 16 digits demat account number held with NSDL), Password/ OTP & Verification Code as shown on 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 & you will be redirected to e-Voting service provider website for casting vote during remote e-Voting period or joining virtual meeting & voting during meeting.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>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. 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. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>



Login method for e-Voting & joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form-

- i. Members to login to website www.evotingindia.com
- ii. Click on "Shareholders" module.
- iii. Enter your User ID:
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 digit Client ID;
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Enter Image Verification as displayed & Click on Login.
- v. If Member holding shares in demat form, logged in to www.evotingindia.com and voted on earlier e-voting of any company, existing password is to be used.
- vi. If Members are a first-time user:

Member holding shares in Demat/ Physical Form	
PAN	Enter 10-digit alpha-numeric PAN issued by the Income Tax Department. Members who have not updated PAN with the Company/ Depositories are requested to use Sequence Number as mentioned in e-mail sent by the Company or contact Company/ KFIN.
Dividend Bank Details OR Date of Birth (DOB)	To login, enter Dividend Bank Details or DOB (in dd/mm/yyyy format) as recorded in your demat account or in the Company records. If both details are not recorded with depository or the Company, enter Members DP ID/ Folio Number in Dividend Bank details field as mentioned in instruction (v).

- vii. After entering these details, click on "SUBMIT" tab.
- viii. Members holding shares physically will reach the company selection screen. Members holding shares in Demat will reach 'Password Creation' menu to enter login/ password in new password field. This password is to be used by demat holders for voting for resolutions of other companies, provided that such companies opts for e-voting through CDSL platform. It is recommended not to share password with any other person & to keep it confidential.
- ix. For those holding shares physically, details can be used only for voting on resolutions contained in this Notice.
- x. Click on the EVSN for 'ISMT Limited'.
- xi. On voting page, Members will see "RESOLUTION DESCRIPTION" & against the same, option "YES/ NO".

Select the option YES/ NO as desired. Option YES implies assent to the Resolution & option NO implies dissent to the Resolution.
- xii. Click on "RESOLUTIONS FILE LINK" to view the entire Resolution details.



- xiii. After selecting resolution to vote, click “SUBMIT”. A confirmation box will be displayed. To confirm vote, click “OK”, to change vote, click “CANCEL”.
- xiv. Once vote is "CONFIRM", Members will not be allowed to modify the vote.
- xv. If Demat holder has forgotten login/ password, Enter User ID & image verification code & click on Forgot Password & enter details as prompted by the system.
- xvi. Member can also cast vote using CDSL’s mobile app “m-Voting” available on Play Store/ Google Play. Please follow instructions as prompted by app.

c) Process for Members whose e-mail IDs are not registered with the Company/ Depositories:

- i. For Physical shareholders- please provide necessary details like Folio No., Name, scanned copy of share certificate (front & back), PAN (self-attested scanned copy of PAN), AADHAR (self-attested scanned copy of Aadhar) by e-mail to secretarial@ismt.co.in
- ii. For Demat shareholders- please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN), AADHAR (self-attested scanned copy of Aadhar) by e-mail to secretarial@ismt.co.in.
- iii. For Individual Demat shareholders – please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

d) Instruction for shareholders attending meeting through VC:

- i. Members will be provided with facility to attend meeting through VC/ OAVM through CDSL e-Voting system by accessing at <https://www.evotingindia.com> under shareholders/ Members login by using e-voting credentials. The link for VC/ OAVM will be available in shareholder/ members login where EVSN of the Company will be displayed.
- ii. Members are encouraged to join meeting through Laptops/ IPads for better experience.
- iii. Members have to allow Camera & use high speed Internet to avoid any disturbance during the meeting.
- iv. Members connecting from Mobile, Tablets or Laptop via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in network. Hence, it is recommended to use stable Wi-Fi/ LAN connection to avoid aforesaid glitches.
- v. Members want to express views/ ask queries during the meeting may register as speaker by sending request 7 days prior to the meeting by mentioning name, Demat/ folio number, mobile number at secretarial@ismt.co.in . Members having queries may send the same 7 days prior to the meeting by mentioning name, demat/ folio number, mobile number at secretarial@ismt.co.in
- vi. Members who have registered as speakers alone will be allowed to express views/ ask queries during meeting.



e) Instructions for Members e-voting during meeting:

- i. Procedure for e-Voting during meeting is same as above.
- ii. Members who are present in meeting through VC/ OAVM facility & have not casted their vote through remote e-voting & are otherwise not barred from doing so, shall be eligible to vote through CDSL e-voting system during the meeting.
- iii. If votes cast by a Member through e-voting during meeting but has not participated in meeting through VC/ OAVM, such votes cast shall be considered invalid.
- iv. Members voted through Remote e-Voting will be eligible to attend meeting but can't vote at the meeting.

f) Note for Non-Individual Members & Custodians:

- i. Non-Individual Members (other than HUF, NRI etc.) & Custodians required to login to www.evotingindia.com & register in "Corporates" module.
- ii. Scanned copy of Registration Form bearing stamp & sign of entity be e-mailed to helpdesk.evoting@cdslindia.com.
- iii. After receiving login details, a Compliance User be created using admin login & password. Compliance User would be able to link account(s) for which they wish to vote on.
- iv. List of accounts linked in login should be mailed to helpdesk.evoting@cdslindia.com & on approval of accounts they would be able to cast their vote.
- v. Scanned copy of Board Resolution & Power of Attorney issued in favour of Custodian, if any, be uploaded in PDF in CDSL e-voting system for Scrutinizer's verification.
- vi. Alternatively, Non-Individual Members can send relevant Board Resolution/ Authority letter etc. together with attested specimen signature of authorized signatory authorized to vote, to the Company at secretarial@ismt.co.in if they have voted from individual tab & not uploaded the same in CDSL e-voting system for Scrutinizer's verification.

For queries, Members may refer Frequently Asked Questions (FAQs) & e-voting manual available at www.evotingindia.com under help section or write to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738), Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

Grievances relating to e-voting may be addressed to Mr. Rakesh Dalvi, Manager, CDSL, A Wing, 25th Floor, Marathon Futurex, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or e-mail to helpdesk.evoting@cdslindia.com.

- g) Institutional Members (other than HUF, NRI, etc.) to send scanned copy (PDF/ JPG) of Board Resolution/ Authority Letter, along with attested specimen signature of signatories authorized to vote to Scrutinizer by e-mail at Milind.kasodekar@kmdscs.com or upload the same in e-voting module in their login. Scanned image of above documents should be in naming format "Corporate Name_EVEN NO."
- h) Voting shall be as per number of shares held by Members as on March 7, 2024 ('Cut-off date'). Members are eligible to cast vote electronically only if they are holding shares as on Cut-off date. A person who is not a Member as on Cut-off date should treat this Notice for information purpose only.



- i) Voting by members shall be in proportion to their share in the paid-up equity share capital of the Company as on Cut-off date.
- j) A person whose name is recorded in Register of Members or in register of beneficial owners maintained by depositories as on Cut-off date shall alone be entitled to avail the facility of e-voting.
- k) Procedure for e-voting during the meeting is same as mentioned above since meeting is being held through VC.
1. Chairman shall, at meeting, at the end of discussion on resolutions on which voting is to be held, allow voting, by using e-voting system for members present in meeting through VC facility but have not cast vote and are otherwise not barred from doing so. E-voting module during meeting shall be disabled 15 minutes after conclusion of the meeting.
2. Scrutinizer shall make, within two working days after conclusion of the meeting, a report of votes cast in favor/ against the resolutions, invalid votes, if any, & whether Resolutions have been carried or not, to the Chairman or the person authorized by him.
3. Results along with Scrutinizer's Report shall be placed on website www.ismt.co.in and on website of CDSL, BSE Ltd & National Stock Exchange of India Ltd.
4. Members are further requested to:
- Intimate changes in address/ bank mandate & e-mail ID to einward.ris@kfintech.com for shares held in physical form & to Depository Participants for shares held in Demat form.
 - Quote folio number/ DP ID/ Client ID in all correspondence with the Company or KFIN.
 - Intimate about consolidation of folios to KFIN, if your shareholding is under multiple folios.
 - Effective April 1, 2019, requests for effecting transfer of shares in physical form shall not be processed unless held in Demat form with Depository. Hence, Members are requested to convert their physical shares into Demat form.
 - Surrender to KFIN, old share certificates of erstwhile Indian Seamless Steels & Alloys Ltd for exchange with confirmation letter which can be submitted with the Depository Participant for dematerialization of the shares.
5. The Company has designated an exclusive e-mail ID viz. secretarial@ismt.co.in to enable Members to register their queries/ complaints.
6. MCA has initiated "Green Initiative in Corporate Governance" by allowing paperless compliances by companies & has issued circulars stating that service of notice/ documents including Annual Reports can be sent by e-mail to members to ensure prompt receipt of communication & avoid loss in transit. These documents can be downloaded from Company's website: www.ismt.co.in Members who have not registered their e-mail id are requested to register the same by sending e-mail to: einward.ris@kfintech.com with subject 'E-mail for Green Initiative' mentioning Folio No./ DP Id/ Client Id. Members holding shares in electronic form may register/ update their e-mail id through concerned Depository Participant(s).



7. Pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16 March 2023, it is mandatory for all holders of physical securities of the Company to furnish PAN, Nomination, Contact details, Bank A/c details and specimen signature for their corresponding folio numbers. The folios wherein any one of the cited documents are not available on or after 1 October 2023, shall be frozen by the RTA of the Company.

Securities holders whose folios have been frozen shall be eligible-

- a. To lodge grievance or avail any service request from the RTA only after furnishing the complete documents/ details as mentioned in the said SEBI Circular.
- b. For any payment including dividend, interest or redemption payment in respect of such frozen folios, only through electronic mode with effect from 1 April 2024

Frozen folios shall be referred by the RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/ or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on 31 December 2025.

RTA shall revert the frozen folios to normal status upon receipt of all the documents/ details as required under the aforesaid SEBI Circular.

In this regard, the Company has, in May, 2023, sent communication (via e-mail and post) to all shareholders who have not updated their KYC details, as mentioned above, with a request to update the same by sending the documents at below address-

**KFin Technologies Limited
Unit: ISMT Limited**

Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032

The shareholders who are yet to update KYC documents are requested to do the needful by sending the same at the aforesaid address or can e-mail the duly signed and scanned documents through registered e-mail id to einward.ris@kfintech.com

Relevant forms can be downloaded from website of the RTA- https://ris.kfintech.com/clientservices/isc/#isc_download_hrd

General Instructions

1. An individual holding shares in demat mode who becomes an equity shareholder of the Transferor Company after sending of the Notice and holding shares as on the Cut-Off Date, may follow steps mentioned above for casting his/ her vote during the remote e-voting period or joining virtual meeting and voting during the Meeting.
2. A person to whom the Notice of the meeting was served but who is not an equity shareholder as on the Cut-Off Date for e-voting should treat this Notice solely for information purposes.



3. Equity shareholders having any queries or questions may send the same to secretarial@ismt.co.in at least 7 days prior to the date of the Meeting. This would enable the Transferor Company to keep the responses ready at the Meeting.
4. Equity shareholders, who would like to express their views or ask questions during the Meeting may register themselves by sending an e-mail to secretarial@ismt.co.in. Only those equity shareholders who are registered will be allowed to express their views or ask questions. Equity shareholders intending to speak at the Meeting would require microphone and speakers – built-in or USB plug-in or wireless Bluetooth.
5. In case an equity shareholder is desirous of obtaining the Notice in printed form, he/she/it may write to the Transferor Company or send an e-mail to secretarial@ismt.co.in.



EXPLANATORY STATEMENT TO THE NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF ISMT LIMITED

1. Pursuant to an order pronounced on 4 January 2024 read with that of 16 January 2024, by the Hon'ble National Company Law Tribunal (“**Order**”), Mumbai Bench (“**NCLT**”) in the Company Application No. 238 of 2023, a meeting of the Equity Shareholders of ISMT Limited (“**ISMT**”, “**Company**” or “**Transferor Company**”) is being convened for the purpose of considering, and if thought fit, approving the proposed Scheme of Arrangement and Merger of the Company with and into Kirloskar Ferrous Industries Limited (“**KFIL**” or “**Transferee Company**”) and their respective shareholders (“**Scheme**”), under Sections 230 to 232, and other applicable provisions of the Companies Act, 2013 (“**Act**”). The Company and KFIL are together referred to as the “**Companies**”.

This is a statement accompanying the Notice for the Meeting as required under the Act. The Meeting is being convened as per the details given below:

Day	Thursday
Date	14 March 2024
Time	11:00 a.m. (IST)

2. A copy of the Scheme which has been, *inter alia*, approved by the Audit Committee and the Board of Directors of the Companies at their respective meetings held on 4 November 2022 and adjourned to 5 November 2022, is enclosed as **Annexure - 1**. Capitalized 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:
- A. the merger of the Transferor Company with the Transferee Company and consequent dissolution of the Transferor Company without winding up, the consequent issue of fully paid-up equity shares by the Transferee Company to the shareholders of the Transferor Company in accordance with the Share Exchange Ratio (*defined below*) (“**Merger**”); and
- B. various other matters consequential or integrally connected therewith;



pursuant to Sections 230 to 232 and other applicable provisions of the Act, the provisions of the master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023, as amended from time to time or any other circulars issued by the Securities and Exchange Board of India (“SEBI”), applicable to schemes of arrangement, as amended from time to time (“SEBI Scheme Circular”) and the Income Tax Act, 1961, including Section 2(1B) thereof, in the manner provided for in the Scheme.

4. The equity shareholders of the Transferor Company would be entitled to vote by remote e-voting prior to the Meeting or by e-voting during the Meeting. The quorum of the Meeting shall be 30 (thirty) equity shareholders of the Transferee Company present through VC/ OAVM. As per the Order, in case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter, the shareholders present shall be deemed to constitute the quorum.
5. In terms of the said Order, the NCLT has appointed Mr. D. P. Semwal as Chairperson of the Meeting.
6. The Transferee Company and Transferor Company have filed the Scheme in Form No. GNL-1 with the Registrar of Companies, Pune.
7. **Details as per Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“Merger Rules”)**

i. **Details of the order of the 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 NCLT Convened Meeting.

ii. **Details of the Companies:**

ISMT Limited

- a) Date of Incorporation: 1 September, 1999
- b) Corporate Identification Number: L27109PN1999PLC016417
- c) Permanent Account Number: AAACJ9917A
- d) Type of Company: Listed Public Limited Company
- e) Registered Office: Panama House (earlier known as “Lunkad Towers”), Vimannagar, Pune 411014, Maharashtra, India



- f) Email Address: secretarial@ismt.co.in
- g) Name of the Stock Exchange(s) where securities of the Transferor Company are listed: Equity shares of the Transferor Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).

Kirloskar Ferrous Industries Limited

- a) Date of Incorporation: 10 September 1991
- b) Corporate Identification Number: L27101PN1991PLC063223
- c) Permanent Account Number: AAACK7297E
- d) Type of Company: Listed Public Limited Company
- e) Registered Office: 13 Laxmanrao Kirloskar Road, Khadki, Pune - 411003, Maharashtra, India
- f) Email Address: kfilinvestor@kirloskar.com
- g) Name of the stock exchange(s) where securities of the Transferee Company are listed: Equity shares of the Transferee Company are listed on BSE. Unsecured redeemable listed rated non-convertible debentures issued by the Transferee Company are listed on the wholesale debt market segment of BSE.

iii. **Other particulars of the Transferor Company as per Rule 6(3) of the Merger Rules:**

ISMT Limited

- (a) **Summary of the main objects as per the Memorandum of Association and main business carried on by the Transferor Company:**

The objects for which the Transferor Company has been established are set out in its Memorandum of Association. The relevant object clauses as set out in Clause III(A) of the Memorandum of Association are, *inter alia*, reproduced hereunder:

“A. THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION

1. To carry on business as distributor, dealer, collector, agents, brokers, representatives, stockists, warehousemen, packers, importers, exporters, in or any other capacity in India or elsewhere, and to import, export buy, sell, or otherwise trade and dealing merchandise, goods, machinery and equipment, including agricultural products, vanaspati, farms products, floriculture products, hatcheries products, tobacco products, cigarettes, food & dairy products, sugar, breweries, distilleries products, merchandise, machinery, spares accessories, all or any of them related to industries such as textiles, including, yarn, jute, wool, silk, garments, glass and glass products, laminates, synthetics, electrical, electronics, scientific, automobile, auto ancillaries, tyres, chemicals (organic or inorganic, specialities), dyes and pigments, alkalies, petrochemicals, polymers, oil and lubricants, personal care products, cosmetics, pharmaceuticals, fertilisers, pesticides, agrochemical, soaps, and detergents, sodas, starch, minerals, stone, granites and marbles, ceramics, precious metal, leather and leather products; leather chemicals, tea, coffee, piece of arts jewellery ornaments precious and semiprecious stones, diamonds, granites, marbles and other stones, metals, coke, steel, aluminum, copper, zinc, Ferro alloys, bearings, cables, pipes, tubes, cements and cement products, paper, printing and stationery, paints/varnishes, plastic and products, molded luggage, packing and packaging materials, rubber and rubber products, ' musicals and sports goods, photographic and allied products, garments, livestock, books, abrasives, aerated water, watches and accessories, airconditioners, refrigerators, compressors, pumps, engines, hydraulics, drilling equipments, industrial gas, industrial explosives, machine tools, medical accessories, disposable equipment, fire-protection equipments, pollution control equipment telecommunication equipments, electrical, lighting systems, electrodes, computers and peripherals, hardware, software, entertainment/electronic media software, domestic appliances like cookers, fans, mixer, office equipment like photocopies, electronic media like television, audio, video appliances, typewriters, and other goods, commodities, products, things spares, accessories supplied by any Company, firm, association of persons, body whether incorporate or not, individuals, or any local authority, as wholeseller, retailer, on the basis of ready delivery or forward contract, commission basis or otherwise.



2. To carry on the business of manufacturing, processing melting, buying, selling and otherwise dealing in including exporting importing and acting as agents in iron, steel, sponge iron, cast iron, iron ore and all other ferrous and non ferrous metals and metal ores.

3. To produce, manufacture, deal in and sell all grades, types, qualities, shapes, categories and descriptions of mild and tool, alloy and special steels including interalia, alloy constructional steel, case hardening steel, high speed steel, ball bearing steel, fast-cutting steel, hot die steel, die steel, alloy spring, stainless and heat-resisting steel, carbon tool steel, polished drill rods, silver steel, mining drill steel, high silicon and electrical steel, creep-resisting steel, valve steel, magnet steel, silicon manganese steel and re cutting quality steel, faggot steel, armour steel, shell steel and high tensile steel.

4. To carry on business of manufacture, processing, refining, import, export, storage, sale, exploration, mining, dealers, research and prospecting in all ores, metals, minerals, ferrous and non ferrous materials including any mixture, compound, derivatives and amalgams and their products of any kind, type or description.

5. To carry on the business of iron founders, iron workers, iron masters, steel makers, steel founders, non ferrous, metal founders, furnace proprietors land operators, ore and metal workers, manufactures of grinding media, pipes, tubes, millwrights, machinists, iron and steel converters, smiths, miners, explores, smelters, prospectors, refiners of all other minerals and metals and to buy, sell manufacture, repair, recondition, convert, alter, renovate, lease, store, let on hire, exchange and otherwise deal in or with all machinery equipment, accessories, implements, spares, rolling stock, scarps, disposables, tools metal, minerals and hardware of every kind or type.

6. To carry on business of designing, proto-typing, manufacturing, processing, repairing, renovating, developing, improving and otherwise in any matter dealing in forging discs, dies, plates, wires, sheets, brass structure and rolling works of all kinds of ferrous and non ferrous metals alloys in any way and for any purposes whatsoever including rods, bars, wires, ropes, sheets, nuts, screws, rivets, washers, nails, hinger hooks, tower bolts, spikes, chains, columns, trusser railing, grills, devices and building or other materials of every kind and type.”



Clause III(B)(29) of the Memorandum of Association of the Transferor Company which contain provisions for amalgamations and arrangements, are reproduced herein below:

“29. To amalgamate, merge, sell or dispose off the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, fully or partly paid debentures or debenture stock (redeemable or perpetual) or securities of any other company whether or not having objects altogether or in part similar to those of this Company, and to distribute any such shares, debentures, debentures stock or securities amongst the members of this Company either by way of dividends or return upon any Capital.”

(b) Details of change of name, registered office and objects of the Transferor Company during the last 5 (five) years

(A) Change of Name: There is no change of name during the last 5 (five) years.

(B) Change of Registered Office: There is no change of registered office during the last 5 (five) years.

(C) Change of objects: There has been no change in objects clause during the last 5 (five) years.

(c) Details of the capital structure of the Transferor Company including authorized, issued, subscribed and paid-up share capital:

The total authorised, subscribed and paid-up share capital of the Transferor Company as on 5 November 2022 i.e. the date on which the board of directors of the Transferor Company approved the Scheme was as under:



Particulars	Rs. (In Crores)
Authorised Share Capital:	
31,70,00,000 Equity Shares of Rs. 5 each	158.50
Total	158.50
Issued, and Subscribed and Paid-up Share Capital:	
30,05,01,383 Equity Shares of Rs. 5 each	150.25
Total	150.25

There is no change in the capital of the Transferor Company set out above since 5 November 2022.

(d) **Details of Promoters and Directors of the Transferor Company along with their addresses**

The details of the Promoters of the Transferor Company are as under:

Sr No.	Name	Address
1.	Kirloskar Ferrous Industries Limited	13 Laxmanrao Kirloskar Road, Khadki, Pune 411003
2.	Baldevraj Topanram Taneja	3, Kasturba Samadhi Road, Near Aga Khan Palace, Off Nagar Road, Pune 411006
3.	Savitri Devi Surekha	29/E, Ramakrishna Samadhi Road, Opp. Vivekanand Park, Kolkata 700054.
4.	Asscher Enterprises Limited (Formerly known as Indian Seamless Enterprises Limited)	503, 5th Floor, Lunkad Sky Station Co-op Premises Society Limited, Viman Nagar, Pune 411014



The details of the Directors of the Transferor Company are as under:

Sr No.	Name	Designation	Residential Address
1.	Rahul Kirloskar	Chairperson & Non-Executive Non-Independent Director	Lakaki Compound, Model Colony, Shivajinagar, Pune 411016
2.	Ravindranath Gumaste	Non-Executive Non-Independent Director	“Nakutanti”, Plot No. 27 & 34, Annapurna Badavane, Opp Municipal Ground, Bellary District, Hospet - 583201
3.	Nishikant Ektare	Managing Director	Tower F, Flat No-1201 Panchshil Towers Gat No HAVELI Wagholi CT, Pune 412207
4.	Shalini Sarin	Independent Director	C-248, Defence colony, New Delhi 110024
5.	S. Venkataramani	Independent Director	16/12 & 16/13, “Nriitya Apartments” Ground Floor, Between 6th and 8th Main, 18th Cross Road, Malleswaram, Bengaluru 560055
6.	Kanakraj Madhavan	Independent Director	T-5 Legacy Casero, 28 Jakkur Plantation Road, Jakkur, Bangalore 560064

- (e) **The date of the Board Meeting of the Transferor Company at which the Scheme was approved by the Board of Directors including the names of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:**

The Board of Directors of the Transferor Company approved the Scheme at its meeting held on 4 November, 2022 and adjourned to 5 November, 2022 and the details of the manner in which the Directors of the Transferor Company voted at this meeting are as follows:

Sr No.	Name	Voted in favour/ against/ abstained
1.	Rahul Kirloskar	In favour
2.	Ravindranath Gumaste	In favour
3.	Nishikant Ektare	In favour
4.	Rajiv Goel	In favour
5.	R Poornalingam	In favour
6.	Kanakraj Madhavan	In favour
7.	Shalini Sarin	In favour
8.	S. Venkataramani	In favour

- (f) As of 31 July 2023, the Transferor Company has 3 (three) Secured Creditors and amount due to such Secured Creditors is INR 115,31,25,258/- (Indian Rupees One Hundred and Fifteen Crores Thirty-One Lakhs Twenty-Five Thousand Two Hundred and Fifty Eight Only). As of July 31, 2023, the Transferor Company has 1,079 (one thousand and seventy-nine) Unsecured Creditors and amount due to such Unsecured Creditors is INR 159,46,01,122.88/- (Indian Rupees One Hundred and Fifty-Nine Crores Forty Six Lakhs One Thousand One Hundred and Twenty Two and Eighty Eight Paise Only).
- (g) None of the Directors, the Key Managerial Personnels (as defined under the Act) of the Transferor Company and their respective Relatives (as defined under the Act) have any material interests on which the Scheme has an effect, except to the extent of their respective shareholding in the Transferee Company and the Transferor Company, if any, and/or to the extent the said directors are common directors of the Transferee Company and the Transferor Company (as applicable), if any. The composition of the board of directors of the Transferor Company may change by appointments, retirements, resignations or otherwise in accordance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), Memorandum of Association and Articles of Association of the Company.



The details of the shareholding of the Directors and Key Managerial Personnel of the Transferor Company as on 31 December 2023 is as under:

Sr No.	Name	Designation	No. of shares in the Transferee Company	No. of shares in the Transferor Company
1.	Rahul Kirloskar	Chairperson & Non-Executive Director	14,25,279	Nil
2.	Ravindranath Gumaste	Non-Executive Director	8,87,521	Nil
3.	Nishikant Ektare	Executive Director, MD	1,17,000	Nil
4.	Kanakraj Madhavan	Independent Director	Nil	2,502
5.	Shalini Sarin	Independent Director	Nil	Nil
6.	S. Venkataramani	Independent Director	Nil	Nil
7.	R. S. Srivatsan	Chief Financial Officer	1,50,000	Nil
8.	Mayuresh Gharpure	Company Secretary	10,000	Nil

(h) Disclosure about the effect of the Scheme on the various stakeholders of the Transferor Company:

Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
1.	Shareholders	The Transferor Company has equity shareholders and does not have any other class of shareholders.

Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
		<p>Upon the Scheme coming into effect, Transferee Company will allot its equity shares, credited as fully-paid up, to all shareholders of the Transferor Company whose name appear in the register of members of the Transferor Company on the Record Date (<i>as defined under the Scheme</i>) or to their respective heirs, executors, administrators or other legal representatives or successors in title as on Record Date in the following manner:</p> <p><i>“17 Transferee Company Shares, credited as fully paid-up, for every 100 equity shares of the face value of Rs. 5 each fully paid-up held by such member in the Transferor Company (“Share Exchange Ratio”).”</i></p> <p>These equity shares will rank <i>pari passu</i> with all other shares of the Transferee Company and will be listed on the Stock Exchanges. The Transferee Company will not issue any shares in lieu of its existing shareholding in the Transferor Company.</p> <p>The Scheme is expected to have several benefits for the Transferor Company as indicated in the rationale of the Scheme set out below and is expected to be in the best interests of the shareholders of the Transferor Company.</p>
2.	Promoters	<p>The Transferee Company is one of the Promoters of the Transferor Company and that, subsequent to the Scheme coming into effect, the other</p>



Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
		Promoters of the Transferor Company will not be designated as promoters of the Transferee Company. The Transferee Company will not be receiving shares of the Transferor Company as the Transferee Company cannot issue shares to itself under the applicable law.
3.	Non-Promoter Shareholders	Please refer point (1) above regarding effect on the shareholders, which will be applicable for all the Non-promoter shareholders.
4.	Key Managerial Personnels	The Scheme by itself has no effect on the KMPs of the Transferor Company. The KMPs of the Transferor Company shall become employees of the Transferee Company.
5.	Creditors	All the liabilities of the Transferor Company shall become the liabilities of the Transferee Company, by virtue of the Merger, with effect from the Appointed Date (<i>as defined in the Scheme</i>) subject to the Scheme being approved by NCLT. The present Scheme <i>inter alia</i> includes the merger of the Transferor Company into the Transferee Company and is in no manner prejudicial to the interests of the Creditors of the Transferor Company.
6.	Directors	None of the Directors of the Transferor Company and their respective Relatives (as defined under the Act) have any material interests on which the Scheme has an effect, except to the extent of their respective shareholding in the Transferee Company and the Transferor Company, if any, and/or to



Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
		the extent the said Directors are common directors of the Transferee Company and the Transferor Company (as applicable), if any.
7.	Depositors	There are no depositors. Hence, this is not applicable.
8.	Deposit Trustees	There are no deposit trustees. Hence, this is not applicable.
9.	Debenture Holders	There are no debenture holders. Hence, this is not applicable.
10.	Debenture Trustees	There are no debenture trustees. Hence, this is not applicable.
11.	Employees	There will be no adverse effect of the Scheme on the employees of the Transferor Company

- (i) An investigation into the affairs of the Transferor Company has been instituted under Section 212(1)(a) and (c) of the Act by the Serious Fraud Investigation Office ("**SFIO**"). Basis this investigation, the SFIO filed Petition against Transferor Company & others u/s 241(2), 246 r/w 339 of the Act inter alia, alleging mismanagement and seeking freezing of assets of certain past Key Managerial Personnel. The Transferor Company has also filed interlocutory application No. 124 of 2023 to delete its name from the case as there is no specific prayer at all in the Petition against the Transferor Company and the Transferor Company is merely a proforma party to the aforesaid Petition.



iv. **Other particulars of the Transferee Company as per Rule 6(3) of the Merger Rules:**

Kirloskar Ferrous Industries Limited

(a) **Summary of the Main Objects as per the Memorandum of Association and main business carried on by the Transferee Company:**

The objects for which the Transferee Company has been established are set out in its Memorandum of Association. The relevant object clauses as set out in Clause III(A) of the Memorandum of Association are as hereunder:

“(A) MAIN OBJECTS OF THE COMPANY TO BE PURSUED ON ITS INCORPORATION ARE AS FOLLOWS:

1. To carry on the business of manufacturers, importers, exporters, sellers, purchasers of and dealers in pig iron, sponge iron, wrought iron, alloy steel, steel converts, rolled steel makers, miners, smelters, engineers, founders in all or any of their respective branches, ferro silicon, ferro chrome, alloy steels, ferro alloys and other ferrous substances and metals of every description and grades, to set up Casting and Rolling Mill plant for producing ingots, billets and all kinds of all sizes of re-rolled sections in flats, angles, rounds, squares, rails, joints, channels, strips, sheets, plates, deformed bars, plain and cold twisted bars, tubes and seamless tubes, shaftings, and structurals, metallurgical prospectors, explorers, contractors, agents and to market, buy, sell, import, export, trade or otherwise deal in any or all of the above and to establish workshops for the manufacture of any equipment required for any of the industries which the Company can undertake and to deal in such equipments.

2. To carry on the business of miners, importers and exporters of and dealers in iron ores, chromium ores, magnesite ores, thorium, uranium, asbestos, nickel, copper, lead, tin, bauxite ores and all ferrous and non-ferrous ores of every description and grades whatsoever in any part of the country and to carry on the business of processing, cleaning, melting, forging, grading and machining to convert the ores into marketable metals.”

Clauses III(B)(28) and III(B)(52) of the Memorandum of Association of the Transferee Company which contain provisions for amalgamations and arrangements, are reproduced herein below:

“(28) To amalgamate with any company or companies having objects altogether or in part similar to those of this Company.

(52) To acquire, take up and hold shares, stocks, debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or in any foreign country; and also any debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any Government, Sovereign Ruler, Commissioner, Public Body or Authority, Supreme, Municipal, Local or otherwise whether in India or in any foreign country; AND to acquire any such shares, stocks, debentures, debenture-stocks, bonds, obligations or securities by original subscription, purchase, exchange or otherwise. To subscribe for, take, purchase or otherwise acquire and hold shares, stock, debentures, debenture-stocks, bonds or other interest in or securities of any other company or body having object altogether or in part similar to those of, this Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company and to subscribe for the same, either conditionally or otherwise and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.”

(b) Details of change of name, registered office and objects of the Transferee Company during the last 5 (five) years

(A) Change of Name: There is no change of name during the last 5 (five) years.

(B) Change of Registered Office: There is no change of registered office during the last 5 (five) years.

(C) Change of objects: There has been no change in objects clause during the last 5 (five) years.



(c) **Details of the capital structure of the Transferee Company including authorized, issued, subscribed and paid-up share capital:**

The total authorized, subscribed and paid-up share capital of the Transferee Company as on 5 November 2022, the date on which the board of directors of the Transferee Company approved the Scheme was as under:

Particulars	Rs. (In Crores)
Authorized Share Capital:	
21,00,00,000 Equity Shares of Rs. 5 each	105.00
11,70,00,000 Preference Shares of Rs. 10 each	117.00
Total	222.00
Issued, Subscribed and Paid up Share Capital:	
13,88,26,844 Equity Shares of Rs. 5 each	69.41
Total	69.41

Post the date of approval of the Scheme by the Board of Directors of the Transferee Company, the Transferee Company has allotted 471,567 equity shares pursuant to exercise of 471,567 Stock Options. The Transferee Company may grant further Stock Options in the ordinary course of its business during the pendency of the Scheme. Exercise of the aforesaid options will result in a corresponding variation to the issued, subscribed and paid-up share capital of the Transferee Company depicted above. However, the Share Exchange Ratio will not be adjusted on account off any such variation.

As a result of the allotment of equity shares to employees of the Transferee Company, the total authorized, subscribed and paid-up share capital of the Transferee Company as on the date of this statement is as under :

Particulars	Rs. (In Crores)
Authorized Share Capital:	
21,00,00,000 Equity Shares of Rs. 5 each	105.00
11,70,00,000 Preference Shares of Rs. 10 each	117.00
Total	222.00
Issued, Subscribed and Paid up Share Capital:	
13,92,98,411 Equity Shares of Rs. 5 each	69.64
Total	69.64

After the consolidation of the authorized share capital of the Transferor Company with the authorized share capital of the Transferee Company; and post allotment of New Equity Shares pursuant to this Scheme, final share capital structure of the Transferee Company would be as under :-

Particulars	Rs. (in Crores)
Authorised Share Capital:	
52,70,00,000 Equity Shares of Rs. 5 each	263.50
11,70,00,000 Preference Shares of Rs. 10 each	117.00
Total	380.50
Subscribed and Paid up Share Capital:	
16,42,02,669 Equity Shares of Rs. 5 each	82.10
Total	82.10



(d) **Details of Promoters and Directors of the Transferee Company along with their addresses**

The details of the Promoters of the Transferee Company are as follows:

Sr No.	Name	Address
1.	Atul Chandrakant Kirloskar	Radha, 453 Gokhale Road, Shivajinagar, Pune 411016
2.	Rahul Chandrakant Kirloskar	Lakaki Compound, Model Colony, Shivajinagar, Pune 411016
3.	Sanjay Chandrakant Kirloskar	Survey No. 270, Plot No. 22 & 23, Pallod Farms, Opp. BPCL Petrol Pump, Near Ratnakar Bank, Baner Road, Pune 411045 #
4.	Jyotsna Gautam Kulkarni	Yena, 1 Adwaitnagar, Paud Road, Pune 411038
5.	Geetanjali Vikram Kirloskar	Kirloskar Residence, Kirloskar Business Park, Bellary Road, Hebbal, Bengaluru 560024

Based on the declaration filed by the promoter pursuant to Regulation 31 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

The details of the Directors of the Transferee Company are as follows:

Sr No.	Name	Designation	Residential Address
1.	Atul Chandrakant Kirloskar	Chairperson & Non-Executive - Non Independent Director	Radha, 453 Gokhale Road, Shivajinagar, Pune 411016
2.	Rahul Chandrakant Kirloskar	Non-Executive - Non Independent Director	Lakaki Compound, Model Colony, Shivajinagar, Pune 411016
3.	Ravindranath Venkatesh Gumaste	Executive Director, MD	House No 27-34, ISR School Road, Near Municipal Ground Annapurna Badavane, Chittawadigi, Hospet, Karnataka 583201

Sr No.	Name	Designation	Residential Address
4.	Anil Narayan Alawani	Non-Executive - Non Independent Director	Flat No 5, Yashodeep C, Rambag Colony, Navi Peth, Pune 411030
5.	Nalini Venkatesh	Non-Executive - Independent Director	SF-7, Ratan Apartments, Muthappa Block, Ganganagar, Bengaluru 560032
6.	Yashwant Sripad Bhawe	Non-Executive - Independent Director	Flat No 601, Alliance Shanti, Shatisheela Society, Near Film and Television Institute, Erandwane, Law College Road, Pune 411004
7.	Mahesh Ramchand Chhabria	Non-Executive - Non Independent Director	11, Golden Beach Bungalows Scheme, Ruia Park, Juhu, Mumbai 400049
8.	Vijaydipak Mukundprasad Varma	Non-Executive - Independent Director	769/3, Anand Bhawan, Kamla Nehru Park Road, Deccan Gymkhana, Pune 411004
9.	Venkataramani Sathya Moorthy	Non-Executive - Independent Director	16/12 & 16/13, Nritya Apartments, Ground Floor, Between 6th and 8th Main, 18th Cross Road, Malleswaram, Bengaluru 560055
10.	Raviprakasha Srinivasa Srivatsan	Executive Director (Finance) & CFO	House No 457, 1st Ward, A Main, Behind Vidyapeet, C K Achkattu B S K 3, Stage 3, Phase, Bangalore, Karnataka 560085
11.	Pravir Kumar Vohra	Non-Executive - Independent Director	E602, Oberoi Splendor, Opp Majas Depot, Jogeshwari Vikhroli Link Road, Jogeshwari East, Mumbai 400060
12.	Shalini Sarin	Non-Executive - Independent Director	C-248, Defence colony, New Delhi 110024



- (e) **The date of the Board Meeting of the Transferee 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 on such resolution:**

The Board of Directors of the Transferee Company approved the Scheme at its meeting dated 5 November 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 favour/ against/ abstained
1.	Atul Chandrakant Kirloskar	In favour
2.	Rahul Chandrakant Kirloskar	In favour
3.	Ravindranath Venkatesh Gumaste	In favour
4.	Anil Narayan Alawani	In favour
5.	Sampathkumar Rangachary	In favour
6.	Nalini Venkatesh	In favour
7.	Yashwant Sripad Bhawe	In favour
8.	Mahesh Ramchand Chhabria	In favour
9.	Vijaydipak Mukundprasad Varma	In favour
10.	Madhukar Vinayak Kotwal	In favour
11.	Venkataramani Sathya Moorthy	In favour
12.	Raviprakash Srinivasa Srivatsan	In favour
13.	Pravir Kumar Vohra	In favour

- (f) As of 31 July 2023, the Transferee Company has 9 (nine) Secured Creditors and amount due to such Secured Creditors is INR 660,59,86,828/- (Indian Rupees Six Hundred and Sixty Crores Fifty-Nine Lakhs Eighty-Six Thousand Eight Hundred and Twenty-Eight Only). As of July 31, 2023, the Transferee Company has 1,001 (one thousand and one) Unsecured Creditors and amount due to such Unsecured Creditors is INR 1,217,77,43,356/- (Indian Rupees One Thousand Two Hundred and Seventeen Crores Seventy-Seven Lakhs Forty-Three Thousand Three Hundred and Fifty-Six Only).



- (g) None of the Directors, the Key Managerial Personnel (as defined under the Act) of the Transferee Company and their respective Relatives (as defined under the Act) have any material interests on which the Scheme has an effect, except to the extent of their respective shareholding in the Transferee Company and the Transferor Company, if any, and/or to the extent the said directors are common directors of the Transferee Company and the Transferor Company (as applicable), if any. The composition of the Board of Directors of the Transferee Company may change by appointments, retirements, resignations or otherwise in accordance with the provisions of the Act, LODR Regulations, Memorandum of Association and Articles of Association of the Company.

The details of the shareholding of the Directors and Key Managerial Personnel of the Transferee Company as on 31 December 2023 is as follows :

Sr No.	Name	Designation	No. of shares in the Transferee Company	No. of shares in the Transferor Company
1.	Atul Chandrakant Kirloskar	Non-Executive - Non Independent Director	9,89,726	Nil
2.	Rahul Chandrakant Kirloskar	Non-Executive - Non Independent Director	14,25,279	Nil
3.	Ravindranath Venkatesh Gumaste	Managing Director	8,87,521	Nil
4.	Anil Narayan Alawani	Non-Executive - Non Independent Director	35,000	Nil
5.	Nalini Venkatesh	Non-Executive - Independent Director	59,367	Nil
6.	Yashwant Sripad Bhawe	Non-Executive - Independent Director	Nil	Nil
7.	Mahesh Ramchand Chhabria	Non-Executive - Non Independent Director	Nil	Nil



Sr No.	Name	Designation	No. of shares in the Transferee Company	No. of shares in the Transferor Company
8.	Vijaydipak Mukundprasad Varma	Non-Executive Independent Director	Nil	20,285
9.	Venkataramani Sathya Moorthy	Non-Executive Independent Director	Nil	Nil
10.	Raviprakasha Srinivasa Srivatsan	Executive Director (Finance) and CFO	1,50,000	Nil
11.	Pravir Kumar Vohra	Non-Executive Independent Director	Nil	Nil
12.	Shalini Sarin	Non-Executive Independent Director	Nil	Nil
13.	Mayuresh Gharpure	Company Secretary	10,000	Nil

(h) **Disclosure about the effect of the Scheme on the various stakeholders of the Transferee Company:**

Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
1.	Shareholders	<p>The Transferee Company has equity shareholders and does not have any other class of shareholders.</p> <p>Upon the Scheme coming into effect, the Transferee Company will allot its equity shares, credited as fully-paid up, to all shareholders of the Transferor Company whose name appear in the register of members of the Transferor Company on the Record Date (<i>as defined under the Scheme</i>) or to their respective heirs, executors, administrators or other legal representatives or successors in title as</p>

Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
		<p>on Record Date in the following manner:</p> <p><i>“17 Transferee Company Shares, credited as fully paid-up, for every 100 equity shares of the face value of Rs. 5 each fully paid-up held by such member in the Transferor Company (“Share Exchange Ratio”).”</i></p> <p>These equity shares will rank <i>pari passu</i> with all other shares of the Company and will be listed on the Stock Exchanges. The Transferee Company will not be issued any shares in lieu of its existing shareholding in the Transferor Company.</p> <p>The Scheme is expected to have several benefits for the Transferee Company as indicated in the rationale of the Scheme set out below, and is expected to be in the best interests of the shareholders of the Transferee Company.</p>
2.	Promoters	The Promoters of the Transferee Company will continue to remain the Promoters of the Transferee Company and no additional person will be designated as Promoter of the Transferee Company pursuant to the Scheme. The Transferee Company will not be receiving shares of the Transferor Company as the Transferee Company cannot issue shares to itself under the applicable law.
3.	Non-Promoter Shareholders	Please refer point (1) above regarding effect on the shareholders, which will be applicable for all Non-promoter shareholders.
4.	Key Managerial Personnel	The Scheme by itself has no effect on the Key Managerial Personnel of the



Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
		Company.
5.	Creditors	<p>All the liabilities of the Transferor Company shall become the liabilities of the Transferee Company, by virtue of the Merger, with effect from the Appointed Date (<i>as defined in the Scheme</i>) subject to the Scheme being approved by NCLT.</p> <p>The present Scheme <i>inter alia</i> includes the merger between the Transferee Company and the Transferor Company and is in no manner prejudicial to the interests of the creditors of the Transferee Company.</p>
6.	Directors	The Scheme will have no effect on the office of the existing Directors of the Transferee Company. The composition of the Board of Directors of the Transferee Company may change by appointments, retirements or resignations in accordance with the provisions of the Act, LODR Regulations, Memorandum of Association and Articles of Association of the Transferee Company.
7.	Depositors	There are no depositors. Hence, this is not applicable.
8.	Deposit Trustees	There are no deposit trustees. Hence, this is not applicable.
9.	Debenture Holders	There will be no adverse effect of the Scheme on the debenture holders of the Transferee Company.
10.	Debenture Trustees	There will be no adverse effect of the Scheme on the debenture trustees of the Transferee Company.
11.	Employees	There will be no adverse effect of the



Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
		Scheme on the employees of the Transferee Company.

- (i) **There are no investigations and / or proceedings instituted or pending against the Transferee Company under the Act.**

v. **Other details regarding the Scheme required as per Rule 6(3) of the Merger Rules:**

a. **Relationship between the Companies**

The Transferee Company is the holding company of the Transferor Company and as of 5 November 2022, held 51.25% of the paid-up share capital of the Transferor Company. The Transferee Company is one of the promoters of the Transferor Company with sole management control.

b. **Appointed Date, Effective Date, Record Date:**

"Appointed Date" means 1st day of April 2023

"Effective Date" means the last of the dates on which the certified or authenticated copy of the order of the NCLT sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Company and by the Transferee Company. Any references in the Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date

"Record Date" means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the names of the equity shareholders of the Transferor Company, as applicable, who shall be entitled to the shares of the Transferee Company under Clause 11.1 of Part C of the Scheme, upon coming into effect of this Scheme;

"Share Exchange Ratio" shall mean the following:

"17 Transferee Company Shares, credited as fully paid-up, for every 100 equity shares of the face value of Rs. 5 each fully paid-up held by such member in the Transferor Company"

c. **Consideration for the Merger:**

Upon coming into effect of the Scheme and in consideration of the merger of the Transferor Company into and with the Transferee Company including transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company, in terms of the Scheme, on the basis of Valuation Report dated 5 November 2022 and Fairness Opinion dated 5 November 2022, the Transferee Company shall without any further application or deed, be required to issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members as a member of the Transferor Company on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company, 17 Transferee Company Shares, credited as fully paid-up, for every 100 equity shares of the face value of Rs. 5 each fully paid-up held by such member in the Transferor Company ("**Share Exchange Ratio**"). The Transferee Company Shares to be issued by the Transferee Company to the shareholders of the Transferor Company in accordance with Clause 11.1 of the Scheme shall be hereinafter referred to as "**New Equity Shares**".

d. **Summary of the Valuation Report and Fairness Opinion:**

For the purposes of the Scheme, a report in relation to the Share Exchange Ratio (hereinafter referred to as "**Valuation Report**") for issuance and allotment of shares of the Transferee Company to the shareholders of the Transferor Company pursuant to and in consideration of the Merger, on 5 November 2022, was issued for the Transferor Company by Mr. Amit Jain an Independent Registered Valuer, having Registration Number [Registration Number: IBBJ/RV/05/20 19112675], and for the Transferee Company by M/s. BDO Valuation Advisory LLP, an Independent Registered Valuer, having Registration Number [IBBI Registration Number IBBI/RV-E/02/2019/103], describing, *inter alia*, the methodologies adopted by them in arriving at the Share Exchange Ratio and setting out the detailed computation of the Share Exchange Ratio for the proposed Merger. The Valuation Reports for the Transferor Company and Transferee Company have been enclosed as **Annexure – 2 and Annexure – 3**.



In the Valuation Report, the valuer has understood that upon the Scheme being effective and in *consideration* of transfer and vesting of the Undertaking (*as defined under the Scheme*) from the Transferor Company to the Transferee Company in terms of the Scheme, the Transferee Company shall issue and allot equity shares to the shareholders of Transferor Company in accordance with the Share Exchange Ratio. As such, 17 Transferee Company Shares, credited as fully paid-up, shall be issued to the eligible shareholders of the Transferee Company for every 100 equity shares of the face value of Rs. 5 each fully paid-up held by such member in the Transferor Company.

In compliance with the SEBI Scheme Circular, a Fairness Opinion on the Share Exchange Ratio was received for the Transferor Company, from Keynote Financial Services Limited, Independent Merchant Banker, registered with SEBI, having registration number INM000003606 and for the Transferee Company, from M/s JM Financial Limited, an independent Merchant Banker registered with SEBI having registration number *INM000010361*, respectively, on 5 November 2022. The Fairness Opinions for the Transferor Company and Transferee Company have been enclosed as **Annexure – 4** and **Annexure – 5** respectively.

The recommendation of the Share Exchange Ratio has been approved by the audit committee and board of directors of the Transferor Company and the audit committee and the board of directors of the Transferee Company. No new shares shall be issued or payment be made in cash or in kind, whatsoever by Transferor Company in connection with the Merger.

The Valuation Reports and Fairness Opinions enclosed herewith are also available for inspection at the website of the Transferee Company and the Transferor Company at www.kirloskarferrous.com and www.ismt.co.in respectively.



e. **Details of capital restructuring:**

As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date, the authorised share capital of the Transferor Company, comprised of 31,70,00,000 Equity Shares of Rs. 5 (Indian Rupees Five) each shall stand transferred, merged and combined with the authorised equity share capital of the Transferee Company. Upon the Scheme coming into effect, the authorised share capital of the Transferee Company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced by the authorized share capital of Transferor Company without requirement of any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies (to the effect that the Transferee Company shall be entitled to the credit of stamp duty and fees already paid by the Transferor Company) 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 to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under sections 9, 13, 14, 61, 64 or any other provision of the Act, would be required to be separately passed.

Accordingly, in terms of this Scheme, the authorized share capital of the Transferee Company shall stand enhanced to an amount of Rs. 380,50,00,000 (Indian Rupees Three Hundred and Eighty Crores and Fifty Lakhs only) divided into 52,70,00,000 (Fifty-Two crores seventy lakhs) equity shares of Rs. 5 (Indian Rupees Five only) each and 11,70,00,000 (Eleven Crores Seventy lakhs) preference shares of Rs. 10 (Indian Rupees Ten only) each.

The capital clause being Clause V of the Memorandum of Association and Clause 2 of the Articles of Association of the Transferee Company shall on the Effective Date stand substituted to read as follows:



Altered Capital clause of the Memorandum of Association of the Transferee Company:

“The Authorized Share Capital of the Company is Rs. 380,50,00,000 (Rupees Three Hundred and Eighty Crores Fifty Lakhs) divided into 52,70,00,000 equity shares of Rs. 5 (Rs. Five) each and 11,70,00,000 preference shares of Rs. 10 (Rs. Ten) each, with 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, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.”

f. **Details of debt restructuring:**

There shall be no debt restructuring of the Companies pursuant to the Scheme.

g. **Rationale and benefits of the Scheme as perceived by the Board of Directors of the Company:**

The proposed merger of the Transferor Company (including the Undertaking of the Transferor Company) into and with the Transferee Company would *inter alia* have the following benefits for both the Companies and their respective shareholders, employees, creditors and other stakeholders:

- (a) Synergy arising out of consolidation of the business of the Transferor Company and the Transferee Company will make the business activities more sustainable in the long term as well as help them grow at a faster pace.
- (b) Create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, expanded reach, higher cross selling opportunities to a larger base of customers, improvement in productivity amongst others.



- (c) Better administration and cost optimization are expected to flow from more focused operational efforts, standardization and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses as well as compliance cost.
- (d) Pooling of resources and achieving economies of scale.
- (e) Greater integration and flexibility to Transferee Company and strengthen its position in terms of asset base, revenues and service range.
- (f) The Transferee Company has fully backward integrated operations ranging from iron ore mines to machined castings as well as a very strong client base across the globe. The Transferor Company is one of the most diversified manufacturers of specialized seamless tubes in the world, producing tubes in the range of 6 to 273 mm diameter. Merging of the business of the Transferor Company will bring the benefits of forward integration and diversification of product portfolio to the business of the Transferee Company.
- (g) The merger would result in mitigating the risks of the Transferor Company relating to procurement of certain input raw material.
- (h) The Transferor Company's investments and business plan had not panned out as expected and that led to its debt obligations becoming stressed. However, with combining of operations of the Transferor Company with the Transferee Company, benefits of better terms of finance and availability of capital will help in streamlining and improving the financial operations of the merged entity.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have (i) considered and proposed the merger / amalgamation of the of the Transferor Company into and with the Transferee Company for the benefit of all the stakeholders of the Transferor Company and Transferee Company; and (ii) formulated the Scheme for the transfer and vesting of the entire Undertaking and business of the Transferor Company into and with the Transferee Company pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act.



- h. The pre-Scheme shareholding pattern of the Transferor Company is attached as **Annexure – 6** and the pre-scheme and post-Scheme shareholding pattern of the Transferee Company, is attached as **Annexure - 7**.
- i. **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 Transferor Company, at the registered office of the Transferor Company between 9:00 a.m. to 6:00 p.m. on any day (except Saturday, Sunday and public holidays) up to one day prior to the date of the Meeting. An advance notice should be given by e-mail to the Transferor Company at secretarial@ismt.co.in, 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 secretarial@ismt.co.in. Additionally, a copy of the notice and explanatory statement will also be hosted on the website of the Transferor Company at www.ismt.co.in.

- A. Certified copy of the order passed by the NCLT in Company Application No. C.A.(CAA)/238(MB)2023 pronounced on 4 January 2024 read with that of 16 January 2024, directing the Transferor Company, to convene the respective NCLT Convened Meetings;
- B. Copy of the Scheme;
- C. Copies of the latest Audited Financial Statements of the Companies including Consolidated Financial Statements, wherever applicable;
- D. Valuation Reports, dated 5 November 2022, issued by Mr. Amit Jain an Independent Registered Valuer, having Registration Number [Registration Number: IBBJ/RV/05/20 19112675] for the Transferor Company and M/s. BDO Valuation Advisory LLP, an Independent Registered Valuer, having Registration Number [IBBI Registration Number IBBI/RV-E/02/2019/103] for the Transferee Company, describing, inter alia, the methodologies adopted by them in arriving at the Share Exchange Ratio and setting out the detailed computation of the Share Exchange Ratio for the proposed Amalgamation;



- E. Fairness Opinions dated 5 November 2022, issued by Keynote Financial Services Limited, Independent Merchant Banker, registered with SEBI, having registration number INM000003606 for the Transferor Company and M/s JM Financial Limited, an independent Merchant Banker registered with SEBI having registration number INM000010361 for the Transferee Company, on the Share Exchange Ratio as recommended in the Valuation Report;
- F. The certificates issued by the respective statutory auditors of the Transferee Company and the Transferor Company to the effect that the accounting treatment, if any, proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act;
- G. Copies of the Audit Committee Reports dated 5 November 2022 of the Transferor Company and the Transferee Company;
- H. Copies of the resolutions passed by the Board of Directors of the Transferor Company and the Transferee Company on 5 November 2022, approving the Scheme;
- I. Observation letters dated 25 July 2023, issued by BSE and NSE respectively to the Transferor Company and observation letter dated 25 July 2023, issued by BSE to the Transferee Company; and
- J. Copy of the report adopted by the Board of Directors of the Companies as per the provisions of Section 232(2)(c) of the Act.
- j. **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 37 of the LODR Regulations, BSE and NSE, by their respective letters, both dated 25 July 2023, have issued their observations on the Scheme to the Transferor Company conveying their no adverse observations/no objection to the Scheme. BSE by its' letter, dated 25 July 2023 (published on its' website) has issued its observations on the Scheme to the Transferee Company conveying its no adverse observations to the Scheme. Copies of the observation letters dated 25 July, 2023, as received from BSE and NSE by the Transferor Company are enclosed as **Annexure – 8** and **Annexure – 9** respectively; and



as received from BSE by the Transferee Company is enclosed as **Annexure – 10.**

- B. As required by the SEBI Scheme Circular, the Transferor Company has filed its complaints reports dated 26 December 2022 and 2 February 2023 with BSE and NSE, respectively. Copies of the compliance report filed by the Transferor Company is enclosed as **Annexure - 11.** A copy of the compliance report filed by the Transferee Company with BSE dated is enclosed as **Annexure - 12.**
- C. The Scheme was filed by the Companies with the Mumbai Bench of the NCLT on 18 September 2023, and the Mumbai Bench of NCLT has passed directions to convene Meeting(s) vide an Order pronounced on 4 January 2024 read with that of 16 January 2024.
- D. The Scheme is subject to approval by the requisite majority of the shareholders of the Transferee Company and Transferor Company in terms of the applicable provisions of the Act and the Merger Rules.
- E. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.
- k. **Brief background and salient features of the Scheme:**
- A. The capitalised terms used herein below, shall have the meaning ascribed to such terms in the Scheme.
- B. The Scheme provides *inter alia* for:
1. Merger of the Transferor Company, including its entire business and undertaking with and into the Transferee Company and the consequent issue of 17 (seventeen) New Equity Shares of INR 5 (Indian Rupees Five) each of the Transferee Company to the shareholders of the Transferor Company (other than the Transferee Company) for every 100 (hundred) fully paid-up equity shares of INR 5 (Indian Rupees Five) each held by such shareholders of the Transferor Company;
 2. Dissolution without winding up of the Transferor Company;



3. Transfer of the authorized share capital from the Transferor Company to the Transferee Company and the consequent amendment to the Memorandum of Association of the Transferee Company;
4. Listing of the New Equity Shares of the Transferee Company on BSE Limited;
5. The Appointed Date will be 1st April 2023; and
6. Various other matters consequential or integrally connected therewith.

C. The relevant clauses of the Scheme are as under:

"Effective Date" means the last of the dates on which the certified or authenticated copy of the order of the NCLT sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Company and by the Transferee Company. Any references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date;"

"Undertaking" means the whole of the undertaking and entire business of the Transferor Company as a going concern, including all assets, liabilities and business activities of the Transferor Company on a going concern basis, including (without limitation)

- i. *All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including but not limited to, factories, plant and machinery, equipment, buildings and structures, offices, residential and other premises, freehold and leasehold lands, mines, vehicles, sundry debtors, furniture, fixtures, office equipment including computers, laptops, printers and servers, appliances, accessories, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), cash in hand, balances and deposits with banks, loans, advances,*



disbursements, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, leasing contracts and assets lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, good will, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, websites, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits such as Tax Credits), benefit of carried forward Tax losses, unabsorbed depreciation, easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favour of the Transferor Company and advantages of whatsoever nature and wheresoever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;



- ii. *All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor Company, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised;*
- iii. *All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quota rights, engagements, arrangements, assignments, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the business activities and / or operations of the Transferor Company;*
- iv. *All records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business activities and operations of the Transferor Company; and*
- v. *All employees engaged by the Transferor Company as on the Effective Date. “*

1. **Other matters**

- A. Copies of the Audited Financial Statements (Standalone and Consolidated) of the Transferor Company as on 31 March 2023 are annexed hereto as **Annexure – 13**. Copies of the Audited and Consolidated Financial Statements of the Transferee Company as on 31 March 2023 are annexed hereto as **Annexure – 14**.
- B. Copies of the Unaudited Financial Results (Standalone and Consolidated) of the Transferor Company for the quarter and nine months ended 31 December 2023 are annexed hereto as **Annexure – 15**.



Copies of the Unaudited Financial Statements (Standalone and Consolidated) of the Transferee Company for the quarter and nine months ended 31 December 2023 are annexed hereto as **Annexure – 16**.

- C. A copy of the report of the Board of the Transferor Company, *inter alia* explaining the effect of the Scheme on each class of Shareholders, KMPs, Promoters and Non-promoter shareholders, and employees is annexed hereto as **Annexure – 17**. A copy of the report of the Board of the Transferee Company, *inter alia* explaining the effect of the Scheme on each class of Shareholders, KMPs, Promoters and Non-promoter shareholders, and employees is annexed hereto as **Annexure – 18**.
- D. Details of the ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken against the Transferor Company, its promoters and its Directors is annexed hereto as **Annexure – 19**. Details of the ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken against the Transferee Company, its Promoters and its Directors are annexed hereto as **Annexure – 20**.
- E. Details of Assets & Liabilities and revenue of the Transferee Company prior to and after the scheme of amalgamation along with the details of Assets & Liabilities and revenue of Transferor Company that are being merged in the Transferee Company are annexed hereto as **Annexure - 21**.



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.

sd/-
Mr. D. P. Semwal
Chairperson for the Meeting
Date : 8 February 2024
Place: Pune

Registered Office
ISMT Limited
Panama House
Viman Nagar
Pune 411014

