

BSE Observation Letter for Scheme of Amalgamation between Hardwyn India Limited (Transferee Company) and FIBA Hardwyn Lock Limited (Transferor Company)

1. It is observed that the treatment for Fractional shares Entitlements arising out of the net sale proceeds of fractional shares entitlements is not included in clause 5.7 wrt the shares to be allotted to the shareholders of the Transferor Company by the Transferee Company of the Draft Scheme
2. Clause 18.2 of the draft scheme mandates the approval of majority of public shareholders. Kindly clarify the public shareholders of which Company and amend the clause accordingly.
3. If any revision made in the scheme, kindly submit a report containing para-wise changes carried out in the draft scheme along with an undertaking stating that other than the changes mentioned in the report, no other change has been carried out in the draft scheme.
4. Valuation report of Hardwyn- Audited/ unaudited/ limited reviewed financials as on which date are considered for the valuation? the same is missing in the sources of information. Please clarify for both Fiba and Hardwyn.
5. Kindly specify whether the shares of Hardwyn are frequently traded? If yes, clarify how.
6. Kindly confirm the compliance of Regulation 165 of SEBI (ICDR) Regulations, 2018 from the Valuer.
7. Kindly clarify in detail the reasons why Asset approach, CTMM, DCF methods are not used for the valuation of Hardwyn form the Valuer.
8. Confirmation from the listed entity signed by Company Secretary/ Compliance Officer stating that: Declaration/ details on any past defaults of listed debt obligations of the entities forming part of the scheme- Not found.
9. For the valuation of Fiba, for DCF method used, provisional financials as on 31.03. 2023 are used, however, as per the SOP circular dated 28.09.2022, “Audited” financials not older than 6 moths should be considered for determining the valuation of unlisted companies under Income approach method. Kindly clarify from the Valuer that how the company is in compliance with the above provision?
10. Reasons for not using CCMM method for Fiba?
11. The Computation of Fair Share Exchange Ratio as per the format of ANNEXURE I of the checklist is not found in the valuation report. Kindly incorporate the same and resubmit.
12. Shareholding pattern of Hardwyn- Kindly state the pre scheme or post scheme SHP in the heading of the SHP submitted. SHP is not signed.

13. Shareholding pattern of Fiba (with and without PAN) in the format of Reg 31 of SEBI LODR 2015- not submitted.

14. Annexure IV- Not submitted as per the format for both Hardwyn and Fiba. Kindly submit the summary of standalone and consolidated financials of Hardwyn and Fiba as per the format of Annexure IV.

15. Kindly confirm the compliance of Regulation 165 of SEBI (ICDR) Regulations, 2018 from the Statutory Auditor who has given the pricing certificate.

16. Complaint report – Not dated. To be submitted within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on Exchange's website.

17. Confirmation by the Managing Director/ Company Secretary as per format enclosed as Annexure XI.: a) kindly remove the wordings 'If applicable' from point b) iii) and resubmit. b) kindly submit a snapshot of the scheme related documents submitted on the website of the Company. c) Why not applicable is mentioned in point c? d) Point c is incomplete as per the format of the checklist.

18. SEBI fees- GST payment at 18% is not done. Kindly process the same at the earliest and share the details.

19. Report from the Committee of Independent Directors recommending the draft scheme taking into consideration, inter alia, that the scheme is not detrimental to the shareholders of the listed entity, as per Para (A)(2)(i) of Part I of SEBI Master Circular- not found.

20. No objection certificate (NOC) from lending scheduled commercial banks/ financial institutions/ debenture trustees OR An undertaking from the listed entity signed by Managing Director/ Company Secretary/ Compliance Officer stating that: We hereby confirm that we have initiated the process of obtaining the No Objection Certificate from the lending scheduled commercial banks/financial institutions/debenture trustees as required under Para A (2) (k) of Part I of SEBI Master Circular dated November 23, 2021 and we shall submit the same with the Exchange before the receipt of the No-objection letter from stock exchange in terms of Regulation 37(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.- Not found.

21. Report on the Unpaid Dues- kindly submit as per the format.

22. Prior history of any scheme of arrangement concerning the Company

23. Kindly provide last 3 years Annual Report for all unlisted companies involved in the scheme- not submitted for FY 22-23 and 19-20.

24. Please confirm that the proposed Scheme of Arrangement is in accordance with the MoA & AoA of the Company.

25. NOC/Clearance from the respective sectorial regulators, if any sectoral regulators approval is applicable to the any of the company involved in the scheme. Also confirm status of the approval. If not applicable, you are requested to provide an undertaking confirming the same.

26. Undertaking that the transferee entity will not issue/reissue shares not covered under the draft scheme. :To be confirmed by Listed company. (ii) Undertaking that as on date of application there are no outstanding Warrants/instruments/agreements which give right to any person to take the equity shares in the transferee entity at any future date :

To be confirmed by listed company. Please reach out to 9833654806/9930807883 (Tanmayi Lele/Prasad Bhide) in case of any queries. You are requested to submit the documents within the prescribed timelines (7 working days) provided in SOP Circular issued by the Exchange.