

Date : 28th May 2021.

**Dear Members,
Sahyadri industries Limited.
Pune.**

Subject : Notice of NCLT Convened Meeting of Equity Shareholders of Sahyadri Industries Limited scheduled to be held on Monday, 28th Day Of June 2021 at 3.30 P.M. through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM").

We wish you inform that, by an order dated 17th February 2021 read with corrigendum order dated 3rd May 2021, in the above mentioned Company Scheme Application (the 'Order'), the Hon'ble National Company Law Tribunal, Mumbai Bench ('Hon'ble Tribunal' or 'NCLT') has directed inter alia that a meeting of the Equity Shareholders of Sahyadri Industries Limited (the 'Applicant Company'), be convened and held for the purpose of considering, and, if thought fit, approving, with or without modification, the proposed Scheme of Arrangement between ('Scheme' or 'Scheme of Arrangement') Poonam Roofing Products Private Limited ('the Demerged Company' or 'PRPPL') and Sahyadri Industries Limited ('the Applicant Company' or 'the Resulting Company' or 'SIL') and their respective shareholders

In pursuant of the said Order and as directed therein, a meeting of the Equity Shareholders of the Company will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') on **Monday, 28th day of June 2021 at 3.30 PM (IST) (the 'Meeting')**, at which day, date and time you are requested to attend through Electronic Mode.

Explanatory Statement for the meeting of Equity Shareholders of Sahyadri Industries Limited under section 230 and 102 of the companies act, 2013 read with the companies (compromises, arrangements and amalgamations) rules, 2016 to be convened as per the directions of the National Company Law Tribunal, Mumbai Bench along with copy of the Scheme and other Annexures are Annexed herewith and shall also be available on the website of BSE Limited (BSE) at www.bseindia.com and the website of Central Depository Services (India) Limited ('CDSL') at www.evotingindia.com.

In conformity with the applicable regulatory requirements, the Notice together with the accompanying documents was sent only through electronic mode (e-mail) to those Equity Shareholders whose names appear in the Register of Members of the Company or in the List of Beneficial Owners maintained by the Depositories as on the close of business hours on **Friday, May 21 2021 (the "Cut-Off Date")** and who have registered their e-mail addresses with the Company or with the depositories and they shall be eligible to attend the Meeting through VC/OAVM and vote electronically using the remote e-voting facility or during the Meeting. A person who is not an Equity Shareholder of the Company on the said Cut-Off Date should treat the notice for information purposes only.

Remote e-voting and e-voting:

In compliance with the provisions of Section 230(4) and 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, Rule 6(3)(xi) and Rule 9 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, issued by the Securities and Exchange Board of India, the Company has provided a facility of remote electronic voting ("**Remote e-voting**") prior to the Meeting and e-voting during the Meeting using the facility offered by CDSL through its e-voting platform at the weblink: www.evotingindia.com, so as to enable the Equity Shareholders (which includes the public shareholders) to cast their votes electronically. Accordingly, the Equity Shareholders may cast their votes either through remote e-voting or through e-voting during the Meeting.

The remote e-voting facility will be available during the following period:

Commencement of Remote e-voting	End of Remote e-voting
Friday, 25 th Day of June 2021 from 9:00 a.m. (IST)	Sunday, 27 th Day of June 2021 to 5:00 p.m. (IST)

The voting rights shall be as per the number of equity shares held by the Equity Shareholders as on the Cut-Off Date. The remote e-voting module shall be disabled for voting at 5.00 P.M. (IST) on Sunday, 27th Day of June 2021. Votes once cast by an Equity Shareholder, will not be allowed to be changed subsequently. Please read the instructions in the Notice of the Meeting for voting through the e-voting platform of CDSL.

An Equity Shareholder can opt for only one mode of voting i.e. either through remote e-voting or through e-voting during the Meeting. An Equity Shareholder who has opted for remote e-voting would be entitled to attend the Meeting but would not be entitled to vote during the Meeting.

Meeting:

The Company has engaged the services of CDSL to provide an electronic platform for Equity Shareholders to attend the Meeting. Equity Shareholders will be able to attend the Meeting through VC/OAVM at www.evotingindia.com by using their secured login credentials. The detailed procedure for attending the Meeting through VC/OAVM is mentioned in Notes of the Notice of the Meeting.

Facility for joining the Meeting through VC/OAVM shall be open 30 minutes before the scheduled time of the commencement of the Meeting and the facility for joining the Meeting shall remain open for 15 minutes after such scheduled time.

Procedure for speaker registration:

Equity Shareholders who would like to speak or express their views or ask questions during the Meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id and mobile number at least **07 days** in

advance with the Company at cs@silworld.in. The Equity Shareholders who do not wish to speak during the Meeting but have queries may send their queries in advance **07 days** prior to the Meeting mentioning their name, demat account number/folio number, email id and mobile number at cs@silworld.in. These queries will be replied to by the Company suitably by email. Only those Equity Shareholders who register themselves as a speaker, will be allowed to express their views / ask questions during the Meeting. However, the Equity Shareholders joining the Meeting may post questions concurrently during the Meeting using the facility provided by CDSL.

Members are requested to carefully read all the Notes set out in the Notice of the Meeting and in particular, instructions for joining the Meeting, manner of casting vote through remote e-voting or through e-voting during the Meeting.

For any communication, Equity Shareholders may send requests to the Company at cs@silworld.in. In case of any query or issue regarding e-voting facility or attending the Meeting through VC/OAVM facility, you may refer the Frequently Asked Questions ("**FAQs**") and e-voting manual available at www.evotingindia.com, under help section or write an e-mail to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

We thank you for your support in this green initiative.

Thanking you,

Yours truly,

For Sahyadri Industries Limited.

Sd/-

Mr. Jayesh Patel

Chairperson appointed by NCLT for the meeting

DIN: 00131517

Enclosed : As above.

NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF THE SAHYADRI INDUSTRIES LIMITED PURSUANT TO ORDER DATED 17TH FEBRUARY 2021 READ WITH CORRIGENDUM ORDER DATED 3RD MAY 2021 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH.

MEETING	
Day	Monday
Date	28 th June 2021
Time	3.30 PM
Mode	As per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench, the meeting shall be conducted through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), in view of the ongoing COVID-19 pandemic and related social distancing norms.
Cut-off date for e-Voting	Monday, 21 st Day of June 2021.
Remote e-Voting start date and time	Friday, 25 th Day of June 2021 from 9:00 a.m. (IST)
Remote e-Voting end date time	Sunday, 27 th Day of June 2021 to 5:00 p.m. (IST)

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH AT MUMBAI
C.A.(CAA)/ 1169/MB-IV/2020**

In the matter of the Companies Act, 2013 (18 of 2013).

AND

In the matter of Sections 230 to 232 of the Companies Act, 2013 and other relevant provision of the Companies Act, 2013.

AND

In the matter of the Scheme of Arrangement between Poonam Roofing Products Private Limited and Sahyadri Industries Limited and their respective shareholders.

Sahyadri Industries Limited)
[CIN: L26956PN1994PLC078941], A Company)
Incorporated Under The Companies Act, 1956 And)
Having Its Registered Office At 39/d, Gultekdi, J.N. Road,)
Pune 411037) ...Applicant Company

**NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF THE
SAHYADRI INDUSTRIES LIMITED, THE APPLICANT/ RESULTING COMPANY.**

To,

The Equity Shareholders of Sahyadri Industries Limited
Pune.

TAKE NOTICE that by an order dated 17th February 2021 read with corrigendum order dated 3rd May 2021, in the above mentioned Company Scheme Application (the '**Order**'), the Hon'ble National Company Law Tribunal, Mumbai Bench ('**Hon'ble Tribunal**' or '**NCLT**') has directed **inter alia** that a meeting of the Equity Shareholders of Sahyadri Industries Limited (the '**Applicant Company**'), be convened and held for the purpose of considering, and, if thought fit, approving, with or without modification, the proposed Scheme of Arrangement between ('Scheme' or 'Scheme of Arrangement') **Poonam Roofing Products Private Limited** ('the Demerged Company' or 'PRPPL') and **Sahyadri Industries Limited** ('the Applicant Company' or 'the Resulting Company' or 'SIL') and their respective shareholders.

TAKE FURTHER NOTICE that in pursuant of the said Order and as directed therein, a meeting of the Equity Shareholders of the Company will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') on **Monday, 28th day, of June 2021 at 3.30 PM (IST)** (the 'Meeting'), at which day, date and time you are requested to attend through Electronic Mode.

A copy of the Scheme, the Explanatory Statement under Section 230(3) read with Section 102 and Section 232(2) of the Companies Act, 2013 (the 'Act') and Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other annexures as stated in the Index, are enclosed herewith.

The Hon'ble Tribunal has appointed Mr. Jayesh Purushottam Patel, Whole time Director or failing him, Mr. Satyen Vallabhkhai Patel, Managing Director or failing him, Mr. Shrikant Balkrishna Malegaonkar, Independent Director of the Company to be the Chairperson of the Meeting.

The Scheme, if approved by the Equity Shareholders, will be subject to the subsequent approval of the Hon'ble Tribunal.

TAKE FURTHER NOTICE that Company has provided the Equity Shareholders with the facility of remote e-Voting for casting their votes using facility offered by Central Depository Services Limited ('CDSL') prior to the meeting. It may be noted that e-Voting is also available during the Meeting through VC/OAVM. The shareholders may refer to the 'Notes' to this Notice for further details on remote e-Voting.

TAKE FURTHER NOTICE THAT in terms of the MCA Circulars read with Order of Hon'ble NCLT directing this Meeting since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the said Meeting and hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. However, in pursuance of Sections 112 and 113 of the Act, Authorized Representatives of the Body Corporate Members may be appointed for the purpose of voting through remote e-Voting, for participation in the Meeting through VC/OAVM facility and e-Voting during the meeting, provided an authority letter/power of attorney by the Board of Directors or a Certified Copy of the resolution passed by its Board of Directors or other Governing Body authorizing such representative to attend and vote at the meeting through VC/OAVM on its behalf along with the attested specimen signature of the duly Authorized Signatory(ies) who are authorized to vote, is emailed to the Scrutinizer at suvirgsaraf@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com and to the Company at cs@silworld.in not later than 48 (Forty Eight) hours before the time for holding the Meeting. Kindly refer Notes below for further details on the voting procedure.

The voting rights of the Equity Shareholders shall be in proportion to their Equity shareholding in the Company as on the close of business on Monday, 21st Day of June 2021. ('Cut-off Date').

To consider and, if thought fit, approve with or without modification(s) and with requisite majority, the following resolution under Section 230 read with Section 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force):.

"RESOLVED THAT pursuant to the provisions of Section 230(1) read with Section 232(1) of the Companies Act, 2013 (the 'Act') read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions of the Act and the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the National Company Law Tribunal ('Hon'ble Tribunal'), Mumbai Bench and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon'ble Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, 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 other person authorized by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the proposed Scheme of Arrangement between Poonam Roofing Products Private Limited and Sahyadri Industries Limited and their respective shareholders (the 'Scheme') presented in Company Application (CAA) No. 1169/MB-IV/2020 filed jointly by Poonam Roofing Products Private Limited along with Sahyadri Industries Limited, before the Hon'ble Tribunal, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary be and is hereby jointly as well as severally authorised 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 the above resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, at any time and for any reason whatsoever; which the Company may deem appropriate or which may be required and/or imposed by the Hon'ble Tribunal or by any regulatory or other authorities, 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 questions or doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

Sd/-
Mr. Jayesh Patel
DIN: 00131517
Chairperson appointed for the Meeting

Date: 26th May 2021.
Place: Pune

NOTES FOR MEETING OF EQUITY SHAREHOLDERS OF THE COMPANY:

I. General instructions for accessing and participating in the Meeting through Video Conference/Other Audio Visual Means Facility and voting through electronic means including remote e-Voting

- a) As per NCLT Order dated 17th February 2021 read with corrigendum order Dated 3rd May 2021 and with General Circular Nos.14/2020, 17/2020, 22/2020,33/2020 and 39/2020 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020 and December 31 2020 respectively, issued by Ministry of Corporate Affairs (the "MCA Circulars") including any statutory modification or reenactment thereof for the time being in force and Circulars issued by the Securities and Exchange Board of India ('SEBI Circular') for the time being in force the Meeting of the Equity Shareholders of the Company will be held through VC/OAVM facility, without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 (the 'Act') (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the 'Rules'), SEBI Circular and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, the Meeting of the Equity Shareholders of the Company is scheduled to be held on **Monday, The 28th Day of June 2021 at 3.30 PM (IST)** through VC/OAVM and the voting for the item to be transacted in the Notice of this Meeting is only through remote electronic voting process ('e-Voting').
- b) As the Meeting is being held through VC/OAVM, the facility for appointment of proxies by the Equity Shareholders is **not** available for the Meeting and hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
- c) Only registered Equity Shareholders of the Company may attend (either in person or by Authorised Representative) the said Meeting of the Equity Shareholders of the Company, being conducted through VC/ OAVM.
- d) The Authorised Representative of a Body Corporate, which is a registered Equity Shareholder of the Company, may attend the Meeting provided that a Certified True Copy of the resolution or the Authority Letter or Power of Attorney of the Board of Directors or other governing body of the body corporate authorizing such representative to attend and vote at the Meeting is emailed to the Scrutinizer at suvirsaraf@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com and cs@silworld.in not later than 48 hours before the scheduled time of the commencement of the Meeting.
- e) Members are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the Register of Members of the Company / list of beneficial owners as received from National Securities Depository Limited ('NSDL') /Central Depository Services (India) Limited ('CDSL') (collectively referred to as 'Depositories') in respect of such joint holding, will be entitled to vote.
- f) The Notice is being sent by e-mail only to those eligible Members who have already registered their e-mail address with the Depositories/the Depository Participant ('DP')/the Company's RTA- Link Intime India Pvt. Ltd ('Link Intime') / or who will register their e-mail address with Link Intime Pvt. Ltd, on or before 5.00 p.m. (IST) on Monday, 21st May 2021.

PROCESS FORTHOSE SHAREHOLDERSWHOSE EMAIL/MOBILE NO.ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company at cs@silworld.in and RTA at rnt.helpdesk@linkintime.co.in
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. 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.
- g) The Notice convening the Meeting along with the Explanatory Statement has been uploaded on the website of the Company at www.silworld.in and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited ('BSE') at www.bseindia.com. The Notice is also available on the website of CDSL at www.evoting.cdsl.com.

- h) CDSL will be providing the facility for voting through remote e-Voting, prior to the Meeting through VC/OAVM Facility and remote e-Voting during the Meeting.
- i) Members may join the Meeting through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 03.00 PM i.e. 30 minutes before the time scheduled to start the Meeting and the Company shall close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the Meeting. The Members will be able to view the proceedings on CDSL's e-Voting website at www.evoting.cdsl.com.
- j) Members may note that the VC/OAVM Facility provided by CDSL allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel ('KMP'), the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutiniser etc. can attend the Meeting without any restriction on account of first-come first-served principle.
- k) Attendance of the Members participating in the Meeting through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- l) Members desiring any relevant documents referred to in the Notice or Explanatory Statement can send an e-mail to cs@silworld.in upto the date of the Meeting.
- m) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed 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> <p>2) If the 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</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the 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 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>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	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.

Important note : Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(n) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.

- 3) Now enter your User ID
 - a. For CDSL : 16 digits beneficiary ID,
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant Sahyadri Industries Limited on which you choose to vote.
- (vi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) Facility for Non – Individual Shareholders and Custodians –Remote Voting
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer by e-mail to suvirgsaraf@gmail.com and to the Company at cs@silworld.in and RTA at rnt.helpdesk@linkintime.co.in if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@silworld.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@silworld.in. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

t) General Guidelines for Members

- I. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to suvirgsaraf@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com. and cs@silworld.in
- II. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evotingindia.com to reset the password.
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IV. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the Cut-off date i.e. Monday, 21st Day of June 2021.

- V. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the Cut-off date i.e. Monday, 21st Day of June 2021, may obtain the login ID and password by sending a request at cs@silworld.in or rnt.helpdesk@linkintime.co.in or evoting@cdsl.co.in.
- VI. As per NCLT Order dated 17th February 2021 read with corrigendum order Dated 3rd May 2021 Mr. Suvir Govind Saraf, Practicing Company Secretary (Membership No. ACS 29981 & Certificate of Practice No.- 11409), have been appointed as Scrutinizer to scrutinize the voting at the Meeting and remote e-Voting process, in a fair and transparent manner.
- VII. The Chairman shall, at the Meeting, at the end of discussion on the resolution on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the Meeting through VC/OAVM but have not cast their votes, by availing the remote e-Voting facility. The remote e-Voting module during the Meeting shall be disabled by CDSL for voting 15 minutes after the conclusion of the Meeting.
- VIII. The Scrutinizer shall, after the conclusion of voting at the Meeting, first count 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 Company and shall make, not later than 48 hours from the conclusion of the Meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- IX. The Results declared, alongwith the Scrutinizer's Report, shall be placed on the Company's website www.silworld.in and on the website of CDSL www.evotingindia.com, immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE and be made available on their respective websites viz. www.bseindia.com.

Sd/-

Mr. Jayesh Patel

DIN: 00131517

Chairperson appointed for the Meeting

Date: 26th May 2021.

Place: Pune

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH AT MUMBAI
C.A.(CAA)/ 1169/MB-IV/2020**

In the matter of the Companies Act, 2013 (18 of 2013).

AND

In the matter of Sections 230 to 232 of the Companies Act, 2013 and other relevant provision of the Companies Act, 2013.

AND

In the matter of the Scheme of Arrangement between Poonam Roofing Products Private Limited and Sahyadri Industries Limited and their respective shareholders.

Sahyadri Industries Limited)
[CIN: L26956PN1994PLC078941], A Company)
Incorporated Under The Companies Act, 1956 And)
Having Its Registered Office At 39/d, Gultekdi, J.N. Road,)
Pune 411037.) ...Applicant Company

EXPLANATORY STATEMENT FOR THE MEETING OF EQUITY SHAREHOLDERS OF SAHYADRI INDUSTRIES LIMITED UNDER SECTION 230 AND 102 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL.

1. This is an Explanatory Statement accompanying the Notice convening Meeting of Equity Shareholders of the Company, pursuant to order dated 17th February 2021 read with corrigendum order dated 3rd May 2021 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ('Hon'ble Tribunal' or 'NCLT') in the Company Scheme Application referred to hereinabove, to be held through video conference/ Other Audio Visual Means ('VC/OAVM') on Monday 28th Day of June 2021 at 3.30 PM for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed Scheme of Arrangement ('Scheme') between Poonam Roofing Products Private Limited ('the Demerged Company' or 'PRPPL') and Sahyadri Industries Limited ('the Applicant Company' or 'the Resulting Company' or 'SIL' or 'the Company') and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 ("Act") (including any statutory modification or re-enactment or amendment thereof) read with the rules issued there under and provisions of the Companies Act, 2013 as may be applicable. The other definitions contained in the Scheme will apply to this Explanatory Statement also. The following statement as required under Section 230(3) of the Companies Act, 2013 and Section 102 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
2. The draft Scheme of Arrangement was placed before the Audit Committee of Applicant Company on 5th February 2020 and before the Board of Directors at their meeting held on 5th February 2020. Based on the recommendations of the Audit Committee and on the basis of the evaluations, the Board of Directors of the Applicant Company have come to the conclusion that the Scheme is in the best interest of the Applicant Company and its shareholders. A copy of the Scheme as approved by the Board of Directors of the Applicant Company is enclosed herewith.
3. Pursuant to the Order dated 17th February 2021 read with corrigendum order dated 3rd May 2021, a meeting of the equity shareholders of the Company is being convened and held for the purpose of considering and if thought fit, approving, with or without modification(s), the proposed Scheme. Equity shareholders would be entitled to vote in the said meeting in person. The quorum of the aforesaid meetings shall be as prescribed under section 103 of the Companies Act, 2013, present through VC/ OAVM mode. In case if the quorum as noted above is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the persons present and voting shall be deemed to constitute the quorum.

4. Background of **Poonam Roofing Products Private Limited** is as under:

- 4.1 The Demerged Company was originally incorporated under the name and style of “Poonam Engineering And Consultants Private Limited” on 18th November 1983 under the Companies Act, 1956, in the State of Maharashtra. Subsequently, the Demerged Company has changed its name to “Poonam Roofing Products Private Limited” vide certificate issued by Registrar of Companies, Pune dated 26th November 1993. Subsequently the Demerged Company was converted into a Public Limited Company and name of the Demerged Company was changed from ‘Poonam Roofing Products Private Limited’ to ‘Poonam Roofing Products Limited’ on 1st July, 1995 vide certificate issued by Registrar of Companies dated 1st July 1995. Further, the Demerged Company was converted to a Private Limited Company and name of the Demerged Company was changed to its present name ‘Poonam Roofing Products Private Limited’ with effect from 25th November, 2002 vide certificate issued by Registrar of Companies dated 25th November 2002. The Corporate Identification Number (CIN) and PAN of Demerged Company are U26953MH1983PTC031370 and AAACP6091R respectively. The email address of the Demerged Company is swastikroofing@silworld.in.
- 4.2 The registered office of the Demerged Company is situated at 39/D, Gultekdi, J.N. Road, Pune 411037.
- 4.3 The authorised, issued, subscribed and paid-up share capital of the Demerged Company as on 31st March 2020 is as under:

Particulars	Amt in Rs.
Authorized:	
75,000 Equity Shares of Rs. 100 each	7,500,000
Total	7,500,000
Issued, Subscribed and Paid Up:	
24,000 Equity Shares of Rs. 100 each	2,400,000
Total	2,400,000

There is no change in the above share capital of the Demerged Company till date.

- 4.4 The main objects specified in the Memorandum of Association of the Demerged Company are briefly as follows:
- 4.4.1 “To design, fabricate, cast, procure, assemble, purchase or sale, import, export and otherwise deal in machineries, equipments, sanitary fittings, millstores and hardware, parts of machineries, equipments, plants, testing equipments, furnaces, machinery dies and fixtures for moulding, rolling, casting and processing of Iron, steel and non-ferrous metals and alloys.
- 4.4.2 To manufacture, fabricate, modify, assemble, rectify, produce, prepare for market, buy, sell, install, survey, repair, service and/ or otherwise deal in tanks, vessels, pipes, containers, barrels, drums either jacketed or otherwise, spares, parts, components and to carry out structural works’
- 4.4.3 To manufacture, fabricate, modify, assemble, rectify, produce, prepare for market, buy, sell, install, survey, repair, service and/ or otherwise deal in plant and machinery for paper, sugar, chemicals, petrochemicals, pharmaceuticals, pharmaceuticals industries, cement, asbestos cement products, tiles and building material.
- 4.4.4 To manufacture and carry on business in asbestos cement sheeting, asbestos cement pressure pipes and goods of any description made or compound wholly or partly of asbestos and or cement and to buy, sell, distribute, manufacture and to act as selling agents for any of the items mentioned in clause (1)’ (2)’ (3) above”.
- 4.5 The Demerged Company is engaged in the business of Finishing and other job work of fibre cement sheets, accessories and other support services, real estate activities and other permissible businesses.
- 4.6 The Demerged Company is Private Limited Company and its equity shares are not listed on any of the stock exchanges.
- 4.7 There has been no change in name, registered office and objects of the Demerged Company during the last five years.
- 4.8 The details of Directors and Key Managerial Personnel (KMP) of the Demerged Company along with their addresses are mentioned herein below.

Name of Director	Category	Address
Mr. Purushottam Patel	Managing Director	584/2 ,Shreedarshan, I B Patel Road ,Salisbury Park, Near Ekopa Society, Market yard,Pune 411037.
Mr.Vallabh Lalji Patel	Director	Hridaykunj, Salisbury Park, Pune- 411 037.
Mr. Jayesh Patel	Director	584/2 ,Shreedarshan, I b patel Road ,Salisbury Park, Near Ekopa Society, Market yard,Pune 411037.
Mr. Satyen Vallabhbhai Patel	Director	Hridaykunj, Salisbury Park, Pune- 411 037.

4.9 The Details of Promoters of the Demerged Company along with their address are mentioned herein below

Sr. No	Name of Person	Category	Address
1.	Mr. Purushottam Patel	Promoter	584/2, Shreedarshan, I b Patel Road, Salisbury Park, Near Ekopa Society, Market yard,Pune 411037.
2.	Mr.Vallabh Bhai Patel	Promoter	Hridaykunj, Salisbury Park, Pune- 411 037.
3.	Mr. Jayesh Patel	Promoter	584/2, Shreedarshan, I b patel Road, Salisbury Park, Near Ekopa Society, Market yard,Pune 411037.
4.	Mr. Satyen Vallabhai Patel	Promoter	Hridaykunj, Salisbury Park, Pune- 411 037.
5.	Mrs. Parvati V. Patel	Promoter	Hridaykunj, Salisbury Park, Pune- 411 037.
6.	Mr. Jignesh V. Patel	Promoter	Hridaykunj, Salisbury Park, Pune- 411 037.
7.	Mr.Vipul V. Patel	Promoter	Hridaykunj, Salisbury Park, Pune- 411 037.
8.	Mrs. Bharati P. Patel	Promoter	584/2, Shreedarshan, I b patel Road, Salisbury Park, Near Ekopa Society, Marketyard,Pune 411037.
9.	Mr. Chetan P. Patel	Promoter	584/2, Shreedarshan, I b patel Road, Salisbury Park, Near Ekopa Society, Market yard,Pune 411037.
10.	Mrs. Geeta Patel	Promoter	Hridaykunj, Salisbury Park, Pune- 411 037.
11.	Mrs. Harsha Patel	Promoter	584/2, Shreedarshan, I b patel Road, Salisbury Park, Near Ekopa Society, Market yard,Pune 411037.
12.	Mrs. Purna Patel	Promoter	584/2, Shreedarshan, I b patel Road, Salisbury Park, Near Ekopa Society, Market yard,Pune 411037.

4.10 There are no secured creditors in the Demerged Company as on date.

4.11 The amount due to Unsecured Creditors of the Demerged Company is Rs. 3,222,548/- as on 30th September 2020 (Date of Unaudited Financials mentioned in an Application).

5. Background of Sahyadri Industries Limited is as under:

5.1 The Resulting Company was originally incorporated under the name and style of “**New Sahyadri Industries Private Limited**” on 13th June 1994 under the Companies Act, 1956, in the State of Maharashtra. Subsequently the Resulting Company has changed its name to “New Sahyadri Industries Limited” vide certificate issued by Registrar of Companies, Pune dated 19th March 1999. Subsequently the Resulting Company was converted to Public Limited Company vide Certificate of Change of Name dated 6th June 2001. Subsequently the name of the Resulting Company was then changed from ‘New Sahyadri Industries Limited’ to its present name ‘Sahyadri Industries Limited’ vide Fresh Certificate of Incorporation consequent on Change of Name dated 1st February 2006. The Corporate Identification Number (CIN) and PAN of Resulting Company are L26956PN1994PLC07894I and AAACN5870A respectively. The email address of the Resulting Company is cs@silworld.in.

5.2. The registered office of the Resulting Company is situated at 39/D, Gultekdi, J.N. Road, Pune 411037.

- 5.3. The authorised, issued, subscribed and paid up share capital of the Applicant Company as on 31st March 2020, is as under:

Particulars	Amt in Rs.
Authorized:	
1,20,00,000 Equity Shares of Rs. 10 each	120,000,000
Total	120,000,000
Issued, Subscribed and Paid –Up:	
9,561,500 Equity Shares of Rs. 10 each	95,615,000

There is no change in the above share capital of the Applicant Company till date.

- 5.4. The main objects specified in the Memorandum of Association of the Applicant Company are briefly as follows:
- 5.4.1. “To manufacture, assemble, purchase, sell, import, export and otherwise deal in asbestos cement products such as roofing sheets, pressure pipes, hume pipes, plain sheets, asbestos pipes accessories of all these items and goods of any kind made wholly or partly of asbestos and or cement.
- 5.4.2. To manufacture, assemble, purchase, sell import, export and otherwise deal in pvc pipes, gi pipes.
- 5.4.3. To manufacture, buy, sell, import, export, use, install, hire, let on hire repair, assemble, deal in or trade in wind mills, solar energy systems, batteries and all kinds of conventional and non-conventional power generation plants, stations and to carry on business of generation, storing, supply, distributions of all kinds of energies, power including electricity. further to avail all benefits and /or sell and /or transfer the same with or without consideration to third parties as per government policy”.
- 5.5. The Applicant Company is engaged in business of Production of cement sheets and accessories, generation of wind power electricity, trading of steel doors.
- 5.6. The Applicant Company is Public Limited Company and its equity shares are listed on BSE Limited.
- 5.7. There has been no change in name, registered office and objects of the Applicant Company during the last five years.
- 5.8. The details of Directors any Key Managerial Personnel (KMP) of the Applicant Company along with their address are mentioned herein below.

SR. NO.	NAME OF THE DIRECTOR / KEY MANAGERIAL PERSONS (KMP)	DESIGNATION	ADDRESS
1.	Mr. Jayesh Patel	Chairman & Whole Time Director	584/2, Shreedarshan, L B Patel Road, Salisbury Park, Near Ekopa Society, Market yard, Pune 411037.
2.	Mr. Satyen Patel	Managing Director	Hridaykunj, Salisbury Park, Pune- 411 037.
3.	Mr. Suresh Joshi	Whole Time Director	15, Akshay, Eknath Nagar (2), Bibavewadi, Pune, 411037.
4.	Mr. Tuljaram Maheshwari	Whole Time Director, CEO and CFO	1503, B, Savoy, Raheja Garden, LBS Marg Thane. PIN:400604.
5..	Ms. Sarita Kotasthane	Independent Director	A 101, Oakwood Hills, Opp. Pan card Clubs, Baner Pune 411045.
6.	Mr. Shrikant Malegaonkar	Independent Director	Shri Samartha A-41, Raagvilas Society, Lane -C Behind Kasturba School, Koregaon Park, Pune 411001.
7.	Mr. Ved Prakash Saxena	Independent Director	Y-901 Sacred Heart Town Jagtap Chowk, Near shinde Chatri Wanorie, Pune, Maharashtra, India PIN: 411040.
8.	Mr. Vijay Inder Bhatia	Independent Director	1002A, Brentwood, Hiranandani Gardens, Powai Mumbai - 400 076.

9.	Mr. Shrikant Prakash Joshi	Company Secretary And Compliance Officer	A-704 Tamarind Park, Near Dhayreshwar Mandir, Dhayri, Pune – 411040.
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5.9. The Details of Promoters (including Promoter Group) of the Applicant Company along with their address are mentioned herein below

Sr. No	Name of Person	Category	Address
1.	Mr. Jigar Jayesh Patel	Promoter	584/2 ,Shreedarshan, L B Patel Road ,Salisbury Park, Near Ekopa Society, Market yard, Pune 411037.
2.	Mr. Vallabhbbhai Laljibhai Patel HUF	Promoter Group	Hridaykunj, Salisbury Park, Pune- 411 037.
3.	Mr. Jignesh Patel	Promoter Group	Hridaykunj, Salisbury Park, Pune- 411 037.
4.	Mr. Vipul Vallabh Patel	Promoter Group	Hridaykunj, Salisbury Park, Pune- 411 037.
5.	Mr. Purushottambhai Laljibhai Patel	Promoter	584/2 ,Shreedarshan, L b patel Road, Salisbury Park, Near Ekopa Society, Market yard, Pune 411037.
6.	Mr. Purushottam Laljibhai Patel HUF	Promoter Group	584/2 ,Shreedarshan, L b patel Road, Salisbury Park, Near Ekopa Society, Market yard, Pune 411037.
7.	Mr. Satyen Vallabhbbhai Patel	Promoter	Hridaykunj, Salisbury Park, Pune- 411 037
8.	Mrs. Bharatiben Purushottam Patel	Promoter Group	584/2 ,Shreedarshan, L b patel Road, Salisbury Park, Near Ekopa Society, Market yard, Pune 411037.
9.	Mrs. Parvati Vallabhbbhai Patel	Promoter Group	Hridaykunj, Salisbury Park, Pune- 411 037.
10.	Mrs. Geeta Satyen Patel	Promoter Group	Hridaykunj, Salisbury Park, Pune- 411 037.
11.	Mr. Vallabhbbhai Laljibhai Patel	Promoter	Hridaykunj, Salisbury Park, Pune- 411 037.
12.	Mrs. Harsha Jayesh Patel	Promoter Group	584/2 ,Shreedarshan, L b patel Road, Salisbury Park, Near Ekopa Society, Market yard, Pune 411037
13.	Mr. Purna Chetan Patel	Promoter Group	584/2 ,Shreedarshan, L b patel Road ,Salisbury Park, Near Ekopa Society, Market yard, Pune 411037.
14.	Ms. Shilpa J Patel	Promoter Group	Hridaykunj, Salisbury Park, Pune- 411 037.
15.	Mr. Chetan Purushottam Patel	Promoter Group	584/2 ,Shreedarshan, L b patel Road, Salisbury Park, Near Ekopa Society, Market yard, Pune 411037.
16.	Mrs. Trilochana Vipul Patel	Promoter Group	Hridaykunj, Salisbury Park, Pune- 411 037.
17.	Mr. Jayesh Purushottam Patel	Promoter	584/2 ,Shreedarshan, L b patel Road ,Salisbury Park, Near Ekopa Society, Market yard, Pune 411037.
18.	Poonam Roofing Products Pvt Ltd	Promoter Group	39/D, Gultekdi, J. N. Marg, Pune-411037.

5.10 The amount due to Secured Creditors of the Applicant Company is Rs 1,35,78,240/- as on 30th September 2020.

5.11 The amount due to Unsecured Creditors of the Applicant Company is Rs 79,11,20,701.95 /- as on 30th September 2020.

6. Rationale of the Scheme :

- 6.1 Demerged company is engaged in finishing and other job-work of fibre cement sheets, accessories and other support services for the resulting company. hence, consolidation of industrial business undertaking with resulting company is a strategic fit and will help streamline the business of resulting company in the growing markets.
- 6.2 consolidation of the industrial business undertaking with the resulting company shall thereby result in making available increased resources including skilled and experienced workforce and assets including surplus land available for expansion of the activities of resulting company and as a result, sustain growth in long term
- 6.3 “swastik” brand which is licensed to the resulting company is owned by the demerged company. vesting of the brand in the resulting company will result in adding value, boosting the reputation, saving of significant cash flow in future and enhancing flexibility in developing the brand as well as product portfolio.
- 6.4 enhance competitive strength, achieve cost reduction, efficiencies and productivity gains by pooling resources of resulting company and industrial business undertaking.

7. Salient features of the Scheme:

- a) **“Appointed Date”** shall mean **1st April 2020** or such other date as may be fixed by the Tribunal.
- b) **“Operative Date”** means the date on which certified copies of the NCLT order sanctioning this Scheme is filed with the Registrar of Companies, Pune.
- c) With effect from the Appointed Date, the whole of the Demerged Undertaking comprising of all Assets and properties (whether movable or immovable) including ‘Swastik Brand’ and all other Assets and Liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Section 230 to Section 232 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in clauses 5.2 and 5.3 of the scheme) be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company as a going concern so as to become as the Assets and Liabilities of the Resulting Company from the Appointed Date and to vest in the Resulting Company all the rights, title, interest or obligations of the Undertaking of Demerged Company therein.
- d) With effect from the Appointed Date, all, debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Demerged Undertaking of the Demerged Company shall without any further act or deed, be transferred to or be deemed to be transferred to Resulting Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of Resulting Company and it shall not be necessary to obtain the consent of any third party or another person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Sub-clause.
- e) All contracts, deeds, bonds, agreements including leasehold agreement related to factory land and building and other instruments entered into by the Demerged Company, if any, of whatsoever nature and relating only to the Demerged Undertaking subsisting or being in force on the Operative Date, shall be in full force and effect against or in favour of the Resulting Company, as the case may be, and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto from inception. The Resulting Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations, in order to give formal effect to the provisions of this Scheme. The Resulting Company shall be deemed to be authorised to execute any deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of Part II of the Scheme.
- f) All legal proceedings of whatsoever nature by or against the Demerged Company pending and/or arising at the Appointed Date relating only to the Demerged Undertaking of the Demerged Company, as and from the Operative Date, shall be continued and enforced by or against Resulting Company in the manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company.
- g) All permanent Employees pertaining to the Demerged Undertaking of Demerged Company, in service on the Operative Date, shall become employees of the Resulting Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favorable than those subsisting with reference to the Demerged Company as on the said date.
- h) Upon the Scheme becoming operative and in consideration of the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company in terms of this Scheme, the Resulting

Company shall, without any application or deed, issue and allot to the shareholders of the Demerged Company whose names appear in the register of members of the Demerged Company on the Record Date 577 (Five Hundred and Seventy-Seven) Equity Share of the face value of Rs. 10/- each of the Resulting Company for every 10 (Ten) Equity Share of the face value Rs. 100/- each held by the shareholders in the Demerged Company.

THE FEATURES SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME OF ARRANGEMENT THE EQUITY SHAREHOLDERS OF THE APPLICANT COMPANY ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME OF ARRANGEMENT TO GET THEMSELVES FULLY ACQUAINTED WITH THE PROVISIONS THEREOF.

8. Effect of the Scheme on following parties:

- 8.1. Pursuant to coming into effect of the Scheme of Arrangement between the Demerged Company and the Resulting Company and its shareholders and as mentioned in clause 9 of the Scheme, the Resulting Company shall issue the following as consideration to the Promoter and Non-promoter Members (if any) to the Poonam Roofing Products Limited in accordance with the Share Entitlement Ratio mentioned in the proposed Scheme which is based on the report recommending Share Entitlement Ratio obtained from CA Pramod Jain, Chartered Accountant. Save as aforesaid, the rights and interest of the Promoters and Non-Promoter Shareholders of Companies involved in the Scheme will not be prejudicially affected by the Scheme.

Resulting Company shall, without any application or deed, issue and allot to the shareholders of the Demerged Company whose names appear in the register of members of the Demerged Company as on the Record Date, 577 Equity Share of the face value of Rs. 10/- each, fully paid up of the Resulting Company for every 10 (Ten) Equity Shares of the face value Rs. 100/- each held by the shareholders in the Demerged Company.
- 8.2. There is no effect of the Scheme on the KMP and the Directors of the Demerged Company and the Resulting Company.
- 8.3. As on date, the Demerged Company and the Resulting Company have no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustees does not arise.
- 8.4. As on date, the Demerged Company and the Resulting Company have not issued any debentures and therefore, the effect of the Scheme on the debenture holders or debenture trustee of the Demerged Company and the Resulting Company does not arise.
- 8.5. Upon the Scheme coming into effect and as per clause 8 of the Scheme, all permanent Employees pertaining to the Demerged Undertaking of Demerged Company, in service on the Operative Date shall become employees of the Resulting Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favorable than those subsisting with reference to the Demerged Company as on the said date.
- 8.6. The Directors of the Demerged Company and the Resulting Company (as applicable), do not have any other interest in the Scheme otherwise than that as shareholders in general. Further, none of the relatives of the Directors of the Demerged Company and the Resulting Company are concerned or interested, financial or otherwise in the Scheme otherwise than as shareholders in general. Save as aforesaid, none of the directors of the Demerged Company and the Resulting Company has any material interest in the Scheme.
- 8.7. The shareholding of the present Directors/ Key Managerial Person of the Demerged Company and the Resulting Company, either individually or jointly as a first holder or as a nominee, in the Demerged Company and the Resulting Company are as under:

The Demerged Company:

Name of the Directors	No of Shares held in	
	Demerged Company	Resulting Company
	Equity Shares	Equity Shares
Mr. Purushottam Patel	1050	284096
Mr. Vallabh Patel	6650	141008

Mr. Jayesh Patel	5225	579350
Mr. Satyen Patel	1470	324326

The Resulting Company / The Resulting Company:

Name of the Directors /Key Managerial Persons (KMP)	No of Shares held in	
	Demerged Company	Resulting Company
	Equity Shares	Equity Shares
Mr. Jayesh Patel	5225	579350
Mr. Satyen Patel	1470	324326
Mr. Suresh Joshi	NIL	1865
Mr. Tuljaram Maheshwari.	NIL	22750
Ms. Sarita Kotasthane	NIL	NIL
Mr. Shrikant Malegaonkar	NIL	NIL
Mr. Ved Prakash Saxena	NIL	NIL
Mr. Vijay Inder Bhatia	NIL	NIL
Mr. Shrikant Joshi	NIL	NIL

9. Board Meetings

- 9.1. The Board of Directors of the Demerged Company at its board meeting held on 5th February 2020 have approved the Scheme as detailed below;

Name of Director	Voted in Favour	Voted against	Did not vote or participated
Mr. Purushottam Patel	YES	-	NA
Mr. Vallabh Patel	YES	-	NA
Mr. Jayesh Patel	YES	-	NA
Mr. Satyen Patel	YES	-	NA

- 9.2. The Board of Directors of the Resulting Company at its board meeting held on 5th February 2020 have approved the Scheme as detailed below

Name of Director	Voted in favour	Voted against	Did not vote or participated
Mr. Jayesh Patel	YES	-	NA
Mr. Satyen Patel	YES	-	NA
Ms. Sarita Kotasthane	YES	-	NA
Mr. Shrikant Malegaonkar	YES	-	NA

10. Share Entitlement Ratio Report and Fairness opinion Report

The proposed Scheme was placed before the Audit Committee of Sahyadri Industries Limited at its Meeting held on 5th February 2020. The Audit Committee recommended the Scheme to the Board of Directors of Sahyadri Industries Limited for its favorable consideration after inter alia taking into account the following:

- 10.1. The Report recommending Share Entitlement Ratio dated 4th February, 2020 issued by Mr. Pramod Jain, Chartered Accountant, for issue of shares pursuant to the Scheme. A Copy of the share entitlement ratio report is enclosed herewith as Annexure A and is also available for the inspection at the registered office of the Resulting Company;
- 10.2. The Fairness Opinion dated 5th February 2020 issued by Navigant Corporate Advisors Limited, a Merchant Banker, on the fairness of the report on recommendation of Share Entitlement Ratio, a Copy of the Fairness Opinion report is enclosed herewith as **Annexure B**.

Based on the recommendations of the Audit Committee and on the basis of the evaluations, the Board of Directors of the Resulting Company at their meeting held on 5th February 2020 have come to the conclusion that the Scheme is in the best interest of the Resulting Company and its shareholders. Board of Directors of

the Resulting Company

II. Other Approvals, Sanctions or No Objections and Other Information

- II.1. The Demerged Company and the Resulting Company have filed Joint Company Scheme applications before Mumbai Bench of the National Company Law Tribunal for the sanction of the Scheme under Sections 230 to 232 of the Companies Act, 2013.
- II.2. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.
- II.3. Pursuant to the SEBI Circulars read with Regulation 37 of the SEBI Listing Regulations, the Resulting Company had filed necessary applications before BSE Limited seeking their no-objection to the Scheme. The Resulting Company has received the observation letter from BSE Limited dated 20th November 2020 conveying their “**no objection**” to the Scheme (‘Observation Letter’). Copy of the aforesaid Observation Letter is enclosed herewith as **Annexure C**.
- II.4. The Scheme along with related documents is available on the website of the Company and BSE Limited and was open for complaints/comments. The Company did not receive any complaint/comment and accordingly a **Nil** Complaint report was filed with BSE Limited which is annexed herewith as **Annexure D**.
- II.5. Copy of the unaudited financial statement of the Demerged Company and the Resulting Company as on 30th September 2020 are enclosed herewith as **Annexures E and F** respectively.
- II.6. In compliance with the provisions of Section 232(2)(c) of the Companies Act, 2013, the Board of Directors of the Demerged Company in its meeting held on 5th February 2020 and the Applicant/Resulting Company in its meetings held on 5th February 2020 have respectively adopted a report explaining the effect of the Scheme on each class of Shareholders, Key Managerial Personnel, Promoter and Non-Promoter Shareholders. Copy of the report adopted by the Board of Directors of the Demerged Company and the Resulting Company are enclosed herewith as **Annexures G and H** respectively.
- II.7. Information pertaining to Poonam Roofing Products Private Limited as per format specified for Abridged Prospectus as provided in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 is enclosed herewith as “**Annexure I**” alongwith certificate issued by the Merchant Banker.
- II.8. The Demerged Company and the Resulting Company shall file a Petition under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 to the Hon’ble Tribunal for sanctioning of the Scheme.
- II.9. No investigation proceedings have been instituted and/or are pending against the Demerged Company and the Resulting Company under the provisions of Chapter XIV of the Companies Act, 2013.
- II.10. No winding up petition is pending against the Demerged Company and the Resulting Company.
- II.11. The proposed Scheme does not in any way violate, override or circumscribe any provision of the Companies Act, 2013 and the rules, regulations and guidelines prescribed there under.
- II.12. The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.
- II.13. A copy of draft scheme has been filed with the Registrar of Companies on 23rd May 2021 vide SRN No. T19889831 as per clause 2(b) of section of the Companies Act, 2013.
- II.14. The detailed pre scheme and post scheme (expected) capital structure and shareholding pattern of the Demerged Company and the Resulting Company are given herein below:

A. Pre & Post Scheme Capital Structure

The Scheme provides for Arrangement between Poonam Roofing Products Private Limited with Sahyadri Industries Limited and their respective shareholders in accordance with the terms of the Scheme.

Upon the Scheme becoming effective, the Resulting Company shall issue and allot equity shares to the shareholders of the Demerged Company in the manner as provided in the Scheme.

The pre scheme capital structure of the Demerged Company and the Resulting Company, are provided under Clause 4.3 & 5.3 above.

Post Scheme Capital Structure of the Resulting Company would be as under:

Particulars	Amt in Rs.
Authorized:	
1,20,00,000 Equity Shares of Rs. 10 each	120,000,000
Total	120,000,000
Issued, Subscribed and Paid –Up:	
1,09,46,301 Equity Shares of Rs. 10 each	109,463,010

B. Pre and Post Scheme Arrangement Shareholding Pattern of the Resulting Company.

Pre-Arrangement :

Sr No	Category of shareholder	No. of Shares	% of Holding
1	Promoter & Promoter Group	6399991	66.94
2	Public	3161509	33.06
	Total	9561500	100.00

Post-Arrangement :

Sr No	Category of shareholder	No. of Shares	% of Holding
1	Promoter & Promoter Group	7784791	71.12
2	Public	3161509	28.88
	Total	10946300	100.00

C. Pre and Post-Arrangement Shareholding Pattern of the Demerged Company.

Pre-Arrangement Equity Shareholders :

Sr. No	Name of Shareholders	Category	No of Shares held	% of Holding
1	Mr. Purushottam Patel	Promoter	1050	4.38
2	Mr. Vallabh Bhai Patel	Promoter	6650	27.71
3	Mr. Jayesh Patel	Promoter	5225	21.77
4	Mr. Satyen Vallabhai Patel	Promoter	1470	6.13
5	Mrs. Parvati V. Patel	Promoter	100	0.42
6	Mr. Jignesh V. Patel	Promoter	1750	7.29
7	Mr. Vipul V. Patel	Promoter	1750	7.29
8	Mrs. Bharati P. Patel	Promoter	200	0.83
9	Mr. Chetan P. Patel	Promoter	5085	21.19
10	Mrs. Geeta Patel	Promoter	280	1.17
11	Mrs. Harsha Patel	Promoter	240	1.00
12	Mrs. Purna Patel	Promoter	200	0.83
	GRAND TOTAL		24,000	100.00

Post-Arrangement Equity Shareholder :

Sr. No	Name of Shareholders	Category	No of Shares held	% of Holding
1	Mr. Purushottam Patel	Promoter	1050	4.38
2	Mr. Vallabh Bhai Patel	Promoter	6650	27.71
3	Mr. Jayesh Patel	Promoter	5225	21.77
4	Mr. Satyen Vallabhai Patel	Promoter	1470	6.13
5	Mrs. Parvati V. Patel	Promoter	100	0.42
6	Mr. Jignesh V. Patel	Promoter	1750	7.29

7	Mr.Vipul V. Patel	Promoter	1750	7.29
8	Mrs. Bharati P. Patel	Promoter	200	0.83
9	Mr. Chetan P. Patel	Promoter	5085	21.19
10	Mrs. Geeta Patel	Promoter	280	1.17
11	Mrs. Harsha Patel	Promoter	240	1.00
12	Mrs. Purna Patel	Promoter	200	0.83
	GRAND TOTAL		24,000	100.00

There is no change in Pre and Post Shareholding Pattern of Demerged Company pursuant to the Scheme of arrangement.

12. The following additional documents will be open for inspection to the equity shareholders of the Resulting Company upto 27th June 2021 at the registered office of the Company between 10:00 a.m. to 12 noon on all working days (except Saturdays, Sundays and public holidays) upto 1 (one) day prior to the date of the meeting at the registered office of the Resulting Company and the same are also available on the Website of the Company at www.silworld.in and at the office of its Authorised Representative ZADN & Associates at First Floor, Sadhana Rayon House, Dr. D. N. Road, Fort, Mumbai - 400 001.

- 12.1. Copy of the Order of the National Company Law Tribunal, Bench, at Mumbai dated 17th February 2021 read with corrigendum order dated 3rd May 2021 passed in C.A.(CAA)/ 1169/MB-IV/2020 directing the Demerged Company to convene the meeting of its equity shareholders and directing the Resulting Company to convene the meetings of its equity shareholders.
- 12.2. Copy of the audited financial statement of the Demerged Company and the Resulting Company for the financial year ended 31st March 2020.
- 12.3. Copy of the Memorandum of Association and Articles of Association of the Demerged Company and the Resulting Company.
- 12.4. Copy of the share entitlement ratio report dated 4th February 2020 prepared by Pramod jain, Independent Chartered Accountant recommending the share exchange ratio to the Board of Directors of the Demerged Company and the Resulting Company.
- 12.5. Copy of the fairness report issued by the Navigant Corporate Advisors Limited dated 5th February 2020.
- 12.6. Copy of the Scheme of Arrangement.
- 12.7. Copy of the resolution passed by the Board of Directors of the Demerged Company and the Resulting Company approving the Scheme.
- 12.8. Copy of the reports adopted by the Board of Directors of the Demerged Company and the Resulting Company as required under Section 232(2)(c) of the Companies Act, 2013.
- 12.9. Copy of the certificate issued by the statutory auditors of the Applicant Company stating that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013.

13. A copy of the scheme, explanatory statement may be obtained free of charge on any working day (except Saturdays, Sundays and Public Holidays) from the registered office of the Applicant Company at 39/d, Gultekdi, J.N. Road, Pune 411037 or may be downloaded from the Website of the Company.

14. This statement may be treated as an explanatory statement under Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Section 102 and other applicable provisions of the Companies Act, 2013.

Sd/-

Mr. Jayesh Patel

DIN: 00131517

Chairperson appointed for the Meeting

Date: 26th May 2021.

Place: Pune

**SCHEME OF ARRANGEMENT
BETWEEN
POONAM ROOFING PRODUCTS PRIVATE LIMITED
(DEMERGED COMPANY)
WITH
SAHYADRI INDUSTRIES LIMITED
(RESULTING COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS**

This Scheme of Arrangement between Poonam Roofing Products Private Limited (the “Demerged Company”) with Sahyadri Industries Limited (the “Resulting Company”) and their respective shareholders is presented under Sections 230 to 232 and any other Section of the Companies Act, 2013, Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; for demerger of Industrial Business Undertaking of the Demerged Company into the Resulting Company.

This Scheme is divided into following parts:

PART	PARTICULARS
I.	Background, Rationale, Definitions and Share Capital
II.	Demerger of Industrial Business Undertaking of Poonam Roofing Products Private Limited into Sahyadri Industries Limited.
III.	General Terms and Conditions

**PART-I
BACKGROUND, RATIONALE, DEFINITIONS AND SHARE
CAPITAL**

1. BACKGROUND

Poonam Roofing Products Private Limited

Poonam Roofing Products Private Limited was originally incorporated under the provisions of the Companies Act, 1956, as a Private Limited Company with the name and style as ‘Poonam Engineers and Consultants Private Limited’ vide Certificate of Incorporation dated 18th November, 1983, Name of the Company



then changed to 'Poonam Roofing Products Private Limited' vide Fresh Certificate of Incorporation dated 26th November, 1993. The Demerged Company got converted to a Public Limited Company and name of the Demerged Company was changed from 'Poonam Roofing Products Private Limited' to 'Poonam Roofing Products Limited' on 1st July, 1995. Further, the Demerged Company got converted to a Private Limited Company and name of the Company subsequently changes to its present name 'Poonam Roofing Products Private Limited' with effect from 25th November, 2002. The Corporate Identity Number (CIN) of Poonam Roofing Products Private Limited is U26953MH1983PTC031370. The Demerged Company is a private Limited Company, among other activities it is engaged in the business of finishing and other job work of Fibre Cement Sheets, accessories and other support services, Real Estate activities and other permissible businesses.

Sahyadri Industries Limited

Sahyadri Industries Limited was originally incorporated under the provisions of the Companies Act, 1956, as a Private Limited Company with the name and style as 'New Sahyadri Industries Private Limited' vide Certificate of Incorporation dated 13th June, 1994, The Resulting Company became Deemed Public Limited Company and Name of the Resulting Company was changed from 'New Sahyadri Industries Private Limited' to 'New Sahyadri Industries Limited' with effect from 19th March 1999. The Resulting Company then converted from Deemed Public Limited Company to Public Limited Company vide Certificate of Change of Name dated 6th June, 2001. Name of the Company was then changed from 'New Sahyadri Industries Limited' to its present name 'Sahyadri Industries Limited' vide Fresh Certificate of Incorporation consequent on Change of Name dated 1st February, 2006. The Corporate Identity Number (CIN) of Sahyadri Industries Limited is L26956PN1994PLC078941, primarily engaged in the business of Production of cement sheets and accessories, Generation of wind power electricity, Trading of steel doors. The



Resulting Company is Listed Company and its equity shares are listed on the BSE Limited.

2. RATIONALE OF THE SCHEME OF ARRANGEMENT

It is proposed to demerge the Industrial Business Undertaking of Poonam Roofing Products Private Limited into Sahyadri Industries Limited. This arrangement would *inter alia* have the following benefits:

- 2.1** Demerged Company is engaged in finishing and other job-work of Fibre Cement Sheets, accessories and other support services for the Resulting Company. Hence, consolidation of Industrial Business Undertaking with Resulting Company is a strategic fit and will help streamline the business of Resulting Company in the growing markets.
- 2.2** Consolidation of the Industrial Business Undertaking with the Resulting Company shall thereby result in making available increased resources including skilled and experienced workforce and assets including surplus land available for expansion of the activities of Resulting Company and as a result, sustain growth in long term.
- 2.3** “Swastik” brand which is licensed to the Resulting Company is owned by the Demerged Company. Vesting of the brand in the Resulting Company will result in adding value, boosting the reputation, saving of significant cash flow in future and enhancing flexibility in developing the Brand as well as product portfolio.
- 2.4** Enhance competitive strength, achieve cost reduction, efficiencies and productivity gains by pooling resources of Resulting Company and Industrial Business Undertaking.

3. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expression shall have the following meaning: -



- 3.1 “Poonam Roofing Products Private Limited” or “PRPPL” or “the Demerged Company”** means **“Poonam Roofing Products Private Limited”** a company incorporated under the Companies Act, 1956, and having its registered office at 39/D, Gultekdi, J.N. Road, Pune 411037.
- 3.2 “Sahyadri Industries Limited” or “SIL” or “the Resulting Company”** means **“Sahyadri Industries Limited”**, a company incorporated under the Companies Act, 1956 and having its registered office at 39/D, Gultekdi, J.N. Road, Pune 411037.
- 3.3 “Act”** means the Companies Act 2013 including any rules, regulations, orders and notifications made there under or any statutory modification thereto or re-enactment thereof for the time being in force.
- 3.4 “Applicable Law(s)”** means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 3.5 “Appointed Date”** shall mean **1st April 2020** or such other date as may be fixed by the National Company Law Tribunal.
- 3.6 “Appropriate Authority”** means any governmental, statutory, regulatory, departmental or public body or authority of India including Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, National Company Law Tribunal etc. as may be applicable.
- 3.7 “Employees”** means all the permanent employees of the Industrial Business Undertaking who are on the pay-roll of the Demerged Company as on the Operative Date.
- 3.8 “Operative Date”** means the date on which certified copies of the NCLT order sanctioning this Scheme is filed with the Registrar of Companies, Pune.



3.9 “Record Date” in relation to the Scheme means the date to be fixed by the Board of Directors of Demerged Company in consultation with Board of Directors of the Resulting Company or a Committee of / person duly authorized by the Board of Directors, for the purpose of issuance and allotment of equity shares of the resulting Company as consideration to the shareholders of the Demerged Company, pursuant to this scheme in terms of clause 9 below.

3.10 “SEBI” means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.

3.11 “Stock Exchanges” means BSE Limited (“BSE”).

3.12 “Tribunal” shall mean the Hon’ble National Company Law Tribunal, Mumbai Bench, at Mumbai, having jurisdiction over the Companies (hereinafter referred to as **“the Tribunal”**) constituted by the Central Government by a Notification in the Official Gazette and the proceedings initiated under Section 230 to 232 of the Companies Act, 2013.

3.13 “Demerged Undertaking” or “Industrial Business Undertaking” of Poonam Roofing Products Private Limited shall mean the Job work Business including registered trademark “Swastik” as a going concern together with all its assets, rights, licenses and all its debts, outstanding liabilities, duties and obligations as on the Appointed Date and without prejudice to the generality of the foregoing clause the said undertaking shall mean and include (without limitation):

3.13.1 All assets and properties whether movable or immovable, tangible and intangible, corporeal or incorporeal, intellectual property whether in possession or reversion, whether recorded in books of accounts or not, present or contingent, fixed assets including the land & buildings situated at Plot



No. 33,55,56,57 Block No. D-III, Pimpri Industrial Area, MIDC, Chinchwad, Akurdi Taluka Haveli, Pune-411 019 and Business runs thereon, debtors, current assets, loans and advances, powers, licenses, brands, tenancy rights, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, and all other interests belonging to or in the ownership, power or possession or in the control of or vested in or granted in favour of or being related to the Demerged Undertaking (hereinafter referred to as “the said **Assets**”).

3.13.2 All debts, liabilities, duties and obligations of the Demerged Undertaking (hereinafter referred to “the said **Liabilities**”).

3.13.3 Without prejudice to the generality of Sub-clause 3.13.1 and 3.13.2 above, the Demerged Undertaking shall include all assets including claims, powers, consents, registrations, contracts, enactments, arrangements, rights, titles, interest, benefits, advantages, lease-hold rights and, systems of any kind whatsoever, and benefits of all agreements and other interests including rights and benefits under various schemes of different taxation laws as may belong to including refund, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, easements, advantages, and approval of, whatsoever nature and wheresoever situated, belonging to or in ownership, power or possession or control or entitlement and all other assets relating to the Demerged Undertaking as identified and approved by the Board.



3.13.4 Employees, if any, engaged by 'Poonam Roofing Products Private Limited' with respect to Demerged Undertaking; and

3.13.5 For the purpose of this Scheme, it is clarified that liabilities pertaining to the Demerged Undertaking shall include:

- i.** Liabilities which directly and specifically arise out of the activities or operations of the Demerged Undertaking;
- ii.** Liabilities both present and contingent;
- iii.** Specific loans and borrowings raised, if any, incurred and utilized solely for the activities or operations of the Demerged Undertaking;
- iv.** Liabilities other than those referred to in (i) or (ii) or (iii) above, i.e. the amounts of general or multi-purpose borrowings of **"Poonam Roofing Products Private Limited"** allocated to the Demerged Undertaking in proportion as identified by the management on the Appointed Date, however, the same without detriment to the security for such borrowings to the lenders as it existed before the Scheme coming into operation.

Explanation:

Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking or not will be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company. All amendment /modification pursuant to this clause shall be subject to approval of the National Company Law Tribunal.



3.14 “Remaining Business” means all the assets & liabilities of Real Estate Business & other permissible businesses except assets and liabilities of the Demerged Undertaking.

3.15 “Scheme of Arrangement” or “this Scheme” or “the Scheme” means this Scheme of Arrangement between the Demerged Company and the Resulting Company and their respective shareholders in its present form with any amendment/modifications approved or imposed or directed by the shareholders or creditors and/or by the Tribunal and accepted by the board of directors of the Demerged Company and the Resulting Company.

3.16 Any references in the Scheme to “upon the Scheme becoming operative” or “operativeness of the Scheme” shall mean the Operative Date.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

4. SHARE CAPITAL

4.1 The Authorised, Issued, Subscribed and Paid-up Share Capital of Poonam Roofing Products Private Limited as on 31st March 2019 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
75,000 Equity Shares of Rs. 100/- each	75,00,000
TOTAL	75,00,000
Issued, Subscribed and Paid up Share Capital	
24,000 Equity Shares of Rs. 100/- each fully paid up	24,00,000
TOTAL	24,00,000



There is no change in the share capital of PRPPL till date from 31st March 2019.

- 4.2 The Authorised, Issued, Subscribed and Paid-up Share Capital of Sahyadri Industries Limited as on 31st March 2019 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
1,20,00,000 Equity Shares of Rs. 10/- each	12,00,00,000
TOTAL	12,00,00,000
Issued, Subscribed and Paid up Share Capital	
95,61,500 Equity Shares of Rs. 10/- each fully paid up.	9,56,15,000
TOTAL	9,56,15,000

There is no change in the share capital of SIL till date from 31st March 2019. The Shares of SIL is listed on BSE Limited. As on date, Demerged Company holds 33,602 (Thirty-Three Thousand Six Hundred and Two) Equity Shares of the Resulting Company.

PART-II

DEMERGER OF INDUSTRIAL BUSINESS UNDERTAKING OF POONAM ROOFING PRODUCTS PRIVATE LIMITED INTO SAHYADRI INDUSTRIES LIMITED

5. TRANSFER AND VESTING OF THE UNDERTAKING

The Demerged Undertaking of the Demerged Company shall be transferred to and vested in or be deemed to be transferred to and vested, on a going concern basis, in the Resulting Company in the following manner:

- 5.1 With effect from the Appointed Date, the whole of the Demerged Undertaking comprising of all Assets and properties (whether movable or immovable) including 'Swastik Brand' and all other Assets and Liabilities of whatsoever nature and wheresoever situated, shall, under



the provisions of Section 230 to Section 232 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in clauses 5.2 and 5.3 below) be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company as a going concern so as to become as the Assets and Liabilities of the Resulting Company from the Appointed Date and to vest in the Resulting Company all the rights, title, interest or obligations of the Undertaking of Demerged Company therein.

5.2 All the movable assets including cash in hand, if any, of the Demerged Undertaking of Demerged Company, capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Resulting Company in pursuance of the provisions of this Scheme, Section 230 to 232 of the Companies Act, 2013, and other applicable laws, without requiring any deed or instrument of conveyance for the same and upon such transfer the same shall become the property, estate, assets, rights, title interest and authorities of the Resulting Company.

5.3 In respect of movables other than those specified in sub-clause 5.2 above, including sundry debtors, outstanding loans and advances, investment in securities, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, and other persons, the following modus operandi for intimating to third parties shall to the extent possible be followed:

5.3.1 The Resulting Company shall, if so required, under any law or otherwise, give notice in such form as it may deem fit and proper, to each person, debtor or depositor as the case may be, relating to the Demerged Undertaking, that pursuant to the



Tribunal having sanctioned the Scheme of the Demerged Company and the Resulting Company, the said debt, loan advance or deposit be paid or made good or held on account of the Resulting Company as the person entitled thereto to and that appropriate entry should be passed in its books to record the aforesaid change;

5.3.2 Demerged Company shall, if so required, under any law or otherwise, also give notice in such form as they may deem fit and proper to each person, debtor or depositor, relating to the Demerged Undertaking, that pursuant to the Tribunal having sanctioned the Scheme of the Demerged Company and the Resulting Company, the said debt, loan, advance or deposit be paid or made good or held on account of the Resulting Company and that the right of the Demerged Company to recover or realize the same stands extinguished.

5.4 Without prejudice to the generality of the above, in respect of such of the assets and properties pertaining to the Demerged undertaking of the Demerged Company as are immovable in nature, the same shall be so transferred as a part of the Demerged Undertaking and shall, upon such transfer, become as and from the Appointed Date, the immovable assets of the Resulting Company, without any further act, instrument or deed, and it shall not be necessary to obtain the consent of any third party or other person in order to give effect to the provisions of this clause. From Operative Date, the Resulting Company shall be entitled to exercise and enjoy all rights and privileges attached to such immoveable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations going forward. The mutation or substitution of the title to the immovable properties shall upon this Scheme becoming effective, be made and duly recorded in



the name of the Resulting Company by Appropriate Authorities pursuant to the sanction of this Scheme.

- 5.5** With effect from the Appointed Date, all, debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Demerged Undertaking of the Demerged Company shall also under the provisions of Section 230 to 232 of the Act read with rules made thereunder, without any further act or deed, be transferred to or be deemed to be transferred to Resulting Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of Resulting Company and it shall not be necessary to obtain the consent of any third party or another person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.
- 5.6** All assets of the Demerged Undertaking of Demerged Company shall deemed to be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company as a going concern so as to become the assets of the Resulting Company as from the Appointed Date, upon Scheme becoming operative the Demerged Company will follow the necessary procedure to transfer them in the name of Resulting Company. The registrations in the name of the Demerged Company with respect to the Demerged Undertaking shall be deemed to be transferred in the name of the Resulting Company from the Appointed Date.
- 5.7** In case of registrations in the name of the Demerged Company pertaining to the Demerged Undertaking, other than the registrations mentioned above, the Resulting Company may make a fresh application to the appropriate authorities to procure the same, by complying with the requisite laws or regulations.



- 5.8** It is clarified that the Scheme shall not in any manner affect the rights and interest of the creditors of the Demerged Company or be deemed to be prejudicial to their interests.
- 5.9** For the purpose of effectively transferring the amounts lying in the Bank accounts and shares lying in demat accounts of the Demerged Company pertaining to its Demerged Undertaking and for recovering the amounts due, the Resulting Company shall be entitled to continue with such bank accounts and demat account after the operative Date.
- 5.10** The existing encumbrances over the assets and properties of the Resulting Company or any part thereof which relate to the liabilities and obligations of the Resulting Company prior to the Operative Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Demerged Undertaking transferred to and vested in the Resulting Company by virtue of this Scheme. Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created in relation to the Demerged Undertaking which shall vest in the Resulting Company by virtue of the Scheme and the Resulting Company shall not be obliged to create any further or additional security there for after the Scheme has become operative or otherwise unless specifically provided hereinafter in this Scheme.
- 5.11** On and from the Appointed Date, all loans, investments, advances, deposits, inter-company balances or other obligations, if any, due between or amongst the Demerged Company and the Resulting Company, pertaining to the Demerged Undertaking, shall come to an end and suitable effect shall be given in the books of the Resulting Company. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual



of interest or other charges in respect of any such loans, advances, deposits, inter-company balances or other obligations (if any) inter-se between the Demerged Company and the Resulting Company pertaining to the Demerged Undertaking.

5.12 The provisions of this clause 5 shall operate notwithstanding anything to the contrary contained in any instrument, deed, document or writing or terms of sanction or issue of any security document, all of which instrument, deeds, documents or writings shall stand modified and/or superseded by the foregoing provisions.

5.13 The Arrangement of the Demerged Company with the Resulting Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

6. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS.

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments entered into by the Demerged Company, if any, of whatsoever nature and relating only to the Demerged Undertaking subsisting or being in force on the Operative Date, shall be in full force and effect against or in favour of the Resulting Company, as the case may be, and may be enforced by or against the Resulting Company as fully and



effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto from inception. The Resulting Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations, in order to give formal effect to the provisions of this Scheme. The Resulting Company shall be deemed to be authorised to execute any deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of Part II of the Scheme.

7. LEGAL PROCEEDINGS

- 7.1.** All legal proceedings of whatsoever nature by or against the Demerged Company pending and/or arising at the Appointed Date relating only to the Demerged Undertaking of the Demerged Company, as and from the Operative Date, shall be continued and enforced by or against the Resulting Company in the manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company.
- 7.2.** After the Appointed Date, if any proceedings are taken against the Demerged Company or its successor in respect of the matters referred to in clause 7.1 above, it shall defend the same at the cost of Resulting Company and the Resulting Company shall reimburse and indemnify the Demerged Company or its successor against all liabilities and obligations incurred by the Demerged Company or its successor in respect thereof. The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company referred to in clause 7.1 above, transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company or its successor.



7.3. In respect of the legal proceedings of whatsoever nature by or against the Demerged Company pending and/or arising at the Appointed Date relating only to the Demerged Undertaking of the Demerged Company, if the Demerged Company or the Resulting Company receive any compensation by the Order of the Court or otherwise which cannot be divided amongst the Demerged Company and the Resulting Company, the same will be so divided between the Demerged Company and the Resulting Company as mutually decided by the Statutory Auditors of the Demerged Company and the Resulting Company.

8. EMPLOYEES:

8.1 All permanent Employees pertaining to the Demerged Undertaking of Demerged Company, if any, in service on the Operative Date, shall become employees of the Resulting Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favorable than those subsisting with reference to the Demerged Company as on the said date. The services of such employees shall not be treated as having been interrupted for the purpose of provident fund or gratuity or superannuation or statutory purposes or otherwise and for all purposes will be reckoned from the date of appointment with the Demerged Company. All the rights, duties, powers and obligations of the Demerged Company in relation to the provident fund or gratuity or superannuation or statutory funds pertaining to the employees of the Demerged Undertaking shall become those of the Resulting Company.

8.2 It is expressly provided that, upon the Scheme becoming operative, the provident fund, gratuity fund, contribution towards employees state insurance, superannuation fund, retirement fund or any other special fund or trusts created or existing for the benefit of the Employees of Demerged Undertaking (collectively referred to as the “**Funds**”) shall



be transferred to similar Funds created/ to be created by the Resulting Company and shall be held for their benefit pursuant to this Scheme or, at the Resulting Company's sole discretion, maintained as separate Funds by the Resulting Company. In the event that the Resulting Company does not have its own Funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds of the Demerged Company, until such time that the Resulting Company creates its own Funds, at which time the funds and the investments and contributions pertaining to the Employees of Demerged company shall be transferred to the Funds created by the Resulting Company.

9. ISSUE OF SHARES/CONSIDERATION:

9.1 Upon the Scheme becoming operative and in consideration of the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company in terms of this Scheme, the Resulting Company shall, without any application or deed, issue and allot to the shareholders of the Demerged Company whose names appear in the register of members of the Demerged Company as on the Record Date, 577 Equity Share of the face value of Rs. 10/- each, fully paid up of the Resulting Company for every 10 (Ten) Equity Shares of the face value Rs. 100/- each held by the shareholders in the Demerged Company.

9.2 The shares issued by Resulting Company to the members of Demerged Company pursuant to Clause 9.1 above shall be issued in Dematerialized form. The members of the Demerged Company whose names appear in the register of shareholders on the Record Date are required to provide their Depository participant details to the Resulting Company on or before such date as may be determined by the Board of Directors of the Demerged Company.



- 9.3** In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company respectively, as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Resulting Company issued by the Resulting Company after the effectiveness of this Scheme.
- 9.4** Any Fraction arising on issue of shares pursuant to clause 9.1 will be rounded off to nearest integer.
- 9.5** The Equity Shares to be issued shall be listed and admitted to trading on the Stock Exchange in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. The Resulting Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the Stock Exchange with respect to the issue of equity shares under this Scheme. On such formalities being fulfilled, the Stock Exchange shall list and/or admit such equity shares issued pursuant to this Scheme, for the purpose of trading.
- 9.6** The equity shares allotted pursuant to this Scheme shall remain frozen in the depositories system till listing / trading permission is given.
- 9.7** There will be no change in the shareholding pattern or control in the Resulting Company between the Record Date and the listing which may affect the basis on which approval is received from the Stock Exchange.
- 9.8** The Equity Shares of Resulting Company issued and allotted by the Resulting Company in terms of this Scheme shall be subject to the provisions of the



Memorandum and Articles of Association of the Resulting Company and shall rank pari passu in all respects with the existing Equity Shares of the Resulting Company, with all rights thereto and shall be entitled to full dividend, if any, which may be declared by the Resulting Company after the Operative Date of the Scheme.

9.9 The Resulting Company shall, if necessary and to the extent required, increase or reclassify its Authorized Share Capital to facilitate issue and allotment of Shares under this Scheme.

9.10 The issue and allotment of Equity Shares of the Resulting Company to the shareholders of the Demerged Company as provided in the Scheme as an integral part thereof, shall be deemed to be made in compliance with the procedure laid down under the provisions of the Act.

10. ACCOUNTING TREATMENT

Notwithstanding anything to the contrary herein, upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall give effect to the accounting treatment in its books of account in accordance with the accounting standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 or such other applicable rule.

10.1 Accounting Treatment in the books of Poonam Roofing Products Private Limited

10.1.1 Demerged Company will transfer all the Assets & Liabilities of the Industrial Business Undertaking at their respective book values at the Appointed Date to the Resulting Company.

10.1.2 The difference between the excess of the book value of the assets over the book value of liabilities pertaining to the Demerged Undertaking pursuant the Scheme of Arrangement shall be first adjusted against the Capital Reserve and balance, if any shall be adjusted against



Profit & Loss Account of Poonam Roofing Products Private Limited.

10.2 Accounting Treatment in the Books of Sahyadri Industries Limited

- 10.2.1** Sahyadri Industries Limited shall account for the transfer and vesting of the Demerged Undertaking in its books of accounts as per “pooling of interest method” in accordance with Appendix C to Ind AS 103 – Business Combinations of entities under common control.
- 10.2.2** The Resulting Company shall record the Assets and Liabilities of the Demerged Undertaking, transferred and vested in it pursuant to this Scheme, at their respective book values appearing in the books of the Demerged Company immediately before the Appointed Date.
- 10.2.3** The Resulting Company shall credit its equity share capital account with the face value of New Shares issued in accordance with Clause 9.1.
- 10.2.4** The difference i.e. the excess (or deficit) of the value of the assets over the transferred liabilities pertaining to the Demerged Undertaking, after taking into account the nominal value/face value of the shares issued by the Resulting Company, shall be transferred to the Capital Reserve account in the books of the Resulting Company.
- 10.2.5** All inter-corporate deposits, investments, loans and advances, outstanding balances or other obligations if any as on the Operative Date between the Demerged Company to the extent pertaining to the Demerged Undertaking and the Resulting Company shall stand cancelled and corresponding effect shall be given in the books of account and the records of Resulting Company for the reduction of any assets or liabilities, as the case may be. There would be no accrual of



interest or other charges and there shall be no obligation/outstanding in that behalf in respect of any such inter-corporate deposits, loans and advances, outstanding balances or other obligations with effect from the Appointed Date.

10.2.6 No adjustments shall be made to reflect fair values or recognize any new assets or liabilities. The only adjustments that shall be made are to harmonize differences in accounting policies, if any.

10.2.7 In case of any difference in the accounting policy between Resulting Company and the Demerged Undertaking of the Demerged Company, the impact of the same up to the Appointed Date will be quantified and adjusted in the Profit & Loss account of the Resulting Company to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policy.

11. OPERATIVE DATE OF THE SCHEME

The Scheme set out herein in its present form or with any modification(s) as approved or imposed or directed by the Hon'ble Tribunal shall be effective from the Appointed Date but shall become operative from the Operative Date.

12. CONDUCT OF ACTIVITIES BY THE DEMERGED COMPANY TILL OPERATIVE DATE:

With effect from the appointed date of the Scheme and up to and including the Operative Date:

12.1 The Demerged Company shall carry on or deemed to have carried on all their respective activities pertaining to the Demerged Undertaking and shall be deemed to have held or stood possessed of and shall hold and stand possessed of all the said Assets for and on account of and in trust for the Resulting Company.

12.2 All the profits or income accruing or arising to the Demerged Undertaking of the Demerged Company or



expenditure or losses arising or incurred by the Demerged Undertaking of the Demerged Company shall for all purposes be treated and be deemed to be and accrued as the profits and income or expenditure or losses of the Resulting Company, as the case may be.

- 12.3** The Demerged Company shall carry on its respective activities pertaining to the Demerged Undertaking with reasonable diligence, business prudence and shall not alienate, charge, mortgage, encumber or otherwise deal with the assets of the Demerged Undertaking or any part thereof except in the ordinary course or pursuant to any pre-existing obligation undertaken by the Demerged Company prior to the Appointed Date or except with prior written consent of the Resulting Company.
- 12.4** The Demerged Undertaking of Demerged Company shall not, without prior written consent of the Resulting Company, undertake any new activities.
- 12.5** The Demerged Company shall not, without prior written consent of the Resulting Company, take any major policy decisions in respect of management and activity of the Demerged Undertaking and shall not change its present capital structure.
- 12.6** The Demerged Company shall not vary the terms and conditions of employment of any of the employees of the Demerged Company pertaining to the Demerged Undertaking except in the ordinary course of business or without the prior consent of the Resulting Company or pursuant to any pre-existing obligation undertaken by the Demerged Company, as the case may be, prior to the Appointed Date.
- 12.7** The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which



the Resulting Company may require pursuant to this Scheme.

13. SAVING OF CONCLUDED TRANSACTIONS & PROCEEDINGS

The transfer of and vesting of the Demerged Undertaking, as per this Scheme and the continuance of proceedings by or against the Resulting Company shall not affect any transaction or proceedings already concluded by the Demerged Company in respect of the Demerged Undertaking, on or after the Appointed Date till the Operative Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto as if done and executed by the Demerged Company on behalf of the Resulting Company.

14. TAXES AND DUTIES

14.1 All tax liabilities / refunds / credits / claims relating thereto under the Income-tax Act, Customs Act, Central Excise Act, Goods and services Tax, State sales tax laws, Central Sales Tax Act, Service tax, or other applicable laws / regulations dealing with taxes / duties / levies [hereinafter in this Clause referred to as "**Tax Laws**"] pertaining to the Demerged Undertaking of the Demerged Company to the extent not provided for or covered by tax provision in the financial statements made as on the date immediately preceding the Appointed Date shall be treated as liabilities / refunds / credits / claims of the Resulting Company and shall be transferred to the Resulting Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and TDS, credit for minimum alternate tax/ service tax, Goods and Service Tax or such other credits as on the date immediately preceding the Appointed Date will also be transferred to and become the advance tax/other tax of the Resulting Company.



- 14.2** The refund under the Tax Laws due to the Demerged Company pertaining to its Demerged Undertaking consequent to the assessments made on the Demerged Company whether before or after the appointed date and for which whether credit is taken or not in the financial statements as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company.
- 14.3** Without prejudice to the generality of the above, all benefits, credits, refunds, exemptions, incentives or concessions under Tax Laws as may be applicable, with respect to the Demerged Undertaking, to which the Demerged Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments in India, shall be available to and vest in the Resulting Company.
- 14.4** The Resulting Company shall be entitled to file / revise its income tax returns, service tax returns, Value Added Tax returns, Central Sales Tax returns, Goods and Service Tax Return, tax deducted at source certificates, tax deducted at source returns and other statutory returns and filings, if required under the Tax Laws, and shall have the right to claim or adjust refunds, advance tax credits, credit for minimum alternate tax / tax deducted at source / foreign taxes withheld/ paid, input tax credits etc. of the Demerged Company if any, as may be required consequent to implementation of this Scheme.

15. REMAINING BUSINESS

The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company which shall continue to exist as a legal entity.

- 15.1** All employees of Remaining Business of the Demerged Company, who are in service on the date immediately preceding the Operative Date shall continue to remain



employees of the Demerged Company without any break or interruption in service and on terms and conditions no less favourable than those on which they are engaged by the Demerged Company as on the Operative Date.

15.2 All legal or other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future and relating to the Remaining Business, shall be continued and enforced by or against the Demerged Company.

15.3 All profits accruing to the Demerged Company or all losses incurred by it relating to the Remaining Business with effect from the Appointed Date and thereafter, shall be treated as the profits or losses, as the case may be, of the Demerged Company.

16. INCOME TAX COMPLIANCE

The Scheme is drawn in compliance with Section 2(19AA) of the Income Tax Act, 1961 pertaining to demerger and always should be read as in compliance of the said Section. If any terms or provisions of the Scheme is / are inconsistent with the provisions of Section 2(19AA) of the Income Tax Act, 1961, the provisions of Section 2(19AA) of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with the said Section 2(19AA) of the IT Act.

PART – III

GENERAL TERMS AND CONDITIONS

17. APPLICATION TO THE NATIONAL COMPANY LAW TRIBUNAL

The Demerged Company and the Resulting Company shall make applications and/or petitions under Sections 230 to 232 read with other applicable provisions of the Act to the Tribunal, Mumbai Bench or such other appropriate authority in respect of the Demerged Company and Resulting Company for sanction of this Scheme.

18. MODIFICATIONS, AMENDMENTS TO THE SCHEME



The Demerged Company and the Resulting Company by their respective Directors or authorized person so nominated in that behalf, may assent to any modification or amendment to this Scheme which the Tribunal and/ or any other authority may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/ or carrying out the Scheme in the best interest of all stakeholders. All amendment/modification pursuant to this clause shall be subject to the approval of Tribunal. The Demerged Company and the Resulting Company by their respective Directors or authorized person so nominated in that behalf be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of any orders of the Tribunal or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/ or any matters concerning or connected therewith. All amendment/modification pursuant to this clause shall be subject to the approval of Tribunal.

19. SCHEME CONDITIONAL UPON APPROVALS / SANCTIONS

19.1 The Stock Exchange having issued their no-objection letter as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and CFD/ DIL3/ CIR/ 2018/ 2 dated 3rd January, 2018 and any other circulars, notifications etc. as may be applicable.

19.2 The Scheme is conditional upon scheme being approval by the public shareholders of the Resulting Company through e-voting in terms of para 9(a) of part I of Annexure I of SEBI circular No. CFD/DIL3/CIR/2017/21 dated March 10 2017 and the scheme shall be acted upon only if vote cast by the public shareholders in favour of



the proposal are more than the number of votes cast by the public shareholders against it.

19.3 Approval in terms with the applicable provisions of the Act and guidelines/ regulations/ circulars issued by SEBI as amended and updated from time to time, as may be considered necessary to give effect to this Scheme, and/or as may be directed by the NCLT.

19.4 The sanction of the Hon'ble Tribunal being obtained under Sections 230 to 232 and other relevant provisions of the Act, as required on behalf of the Demerged Company and the Resulting Company.

19.5 The requisite consents, approvals or permissions if any of the Government Authority or any other Statutory Agencies which by law may be necessary for the implementation of this Scheme.

19.6 The Certified Copies or Authenticated Copies of such orders sanctioning the Scheme being filed with the Registrar of Companies, Pune.

19.7 All other sanctions and approvals as may be required under any law with regard to this Scheme are obtained.

20. EFFECT OF NON-RECEIPT OF APPROVAL / SANCTION:

In the event of any of the said sanctions and approvals referred to in the preceding Clause 19 not being obtained and / or the Scheme not being sanctioned by the Hon'ble Tribunal or such other competent authority and / or the order or orders not being passed as aforesaid, or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void and the Resulting Company shall bear the entire cost, charges and expenses in connection with the Scheme unless otherwise mutually agreed.

21. EXPENSES CONNECTED WITH THE SCHEME

All cost including Stamp Duty, charges and expenses in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of this Scheme and/or



incidental to the completion of Arrangement of the Demerged Company and the Resulting Company in pursuance of the Scheme shall be borne and paid by the Resulting Company only. Similarly, the Resulting Company shall alone bear any duties or taxes leviable including stamp duty in pursuance to or as a consequence of this Scheme of Arrangement.



ANNEXURE A

Pramod Jain

B.COM (H), MBA (F), PGDFA, DTL, LL.B, ACA, ACMA,
FCS, MBA (M), DCM, GST(ICAI) CFA, LIE-IBBI, IFRS(ICAI).

**Chartered Accountant, Insolvency Professional &
Business Valuation Professional (RV-SFA)**

7/A3, Visava Park
D.P.Road, Aundh,
Pune 411007
Maharashtra, India

4th February 2020

To,

The Audit Committee, Sahyadri Industries Limited, Swastik House,39D, Gultekdi, Jawaharlal Nehru Marg, Pune - 411 037.	Board of Directors, Poonam Roofing Products Private Limited, Swastik House,39D, Gultekdi, Jawaharlal Nehru Marg, Pune - 411 037.
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Subject: Recommendation of Share Entitlement Ratio for the Proposed Demerger of Industrial Undertaking of Poonam Roofing Products Private Limited Into Sahyadri Industries Limited.


Dear Sirs/Madam,

We refer to our engagement letter dated 26th December 2019 and subsequent discussion with the management of the Sahyadri Industries Limited ("SIL" or "Resulting Company") & Poonam Roofing Products Private Limited ("PRPPL" or "Demerged Company") (*together referred as "the Companies" or "client"*) whereby the client has requested Pramod Jain, Chartered Accountant ("Us" or "We") for the recommendation of Share Exchange Ratio/ Share Entitlement Ratio for the proposed demerger of Industrial Undertaking of PRPPL into SIL pursuant to a Scheme of Arrangement under section 230 to 232 and other applicable clauses of the companies Act, 2013 ("Scheme"). In the following paragraphs, we have summarized our valuation analysis together with the limitation on our scope of work.

1. Purpose of the Report

We have been informed by the management of both companies are contemplating to demerge Identified Business of PRPPL into SIL pursuant to the Scheme of Arrangement. The proposed transaction is to be affected through the Scheme pursuant to the provision of Section 230 to 232 and other applicable provisions of the Companies Act, 2013.

For the purpose of this, Pramod Jain, Chartered Accountant has been requested by the Companies to submit the recommendation of Share Exchange Ratio/ Share Entitlement Ratio in connection with the Scheme.



The Valuation date considered for the above exercise is 1st December 2019.

The valuation of the instrument and business has been done using the "Going Concern" assumption. The standard of value applied is the "Fair Valuation" approach.

This Report is our deliverable for the above engagement.

This Report is subject to the scope, assumptions, qualifications, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts.

2. Brief Background

Sahyadri Industries Limited

Sahyadri Industries Limited was originally incorporated under the provisions of the Companies Act, 1956, as a Private Limited Company with the name and style as 'New Sahyadri Industries Private Limited' vide Certificate of Incorporation dated 13th June, 1994, The Resulting Company became Deemed Public Limited Company and Name of the Resulting Company was changed from 'New Sahyadri Industries Private Limited' to 'New Sahyadri Industries Limited' with effect from 19th March 1999. The Resulting Company then converted from Deemed Public Limited Company to Public Limited Company vide Certificate of Change of Name dated 6th June 2001. Name of the Company was then changed from 'New Sahyadri Industries Limited' to its present name 'Sahyadri Industries Limited' vide Fresh Certificate of Incorporation consequent on Change of Name dated 1st February 2006. The Corporate Identity Number (CIN) of Sahyadri Industries Limited is L26956PN1994PLC078941, primarily engaged in the business of Production of cement sheets and accessories, Generation of wind power electricity, Trading of steel doors. The equity shares of SIL are listed on the BSE Limited.

The Authorised, Issued, Subscribed and Paid-up Share Capital of Sahyadri Industries Limited as on 31st December 2019 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
1,20,00,000 Equity Shares of Rs. 10/- each	12,00,00,000
TOTAL	12,00,00,000
Issued, Subscribed and Paid up Share Capital	
95,61,500 Equity Shares of Rs. 10/- each	9,56,15,000
TOTAL	9,56,15,000

The aforesaid share capital is held as follows:



Shareholders	Number of Shares	Percentage Holding
Promoter	63,49,991	66.41
Public	32,11,509	33.59
Total	95,61,500	100

The Management has represented that there are no outstanding stock options/ warrants/security/convertible instruments, etc. issued or granted by SIL as at the date of issue of this Report which would impact the number of equity shares of SIL. Further, the Management has confirmed that there will be no change in the shareholding pattern of SIL on account of allotment / issue of any shares till the demerger becomes effective.

Poonam Roofing Product Private Limited:

Poonam Roofing Products Private Limited was originally incorporated under the provisions of the Companies Act, 1956, as a Private Limited Company with the name and style as 'Poonam Engineers and Consultants Private Limited' vide Certificate of Incorporation dated 18th November 1983, Name of the Company then changed to 'Poonam Roofing Products Private Limited' vide Fresh Certificate of Incorporation dated 26th November 1993. The Demerged Company got converted to a Public Limited Company and name of the Demerged Company was changed from 'Poonam Roofing Products Private Limited' to 'Poonam Roofing Products Limited' on 1st July 1995. Further, the Demerged Company got converted to a Private Limited Company and name of the Company subsequently changes to its present name 'Poonam Roofing Products Private Limited' with effect from 25th November 2002. The Corporate Identity Number (CIN) of Poonam Roofing Products Private Limited is U26953MH1983PTC031370. The Demerged Company is a private Limited Company, among other activities also engaged in the business of Processing, finishing and other job work of Cement Sheets, accessories and other support services, Real Estate activities.

The Authorised, Issued, Subscribed and Paid-up Share Capital of Poonam Roofing Products Private Limited as on 31st December 2019 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
75,000 Equity Shares of Rs. 100/- each	75,00,000
TOTAL	75,00,000
Issued, Subscribed and Paid up Share Capital	
24,000 Equity Shares of Rs. 100/- each	24,00,000
TOTAL	24,00,000

The aforesaid share capital is held as follows:

Shareholders	Number of Shares	Percentage Holding
Promoter	24,000	100
Total	24,000	100

The Management has represented that there are no outstanding stock options/warrants/security/convertible instruments, etc. issued or granted by PRPPL as at the date of issue of this Report which would impact the number of equity shares of PRPPL. Further, the Management has confirmed that there will be no change in the shareholding pattern of PRPPL on account of allotment / issue of any shares till the demerger becomes effective.

Sources of Information / Data Obtained

For the purpose of this assignment, we have relied on the following sources of information provided by the Management of the companies:

- Audited Financials of SIL & PRPPL for the year ended on 31st March 2019.
- Unaudited Financials of SIL & PRPPL for the period of 8 months ended on 30th November 2019.
- Certified Financial Projections prepared and submitted to us of the Industrial Undertaking of PRPPL.
- SIL revenue projections given by the client for calculating the royalty income of PRPPL from brand "Swastik".
- Revised Royalty Agreement & Board Resolution passed by SIL approving it.
- Valuation Report given by L R Associates (Registered Valuer) regarding the fair value of Land & Building of PRPPL.
- Draft Scheme of Demerger of SIL and PRPPL.
- Latest Shareholding pattern of SIL and PRPPL.
- Business Outlook.
- Discussion with management (both orally and written) in relation to business plan of companies, their future plan etc.
- Information's & explanations received from the managements of the companies.
- Information available from public websites such as the Stock Exchange, Company and other companies operating in the same industry etc.

3. Procedures Adopted and Valuation Methods Followed

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financials, various other data and qualitative information
- Used data available in public domain.
- Discussion (physical/call) with management required to perform relative valuation of the companies.
- Understand the business plan of companies, their future plan etc.
- Selection of internationally accepted valuation methodology/ies as considered appropriate by us.

4. Scope & Limitations

Our Report is subject to the scope and limitations detailed hereinafter.

- The recommendation contained herein is not intended to represent value at any time other than valuation date i.e. 1st December 2019 ("Valuation Date") and for any other purpose other than mentioned above.
- As such this Report is to be read in totality and not in a part.



- Our valuation is based on the information furnished to us is complete and accurate in all material respect.
- Our scope of work was not designed to verify the accuracy or reliability of the information provided to us and nothing in this Report should be taken to imply that we have for the purpose of this assignment conducted procedures, audits or investigations in an attempt to verify or confirm any of the information supplied to us.
- The information presented in the Report does not reflect the outcome of any due diligence procedures. The reader is cautioned that the outcome of that process could change the information herein and, therefore the valuation materially.
- No Investigations of SIL and PRPPL claim to the title of assets has been made for the purpose of this valuation and their claims to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature. The Report is not, nor should it be construed, as our opinion or certifying the compliance with the provisions of any law including company and taxation laws or as regards any legal, accounting or taxation implication or issues.
- We do not hold any responsibility to update this Report for events occurring after the date of this Report.
- Our Report should be used only by the Management and by no other person. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.
- We have relied on the judgment and representations made by the Management and, accordingly, our valuation does not consider the assumption of contingent liabilities materializing. If there were any omissions, inaccuracies or misrepresentations of the information provided by the Management, then this may have an effect on our valuation computations.
- Our valuation is based on the market conditions and the regulatory environment that currently exists. However, changes to the same in the future could impact the Undertaking valued by us and the industry it operates in, which may impact our valuation.
- We are not responsible either to any person/party or for any decision of such person or party based on this Report.
- The determination of the share entitlement ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. There is, therefore, no indisputable single value.
- In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentation or wilful default on the part of the Client, their directors, employees or agents. In no circumstances shall the liability of our, our directors or employee shall exceed the amount paid to us in respect of fees by it for these services.
- The fees for this engagement is not contingent upon the results of this Report.
- We owe the responsibility to the Board of Directors of the Client which have retained us, and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omission of others. We do not accept any liabilities to any third party in relation to the issue of this Report. This Report is not a substitute for the third party's own due diligence/appraisal/ enquiries/ independent advice that the

third party should undertake for his purpose. It is understood that this analysis does not represent a fairness opinion.

- The report does not address the relative merits of the Proposed Demerger as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

5. Basis of Share Entitlement Ratio

The share entitlement ratio has been arrived at on the basis of a relative valuation of Valuation Subjects based on the various approaches / methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Valuation Subjects, having regard to information base, key underlying assumptions and limitations.

We have independently applied method/ approach discussed in the Annexure A, as considered appropriate, and arrived at the value per share of the Companies. To arrive at the consensus on the share entitlement ratio for the proposed demerger, suitable minor adjustments / rounding off have been done.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the following share entitlement ratio for the Proposed Demerge of Identified Business of PRPPL into SIL:

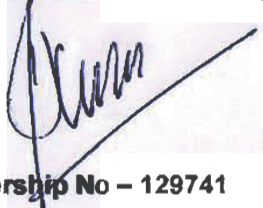
577 (Five Hundred and Seventy-Seven) equity shares of SIL Rs.10 (Ten) each fully paid up to be issued for every 10 (Ten) equity shares of PRPPL of Rs.100 (Hundred) fully paid up.

It should be noted that we have not examined any other matter including economic rationale for the Proposed Transaction per se or accounting, legal or tax matters involved in the Proposed Transaction.

Yours faithfully,

Pramod Jain

Chartered Accountant & Registered Valuer (SFA)



Membership No – 129741

IBBI Membership No: IBBI/RV06/2018/10361

Place: Pune

UDIN:20129741AAAAAA1947



Annexure A: Approaches/ Methodologies

- i. It is universally recognized that Valuation is not an exact science and that estimating values necessarily involves selecting a method or an approach that is suitable for the purpose. Courts in India have, over a period of time, evolved certain guiding principles, the most leading case being the decision of the Supreme Court in Hindustan Lever Employee's Union vs. Hindustan Lever Limited and Others [(1995) 83 Company Cases 30].
- ii. It may be noted that the Institute of Chartered Accountants of India (ICAI) on June 10, 2018 has issued the ICAI Valuation Standards ("IVS") effective for all the valuation reports issued on or after July 1, 2018. The IVS shall be mandatory for the valuation done under the Companies Act, 2013, and recommendatory for valuation carried out under other statutes/ requirements. We have given due cognizance to the same in carrying out the valuation exercise.
- iii. IVS 301 on Business Valuations deals with a valuation of a business or business ownership interest (i.e. it includes valuation of equity shares).
- iv. It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Company. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the Company, and other factors which generally influence the valuation of the company and their assets.
- v. The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for the valuation of a similar nature and our reasonable judgment, in an independent and bona fide tanner based on previous experience of assignments of a similar nature.
- vi. IVS 301 specifies that generally, following three approaches are used for valuation of business/business ownership interest:
 - Asset Approach
 - Income Approach
 - Market Approach

Each of the above approaches are minutiae in the following paragraphs:

Asset Based Approach:

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on:

- book value basis or
- realizable value basis or
- replacement cost basis.

The Net Asset Value ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone

who may buy or invest in the business as a going concern. This valuation approach is mainly used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in case where the assets base dominates earnings capability. A scheme of amalgamation/arrangement would normally be proceeded with, on the assumption that the companies amalgamate as going concerns and an actual realization of the operating assets is not contemplated. The operating assets have therefore been considered at their book values.

In a going concern scenario, the relative earning power, as reflected under the Income and Market approaches, is of greater importance to the basis of amalgamation / arrangement, with the values arrived at on the net asset basis being of limited relevance. Therefore, we have not used the NAV Method for valuation.

Income Based Approach: -

DCF Approach

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm.

Using the DCF analysis involves determining the following:

- Estimating future free cash flows:
- Free cash flows are the cash flows expected to be generated by the company that are available to all providers of the company's capital- both debt and equity.
- Appropriate discount rate to be applied to cash flows i.e. the cost of capital: This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.
- Estimation of the terminal value of free cash flows subsequent to the discreet projection period by taking into consideration the full investment cycle of the company.
- Discounting the future cash flows and the terminal value to the valuation date to determine the operating firm value.

Multi-Period Excess Earnings Method (MEEM)

The Multi-Period Excess Earnings Method is commonly used when a reliable direct measurement of future economic benefits generated by an intangible asset is not possible. However, revenue and earnings to those assets can be readily determined. The method adopts a 'residual approach' for estimating the income that an intangible is expected to generate. The premise of the excess earnings method is that the value of an asset is represented by the discounted future earnings specifically attributed to that asset, that is, in excess of returns for other assets that contributed to those earnings. The excess earnings method examines the economic returns contributed by all assets utilized in generating earnings, and then isolates the excess return that is attributed to the specific asset being valued.

Under this method, the value of an asset is a function of:

- Projected revenue and earnings generated by the asset;
- Expected economic life of the asset;
- Contributory asset charges that would be paid to the requisite operating assets; and
- A discount rate which reflects risk associated with receiving future cash flows.

Market Approach-



Market Price Method:

The market price of an equity shares as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further, in the case of a demerger, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

Comparable Company Method:

Under this method, value of equity shares of a company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and sellers, incorporated all factors relevant to valuations. Relevant multiples need to be chosen carefully and adjusted for difference between circumstances.

The condition and prospects of the companies in similar lines of business depend on common factors such as overall demand for their products and services. An analysis of the market multiples of companies engaged in similar business yields insights into investor perceptions and therefore, the value of subject business.

In our valuation, we have considered and applied one or more of the above methods to value each entity, depending on the circumstances which in our opinion were most appropriate to the entity. The valuation methodology applied for each entity is elaborated in greater detail with the relevant Company valuation provided subsequently.

Valuation of Industrial Undertaking of PRPPL:

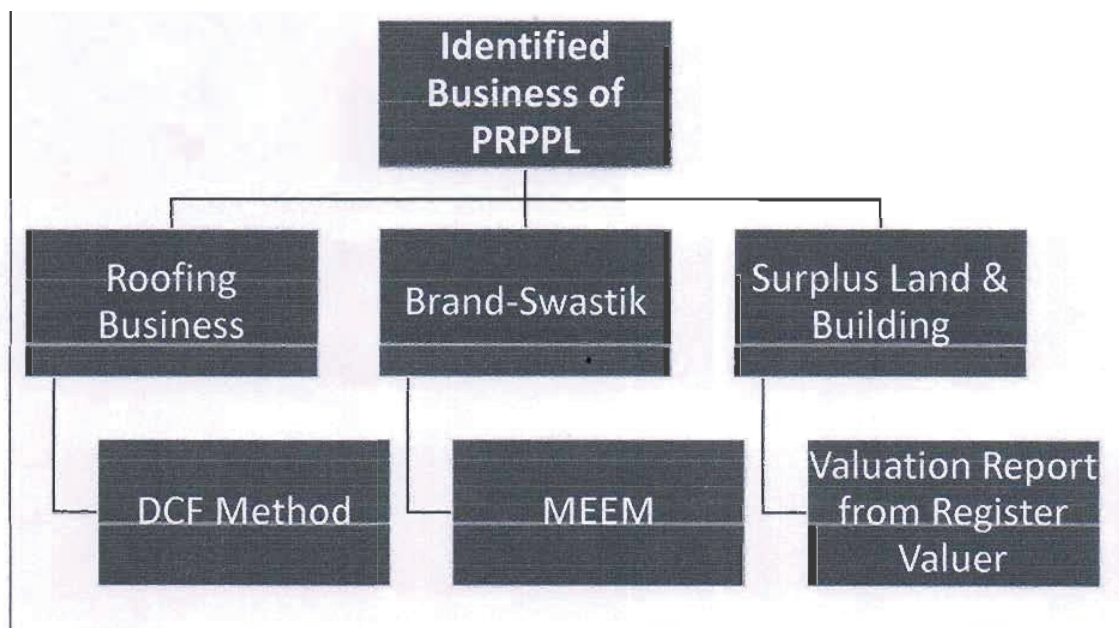
Drivers in choosing the method of valuation analysis:

- Information
 - Availability
 - Reliability
- Characteristics
- Current cash flow status
- Uniqueness of assets

To determine the value of Industrial Business of PRPPL, we have divided Industrial Business into three parts:

- Valuation of Job work Business of PRPPL
- Valuation of "Swastik Brand"
- Valuation of Surplus Land & Building of PRPPL





1. Valuation of Job work Business of PRPPL

The DCF method is considered appropriate to value the job-work business of PRPPL as it arrives at a valuation considering the future cash flows available with the business. We have reviewed the financial projections of the business of PRPPL as provided by the management of the PRPPL. We did not carry out the validation procedure or due diligence with respect to the projections, other than satisfying ourselves to the extent possible that they are consistent with other information provided to us in course of this engagement.

2. Valuation of "Swastik Brand"

The valuation of brand "Swastik" has been derived using MEEM Method. For estimating the revenue and earnings, we have relied on the revised royalty agreement, SIL revenue projections provided by the client. Further, as represented by the client, there will be no expenditure required to be done by PRPPL to earn the royalty income.

3. Valuation of Surplus Land & Building of PRPPL

As told by the management, Job-work business is using only 50% of the land & building owned by the PRPPL and rest 50% is vacant. We have relied on the valuation report dated 27th November 2019 by Registered Valuer, L.R Associates for calculating fair value of surplus land & building.

Particulars	Amount
Fair Value of the Land	25,85,29,740
Fair Value of the Building	1,33,82,484
Round off	27,19,00,000
Surplus i.e. Vacant Land & Building (in %)	50%
Value of Surplus Land & Building	13,59,50,000
Discount (25%) for illiquidity & Taxes	3,39,87,500
Net Value	10,19,62,500

The asset-based approach is not relevant in this instance as the book value does not take into consideration the inherent cash flow potential of Industrial Undertaking of PRPPL and the market-based approach is not considered appropriate given the lack of Similar comparable transactions in this space.

Valuation of SIL:

Generally, when a company is actively traded in the markets then the market approach is considered to be better representation of the value of the company than any other method. In respect of valuation of SIL, we have considered the market price of the Company to be a better representation of the value of the company. For this purpose, we have considered volume weighted average price of the company as per SEBI Preferential Allotment Regulation determined using the data of BSE Limited ('BSE') as the Company's equity shares are listed only on BSE.

The price considered is higher of following:

- the average of weekly high and low of volume weighted average price of the related equity shares quoted on BSE during the twenty-six weeks preceding the report date.
- the average of weekly high and low of volume weighted average price of the related equity shares quoted on BSE during the two-weeks preceding the report date.

Considering the equity shares of SIL are frequently traded, we have used this approach to value SIL.

Relative Valuation

The computation of share entitlement ratio for the demerger of Industrial Undertaking of PRPPL to SIL is tabulated below:

Valuation Approach	PRPPL Value per Share	Weight	SIL Value Per Share	Weight
Asset Approach	NA	0	NA	0
Income Approach	7660.5	1	NA	0
Market Approach	NA	0	132.7	1
Relative Value Per Share	7660.5		132.7	
Exchange Ratio (Rounded Off)	57.7			

NA: Not Available/Not Applied.

The value computed has been taken up to one decimal place with upward rounding off.

Pramod Jain

B.COM (H), MBA (F), PGDFA, DTL, LL.B, ACA, ACMA,
FCS, MBA (M), DCM, GST(ICAI) CFA, LIE-IBBI, IFRS(ICAI).
**Chartered Accountant, Insolvency Professional &
Independent Director & Valuation Professional (RV-SFA)**

7/A3, Visava Park
D.P.Road, Aundh,
Pune 411007
Maharashtra, India

Date: 13th April, 2020

To,

Sahyadri Industries Limited, Swastik House,39D, Gultekdi, Jawaharlal Nehru Marg, Pune - 411 037.	Poonam Roofing Products Private Limited, Swastik House,39D, Gultekdi, Jawaharlal Nehru Marg, Pune - 411 037.
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Dear Sir/Madam,

Re: Addendum to our Valuation Report ("Report") dated 4th February 2020 on Recommendation of Fair Share Entitlement Ratio for the Proposed Demerger of "Industrial Undertaking" of Poonam Roofing Products Private Ltd into Sahyadri Industries Limited.

We refer our report titled "Recommendation of Fair Share Entitlement Ratio for the Proposed Demerger of "Industrial Undertaking" of **Poonam Roofing Products Private Ltd (PRPPL)** into **Sahyadri Industries Limited (SIL)** dated 4th February 2020 ("the Report") and BSE email received by **Sahyadri Industries Limited (SIL)**.

We are re-producing the computation of Fair Share Exchange Ratio table below with a detailed reason for adoption of methodology for computation of fair value of equity share of PRPPL and SIL.

Valuation Approach	Sahyadri Industries Limited		Poonam Roofing Products Private Limited	
	Value Per Share	Weight	Value Per Share	Weight
Asset Approach*	NA	-	NA	-
Income Approach*	N.A.	0	7,660.5	1
Market Approach*	132.7	1	N.A.	-
Relative Value Per Share	132.7		7660.5	
Swap Ratio/Exchange Ratio (Rounded Off)	57.7			



Exchange Ratio:

577 (Five Hundred seventy seven) equity share of Sahyadri Industries Limited of INR 10 each fully paid up for every 10 (Ten) equity shares of Poonam Roofing Products Private Ltd of INR 100 each fully paid up.

We believe that the share entitlement ratio mentioned in the Report is fair considering that all the shareholders of PRPPL are and will, upon Proposed Demerger, be the shareholders of SIL in the ratio as mentioned hereinabove.

***Valuation approaches adopted and analysis in calculation of value of PRPPL**

Following three approaches are used for valuation:

- Asset Approach
- Income Approach
- Market Approach

Asset Approach

The Net Asset Value ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy or invest in the business as a going concern. This valuation approach is mainly used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in case where the assets base dominates earnings capability. A scheme of amalgamation/ arrangement would normally be proceeded with, on the assumption that the companies amalgamate as going concerns and an actual realization of the operating assets is not contemplated. The operating assets have therefore been considered at their book values.

In a going concern scenario, the relative earning power, as reflected under the Income and Market approaches, is of greater importance to the basis of amalgamation / arrangement, with the values arrived at on the net asset basis being of limited relevance. *The asset-based approach is not relevant in this instance as the book value does not take into consideration the inherent cash flow potential of Industrial Undertaking of PRPPL. PRPPL is going concern and operating Company and after the demerger of Industrial Undertaking from PRPPL to SIL, the PRPPL will remain as a going concern as a separate entity, Therefore, we have not used the Asset approach for valuation of Equity Shares of PRPPL.*

Income Approach

The income approach is widely used for valuation under "Going concern" basis. It focuses on the income generated by the Company in the past as well as its future earning capability. The Discounted Cash flow (DCF) method under the income approach seeks to arrive at a valuation based on strength of future cash flows.

The Multi-Period Excess Earnings Method (MEEM) is commonly used when a reliable direct measurement of future economic benefits generated by an intangible asset is not possible. However, revenue and earnings to those assets can be readily determined. The method adopts



a 'residual approach' for estimating the income that an intangible is expected to generate. The premise of the excess earnings method is that the value of an asset is represented by the discounted future earnings specifically attributed to that asset, that is, in excess of returns for other assets that contributed to those earnings. The excess earnings method examines the economic returns contributed by all assets utilized in generating earnings, and then isolates the excess return that is attributed to the specific asset being valued.

Since, PRPPL is going concern and operating Company and after the demerger of Industrial Undertaking from PRPPL to SIL, the PRPPL will remain as a going concern as a separate entity, therefore, we have used DCF method & MEEM under Income Approach for valuation.

Market Approach

Under the market approach, the valuation is based on the market capitalization of the company in case of listed company or/ and comparable companies trading or transaction multiples of comparable companies. The market approach generally reflects the investors' perception about true worth of the Company. The valuation under the approach is based on the principle that market valuations, taking place between informed buyers and sellers, incorporated all factors relevant to valuations. Relevant multiples need to be chosen carefully and adjusted for difference between circumstances.

The condition and prospects of the companies in similar lines of business depend on common factors such as overall demand for their products and services. An analysis of the market multiples of companies engaged in similar business yields insights into investor perceptions and therefore, the value of subject business. *Since, Equity Shares of PRPPL is not listed on any stock exchange and due to lack of comparable companies or lack of similar comparable transactions, the use of this method is not appropriate in the present valuation, therefore, we have not used this approach for valuation of equity shares of PRPPL.*

***Detailed reason for Valuation approaches adopted in calculation of value of SIL**

Asset Approach

The Net Asset Value ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy or invest in the business as a going concern. *The Asset approach is mainly used in case where assets base dominates earning capability.*

In a going concern scenario, the relative earning power, as reflected under the Income and Market approaches, is of greater importance to the basis of amalgamation / arrangement, with the values arrived at on the net asset basis being of limited relevance. The asset-based approach is not relevant in this instance as the book value does not take into consideration the inherent cash flow potential. Therefore, we have not considered this approach for valuation of Equity Shares of SIL.

Income Approach

The Income approach is widely used for valuation under "Going concern" basis. It focuses on the income generated by the Company in the past as well as its future earning capability. The



Discounted Cash flow (DCF) method under the income approach seeks to arrive at a valuation based on strength of future cash flows.

DCF Method under the Income Approach has not been considered as SIL is listed on BSE and information related to the future profits, balance Sheet and cash flows is price sensitive and not made available to us.

Market approach

Under the market approach, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the trading. The market value reflects the investors' perception about the true worth of the Company.

The equity share of SIL are listed and traded at BSE. In the present case, the share price of SIL on BSE has been considered, the formula provided in Regulation 164(1) under Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018 (ICDR) has been used for arriving at value per equity share of SIL under market price Method. Also, the equity share of SIL is frequently traded.

The Market price considered is higher of following:

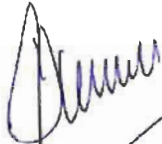
- a) The average of weekly high and low of volume weighted average price of the related equity shares quoted on BSE during the twenty-six weeks preceding the relevant date.
- b) The average of weekly high and low of volume weighted average price of the related equity shares quoted on BSE during the two-weeks preceding the relevant date.

In our valuation, we have considered and applied the method as explained above to value each entity, depending on the circumstances which in our opinion were most appropriate to the entity.

Yours faithfully,

Pramod Jain

Chartered Accountant & Registered Valuer (SFA)



Membership No -129741

IBBI Membership No: IBBI/RV06/2018/10361

Place: Pune

UDIN: 20129741AAAAAB9341

Pramod Jain

B.COM (H), MBA (F), PGDFA, DTL, LL.B, ACA, ACMA, FCS,
MBA (M), DCM, GST (ICAI) CFA, LIE-IBBI, IFRS (ICAI), RVE-IBBI.
**Chartered Accountant, Insolvency Professional,
Independent Director and Valuation Professional (RV-SFA)**

7/A3, Visava Park
D.P.Road, Aundh,
Pune 411007
Maharashtra, India

Date: 26th June, 2020

To,

Sahyadri Industries Limited,
Swastik House, 39D, Gultekdi,
Jawaharlal Nehru Marg,
Pune - 411 037.

Poonam Roofing Products Private Limited,
Swastik House, 39D, Gultekdi,
Jawaharlal Nehru Marg,
Pune - 411 037.

Dear Sir/Madam,

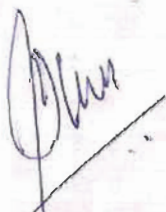
Sub: Submission of Working for calculation of Share Swap Ratio

Re: Addendum to our Valuation Report ("Report") dated 4th February 2020 on Recommendation of Fair Share Entitlement Ratio for the Proposed Demerger of "Industrial Undertaking" of Poonam Roofing Products Private Ltd into Sahyadri Industries Limited.

We refer our report titled "Recommendation of Fair Share Entitlement Ratio for the Proposed Demerger of "Industrial Undertaking" of Poonam Roofing Products Private Ltd (PRPPL) into Sahyadri Industries Limited (SIL) dated 4th February 2020 ("the Report")"

We are providing the details of valuation working in the form of Annexure to this addendum.

Yours faithfully,



Pramod Jain
Chartered Accountant & Registered Valuer (SFA)
Membership No - 129741
IBBI Membership No- IBBI/RV06/2018/10361

Valuation working for determination of Share Swap ratio

We have calculated the exchange ratio as "577 (Five Hundred seventy seven) equity share of Sahyadri Industries Limited of INR 10 each fully paid up for every 10 (Ten) equity shares of Poonam Roofing Products Private Ltd of INR 100 each fully paid up."

THE VALUE PER SHARE OF PRPPL HAS BEEN CALCULATED AS UNDER:

Value of PRPPL has been calculated as an aggregate of value of following division of PRPPL:

Particulars	Amount in Rs.
Job Work Business (as per step I)	108,103,784
Brand "Swastik" (as per step II)	75,747,538
Total	183,851,322
No of Equity Shares of face value of Rs. 10 each	24,000
Per equity share value	7660.50

Step I: Value of "Job work Business" of PRPPL has been calculated under:

Assumptions	
Effective Tax Rate	25.17%
Beta	1.01
Perpetual Growth Rate	3.00%

Particulars	Projections - Amt in Rs.				
	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
PBT	256,647	681,031	940,166	1,219,009	1,518,750
Add: Depreciation	103	-	-	-	-
Add: Interest	-	-	-	-	-
EBITDA	256,750	681,031	940,166	1,219,009	1,518,750
EBITDA (Net of Taxes) (Note 4)	192,157	509,629	703,545	912,209	1,136,511
Changes in WC	(432,333)	10,500	40,880	44,024	47,435
Changes in Capex	-	-	-	-	-
Free Cash Flow Available to Firm	-240,176	520,129	744,425	956,233	1,183,946
WACC			17.3%		
Growth			3%		
Terminal Value			8,533,692		
Period from 1st December 2019	0.33	1.33	2.33	3.33	4.33
PV Factor	0.95	0.81	0.69	0.59	0.50
Present Value of cash flows	-227,742	420,497	513,112	561,945	593,200
Present value of terminal value			4,275,688		
Total value of the firm			6,136,700		
Less: Gross Debt as on 31 March 2019			-		
Add: Surplus Assets			101,967,084		
Equity Value			108,103,784		

Note 1



Ke (CAPM)

Particular	Abbreviation	Rate	Comment
Risk-free interest rate	R (f)	7.02%	G-Sec 10 years
Market Return	R (m)	10.26%	Note 2
Equity risk premium	R (p)	3.23%	Additional risk for shareholders
Beta value	B	1.01	-
Ke (CAPM)	R €	10.3%	-
Company Specific Risk		7.00%	Size, liquidity, Regulatory etc
Cost of Equity	Ke	17.3%	Rounded-off

Note 2

Market Return

Particular	Rate
Sensex as on 1.12.2009	16,983
Sensex as on 1.12.2019	40,889
IRR	10.26%

Note 3

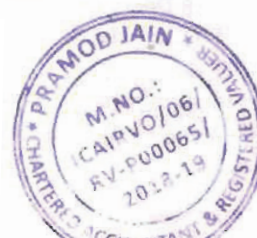
Taxes

Particulars	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
EBITDA	256,750	681,031	940,166	1,219,009	1,518,750
Depreciation	103	-	-	-	-
EBIT	256,647	681,031	940,166	1,219,009	1,518,750
Taxes	64,593	171,402	236,621	306,800	382,239

Step II: Value of "Brand Swastik" of PRPPL has been calculated under:

Particulars	Projections- Amt in Rs.				
	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
SIL Revenue	2,710,857,000	2,792,182,710	2,931,791,846	3,078,381,438	3,232,300,510
Royalty Rate	0.5%				
Royalty Amount	4,560,649	13,960,914	14,658,959	15,391,907	16,161,503
Less: Royalty Expenses	-	-	-	-	-
Gross Income	4,560,649	13,960,914	14,658,959	15,391,907	16,161,503
Less: Tax	1,147,824	3,513,683	3,689,367	3,873,835	4,067,527
Net Income	3,412,825	10,447,231	10,969,592	11,518,072	12,093,976
WACC	17.3%				
Growth	3%				
Terminal Value	87,171,413				
Period from 1st December 2019	0.33	1.33	2.33	3.33	4.33
PV Factor	0.95	0.81	0.69	0.59	0.50
Present Value of cash flows	3,236,138	8,446,041	7,561,040	6,768,771	6,059,519
Present value of terminal value	43,676,029				
Total value of the Brand	75,747,538				

THE VALUE PER SHARE OF SIL HAS BEEN CALCULATED AS UNDER:



The equity share of SIL are listed and traded at BSE. In the present case, the share price of SIL on BSE has been considered, the formula provided in Regulation 164(1) under Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018 (ICDR) has been used for arriving at value per equity share of SIL under market price Method. Also, the equity share of SIL is frequently traded.

The Market price considered is higher of following:

- the average of weekly high and low of volume weighted average price of the related equity shares quoted on BSE during the twenty-six weeks preceding the relevant date.
- the average of weekly high and low of volume weighted average price of the related equity shares quoted on BSE during the two-weeks preceding the relevant date.

Accordingly, per share equity value has been calculated as under:

Date of Board of Director's Meeting for Approval of Scheme	5-Feb-2020
Relevant Date	5-Feb-2020

A] Average of weekly high & low of the volume weighted average price (VWAP) of the equity shares of Sahyadri Industries Limited quoted on the BSE Limited during the last twenty-six weeks preceding the relevant date (considering relevant date as 05-Feb-2020)

Weeks	From	To	High	Low	Average
1	07-Aug-19	13-Aug-19	141.0	135.6	138.32
2	14-Aug-19	20-Aug-19	157.3	155.1	156.24
3	21-Aug-19	27-Aug-19	152.7	142.3	147.54
4	28-Aug-19	03-Sep-19	154.3	145.6	149.92
5	04-Sep-19	09-Sep-19	147.4	143.6	145.51
6	11-Sep-19	17-Sep-19	163.8	151.5	157.61
7	18-Sep-19	24-Sep-19	164.5	151.7	158.10
8	25-Sep-19	01-Oct-19	160.4	148.1	154.25
9	03-Oct-19	07-Oct-19	145.8	143.8	144.76
10	09-Oct-19	15-Oct-19	141.4	139.0	140.19
11	16-Oct-19	22-Oct-19	141.7	135.6	138.65
12	23-Oct-19	29-Oct-19	140.3	136.3	138.28
13	30-Oct-19	05-Nov-19	141.4	137.7	139.56
14	06-Nov-19	11-Nov-19	135.7	130.3	133.04
15	13-Nov-19	19-Nov-19	119.3	116.3	117.80
16	20-Nov-19	26-Nov-19	116.4	107.8	112.13
17	27-Nov-19	03-Dec-19	119.5	107.8	113.65
18	04-Dec-19	10-Dec-19	109.9	102.3	106.11
19	11-Dec-19	17-Dec-19	101.4	100.0	100.68
20	18-Dec-19	24-Dec-19	111.3	101.5	106.44
21	26-Dec-19	31-Dec-19	111.3	108.3	109.84
22	01-Jan-20	07-Jan-20	127.2	115.2	121.19
23	08-Jan-20	14-Jan-20	136.9	121.2	129.03
24	15-Jan-20	21-Jan-20	136.1	131.8	133.96

Weeks	From	To	High	Low	Average
25	22-Jan-20	28-Jan-20	131.6	130.1	130.83
26	29-Jan-20	04-Feb-20	130.0	122.1	126.07
Average Price 26 weeks high low					132.68

- B] Average of weekly high & low of the volume weighted average price (VWAP) of the equity shares of Sahyadri Industries Limited quoted on the BSE Limited during the last two weeks preceding the relevant date (considering relevant date as 05-Feb-2020)

Weeks	From	To	High	Low	Average
1	22-Jan-20	28-Jan-20	131.58	130.08	130.83
2	29-Jan-20	04-Feb-20	130.01	122.13	126.07
Average Price 2 weeks high low					128.45

A] Average of 26 weeks high low of the VWAP	132.68
B] Average of 2 weeks high low of the VWAP	128.45
Applicable Minimum Price (Higher of the A or B)	132.7



ANNEXURE B

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ANNEXURE V

FAIRNESS OPINION REPORT ON VALUATION FOR THE PROPOSED SCHEME OF ARRANGEMENT

amongst

SAHYADRI INDUSTRIES LIMITED

and

POONAM ROOFING PRODUCTS PRIVATE LIMITED

By



Navigant

Navigant Corporate Advisors Limited
423, A Wing, Bonanza, Sahar Plaza Complex,
J.B. Nagar, Andheri Kurla Road,
Andheri East,
Mumbai-400 059
Email Id- navigant@navigantcorp.com
Web: www.navigantcorp.com

5th February, 2020

SEBI Registered Category I Merchant Banker

SEBI Registration No. INM000012243



Page 1 of 9

Notice to Reader

Navigant Corporate Advisors Limited ("Navigant" / "NCAL" or "Authors of the Report") is a SEBI registered 'Category I' Merchant banker in India and was engaged by Board of Directors of Sahyadri Industries Limited ("SIL" or "Resulting Company") to prepare an Independent Fairness Opinion Report ("Report") with respect to providing an independent opinion and assessment as to fairness of Valuation Report and Swap ratio determined by Pramod Jain, Chartered Accountant & Registered Valuer (SFA) ("Valuer") an Independent Valuer for the purpose of intended proposed demerger of "Industrial Undertaking" of Poonam Roofing Products Private Limited ("PRPPL" or "Demerged Company") into SIL pursuant to a Scheme of Arrangement under section 230 to 232 and other applicable clauses of the companies Act, 2013 ("Scheme").

SIL and PRPPL are collectively referred as "Companies".

The Fairness Opinion Report ("Report") has been prepared on the basis of the review of information provided to Navigant and specifically the Report on Swap ratio (hereinafter referred as Valuation Report) prepared by Valuer as an independent valuer. The report does not give any valuation or suggest any swap ratio; however, this report is limited to provide its fairness opinion on the Valuation Report.

The information contained in this Report is selective and is subject to updations, expansions, revisions and amendment. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent.

This Report is based on data and explanations provided by the management and certain other data culled out from various websites believed to be reliable. Navigant has not independently verified any of the information contained herein. Neither the Company nor Navigant, nor affiliated bodies corporate, nor the directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information contained in the Report. All such parties and entities expressly disclaim any and all liability for or based on or relating to any such information contained in, or errors in or omissions from, this Report or based on or relating to the Recipients' use of this Report.



Date: 5th February, 2020

To,
The Board of Directors
Sahyadri Industries Limited
39/D Gultekdi J N Road Pune MH 411037 IN

Dear Members of the board,

Engagement Background

We Understand that the Board of Directors of Poonam Roofing Products Private Limited ("PRPPL" or the "Demerged Company") and Sahyadri Industries Limited ("SIL" or the "Resulting Company") are considering a Scheme of Arrangement between PRPPL and SIL and their respective Shareholders ("the Scheme") for demerger under the provisions of Sections 230 to 232 read with Section 52 and 66 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Section 2(19AA) and other relevant provisions of the Income-tax Act, 1961, as may be applicable, for Demerger of the Industrial Undertaking of PRPPL and vesting of the same in SIL on a going concern basis.

We understand that the Valuation as well as the swap ratio thereof is based on the Valuation Certificate dated 04th February, 2020 issued by Pramod Jain, Chartered Accountant & Registered Valuer (SFA) (Membership. No. 129741) ("Valuer").

We, Navigant Corporate Advisors Limited, a SEBI registered Category-I Merchant Banker, have been engaged by SIL to give a fairness opinion ("Opinion") on Valuation Certificate dated 04th February 2020 issued by Pramod Jain, Chartered Accountant & Registered Valuer (SFA) (Membership. No. 129741).

Background of the Companies

Poonam Roofing Products Private Limited was originally incorporated under the provisions of the Companies Act, 1956, as a Private Limited Company with the name and style as 'Poonam Engineers and Consultants Private Limited' vide Certificate of Incorporation dated 18th November, 1983, Name of the Company then changed to 'Poonam Roofing Products Private Limited' vide Fresh Certificate of Incorporation dated 26th November, 1993. The Demerged Company got converted to a Public Limited Company and name of the Demerged Company was changed from 'Poonam Roofing Products Private Limited' to 'Poonam Roofing Products Limited' on 1st July, 1995. Further, the Demerged Company got converted to a Private Limited Company and name of the Company subsequently changes to its present name 'Poonam Roofing Products Private Limited' with effect from 25th November, 2002. The Corporate Identity Number (CIN) of Poonam Roofing Products Private Limited is U26953MH1983PTC031370. The Demerged Company is a private Limited Company, among other activities also engaged in the business of Finishing and other job work of Fibre Cement Sheets, accessories and other support services, Real Estate activities and other permissible businesses.

Sahyadri Industries Limited was originally incorporated under the provisions of the Companies Act, 1956, as a Private Limited Company with the name and style as 'New Sahyadri Industries Private Limited' vide Certificate of Incorporation dated 13th June, 1994, The Resulting Company became Deemed Public Limited Company and Name of the Resulting Company was changed from 'New Sahyadri Industries Private Limited' to 'New Sahyadri Industries Limited' with effect from 19th March 1999. The



Resulting Company then converted from Deemed Public Limited Company to Public Limited Company vide Certificate of Change of Name dated 6th June, 2001. Name of the Company was then changed from 'New Sahyadri Industries Limited' to its present name 'Sahyadri Industries Limited' vide Fresh Certificate of Incorporation consequent on Change of Name dated 1st February, 2006. The Corporate Identity Number (CIN) of Sahyadri Industries Limited is L26956PN1994PLC078941, primarily engaged in the business of Production of cement sheets and accessories, Generation of wind power electricity, Trading of steel doors. The Resulting Company is Listed Company and its equity shares are listed on the BSE Limited.

Transaction Overview and Rational

It is proposed to demerge the Industrial Undertaking of Poonam Roofing Products Private Limited into Sahyadri Industries Limited. This arrangement would inter alia have the following benefits:

- 1.1 Demerged Company is engaged in finishing and other job work of Fibre Cement Sheets, accessories and other support services for the Resulting Company. Hence, consolidation of Industrial Undertaking with Resulting Company is a strategic fit and will, help streamline the business of Resulting Company in the growing markets;
- 1.2 Consolidation of the Industrial Business Undertaking with the Resulting Company shall thereby result in making available increased resources including skilled and experienced workforce and assets including surplus land available for expansion of the activities of Resulting Company and as a result, sustain growth in long term.
- 1.3 "Swastik" brand which is licensed to the Resulting Company is owned by the Demerged Company. Vesting of the brand in the Resulting Company will result in adding value, boosting the reputation, saving of significant cash flow in future and enhancing flexibility in developing the Brand as well as product portfolio.
- 1.4 Enhance competitive strength, achieve cost reduction, efficiencies and productivity gains by pooling resources of Resulting Company and Industrial Business Undertaking.

Information relied upon:

We have prepared the fairness opinion report on the basis of the information provided to us and inter alia the following:

- Share Exchange ratio report by Pramod Jain, Chartered Accountant & Registered Valuer (SFA) dated 4th February 2020;
- Other information and explanations as provided by the management.

Further, we had discussions on such matters which we believe are necessary or appropriate for the purpose of issuing the valuation report.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed to be good and marketable and we would urge the company to carry out the independent assessment of the same prior to entering into any transaction, after giving due weightage to the results of such assessment.

We have been informed that all information relevant for the purpose of issuing the Fairness Opinion report has been disclosed to us and we are not aware of any material information that has been omitted or that remains undisclosed.



Valuation Summary:

Some of the methods considered by the valuer for arriving at fair value of shares of a company are as under:

Valuation methods are broadly classified into -

1. Cost Approach:

- The Cost approach focuses on the net worth or net assets of Company. Cost approach includes net asset value [NAV] method based on realizable or book value of assets. This valuation approach is mainly used in case where the assets base dominates earnings capability or if it is investment holding company and significant value is derived from its investment holdings.
- The Net Assets Value ("NAV") Method under the cost approach considers the assets Liabilities including intangible assets and contingent liabilities. The Net Assets, after reducing the dues to the Preference shareholders, if any, represent the equity value of the company.
- In Break-up Value ("BUV") Method, the assets and liabilities are considered at their Realizable restated value including intangible assets and contingent liabilities or liabilities on account corporate guarantees given by the company, if any, which are not stated in the Balance sheet. From the realizable value of the assets, the potential liabilities (including the preference share capital, if any, with the amount of surplus due to them), which would have to be paid, would be deducted and the resultant value is the BUV of the business.

2. Income Approach:

- The income approach is widely used for valuation under 'Going Concern' basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow (DCF) Method under the income approach seeks to arrive at a valuation based on strength of the Future cash flows Earnings based that aims at measuring the earning capacity of the target entity and includes methods such as EBITDA, Profit Earning Capacity Value [PECV], Future Maintainable Profit Method [FMPM], Return on Networth [RONW], etc.

3. Market Approach:

- Under the market approach, the valuation is based on the market capitalization of the company in case of listed companies or/and comparable companies trading or transaction multiples of comparable companies. The market approach generally reflects the investors' perception about the true worth of the company.

Deriving a value is influenced by the following factors -

- The objective or purpose of valuation
- The industry and business the transacting entities
- The commercial viability of the most appropriate method/s
- The unique facts of the case as relating to the entities
- The compliance of regulatory framework for the purpose of valuation
- Dividend payment capability



Multi-Period Excess Earnings Method (MEEM)

The Multi-Period Excess Earnings Method is commonly used when a reliable direct measurement of future economic benefits generated by an intangible asset is not possible. However, revenue and earnings to those assets can be readily determined. The method adopts a 'residual approach' for estimating the income that an intangible is expected to generate. The premise of the excess earnings method is that the value of an asset is represented by the discounted future earnings specifically attributed to that asset, that is, in excess of returns for other assets that contributed to those earnings. The excess earnings method examines the economic returns contributed by all assets utilized in generating earnings, and then isolates the excess return that is attributed to the specific asset being valued.

Under this method, the value of an asset is a function of:

- Projected revenue and earnings generated by the asset;
- Expected economic life of the asset;
- Contributory asset charges that would be paid to the requisite operating assets; and
- A discount rate which reflects risk associated with receiving future cash flows.

Basis of Valuation and Assumptions made by the valuer:

They have based their valuation, on the combination of aforesaid methods as described below:

Valuation of Industrial Undertaking of PRPPL:

Drivers in choosing the method of valuation analysis:

- Information
 - Availability
 - Reliability
- Characteristics
- Current cash flow status
- Uniqueness of assets

To determine the value of Industrial Business of PRPPL, Valuer has divided Industrial Business into three parts:

- Valuation of Job work Business of PRPPL
- Valuation of "Swastik Brand"
- Valuation of Surplus Land & Building of PRPPL

1. Valuation of Job work Business of PRPPL

The DCF method has been considered to value the job-work business of PRPPL as it arrives at a valuation considering the future cash flows available with the business. The Valuer reviewed the financial projections of the business of PRPPL as provided by the management of the PRPPL. We did not carry out the validation procedure or due diligence with respect to the projections, other than satisfying ourselves to the extent possible that they are consistent with other information provided to us in course of this engagement.

2. Valuation of "Swastik Brand"

The valuation of Brand "Swastik" has been derived using MEEM Method. For estimating the revenue and earnings, the Valuer relied on the revised royalty agreement, SIL revenue projections provided by the client. Further, as represented by the client, there will be no expenditure required to be done by PRPPL to earn the royalty income.



3. Valuation of Surplus Land & Building of PRPPL

As per the valuation report, Job-work business is using only 50% of the land & building owned by the PRPPL and rest 50% is vacant. The Valuer relied on the valuation report dated 27th November 2019 by Registered Valuer, L.R Associates for calculating fair value of surplus land & building.

VALUATION OF SIL

- For determining the Fair Value of SIL, the market prices disseminated on BSE Limited were considered, since the shares of SIL is frequently traded share in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended.
- The Fair value has been considered by complying the provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended.
- The Fair value has been arrived at Rs.132.70 per Equity Share of face value of Rs. 10/- Each.

Conclusion ratio:-

"577 (Five hundred and seventy seven) Equity Share of SIL of Rs 10 (Ten) each fully paid up to be issued for every 10 (Ten) Equity Shares of PRPPL of Rs. 100 (Hundred) each fully paid up."

Exclusions and Limitations

Our opinion and analysis is limited to the extent of review of the valuation report by the valuer and the Draft scheme document. In connection with the opinion, we have

- A) Reviewed the Draft Scheme Document and the valuation report by the valuer dated 4th February, 2020.
- B) Reviewed audited financials for SIL and PRPPL for the year ended March 31, 2019
- C) Held discussions with the valuer, in relation to the approach taken to valuation and the details of various methodologies utilized by them in preparing the valuation report and recommendations
- D) Sought various clarifications with the respective senior management teams of PRPPL and SIL
- E) Reviewed historical stock prices and trading volumes of SIL
- F) Reviewed such other information and explanations as we have required and which have been provided by the management of PRPPL and SIL.

This opinion is intended only for the sole use and information of SIL and in connection with the Scheme, including for the purpose of obtaining judicial and regulatory approvals for the Scheme or the purpose of complying with the SEBI regulations and requirement of stock exchanges on which the company is listed, and for no other purpose. We are not responsible in any way to any person/party/statutory authority for any decision of such person or party or authority based on this opinion. Any person/party intending to provide finance or invest in the shares/business of either PRPPL and/or SIL or their subsidiaries /joint ventures/associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

For the purpose of this assignment, Navigant has relied on the Valuation Certificate for the proposed "Scheme of Arrangement" of PRPPL and SIL and their respective shareholders and information and



explanation provided to it, the accuracy whereof has not been evaluated by Navigant. Navigant's work does not constitute certification or due diligence of any past working results and Navigant has relied upon the information provided to it as set out in working results of the aforesaid reports.

Navigant has not carried out any physical verification of the assets and liabilities of the companies and takes no responsibility on the identification and availability of such assets and liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of PRPPL and SIL and to the Stock Exchanges and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed scheme of Arrangement with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

The information contained in this report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The report has been prepared solely for the purpose of giving a fairness opinion on Valuation Certificate issued for the proposed Scheme of Arrangement between PRPPL and SIL and their respective shareholders, and may not be applicable or referred to or quoted in any other context.

Our opinion is dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to this date.

One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. Moreover in this case where the shares of the company are being issued as consideration to the shareholders of PRPPL, it is not the absolute valuation that is important for framing an opinion but the relative valuation of the company vis-a-vis shares of PRPPL.

We have assumed that the Final Scheme will not differ in any material respect from the Draft Scheme Document shared with us.

We do not express any opinion as to any tax or other consequences that might arise from the Scheme on PRPPL, SIL and their respective shareholders, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which PRPPL, SIL and/or their associates/ subsidiaries, are or may be party.



The company has been provided with an opportunity to review the Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion.

Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme or any matter thereto.

Our Fairness Opinion:

Based upon valuation work carried out by Pramod Jain, Chartered Accountant & Registered Valuer (SFA) we are of the opinion that the purpose of the proposed Demerger of Industrial Undertaking of PRPPL to SIL are fair, from a financial point of view.

The fairness of the Proposed Demerger is tested by:

- (1) Considering whether the Valuation methods adopted by Pramod Jain, Chartered Accountant & Registered Valuer (SFA) depict a correct picture on the value of shares of all companies;
- (2) Calculating the fair market value of companies
- (3) Considering qualitative factors such as economies of scale of operations, synergy benefits that may result from the proposed Demerger of PRPPL with SIL and demerger of Industrial Undertaking of PRPPL into SIL.

The rationale for Share Exchange ratio as explained above, will be issued as assumed by Pramod Jain, Chartered Accountant & Registered Valuer (SFA) is justified.

We are in opinion that, Pramod Jain, Chartered Accountant & Registered Valuer (SFA) is justified by taking the Fair Value of Companies, and covers each aspect of valuation.

This being of our best of professional understanding, we hereby sign the Fairness Opinion report on valuation.

For Navigant Corporate Advisors Limited


Sarthak Vijilani
Managing Director



ANNEXURE C

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188



DCS/AMAL/SD/R37/1849/2020-21

“E-Letter”

November 20, 2020

The Company Secretary,
SAHYADRI INDUSTRIES LTD.
Swastik House, 39/D, Gultekdi, J.N. Marg,
Pune, Maharashtra, 411037

Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement between Poonam Roofing Products Pvt Ltd with Sahyadri Industries Ltd and their respective shareholders.

We are in receipt of the Draft Scheme of Arrangement by Sahyadri Industries Ltd filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated November 20, 2020 has inter alia given the following comment(s) on the draft scheme of arrangement:

- “Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”
- “Company shall duly comply with various provisions of the Circular.”
- “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.”
- “It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted

company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

sd/-

Nitinkumar Pujari
Senior Manager

ANNEXURE D

ANNEXURE VII

COMPLAINTS REPORT:

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchange	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0


Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Nil	Nil	Nil
2.	Nil	Nil	Nil
3.	Nil	Nil	Nil


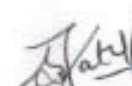

For Sahyadri Industries Limited

Date: 26/08/2020
Place: Pune




Prasad Zinjurde
Company Secretary and Compliance Officer

ANNEXURE E

POONAM ROOFING PRODUCTS PRIVATE LIMITED		
BALANCE SHEET AS AT SEPTEMBER 30TH, 2020		
PARTICULARS	NOTE	As At September 30, 2020
<u>EQUITY AND LIABILITIES</u>		
<u>SHAREHOLDER'S FUND</u>		
Share Capital	1	24,00,000
Reserves and Surplus	2	13,40,47,446
		<u>13,64,47,446</u>
<u>NON - CURRENT LIABILITIES</u>		
Long Terms Provisions	5A	8,72,084
<u>CURRENT LIABILITIES</u>		
Trade Payables	3	17,75,203
Other current liabilities	4	47,31,530
		<u>65,06,733</u>
Total :		<u><u>14,38,26,263</u></u>
<u>ASSETS</u>		
<u>NON - CURRENT ASSETS</u>		
<u>FIXED ASSETS</u>		
Tangible assets	6	2,12,07,949
Deferred tax Asset	7	3,40,320
<u>NON - CURRENT INVESTMENTS</u>	8	7,19,25,442
<u>LONG TERM LOANS & ADVANCES</u>	9	2,50,23,089
<u>CURRENT ASSETS</u>		
Trade receivables	10	45,02,214
Cash and cash equivalents	11	1,62,62,185
Short-term loans and advances	12	45,36,848
Other current assets	13	28,216
		<u>2,53,29,463</u>
Total :		<u><u>14,38,26,263</u></u>
Significant accounting policies and notes to Financial statements		
The notes referred above forms an integral part of Balance Sheet		
<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div> <p>On behalf of Board of Directors</p> <p></p> <p>P. L. PATEL Managing Director (DIN-00131547)</p> </div> <div> <p></p> <p>S. V. PATEL Director (DIN 00131344)</p> </div> <div>  </div> </div> <p>Place : Pune Date : 9th December, 2020</p>		


POONAM ROOFING PRODUCTS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED ON 30TH SEPTEMBER 2020

PARTICULARS	NOTE	As At September 30, 2020
INCOME		
Revenue from operations	14	2,14,62,610
Other Income	15	15,22,600
TOTAL REVENUE :		2,29,85,210
EXPENDITURE		
Employee benefit expenses	16	36,34,775
Depreciation and Amortization expenses	6	0
Other expenses	17	64,99,215
TOTAL EXPENSES :		1,01,33,990
PROFIT BEFORE TAX		1,28,51,220
TAX EXPENSES		
Current Tax		32,00,629
Deferred Tax		(67,604)
Income Tax on Partnership Firm		(54,477)
PROFIT FOR THE YEAR		97,72,672
Earning per equity share of Face value of Rs.100 each:		
(1) Basic		407
(2) Diluted		407

Significant accounting policies and notes to Financial statements 1 to 17
The notes referred above forms an integral part of statement of Profit & Loss

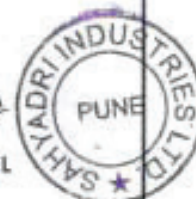
On behalf of Board of Directors



P. L. PATEL
Managing
Director
(DIN-00131547)



S. V. PATEL
Director
(DIN 00131344)



Place : Pune
Date : 9th December, 2020

POONAM ROOFING PRODUCTS PRIVATE LIMITED

Notes on financial statement for the Period ended on September 30th, 2020

(Amount in Rs.)

PARTICULARS	As at September 30,2020
1. SHARE CAPITAL	
Authorised Share Capital 75,000 Equity Shares of Rs. 100/- each	75,00,000
Issued, Subscribed & Paid Up 24000 Equity Shares of Rs. 100/- each fully paid up and issued at par	24,00,000
Total :	24,00,000
2. RESERVES & SURPLUS	
<u>Capital Redemption Reserve</u> As per last Balance-sheet	8,00,000
<u>General Reserve</u> Balance as per last Balance Sheet	60,87,066
Adjusted for Depreciation	60,87,066
<u>Capital Reserve : Revaluation Reserve</u> Balance as per last Balance Sheet	1,29,34,603
Less :- Depreciation	1,29,34,603
<u>Profit & Loss A/c</u> Balance as per last Balance Sheet	10,44,53,105
Add: Profit for the year	97,72,672
	11,42,25,777
Total :	13,40,47,446



Note No. 6 :- FIXED ASSETS										
PARTICULARS	GROSS BLOCK AS ON 01.04.2020	ADDITIONS DURING THE YEAR	SALES DURING THE YEAR	AS ON 30.09.2020	DEPRECIATION				NET BLOCK AS ON 31.03.2020	NET BLOCK AS ON 30.09.2020
					UP TO 01.04.2020	FOR THE YEAR	ON SALE	UP TO 30.09.2020		
TANGIBLE ASSETS										
LEASE HOLD LAND	1,29,70,000	0	0	1,29,70,000	0	0	0	0	1,29,70,000	1,29,70,000
LAND AT HADAPSAR	74,16,010	0	0	74,16,010	0	0	0	0	74,16,010	74,16,010
FACTORY BUILDING	1,26,24,289	0	0	1,26,24,289	1,19,93,074	0	0	1,19,93,074	6,31,215	6,31,215
BUILDING OTHER THAN FAC BLDG	6,15,283	0	0	6,15,283	5,84,519	0	0	5,84,519	30,764	30,764
OFFICE EQUIPMENT	7,79,194	0	0	7,79,194	7,59,083	0	0	7,59,083	20,111	20,111
PLANT & MACHINERY	42,30,125	0	0	42,30,125	41,87,026	0	0	41,87,026	43,099	43,099
MOBILES	1,05,87,373	0	0	1,05,87,373	1,05,58,767	0	0	1,05,58,767	28,606	28,606
MATERIAL HANDLING EQUIPMENT	6,78,360	0	0	6,78,360	6,75,748	0	0	6,75,748	2,612	2,612
AIR CONDITIONER	1,43,000	0	0	1,43,000	1,40,893	0	0	1,40,893	2,107	2,107
LAB EQUIPMENT	1,02,012	0	0	1,02,012	1,01,265	0	0	1,01,265	747	747
CANTEN EQUIPMENTS	11,032	0	0	11,032	10,809	0	0	10,809	223	223
SCALE & WEIGHING MACHINE	3,500	0	0	3,500	3,424	0	0	3,424	76	76
POLLUTION CONTROL EQUIPMENT	13,66,385	0	0	13,66,385	13,40,693	0	0	13,40,693	25,692	25,692
ELECTRICAL GENSET	1,54,840	0	0	1,54,840	1,50,988	0	0	1,50,988	3,852	3,852
ELECTRICAL INSTALLATION	10,39,045	0	0	10,39,045	10,34,160	0	0	10,34,160	4,885	4,885
VEHICLES	5,58,984	0	0	5,58,984	5,31,035	0	0	5,31,035	27,949	27,949
TOTAL	5,32,79,432	0	0	5,32,79,432	3,20,71,483	0	0	3,20,71,483	2,12,07,949	2,12,07,949



POONAM ROOFING PRODUCTS PRIVATE LIMITED

Notes on financial statement for the Period ended on September 30th, 2020

(Amount in Rs.)	
PARTICULARS	As at September 30, 2020
3. TRADE PAYABLES	
Total outstanding dues of Micro and small enterprises	0
Others*	17,75,203
Total :	17,75,203
*Towards debts due to related party Rs.Nil	
4. OTHER CURRENT LIABILITIES	
Security Deposit	14,40,000
Provision for Income tax	13,86,131
Provision for expenses	19,05,398
Total :	47,31,530
5A. LONG TERM PROVISIONS	
Provision for Gratuity	6,07,778
Provision for Leave encashment	2,64,306
Total :	8,72,084
7. Components of Deferred tax assets /liabilities are as under :	3,40,320
Deferred Tax liability on account of :	
a) Depreciation	1,08,740
	1,08,740
Deferred Tax asset on account of :	
a) Employee Benefits	4,49,060
b) Provision in Diminution in Value of Investments	0
c) Depreciation	0
	4,49,060
Net Deferred Tax	3,40,320



POONAM ROOFING PRODUCTS PRIVATE LIMITED	
Notes on financial statement for the Period ended on September 30th, 2020	
(Amount in Rs.)	
PARTICULARS	As at September 30,2020
8. NON-CURRENT INVESTMENTS	
Non Trade Investments	
Quoted - Equity shares (fully paid up)	
Chennai Petroleum Corporation Limited	24,000
300 Equity Shares of Rs.10/- each	
Geo Services India Limited	2,000
200 Equity Shares of Rs.10/- each	
Roofit Industries Limited	6,254
275 Equity Shares of Rs.10/- each	
Everest Industries Limited	563
25 Equity Shares of Rs.10/- each	
Hyderabad Industries Limited	204
25 Equity Shares of Rs.10/- each	
Ramco Industries Limited	2,549
500 Equity Shares of Re.1/- each	
Sun Earth Ceramics Limited	7,963
400 Equity Shares of Rs.10/- each	
Sharon Bio Med Limited	6,75,820
30180 Equity Shares of Rs.2/- each	
Less: Provision For Diminution In Value Of Investments	(5,95,048)
(A)	1,24,305
quoted - Equity shares (valued at cost)	
In equity shares of Related Party	
33602(33602) Fully paid up Equity Shares of Rs.10 each	7,95,293
Sahyadri Industries Limited	
Unquoted - Equity shares (valued at cost)	
21710 Equity Shares of Rs. 20/- each of Cosmos Co-operative Bank Ltd. (valued at cost)	4,06,700
(B)	12,01,993
Investment in Construction Business	
Investment in Goel Patel Takwani - Promoters	74,05,947
Investment in Goel Patel Takwani - Developers	5,85,37,476
Investment in Mahanagar Constructions	46,55,722
(C)	7,05,99,144
Total : A+B+C	7,19,25,442



POONAM ROOFING PRODUCTS PRIVATE LIMITED	
Notes on financial statement for the Period ended on September 30th, 2020	
(Amount in Rs.)	
PARTICULARS	As at September 30, 2020
9. LONG TERM LOANS & ADVANCES (Unsecured, considered good unless otherwise stated)	
Deposits*	2,50,23,089
Total :	2,50,23,089
* Includes deposits to related parties of Rs.24,048,000/- (P.Y. Rs.24,048,000/-)	
10. TRADE RECEIVABLES (Unsecured, Considered good unless otherwise stated)	
Debts Outstanding for a period exceeding six months Considered Good*	45,02,214
Considered Doubtful	0
Others	
	45,02,214
Less :Provision for Doubtful Debts	
	45,02,214
*towards debts due from related party of Rs.2,140,446.97/- (previous Year Rs.3,806,535.70/-)	
11. CASH & CASH EQUIVALENTS	
Cash in Hand	1,54,581
Balance with banks-	
In Current Accounts	1,06,99,835
In Deposit Accounts	54,07,769
Total :	1,62,62,185
12. SHORT TERMS LOAN & ADVANCE (Unsecured considered good unless otherwise stated)	
Accrued income	36,87,771
Pre-paid expenses	1,76,453
Staff Advance	9,500
Advance to Supplier	6,63,123
Total :	45,36,848
13. OTHER CURRENT ASSETS	
VAT/Service tax/Withholding taxes and other taxes & contribution payables	28,216
	28,216



POONAM ROOFING PRODUCTS PRIVATE LIMITED

Notes on financial statement for the Period ended on September 30th, 2020

(Amount in Rs.)

PARTICULARS	Period ending September 30, 2020
14. REVENUE FROM OPERATIONS	
Labour Charges Received	95,60,562
Rent received	13,12,745
Trade Mark Fees Received	1,05,89,303
	2,14,62,610
15. OTHER INCOME	
Interest Income	14,86,798
Profit and (Loss) from Partnership Business	35,548
Dividend Income	254
Total :	15,22,600
16. EMPLOYEE BENEFIT EXPENSE	
Salaries , Wages, Bonus & leave Encashment	34,08,813
Contribution to Provident Fund & other Funds	2,25,962
Welfare Expenses	0
Total :	36,34,775
17. OTHER EXPENSES	
(A)Administration, selling and establishment expenses:	
Professional & Consultancy fees	45,310
Rent	1,20,000
Insurance	51,616
Security Services	2,32,818
Remuneration to auditors	15,000
Rates & taxes	1,27,337
Other Miscellaneous Expenses	59,07,134
Total : (A)+(B)	64,99,215



ANNEXURE F

SAHYADRI INDUSTRIES LIMITED BALANCE SHEET AS AT 30TH, SEPTEMBER 2020

(₹ in Lacs unless otherwise stated)

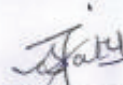
Particulars	Notes	As at September 30, 2020
ASSETS		
I. Non-current assets		
(a) Property, plant & equipment	3	12100.17
(b) Capital work-in-progress	3	370.98
(c) Right of Use		382.84
(d) Intangible assets	4	16.72
(e) Financial Assets		
(i) Investments	5	14.65
(ii) Others	6	276.32
(f) Other non-current assets	7	892.26
Total non-current assets		14053.94
II. Current assets		
(a) Inventories	8	7090.60
(b) Financial Assets		
(i) Investments	9	6123.37
(ii) Trade receivables	10	4462.44
(iii) Cash & cash equivalents	11	312.69
(iv) Loans & Advances	12	1.91
(v) Others	13	21.28
(c) Other current assets	14	1973.32
Total Current Assets		19985.61
Total Assets		34039.55
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	15	956.15
(b) Other Equity		21116.02
Total Equity		22072.17
Liabilities		
I. Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	16	99.78
(ii) Lease Liability	17	30.89
(b) Provisions	18	219.65
(c) Deferred Tax Liabilities (Net)	19	1028.87
Total non-current liabilities		1379.19
II Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	20	1.70
(ii) Trade Payables	21	
a. Due to Micro and small Enterprises		224.78
b. Due to other than Micro and small Enterprises		3576.82
		3801.60
(iii) Lease Liability	22	0.88
(iv) Others	23	5984.15
(b) Other Current Liabilities	24	734.25
(c) Provisions for Employee Benefits	25	65.60
Total Current Liabilities		10588.18
Total Liabilities		11967.37
Total Equity & Liabilities		34039.55

The accompanying notes are an integral part of these financial statements.

On behalf of Board of Directors


J. P. Patel

Chairman
DIN 00131517


S. V. Patel

Managing Director
DIN 00131344



Place : Pune
Date : 11th November, 2020

SAHYADRI INDUSTRIES LIMITED


PROFIT AND LOSS STATEMENT FOR THE HALF YEAR ENDED ON 30TH SEPTEMBER, 2020

(₹ in Lacs unless otherwise stated)

	Particulars	Notes	As at September 30, 2020
1	Income From Operations		
a.	Sales / Income from operations	26	23789.10
b.	Other Operating Income		68.10
2	Other income	27	406.20
3	Total Revenue :		24263.40
4	Expenditure		
a.	Cost of raw materials and components consumed	28	11596.46
b.	Purchase of Traded Goods		-
c.	(Increase)/decrease in inventories of finished goods and work-in-progress	29	698.66
d.	Employee benefits expense	30	1358.45
e.	Finance costs	31	247.48
f.	Depreciation and amortisation expense	32	703.40
g.	Other expenses	33	4828.38
4	Total Expenses		19432.83
5	Profit /(Loss) from ordinary activities before Exceptional Items and Taxes		4830.56
6	Exceptional Items- Income / (Expenses)		-
7	Net Profit before tax		4830.56
8	Tax (expenses) / income (Net off MAT credit entitlement if any)		
a.	Current tax		(1,356.51)
b.	Deferred tax		97.02
	Total tax Expenses		(1,259.49)
9	Profit for the period		3,571.07
10	Other Comprehensive Income		
	A. Items that will not be reclassified subsequently to profit or loss		
	Remeasurement gains / (losses) on defined benefit plans		(2.58)
	Tax (expense) / income relating to above		0.75
			(1.83)
	B. Items that will be reclassified subsequently to profit or loss		-
	Total Other Comprehensive Income net off tax (A + B)		(1.83)
	Total comprehensive income for the period attributable to Equity share holders of the Company		3,569.24
11			
	Paid up Equity share capital face value Rs.10/- per share		956.15
12			
13	Earning per equity share of Face value of Rs.10 each:		
	(1) Basic		37.35
	(2) Diluted		37.35

On behalf of Board of Directors

Place : Pune
Date : 11th November, 2020


J. P. Patel
Chairman
DIN 00131517


S. V. Patel
Managing Director
DIN 00131344



SAHYADRI INDUSTRIES LIMITED
STATEMENT OF CHANGES IN THE EQUITY FOR THE PERIOD ENDED 30TH, SEPTEMBER 2020

A. Equity Share Capital

(₹ in Lacs unless otherwise stated)

For the Period ended 30th September, 2020

Balance as at 1st April 2020	Changes in Equity Share Capital During the year	Balance as at 30th September, 2020
956.15	-	956.15

B. Other Equity

For the Period ended 30th September, 2020

Particulars	Capital Redemption Reserve	General Reserve	Retained Earning	Total
Balance as at 1st April 2020	375.00	1572.06	15599.72	17546.79
Profit for the year	-	-	3571.07	3571.07
Remeasurement of net defined benefit plan net of tax effect	-	-	(1.83)	(1.83)
Dividends paid (including corporate dividend tax)	-	-	-	-
Transfer to General Reserves	-	-	-	-
Balance as at 30th September 2020	375.00	1572.06	19168.96	21116.02



NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH, SEPTEMBER 2020

Note 3 : Property, Plant and Equipments

(₹ in Lacs unless otherwise stated)

Particulars	Gross Block			Depreciation		Net Block	
	As at 01-04-2020	Additions During the year	Deductions	As at 30-09-2020	Additions During the year	As at 30-09-2020	Deductions
SHEET ASSETS							
Land	642.73			642.73	0.00		642.73
Leasehold Land	408.44			408.44	21.77		382.84
Land Development & Fencing	157.72			157.72	0.00	25.60	157.72
Buildings	6991.40			6991.40	2076.49		4727.97
Electrical Installation	5578.84			5578.84	3379.18		2185.64
Plant & Machinery	568.07	6.07	40.25	533.89	273.91	694.20	-160.30
Office Equipments	52.59	1.58		54.17	23.38	28.06	26.11
Furniture & Fixtures	51.99	0.58		52.57	19.54	23.57	29.00
Computers	25.91	6.57		32.48	11.00	15.32	17.15
Vehicles	219.50	86.45	27.52	278.43	111.34	104.62	173.81
Total (A)	14697.17	101.25	67.76	14730.65	511.10	6547.99	8182.66
WINDMILL ASSETS							
Land	22.63			22.63	0.00		22.63
Buildings	4.03			4.03	0.13	1.43	2.59
Wind Energy Convertors	5869.74			5869.74	1432.24	1600.29	4269.46
Electrical Installation (Windmill)	7.85			7.85	1.97	2.18	5.68
Total (B)	5904.25	-	-	5904.25	168.38	1603.90	4300.35
Total (A+B)	20601.42	101.25	67.76	20634.91	679.48	8151.89	12483.01
Capital Work in Progress	170.41	200.57	0.00	370.98	0.00	0.00	370.98

Note 4 : Intangible Assets

Particulars	Gross Block			Depreciation		Net Block	
	As at 01-04-2020	Additions During the year	Deductions	As at 30-09-2020	Additions During the year	As at 30-09-2020	Deductions
Computer Software	12.23	0.00	0.00	12.23	0.00	5.68	6.55
Intangible Rights	86.97	0.00	0.00	86.97	23.92	76.80	10.17
	99.20	-	-	99.20	23.92	82.47	16.72



SAHYADRI INDUSTRIES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH, SEPTEMBER 2020

(₹ in Lacs unless otherwise stated)

Note No	Particulars	As at September 30, 2020
5	Non-current Investments	
	Investments in Equity Instruments	
	Unquoted investments at fair value through OCI	
	Cosmos Co-operative Bank Ltd.	14.65
	14,647 (PY 14,200) Equity Shares of ₹100/- each	
		<u>14.65</u>
6	Other Non-current Financial Assets	
	Deposits	276.32
		<u>276.32</u>
7	Other Non-current Assets	
	Advances for capital goods purchased	69.60
	Balances with statutory/government authorities	61.84
	Others	
	- VJPL Incentive Receivable	571.82
	- Other	189.00
		<u>892.26</u>
8	Inventories	
	(As valued, verified and certified by Management)	
	Raw Material	2048.31
	Raw Material in transit	390.70
	Stores & Spares	358.69
	Work-in-Progress	8.42
	Finished Goods	4239.69
	Stock of Traded Goods	35.58
	Stock of Accessories	9.20
		<u>7090.60</u>
9	Current Investments	
	Unquoted investments at fair value through Profit and Loss A/c	
	Investments in Mutual Funds	6123.37
		<u>6123.37</u>
10	Trade Receivables	
	(Unsecured, Considered good unless otherwise stated)	
	Considered Good	4462.44
	Considered Doubtful	532.50
		<u>4994.94</u>
	Less: Provision for Doubtful Debts	(532.50)
		<u>4462.44</u>



SAHYADRI INDUSTRIES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH, SEPTEMBER 2020

(₹ in Lacs unless otherwise stated)

Note No	Particulars	As at September 30, 2020
11	Cash & Cash Equivalents	
	Cash in Hand	7.01
	Cheques on hand	-
	Balance with banks-	
	On Current Accounts	20.24
		(A) 27.25
	Other Bank Balances	
	(i) Balance in Unpaid Dividend Account	9.56
	(ii) Margin money deposits	59.05
	(iii) Deposits maturing after 3 months	216.82
		(B) 285.44
	Total cash and cash equivalents (A + B)	312.69
12	Loans & Advances	
	(Unsecured, considered good)	
	Advance to Staff	1.91
		1.91
13	Other Current Financial Assets	
	Interest accrued on Deposits	21.28
		21.28
14	Other Current Assets	
	Prepaid expenses	65.46
	Imprest balance with employees	15.08
	Advance With Suppliers	1553.11
	Others	339.67
		1973.32
15	Equity Share Capital	
	Authorised Share Capital	
	120,00,000 Equity Shares of ₹10/- each (2020 - 120,00,000) (2019 - 120,00,000)	1200.00
	Issued, Subscribed and Paid Up capital	
	95,61,500 Equity Shares of ₹10/- each fully paid up and issued at par (2020 - 95,61,500) (2019 - 95,61,500)	956.15
		956.15
16	Non-current Borrowings	
	Secured	
	<u>Vehicle loan from Banks</u>	
	Vehicle loan	99.78
	Unsecured	
	Deposits from Directors and Promoters group	0.00
		99.78



SAHYADRI INDUSTRIES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH, SEPTEMBER 2020

(₹ in Lacs unless otherwise stated)

Note No	Particulars	As at September 30, 2020
17 Non-current Lease Liability		
	Lease Liability	30.89
		30.89
18 Non-current Provisions		
	Employee benefit liabilities	
	Leave encashment	98.47
	Gratuity payable	121.18
		219.65
19 Deferred Tax Liabilities (Net)		1028.87
	Components of Deferred tax assets/liabilities are as under:	
	Deferred Tax Liabilities	
	Relating to PPE WDV	1321.34
	Income Chargeable on realisation basis	21.78
		1343.12
	Deferred Tax Assets	
	Expenses allowable on payment basis	278.96
	Defined Benefit Obligations	35.29
		314.25
	Tax Credit Available	
	MAT credit entitlement	0.00
		0.00
	Net Deferred Tax Liabilities	1028.87
20 Current Borrowings		
	Secured	
	Working Capital Loans from Banks	
	Rupee Loans from Banks	1.70
		1.70
21 Trade Payables		
	Total outstanding dues of Micro and small enterprises	224.78
	Others	3576.82
		3801.60
22 Current Lease Liability		
	Lease Liability	0.88
		0.88



SAHYADRI INDUSTRIES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH, SEPTEMBER 2020

(₹ in Lacs unless otherwise stated)

Note No	Particulars	As at September 30, 2020
23	Other Current Financial Liabilities	
	Deposits from Stockists/dealer/supplier	988.31
	Unclaimed Dividend	9.55
	Current maturity of long term loans	34.30
	Current maturity of unsecured loans	3,831.78
	Provision for Expenses	1103.02
	Other Payables	17.19
		5984.15
24	Other Current Liabilities	
	Payables for capital goods purchased	13.57
	Advances from customers	214.98
	GST/VAT/Service tax/Withholding taxes, other taxes and contribution payables	25.48
	Provision for tax net off Advance Tax and TDS	356.22
	Balances with statutory/government authorities	124.00
		734.25
25	Provisions for Employee Benefits	
	Leave encashment	42.20
	Other taxes	23.40
		65.60



SAHYADRI INDUSTRIES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH, SEPTEMBER 2020

(₹ in Lacs unless otherwise stated)

Note No	Particulars	As at September 30, 2020
26 Revenue from Operations		
	Sale of products	23789.10
	Sale of services	-
	Total sale of products and services	23789.10
	Other operating income	68.10
		23857.20
27 Other Income		
	Interest Income	14.33
	Profit on Sale of assets	58.29
	Other non - operating income	333.59
		406.20
28 Cost of Raw Materials Consumed		
	Cost of raw materials consumed	11596.46
		11596.46
29 (Increase) / Decrease in Inventories		
	Opening Stock :	
	Work In Progress	3.53
	Finished Goods	4943.24
	Traded goods	35.58
		4982.35
	Less:- Closing Stock :	
	Work In Progress	8.42
	Finished Goods	4239.69
	Traded goods	35.58
		4283.69
		698.66
30 Employee Benefit Expenses		
	Salaries , Wages, Bonus and leave Encashment	1229.49
	Contribution to the Provident Fund and other Funds	82.18
	Welfare Expenses	46.79
		1358.45



SAHYADRI INDUSTRIES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH, SEPTEMBER 2020

(₹ in Lacs unless otherwise stated)

Note No	Particulars	As at September 30, 2020
31 Finance Cost		
	Interest Expenses	247.48
		<u>247.48</u>
32 Depreciation and Amortisation Expenses		
	Depreciation of PPE	675.65
	Right of Use	3.83
	Amortisation of intangible assets	23.92
		<u>703.40</u>
33 Other Expenses		
	(A) Manufacturing Expenses:	
	Stores and Consumables	332.74
	Power, fuel and Water Charges	780.80
	Labour charges, sub-contracting charges and machine hire charges	638.35
	Machinery and Moulds maintenance	358.71
	Insurance	11.85
	Packing expenses	5.18
	Other manufacturing expenses	206.28
		<u>(A) 2333.92</u>



SAHYADRI INDUSTRIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH, SEPTEMBER 2020

(₹ in Lacs unless otherwise stated)

Note No	Particulars	As at September 30, 2020
	(B)Administration, Selling and Establishment Expenses:	
	Professional and Consultancy fees	126.79
	Travelling, conveyance and vehicle maintenance	54.55
	Postage, telegram, telephone and telex	5.78
	Rent	16.71
	Building Repairs and maintenance	5.00
	Repairs and maintenance - Windmill	166.61
	Rates and Taxes	19.11
	Insurance	21.12
	Annual listing fees	1.50
	GST & Other Taxes absorbed	0.26
	Power, fuel and water charges	31.57
	Other Repairs	52.50
	Donations	0.11
	Bank Charges	19.32
	Discounts and Rate difference	0.00
	Breakages and Damages	283.26
	Sales promotion and Advertisement Expenses	111.36
	Commission on sales	8.33
	Carriage outward and Forwarding Expenses	981.56
	Exchange fluctuation loss	22.64
	Remission, Bad Debts and rebate	0.00
	Provision for Bad and Doubtful debts written off/ (written back)	125.00
	Remuneration to auditors	3.57
	Penalty	0.00
	CSR Expenses	9.55
	Scheduling and Forecasting charges	22.29
	Other Miscellaneous Expenses	405.97
	(B)	2494.46
	Total(A+B)	4828.38



ANNEXURE G



SAHYADRI INDUSTRIES LIMITED

39/D, Gultekdi, J.N. Road, Pune 411037 Maharashtra, India

T: +91 20 26444625/26/27 F: +91 20 26458888

E: info@silworld.in W: www.silworld.in

CIN: L26956PN1994PLC078941

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SAHYADRI INDUSTRIES LIMITED AT ITS MEETING HELD ON WEDNESDAY, THE 5TH FEBRUARY 2020 AT REGISTERED OFFICE OF THE COMPANY AT 39/D GULTEKDI J N ROAD PUNE MH 411037 EXPLAINING THE EFFECT OF THE SCHEME ON SHAREHOLDERS (PROMOTERS, NON-PROMOTER SHAREHOLDERS) AND KEY MANAGERIAL PERSONNEL.

1. Background

- 1.1 The proposed Scheme of Arrangement between **Poonam Roofing Products Private Limited** (hereinafter referred to as **"The Demerged Company"** or **"PRPPL"**) and **Sahyadri Industries Limited** (hereinafter referred to as **"the Resulting Company"** or **"SIL"**) and their respective shareholders (the "Scheme") was approved by the Board of Directors of the Resulting Company (the **"Board"**) vide resolution dated 5th February 2020. The provisions of Section 232(2)(c) of the Companies Act, 2013 (**"Act"**) requires the directors to adopt a report explaining the effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and key managerial personnel at the time of seeking their approval to the Scheme as may be directed by the Hon'ble National Company Law Tribunal, Mumbai Bench (**"NCLT"**).
- 1.2 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.3 The following documents were placed before the Board:
 - 1.3.1 Draft Scheme as recommended by the Audit Committee of the Company.
 - 1.3.2 Share Entitlement Ratio Report dated 4th February 2020 prepared by Pramod Jain describing the methodology adopted by him in arriving at the share exchange ratio ("Share Entitlement Ratio Report").
 - 1.3.3 Fairness Opinion dated 5th February 2020 issued by the Navigant Corporate Advisors Limited providing the fairness opinion on the Share Entitlement Ratio recommended by Mr. Pramod Jain, Chartered Accountant
 - 1.3.4 Report of the Audit Committee dated 5th February 2020 recommending the scheme to the Board for approval.

2. Effect of the Scheme of Arrangement on equity shareholders (promoter and non-promoter shareholders), employees and Key Managerial Personnel and Creditors and other stakeholders of the Company.

2.1 Equity shareholders (Promoter and Non-promoter members):

Pursuant to the Scheme of Arrangement, the Demerged Undertaking of Poonam Roofing Products Private Limited shall be transferred to and vested in the Resulting Company. On issuance of shares by Resulting Company, all the shareholders of Demerged Company would also become the shareholders of Resulting Company:

Resulting Company shall, without any application or deed, issue and allot to the shareholders of the Demerged Company whose names appear in the register of members of the Demerged Company on the Record Date 577 (Five Hundred and Seventy-Seven) Equity Share of the face value of Rs. 10/- each of the Resulting Company for every 10 (Ten) Equity Share of the face value Rs. 100/- each held by the shareholders in the Demerged Company

The share entitlement ratio is based on the Share Entitlement Ratio Report. The aforesaid Share Entitlement Ratio Report have been duly considered by the Board of Directors of the Company and have come to the conclusion that share exchange ratio is fair and reasonable.

2.2 Director and Key Managerial Personnel:

The Company is not expecting any change in the KMP's of the company in pursuance of the scheme becoming effective. None of the relatives of the Directors of SIL is concerned or interested, financial or otherwise in the proposed Scheme otherwise than that as shareholders in general. Interest of the director and KMPs are not getting affected in any way.

2.3 Employee:

Under Clause 8 of the Scheme, all the employees pertaining to the Demerged Undertaking of Demerged Company in service on the operative date shall become employees of Resulting Company without any break or interruption of service and on terms and conditions as to remuneration not less than those subsisting with reference to SIL. In the circumstances, the rights of the employees of SIL would in no way be affected by the Scheme.

2.4 Creditors:

Since the scheme of arrangement is between the shareholders of Demerged Company and Resulting Company as contemplated under Section 230(1)(b) and not in accordance with the provisions of Section 230(1) (a) of the Companies Act, 2013 as there is no compromise and/or arrangement with creditors and the creditors of the Resulting Company are being paid in the normal course of business and as per the agreed terms and are not called upon to make any sacrifices, hence their interests are not getting affected in any way.

2.5 Impact on other stakeholders

Depositors	Not Applicable
Debenture Holders	Not Applicable
Deposit Trustee and Debenture Trustee;	Not Applicable

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

By Order of the Board

For Sahyadri Industries Limited

Sd/-

Jayesh Patel

Whole time Director

DIN: 00131517

Date: 05th February 2020

Place: Pune

Sd/-

Satyen Patel

Managing Director

DIN: 00131344

ANNEXURE H

POONAM ROOFING PRODUCTS PVT. LTD.

Regd. Office : 39-D, Gultekdi, Jawaharlal Nehru Road, Pune - 411 037, INDIA.

Tel.: (020) 26444625 / 26 / 27 Fax : (020) 26458888

E-mail : swastikroofing@silworld.in • Website : www.swastikroofing.com

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF POONAM ROOFING PRODUCTS PRIVATE LIMITED AT ITS MEETING HELD ON WEDNESDAY, THE 5TH FEBRUARY 2020 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 39/D, GULTEKDI, J.N. ROAD, PUNE 411037 EXPLAINING THE EFFECT OF THE SCHEME ON SHAREHOLDERS (PROMOTERS, NON-PROMOTER SHAREHOLDERS) AND KEY MANAGERIAL PERSONNEL.

I. Background

- I.1 The proposed Scheme of Arrangement between **Poonam Roofing Products Private Limited** (hereinafter referred to as **"The Demerged Company"** or **"PRPPL"**) with Sahyadri Industries Limited (hereinafter referred to as **"the Resulting Company"** or **"SIL"**) and their respective shareholders (the **"Scheme"**) was approved by the Board of Directors of the Demerged Company (the **"Board"**) vide resolution dated 5th February 2020. The provisions of Section 232(2)(c) of the Companies Act, 2013 (**"Act"**) requires the directors to adopt a report explaining the effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and key managerial personnel at the time of seeking their approval to the Scheme as may be directed by the Hon'ble National Company Law Tribunal, Mumbai Bench (**"NCLT"**).
- I.2 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- I.3 The following documents were placed before the Board:
 - I.3.1 Draft Scheme as recommended by the board of directors of the Company.
 - I.3.2 Share Entitlement Ratio Report dated 4th February 2020 prepared by Pramod Jain describing the methodology adopted by him in arriving at the share exchange ratio (**"Share Entitlement Ratio Report"**).

2. Effect of the Scheme of Arrangement on equity shareholders (promoter and non-promoter shareholders (if any)), employees and Key Managerial Personnel and Creditors and other Stakeholders of the Company:

2.1 Equity Shareholders :

Pursuant to the Scheme of Arrangement, the Demerged Undertaking of Poonam Roofing Products Private Limited shall be transferred to and vested in the Resulting Company. On issuance of shares by Resulting Company, all the shareholders of Demerged Company would also become the shareholders of Resulting Company as defined in scheme

Resulting Company shall, without any application or deed, issue and allot to the shareholders of the Demerged Company whose names appear in the register of members of the Demerged Company on the Record Date 577 (Five Hundred and Seventy-Seven) Equity Share of the face value of Rs. 10/- each of the Resulting Company for every 10 (Ten) Equity Share of the face value Rs. 100/- each held by the shareholders in the Demerged Company

The share exchange ratio is based on the Share Entitlement Ratio Report. The aforesaid Share Entitlement Ratio Report have been duly considered by the Board of Directors of the Company and have come to the conclusion that share exchange ratio is fair and reasonable.

2.2 Director and Key Managerial Personnel:

The Company is not expecting any change in the KMP's of the company in pursuance of the scheme becoming effective. None of the relatives of the Directors of PRPPL is concerned or interested, financial or otherwise in the proposed Scheme otherwise than that as shareholders in general. Interest of the director and KMPs are not getting affected in any way.

2.3 Employee:

Under Clause 8 of the Scheme, all the employees pertaining to the Demerged Undertaking of Demerged Company in service on the operative date shall become employees of Resulting Company without any break or interruption of service and on terms and conditions as to remuneration not less than those subsisting with reference to SIL. In the circumstances, the rights of the employees of PRPPL would in no way be affected by the Scheme.

2.4 Creditors:

Since the scheme of arrangement is between the shareholders of Demerged Company and Resulting Company as contemplated under Section 230(1)(b) and not in accordance with the provisions of Section 230(1) (a) of the Companies Act, 2013 as there is no compromise and/or arrangement with creditors and the creditors of the Demerged Company are being paid in the normal course of business and as per the agreed terms and are not called upon to make any sacrifices, hence their interests are not getting affected in any way.

2.5 Impact on other stakeholders

Depositors	Not Applicable
Debenture Holders	Not Applicable
Deposit Trustee and Debenture Trustee;	Not Applicable

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

By Order of the Board

For Poonam Roofing Products Private Limited

Sd/-

Vallabhbhai Patel

Director

DIN: 00131462

Sd/-

Purushottambhai Patel

Managing Director

DIN: 00131547

Date: 05th February 2020

Place: Pune

ANNEXURE I

POONAM ROOFING PRODUCTS PVT. LTD.

Regd. Office : 39-D, Gultekdi, Jawaharlal Nehru Road, Pune - 411 037, INDIA.

Tel.: (020) 26444625 / 26 / 27 Fax : (020) 26458888

E-mail : swastikroofing@silworld.in • Website : www.swastikroofing.com

ABRIDGED PROSPECTUS

This is an Abridged Prospectus containing salient features pertaining to the unlisted private Company, Poonam Roofing Products Private Limited, which is a party to the Scheme of Arrangement between Poonam Roofing Products Private Limited (“Demerged Company”) and Sahyadri Industries Limited (“Resulting Company”) and their respective shareholders under sections 230 to 232 and any other sections of the Companies Act 2013 (hereinafter referred as to the “Scheme”).

This document is prepared pursuant to paragraph I.A.3 (a) of annexure I of the Securities and Exchange Board of India (“SEBI”) circular bearing number CFD/ DIL3/CIR/2017/21 dated March 10, 2017 (as amended) (“SEBI Circular”) and Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the said SEBI Circular and contains the applicable information in the format for abridged prospectus and provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. You are also encouraged to read the Scheme and other documents available on the website of the Resulting Company (www.silworld.in).

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS ABRIDGED PROSPECTUS

THIS ABRIDGED PROSPECTUS CONTAINS 9 (NINE) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

The Demerged Company is an unlisted private company. The equity shares of the Resulting Company are listed on the BSE Limited (“BSE”) (hereinafter referred as the “Stock Exchange”).

In terms of the Scheme, it is proposed to demerge the Demerged Undertaking (as defined in the Scheme) belonging to Demerged Company into Resulting Company with effect from the Appointed Date, in consideration for which fully paid-up equity shares are to be issued by the Resulting Company to the equity shareholders of the Demerged Company as on the Record Date. The Equity Shares to be issued shall be listed and admitted to trading on the Stock Exchange in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. As there is no issue of equity shares to the public at large, except to the existing shareholders of the Demerged Company, the requirements with respect to General Information Document (GID) are not applicable and this abridged prospectus should be read accordingly.

You may download the Abridged Prospectus along with the Scheme, as approved by the Board of Directors of the Demerged Company and the Resulting Company on 5th February 2020 respectively, the report of Audit Committee of the Resulting Company dated 5th February 2020, the copy of valuation report issued by Mr. Pramod Jain dated 4th February 2020, Registered Valuer and the Fairness Opinion issued by M/s. Navigant Corporate Advisors Limited (“Merchant Banker”) dated 5th February 2020, from the website of the BSE at www.bseindia.com where the equity shares of the Resulting Company are listed or from the website of the Resulting Company at www.silworld.com.

POONAM ROOFING PRODUCTS PRIVATE LIMITED

Registered Office: 39/D, GULTEKDI, J.N.ROAD, PUNE-411037
Corporate Identification Number: U26953MH1983PTC031370
Contact Person: Mr. Sadanand Kulkarni
E-mail: swastikroofing@silworld.in
Phone No.: +91 99706 62141

PROMOTERS OF THE POONAM ROOFING PRODUCTS PRIVATE LIMITED

Mr. Purushottam bhai Laljibhai Patel, Mr. Jayesh Purushottam Patel, Mrs. Bharati P. Patel, Mr. Chetan P. Patel, Mrs. Purna Patel, Mrs. Harsha Patel, Mr. Vallabh Lalji Patel, Mr. Satyen Vallabhbhai Patel, Mrs. Parvati V. Patel, Mr. Jignesh V. Patel, Mr. Vipul V. Patel and Mrs. Geeta Patel.

SCHEME DETAILS, LISTING AND PROCEDURE

The Scheme is presented under the provisions of sections 230 to 232 and any other applicable provisions of the Companies Act 2013 and the Companies (Comprises, Arrangements and Amalgamations) Rules, 2016 emanating demerger of Demerged Undertaking (as defined in the Scheme) belonging to Poonam Roofing Products Private Limited ("Demerged Company") into Sahyadri Industries Limited ("Resulting Company") with effect from the Appointed Date (i.e. 01st April, 2020).

The Board of Directors of Demerged Company and Resulting Company in their respective meetings held on 5th February, 2020 approved a scheme of arrangement ("Scheme"). Wherein, Demerged undertaking of Demerged Company shall be transferred to Resulting Company.

The scheme is further subject to approval from the shareholders and creditors of aforesaid companies, National Company Law Tribunal (NCLT) and other statutory/regulatory authorities, as may be applicable. Pursuant to the aforesaid scheme becoming effective, the Company shall issue equity shares to the Shareholders of Demerged Company in the ratio and manner as stated in said Scheme.

Transfer and Vesting:

Upon the Scheme becoming effective, the Demerged Undertaking of the Demerged Company shall be transferred to and vested in or be deemed to be transferred to and vested, on a going concern basis, in the Resulting Company in the following manner:

- a) With effect from the Appointed Date, the whole of the Demerged Undertaking comprising of all Assets and properties (whether movable or immovable) including 'Swastik Brand' and all other Assets and Liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Section 230 to Section 232 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in the scheme) be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company as a going concern so as to become the Assets and Liabilities of the Resulting Company from the Appointed Date and to vest in the Resulting Company all the rights, title, interest or obligations of the Undertaking of Demerged Company therein.
- b) All the movable assets including cash in hand, if any, of the Demerged Undertaking of Demerged Company, capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Resulting Company in pursuance of the provisions of this Scheme, Section 230 to 232 of the Companies Act, 2013, and other applicable laws, without requiring any deed or instrument of conveyance for the same and upon such transfer the same shall become the property, estate, assets, rights, title interest and authorities of the Resulting Company.

Consideration:

Upon the Scheme becoming operative and in consideration of the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company in terms of this Scheme, the Resulting Company shall, without any application or deed, issue and allot to the Shareholders of the Demerged Company whose names appear in the Register of Members of the Demerged Company as on the Record Date, 577 Equity Shares of the Face value of Rs. 10/- each, fully paid up of the Resulting Company for every 100 (One Hundred) Equity Shares of the Face value Rs. 100/- each held by the Shareholders in the Demerged Company.

The shares issued by Resulting Company to the members of Demerged Company pursuant to the scheme shall be issued in Dematerialized form only. The members of the Demerged Company whose names appear in the register of shareholders on the Record Date are required to provide their Depository Participant details to the Resulting Company on or before such date as may be determined by the Board of Directors of the Resulting Company.

The shares issued by Resulting Company to the Members of Demerged Company pursuant to the scheme shall be issued in Dematerialized form only.

In the event of there being any pending share transfers, whether lodged or outstanding, of any Shareholder of the Demerged Company, the Board of Directors of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such transfer in the Demerged Company respectively, as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of Equity shares in the Resulting Company issued by the Resulting Company after the effectiveness of this Scheme.

Any fraction arising on issue of shares pursuant to the scheme will be rounded off to nearest integer.

Post the Scheme of arrangement, the shares issued by the Resulting Company to the existing shareholders of Demerged Company shall be listed and admitted to trading on the BSE.

Additionally, the Scheme also provides for various other matters consequential or otherwise integrally connected herewith. Further, terms used but not defined in this Abridged Prospectus shall have the same meaning as defined in the Scheme.

PROCEDURE

The procedure with respect to public issue / offer would not be applicable as the Scheme does not involve issue of any Equity Shares to the public at large. The issue of equity shares of the Resulting Company is only to the shareholders of the Demerged Company, in accordance with the Scheme. Hence, the procedure with respect to General Information Documents (**GID**) is not applicable.

ELIGIBILITY FOR THE ISSUE

Whether the Company is compulsory required to allot at least 75% of the net offer to public, to qualified institutional buyers:
Not Applicable

INDICATIVE TIMETABLE

The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from Regulatory Authorities.

GENERAL RISKS

Investments in Equity and Equity related securities involves a degree of risk and investors should not invest any funds in the Equity Shares of the Resulting Company unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision. Investors must rely on their own examination of the Resulting Company and the Scheme including the risk involved. The equity shares to be issued under the scheme has not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Abridged Prospectus. Specific attention of the readers is invited to the sections title “**Scheme Details, Listing and Procedure**” and “**Risk Factors**” on page 2, 3 and 9 respectively of this Abridged Prospectus.

PRICE INFORMATION OF LEAD MANAGER

Not Applicable since the proposed issue is not to public shareholders but to the shareholders of the Demerged Company, pursuant to the Scheme.

Name of the Merchant Banker and Contact details	NAVIGANT CORPORATE ADVISORS LIMITED Tel No.+91-22-4120 / 4837 E-mail ID: navigant@navigantcorp.com
Name of Statutory Auditor and contact details	M/s. Pravin N Jain & Associates Proprietor Address: 1024/1025, Tilak Road, 205 Silver Prestige, Opp. Maharashtra Chamber of Commerce, Industry and Agriculture, Pune-411002 FRN: 118805W Membership No. - 103554 Mob No. 9372401945 Email Id: pnjoffice@gmail.com
Name of Registrar	Not Applicable

Self-Certified Syndicate Banks	Not Applicable
Syndicate Members	Not Applicable
Non Syndicate Registered Brokers	Not Applicable
Debenture Trustee	Not Applicable
Credit Rating Agencies	Not Applicable

PROMOTERS OF THE POONAM ROOFING PRODUCTS PRIVATE LIMITED

Mr. Purushottam bhai Laljibhai Patel

Mr. Purushottam bhai Laljibhai Patel, aged 78 years, is a Promoter & Managing Director of the Company. He has more than 30 years of experience in the field of building material manufacturing. He is a Managing Director of the company since 22nd April, 1997.

Mr. Jayesh Purushottam Patel

Mr. Jayesh Purushottam Patel, aged 52 years, is a Promoter & Director of the Company. He holds a degree in Bachelor of Commerce (B.COM) and has also completed MBA from Middlesex University UK. He has experience of more than 20 years in the field of building material manufacturing. He is a Director of the Company since 31st March, 1998.

Mrs. Bharati P. Patel

Mrs. Bharati P. Patel, aged 77 years, is a Promoter of the Company. Currently she is a housewife.

Mr. Chetan P. Patel

Mr. Chetan P. Patel, aged 45 years, is a Promoter of the Company. He is a Graduate by qualification. He has experience in the field of Business activities like Software, Building and Construction, Electronic Goods and Wind Mills.

Mrs. Purna Patel

Mrs. Purna Patel, aged 45 years, is a Promoter of the Company. She is a graduate by qualification. Currently she is a housewife.

Mrs. Harsha Patel

Mrs. Harsha Patel, aged 48 years, is a Promoter of the Company. She is a Graduate by qualification. Currently she is a housewife.

Mr. Vallabh Lalji Patel

Mr. Vallabh Lalji Patel, aged 67 years, is a Promoter & Director of the Company. He has more than 30 years of experience in the field of building material manufacturing. He is Director of the Company since 01st April, 1992.

Mr. Satyen Vallabhbhai Patel

Mr. Satyen Vallabhbhai Patel, aged 43 years, is a Promoter & Director of the Company. He holds degrees in Bachelors of Commerce (B.COM) and Post Graduate Programme in Business Analytics (PGPBA). He has more than 20 years of experience in the field of Building Material Manufacturing. He is a Director of the Company since 01st April, 1999.

Mrs. Parvati V. Patel

Mrs. Parvati V. Patel, aged 64 years, is a Promoter of the Company. Currently she is a housewife.

Mr. Jignesh V. Patel

Mr. Jignesh V. Patel, aged 42 years, is a Promoter of the Company. He is Graduate by qualification. He has experience in the field of Building Material Manufacturing.

Mr. Vipul V. Patel

Mr. Vipul V. Patel, aged 41 years, is a Promoter of the Company. He is Graduate by qualification. He has experience in the field of Building Material Manufacturing.

Mrs. Geeta Patel

Mrs. Geeta Patel, aged 44 years, is a Promoter of the Company. She is graduate by qualification. Currently she is a housewife.

BUSINESS MODE / BUSINESS OVERVIEW AND STRATEGY

BUSINESS OVERVIEW OF POONAM ROOFING PRODUCTS PRIVATE LIMITED

BUSINESS OVERVIEW: Poonam Roofing Products Private Limited was originally incorporated under the provisions of the Companies Act, 1956, as a Private Limited Company with the name and style as 'Poonam Engineers and Consultants Private Limited' vide Certificate of Incorporation dated 18th November, 1983, Name of the Company then changed to 'Poonam Roofing Products Private Limited' vide Fresh Certificate of Incorporation dated 26th November, 1993.

The Demerged Company got converted to a Public Limited Company and name of the Demerged Company was changed from 'Poonam Roofing Products Private Limited' to 'Poonam Roofing Products Limited' on 1st July, 1995. Further, the Demerged Company got converted to a Private Limited Company and name of the Company was subsequently changed to its present name 'Poonam Roofing Products Private Limited' with effect from 25th November, 2002.

The Corporate Identity Number (CIN) of Poonam Roofing Products Private Limited is U26953MH1983PTC031370.

The Demerged Company is a Private Limited Company, among other activities it is engaged in the business of finishing and other job work of Fibre Cement Sheets, accessories and other support services, Real Estate activities and other permissible businesses.

STRATEGY

The strategy of the Demerger of Industrial Business Undertaking of Poonam Roofing Products Private Limited into Sahyadri Industries Limited are inter alia have the following benefits:

- 1.1 Demerged Company is engaged in finishing and other job-work of Fibre Cement Sheets, accessories and other support services for the Resulting Company. Hence, consolidation of Industrial Business Undertaking with Resulting Company is a strategic fit and will help streamline the business of Resulting Company in the growing markets.
- 1.2 Consolidation of the Industrial Business Undertaking with the Resulting Company shall thereby result in making available increased resources including skilled and experienced workforce and assets including surplus land available for expansion of the activities of Resulting Company and as a result, sustain growth in long term.
- 1.3 "Swastik" brand which is licensed to the Resulting Company is owned by the Demerged Company. Vesting of the brand in the Resulting Company will result in adding value, boosting the reputation, saving of significant cash flow in future and enhancing flexibility in developing the Brand as well as product portfolio.
- 1.4 Enhance competitive strength, achieve cost reduction, efficiencies and productivity gains by pooling resources of Resulting Company and Industrial Business Undertaking.

BOARD OF DIRECTORS OF POONAM ROOFING PRODUCTS PRIVATE LIMITED

Sr. No	Name	DIN	Designation	Experience including current / past position held in other firms
1.	Mr. Purushottambhai Laljibhai Patel	00131547	Managing Director	Mr. Purushottambhai Laljibhai Patel , aged 78 years, is a Promoter & Managing Director of the Company. He has more than 30 years of experience in the field of building material manufacturing. He is a Managing Director of the Company since 22 nd April, 1997.
2.	Mr. Jayesh Purushottam Patel	00131517	Director	Mr. Jayesh Purushottam Patel , aged 52 years, is a Promoter & Director of the Company. He holds a degree in Bachelors of Commerce (B.COM) and has also completed MBA from Middlesex University UK. He has experience of more than 20 years in the field of building material manufacturing. He is a Director of the Company since 31 st March, 1998.
3.	Mr. Vallabh Lalji Patel	00131462	Director	Mr. Vallabh Lalji Patel , aged 67 years, is a Promoter & Director of the Company. He has more than 30 years of experience in the field of building material manufacturing. He is a Director of the Company since 01 st April, 1992.
4.	Mr. Satyen Vallabhbhai Patel	00131344	Director	Mr. Satyen Vallabhbhai Patel , aged 43 years, is a Promoter & Director of the Company. He holds degrees in Bachelor of Commerce (B.COM) and Post Graduate Programme in Business Analytics (PGPBA). He has more than 20 years of experience in the field of building material manufacturing. He is a Director of the Company since 01 st April, 1999.

OBJECT PURSUANT TO THE SCHEME

The object and the benefits of the Demerger of Industrial Business Undertaking of Poonam Roofing Products Private Limited into Sahyadri Industries Limited is the consolidation of business activities. Consolidation of Industrial Business Undertaking with Resulting Company is a strategic fit and will help streamline the business of Resulting Company in the growing markets. Accordingly, it will result in adding value, boosting the reputation, saving of significant cash flow in future and enhancing flexibility in developing the Brand as well as product portfolio.

The Scheme is in the interest of both the Companies and their respective Shareholders.

Details of means of finance – Not Applicable

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years: Not Applicable

Name of monitoring agency, if any: Not Applicable

Terms of Issuance of Convertible Security, if any: Not Applicable

Pre and Post Scheme Shareholding of the Demerged Company is as follows:

Sr. No.	Particulars	Pre- Scheme No. of Equity Shares	% of Holding Pre-Scheme	Post- Scheme No. of Equity Shares	% of Holding Post-Scheme
(A)	Promoter & Promoter Group	24,000	100.00%	24000	100.00%
(B)	Public	Nil	-	Nil	-
	Total	24,000	100.00%	24,000	100.00%

Financials of the Poonam Roofing Products Private Limited

Financials of the Poonam Roofing Products Private Limited (Demerged Company) for the last three years are as mentioned below:

Standalone	For the Nine months ended 31 st December, 2020 (Unaudited)	March 31 st , 2020 (Audited)	March 31 st , 2019 (Audited)	March 31 st , 2018 (Audited)
Total Income from operations (net)	3,08,93,841	2,72,20,526	1,46,65,798	83,80,055
Net Profit/(loss) before tax and extraordinary items	1,65,21,120	93,28,126	35,89,333	29,59,693
Net Profit/(loss) after tax and extraordinary items	1,22,63,731	69,75,099	41,21,754	19,20,584
Equity Share Capital	24,00,000	24,00,000	24,00,000	24,00,000
Reserves and Surplus	13,65,38,505	12,42,74,774	13,59,61,801	13,18,40,048
Net Worth	13,89,38,505	12,66,74,774	13,83,61,801	13,42,40,048
Basic Earnings per share (Rs.)	511	291	172	80
Diluted Earnings per share (Rs.)	511	291	172	80
Return on net worth (%)	8.83	5.51	2.98	1.43
Net asset value per share (Rs.)	5789.10	5278.12	5765.08	5593.34

Please note:

1. Net worth is computed in accordance with section 2(57) of the Companies Act, 2013.
2. Diluted Earnings per Share is computed by dividing the Net Profit after Tax by Weighted Average Number of Shares outstanding during the year;
3. Return on Net worth (%) is computed by dividing Net Profit after Tax by Net worth.

INTERNAL RISK FACTORS

- i. In the business of the Company, the pricing to the customers is driven largely by market practices and not necessarily based on a cost-plus mark-up mechanism. The risk of irrational pricing leading to losses is a risk the Company faces.
- ii. The Company carries the risk of pilferage of assets/loss of assets due to fire, burglary etc.
- iii. Demerged Company strongly believes that technological obsolescence is a practical reality. Technological obsolescence is evaluated on a continual basis.
- iv. Our growth of the business is dependent on business opportunities which are under consideration, which has its own potential risk associated with it.
- v. We may face intense competition, and if we are not able to compete effectively, our business, results of operations and financial condition will be adversely affected.
- vi. Implementation of the Scheme completely depends on the approval of Regulatory Authorities. Any modification or revision in the Scheme by the Competent Authorities may delay the completion of the process.
- vii. Equity Shares to be issued pursuant to the Scheme shall be listed on BSE Limited, which would be subject to approvals from the said Stock Exchanges.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION – DEMERGED COMPANY

- A. Total number of outstanding litigations against the Company and amount involved: **NIL**
- B. Brief details of top 5 material outstanding litigations against the Company and amount involved: **NIL**
- C. Regulatory Action, if any - disciplinary action taken by SEBI or Stock Exchanges against the Promoters / Group companies in last 5 Financial years including outstanding action, if any: **None**
- D. Brief details of outstanding criminal proceedings against Promoters: **NIL**

ANY OTHER IMPORTANT INFORMATION AS PER THE MERCHANT BANKER / POONAM ROOFING PRODUCTS PRIVATE LIMITED

NIL

DECLARATION BY POONAM ROOFING PRODUCTS PRIVATE LIMITED

We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines / regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in the Prospectus are true and correct.

FOR AND ON BEHALF OF BOARD OF DIRECTORS OF POONAM ROOFING PRODUCTS PRIVATE LIMITED

Sd/-
Mr. Purushottambhai Laljibhai Patel
Managing Director
DIN: 00131547

Sd/-
Mr. Jayesh Purushottam Patel
Director
DIN: 00131517

Sd/-
Mr. Vallabh Lalji Patel
Director
DIN: 00131462

Sd/-
Mr. Satyen Vallabhbhai Patel
Director
DIN: 00131344

Date: 26th May 2021
Place: PUNE



Navigant

NAVIGANT CORPORATE ADVISORS LIMITED

Registered office: 4118, Rustomjee Eaze Zone, Laxmi Singh Complex, Goregaon, Mulund link Road, Malad (w), Mumbai, Maharashtra, 400064

Corporate Office: 423, A Wing, Bonanza, Sahar Plaza Complex, J B Nagar, Andheri-Kurla Road, Andheri (East) Mumbai-400 059;

Tel: +91-22- 41204837

Email: navigant@navigantcorp.com; Website: www.navigantcorp.com

Date: 27th May, 2021

To,
The Board of Directors
Sahyadri Industries Limited
39/D Gultekdi J N Road Pune
MH 411037 IN

SUB: CERTIFICATE ON ADEQUACY AND ACCURACY OF DISCLOSURE OF INFORMATION IN THE ABRIDGED PROSPECTUS OF POONAM ROOFING PRODUCTS PRIVATE LIMITED IN COMPLIANCE WITH SEBI CIRCULAR CFD/DIL3/CIR/2017/21 DATED MARCH 10, 2017 FOR THE PURPOSE OF PROPOSED DEMERGER OF DEMERGED UNDERTAKING (AS DEFINED IN THE SCHEME) FROM POONAM ROOFING PRODUCTS PRIVATE LIMITED AND ITS CONSEQUENT VESTING INTO SAHYADRI INDUSTRIES LIMITED, UNDER A PROPOSED SCHEME OF DEMERGER UNDER SECTIONS 230 TO 232 OF COMPANIES ACT, 2013

Dear Sir / Madam,

BACKGROUND

We, Navigant Corporate Advisors Limited, SEBI Registered Category | Merchant Banker, having Registration No. INM000012243 have been appointed by M/s Poonam Roofing Products Private Limited having its registered office at 39/D, Gultekdi, J.N.Road,Pune-411037 ("Demerged Company" or "PRPPL") for the purpose of certifying the adequacy and accuracy of disclosure of information provided in its Abridged Prospectus in connection with the proposed demerger of Demerged Undertaking of PRPPL ("Demerged Undertaking") from PRPPL and its consequent vesting into M/s Sahyadri Industries Limited having its registered office at Swastik House, 39/D, Gultekdi, J.N. Marg, , Pune, Maharashtra, 411037 ("SIL" or "Resulting Company") under a proposed Scheme of Demerger under Sections 230 to 232 of Companies Act, 2013 ("hereinafter referred to as the "Proposed Demerger").



ABOUT NAVIGANT CORPORATE ADVISORS LIMITED

Navigant Corporate Advisors Limited (hereinafter referred to as “Navigant”) is a Public Limited Company incorporated under the provisions of Companies Act, 1956 with the Registrar of Companies, Mumbai. Our Company is a Category I Merchant Banker registered with the Securities and Exchange Board of India (SEBI), Mumbai with Registration No.: INM000012243.

SCOPE AND PURPOSE OF THE CERTIFICATE

SEBI vide Circular no. CFD/ DIL3/ CIR/2017/21 dated March 10, 2017 (“SEBI Circular”) inter alia prescribed that the listed entity (in the present case “SIL”) shall include the applicable information pertaining to the unlisted entity/ies involved in the scheme (in the present case, “PRPPL”) in the format specified for abridged prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”), in the explanatory statement or notice or proposal accompanying resolution to be passed, sent to the shareholders while seeking approval of the scheme. SEBI Circular further prescribes that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the due diligence process.

This certificate is being issued in compliance of above mentioned requirement under the SEBI Circular.

This certificate is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

SOURCES OF THE INFORMATION

We have received the following information from the Management of Sahyadri Industries Limited and Poonam Roofing Products Private Limited:

1. Draft Scheme of Arrangement;
2. Disclosure in the format of Abridged Prospectus dated 26th May, 2021 prepared in accordance with SEBI Circular No. CFD/DIL3/OIR/2017/21 dated March 10, 2017;
3. Information / documents / undertakings, etc. provided by the Management of Sahyadri Industries Limited and Poonam Roofing Products Private Limited pertaining to the disclosures made in the Abridged Prospectus dated 26th May, 2021.

CERTIFICATION:

1. As required under the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, we have examined the disclosures made in the Abridged Prospectus issued by PRPPL, which shall form part of the explanatory statement to the Notice to be issued by SIL.
2. Accordingly, we confirm that the information disclosed in the Abridged Prospectus contains all applicable information required in respect of unlisted entity involved in the Scheme, i.e. PRPPL, in the



format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

DISCLAIMER:

Our scope of work did not include the following:-

- An audit of the financial statements of PRPPL.
- Carrying out a market survey / financial feasibility for the Business of PRPPL.
- Financial and Legal due diligence of PRPPL.
- It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose, and other than reviewing the consistency of such information, we have not carried out an independent verification, thereof.
- We assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the management of PRPPL.
- We do not assume any obligation to update, revise or reaffirm this certificate because of events or transactions occurring subsequent to the date of this certificate.
- We understand that the management of PRPPL during our discussions with them would have drawn our attention to all such information and matters, which may have impact on our Certificate.
- The fee for our services is not contingent upon the result of the proposed demerger.
- The management of PRPPL, SIL or their related parties are prohibited from using this opinion other than for its sole limited purpose and not to make a copy of this certificate available to any party other than those required by statute for carrying out the limited purpose of this certificate.
- Our certificate is not, nor should it be constructed as our opinion or certification of the compliance of the proposed Scheme of Demerger with the provision of any law including Companies Act, taxation laws, capital market laws and related laws.
- In no event, will Navigant, its Directors and employees be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this opinion.

Thanking You,

For Navigant Corporate Advisors Limited



Sarthak Vijlani
Managing Director

Date: 27th May, 2021
Place: Mumbai