



Complete Comfort

26<sup>th</sup> March, 2021

**National Stock Exchange of India Ltd.**  
Listing Department  
Exchange Plaza,  
Bandra Kurla Complex, Bandra (East),  
**Mumbai – 400 051**

**BSE Limited**  
Department of Corporate Services  
Floor 25, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
**Mumbai – 400 001**

**Company Symbol : ICIL**

**Scrip Code: 521016**

Dear Sir/Madam,

**Sub: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Receipt of No-Objection letters from BSE Limited and the National Stock Exchange of India Limited in relation to the Scheme of amalgamation of Pranavaditya Spinning Mills Limited (Transferor Company) with Indo Count Industries Limited (Transferee Company)**

This is in continuation to our earlier intimation dated 21<sup>st</sup> October, 2020, wherein it was informed that the Board of Directors of Indo Count Industries Limited ("Company/ ICIL/ Transferee Company") had approved the Scheme of Amalgamation of Pranavaditya Spinning Mills Limited, Subsidiary of Company ("Transferor Company/ PSML") with the Company ("Scheme") under Section 230 to 232 read with other applicable provisions of the Companies Act, 2013 and Rules framed thereunder, subject to receipt of applicable regulatory approvals.

In this regard, we would like to inform you that BSE Limited and the National Stock Exchange of India Limited have issued their Observation /No-objection Letters dated 25<sup>th</sup> March, 2021 and 26<sup>th</sup> March, 2021 respectively as required under Regulation 37 of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 conveying 'No adverse observation/No-objection', to the Scheme. The copies of said observation/No-objection letters are enclosed. The aforesaid letters are also being hosted on the website of the Company at <https://www.indocount.com/investors/scheme-of-amalgamation>

You are requested to kindly take the above on record.

Thanking you,

Yours faithfully,

For **Indo Count Industries Limited**

**Amruta Avasare**  
**Company Secretary & Compliance Officer**  
**Membership No: A18844**

Encl: A/a

**Indo Count Industries Ltd**

Head Office: 301, Arcadia, 3rd Floor, Nariman Point, Mumbai-400 021, Maharashtra, India; T: 91 22 4341 9500, F: 91 22 2282 3098  
Marketing Office: Dosti Imperia, 2nd floor, Manpada, Ghodbunder Road, Thane (w) - 400 607, Maharashtra, India; T: 91 22 4151 1800, F: 91 22 2172 0121  
Home Textile Division: T3, Kagal - Hatkanagale Five Star, MIDC Ind. Area, Kolhapur-416216, Maharashtra, India; T: 91 231 662 7900, F: 91 231 662 7979  
Spinning Division: D1, MIDC, Gokul Shirgaon, Kolhapur-416216, Maharashtra, India; T: 91 231 268 7400, F: 91 231 267 2161  
Regd. Office: Office No. 1, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanagale, Dist. Kolhapur - 416 109, Maharashtra, India; T: 91 230 2463100/ 2461929  
CIN: L72200PN1988PLC068972; Email: info@indocount.com, Website: www.indocount.com

**DCS/AMAL/JR/R37/1934/2020-21**

**“E-Letter”**

**March 25, 2021**

The Company Secretary,  
**Indo Count Industries Limited**  
Office No.1, Plot No. 266, Village Alte,  
Kumbhoj Road, Taluka Hatkanangale,  
Dist. Kolhapur, Kolhapur, Maharashtra, 416109

Sir,

**Sub: Observation letter regarding Draft Scheme of Amalgamation by way of Merger by Absorption of Pranavaditya Spinning Mills Limited (PSML) with Indo Count Industries Limited (ICIL) and their respective shareholders.**

We are in receipt of the Draft Scheme of Amalgamation by way of Merger by Absorption of Pranavaditya Spinning Mills Limited (PSML) with Indo Count Industries Limited filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated March 25, 2021 has inter alia given the following comment(s) on the draft scheme of Arrangement:

- **“Company shall ensure that they separately and prominently disclose to the Shareholders and NCLT via the draft scheme of arrangement documents following information’s and facts:**
  - i. **In case of ICIL only one method of valuation i.e. Market Approach has been used because its shares are frequently traded on Stock Exchanges, and market price reflects significant multiple of book value. Therefore, it was inappropriate to consider cost and income approach in case of ICIL. Further, ICIL is a listed Company and information related to the future profit and loss account, balance sheet and cash flows is price sensitive and hence was not provided to the valuer.**
  - ii. **Two Methods of Valuation i.e. Cost and Market Approach have been used for PSML and Income approach method has not been used as PSML is a listed Company and information related to the future profit and loss account, balance sheet and cash flows is price sensitive and hence was not provided to the valuer. Further, PSML’s production was stopped at the time of appointed date.**
- **“Company shall ensure that suitable disclosure about the latest financials of the companies involved in the Scheme being not more than 6 months old is done before filing the same with the Hon'ble NCLT.”**
- **“Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.”**
- **“Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchanges, 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**

**National Stock Exchange Of India Limited**

Ref: NSE/LIST/25235\_II

March 26, 2021

The Company Secretary  
Indo Count Industries Limited  
Office No.1, Plot No.266, Village Alte,  
Kumbhoj Road, Taluk Hatkanangale,  
Kolhapur, Maharashtra - 416109

**Kind Attn.: Ms. Amruta Avasare**

Dear Madam,

**Sub: Observation Letter for Draft Scheme of Amalgamation of Pranavaditya Spinning Mills Limited with Indo Count Industries Limited and their respective shareholders**

We are in receipt of the Draft Scheme of Amalgamation of Pranavaditya Spinning Mills Limited (“PSML”) with Indo Count Industries Limited (“ICIL”) and their respective shareholders vide application dated November 09, 2020.

Based on our letter reference no Ref: NSE/LIST/25235 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (“Circular”), kindly find following comments on the draft scheme:

- a. *The companies involved in the scheme shall ensure to separately and prominently disclose to the shareholders and NCLT via the draft scheme of arrangement documents following information and facts:*
  - i. *In case of ICIL only one method of valuation i.e. Market Approach has been used because its shares are frequently traded on stock exchanges and market price reflects significant multiple of book value. Therefore, it was inappropriate to consider cost and income approach in case of ICIL. Further, ICIL is a listed company and information related to future profit and loss account, balance sheet and cashflows is price sensitive and hence was not provided to the valuer.*
  - ii. *Two methods of valuations i.e. cost and Market approach have been used for PSML and income approach method has not been used as PSML is a listed company and information related to future profit and loss account, balance sheet and cashflows is price sensitive and hence was not provided to the valuer. Further, PSML’s production was stopped at the time of appointed date.*
- b. *The company shall ensure that suitable disclosure about the latest financials of the companies involved in the scheme being not more than 6 months old is done before filing the same with the Hon’ble National Company Law Tribunal*

- c. *The Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.*
- d. *The Company shall ensure that additional information, 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*
- e. *The Company shall duly comply with various provisions of the Circular.*
- f. *The 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.*
- g. *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.*

**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 National Stock Exchange of India Limited again for its comments/observations/ representations.**

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No-objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections 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 Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from March 26, 2021 within which the scheme shall be submitted to NCLT.

Yours faithfully,  
For National Stock Exchange of India Limited

Jiten Patel  
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL  
[http://www.nseindia.com/corporates/content/further\\_issues.htm](http://www.nseindia.com/corporates/content/further_issues.htm)