

# CHARMS INDUSTRIES LIMITED

(CIN: L72900GJ1992PLC017494)

**Reg. Office:** 108-B/109Sampada Building, Mithakhali Six Roads, Opp-Hare Krishna Complex,  
B/H Kiran Motors, Ahmedabad-380009 Gujarat

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Date: 04/08/2023

To,  
**Bombay Stock Exchange Limited**  
P/J Towers,  
Dalal Street,  
Mumbai-400 001

**Subject:** Submission of reply for observation made by BSE on application no: 180487

Dear Sir/Madam,

We are in receipt of email dated 28<sup>th</sup> July,2023 in the matter of updates on application no: 180487 filed under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed scheme of Capital Reduction of Charms Industries Limited ('CIL').

We are hereby attaching the requested documents and/or explanation on the points raised by the BSE for your perusal and Records. The Following observation along with their reply are as follows

1. Certified true copy of the resolution passed by the Board of Directors of the company. - Audit committee report and independent committee report is not approved by BOD. Kindly provide the Certified true copy of board resolution approving the same.

**Reply:** Copy of Board Resolution is attached herewith.

2. Shareholding pattern (pre and post) in the format of Reg 31 of SEBI LODR without PAN to be submitted

**Reply:** Copy of shareholding Pattern (pre and post) in the format of Reg 31 of SEBI LODR without PAN is attached herewith

3. Annexure IV- kindly submit for consolidated financials as well, if applicable

**Reply:** Undertaking for Annexure IV-consolidated financials is not Applicable on the Company.

4. Detailed Compliance Report- kindly submit a dated copy.

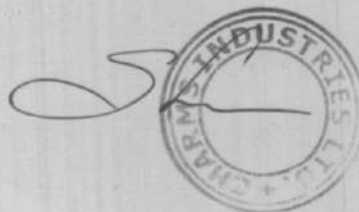
**Reply:** Detailed Compliance Report certified by the Company Secretary, Chief Financial Officer and the Managing Director, confirming compliance with various regulatory requirements specified for schemes of arrangement and all accounting standards as per Para (A)(2)(h) of Part I of SEBI Master Circular duly dated is attached herewith.

5. An undertaking certified by the auditor clearly stating the reasons for non-applicability of Para 10(a).- not submitted

**Reply:** An undertaking certified by the auditor clearly stating the reasons for non-applicability of Para 10(a) is already attached in the application. However, the same is again attached herewith.

6. Brief details of the Company as per the format of Annexure VIII- to be submitted.

**Reply:** Brief details of the Company as per the format of Annexure VIII is attached herewith.



7. Capital evolution details of the Company as per the format of Annexure X- to be submitted.

**Reply:** Capital evolution details of the Company as per the format of Annexure X is attached herewith

8. Confirmation by the Managing Director/ Company Secretary as per format enclosed as Annexure XI: a) kindly strike out point b) iii) and resubmit. b) kindly submit a snapshot of the scheme related documents submitted on the website of the Company.

**Reply:** Confirmation by the Managing Director/ Company Secretary with corrections required as per format enclosed as Annexure XI and snapshot of the scheme related documents submitted on the website of the Company is attached herewith.

9. Shareholding pattern as per the format of Annexure II- not matching the total SHP as 41,06,100 shares, kindly rectify and resubmit.

**Reply:** Shareholding pattern with corrections as per the format of Annexure II is attached herewith.

10. Brief details of the Board of Directors and Promoters as per the format of Annexure IX- to be submitted

**Reply:** Brief details of the Board of Directors and Promoters as per the format of Annexure IX is attached herewith

11. Report on the Unpaid Dues – document is not dated

**Reply:** Report on the Unpaid duly dated is attached herewith.

12. Please provide the balance sheet/ P&L statement of the company prior to the scheme being effected and balance sheet/ P&L statement of the company after the scheme being effected

**Reply:** The balance sheet/ P&L statement of the company prior to the scheme being effected and balance sheet/ P&L statement of the company after the scheme being effected are attached herewith .

13. Further, please expand on heads which would undergo change after the scheme being effected.

**Reply:** The details of the heads which would undergo changes after the scheme being effected is provided under point No. 7 (Accounting Treatment) of the Scheme of Capital Reduction.

14. Kindly Provide the detailed reasons for accumulated losses over the years

**Reply:** The detailed reason of the accumulated losses is attached herewith

15. The Independent Director's recommendation and Auditor's certificate are silent about the reasons for losses. Request to provide their comments/opinion on the reasons for the losses.

**Reply:** The detailed reason of the accumulated losses is attached herewith and the same is being incorporated in the Independent Director's recommendation and Audit Committee Resolution.

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



**Reply:** There is no prior history of any Scheme of arrangement in our Company.

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

**Reply:** Undertaking confirming that the proposed Scheme of Arrangement (Scheme of Capital Reduction) is in accordance with the MoA & AoA of the Company is attached herewith.

18. Kindly submit non- applicability certificate of the requirements of the corporate governance

**Reply:** Non- applicability certificate of the requirements of the corporate governance in our Company is attached herewith.

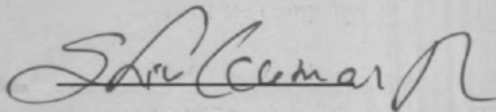
19. 20. NOC/Clearance from the respective sectorial regulators, if any sectoral regulators approval is applicable to the any of the company involved in the scheme. Also confirm status of the approval. If not applicable, you are requested to provide an undertaking confirming the same.

**Reply:** An undertaking confirming that there is No requirement of NOC/Clearance from the respective sectorial regulators is Not applicable on the Company.

Please take the same on your record.

Your faithfully,

For, Charms Industries Limited,



**Shivkumar R. Chauhan**  
**Managing Director**  
**Din - 00841729**

