

# 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

Contact No. 09898031513 Website: [www.charmsindustries.co.in](http://www.charmsindustries.co.in) E-mail: [charmsltd@yahoo.com](mailto:charmsltd@yahoo.com)

---

Date:13/12/2023

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 08<sup>th</sup> December,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

**Query 1: Para 10(c) of Part I of SEBI mater Circular dated June 20, 2023, inter alia states that in case of non-applicability of e-voting, listed entity to furnish an undertaking certified by the auditor and duly approved by the Board of the company, clearly stating the reasons for non-applicability of para (10)(a) above. In this regard,**

**kindly submit an undertaking on the letter head of the Company stating reasons for non-applicability of e-voting which is duly certified by the auditor since the same is not submitted by the Company as per requirement.**

**Reply:** The Company has submitted the Auditors Certificate relating to non-applicability of e-voting with the application. Further, an Undertaking on the letter head of the Company stating reasons for non-applicability of e-voting as per Para 10(c) of Part I of SEBI mater Circular dated June 20, 2023 duly Certified by Auditor is attached herewith .

**Query 6: From the additional documents submitted by the Company, it was observed that the Company has not submitted the following:**

**a) Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, certified by CA**

**b) Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized, certified by CA**

**c) The built up of the accumulated losses over the years, certified by CA Confirmation from the Company stating that accounting treatment specified in the scheme to confirm whether it is in compliance with the Accounting Standards/Indian Accounting Standards.**

**Reply:** The Company has already submitted the Certificate dated 09.11.2023 issued by the Statutory Auditor of the Company i.e. M/s Ashit N. Shah, Chartered Accountants certifying the built up of the accumulated losses over the years as on 31.03.2023. We hereby providing a separate Certificate dated 13.12.2023 issued by the Statutory Auditor of the Company i.e. M/s Ashit N. Shah, Chartered

Accountants certifying the Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium.

You are requested to please consider our submission and issue your approval to the draft Scheme of Capital Reduction and oblige.

Your faithfully,

**For, Charms Industries Limited**

---

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

# 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

Contact No. 09898031513 Website: [www.charmsindustries.co.in](http://www.charmsindustries.co.in) E-mail: [charmsltd@yahoo.com](mailto:charmsltd@yahoo.com)

09/12/2023

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

UNDERTAKING  
Script Code:531327

**Subject: Undertaking Under Part I(A)-(10)(C) In Relation to Non-Applicability of Requirements Prescribed in Sub Paras 10 {A} AND {B} OF PART I {A} OF SEBI MASTER CIRCULAR NO. SEBI/HO/CFD/POD-2/P/CIR/2023/93 DATED JUNE 20, 2023 In Respect Of Scheme Of Reduction Of Capital**

Dear Sir / Madam,

We hereby confirm and undertakes that

- i. The Proposed Scheme does not envisage any issue of additional shares by the Company to the Promoter/Promoter Group, Related Parties of Promoter/Promoter Group, Associates of Promoter/Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the listed entity, or
- ii. The Proposed Scheme does not involve the listed entity and any other entity involving Promoter/Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/Promoter Group.
- iii. The Proposed Scheme does not involve any acquisition or merger, either directly or indirectly, of the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter/Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.
- iv. The Proposed Scheme does not involve merger of an unlisted entity which results in reduction in the voting share of pre-scheme public shareholders of the Company.

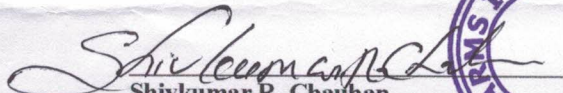


- v. The Proposed Scheme does not involve transfer of whole or substantially the whole of the undertaking of the Company.

Thus, in light of the above, requirements prescribed in sub paras 10(a) of Part I (a) of SEBI Master Circular no. **SEBI/HO/CFD/POD-2/P/CIR/2023/93** dated June 20, 2023 pertaining to requisite majority of voting by public shareholders is not applicable to the Company.

The Company has already obtained the Auditors Certificate dated **01.07.2023** issued under UDIN No. **23036857BGSMVI8284**, confirming the requirement of SEBI Circular is again attached herewith.

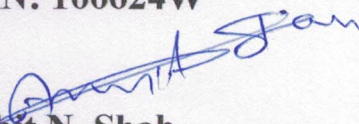
For Charms Industries Limited,

  
Shivkumar R. Chauhan  
Managing Director  
Din - 00841729



Certified by:

Ashit N Shah & Co  
Chartered Accountants  
FRN: 100624W



Ashit N. Shah  
(Proprietor)  
Membership No. 036857  
Date:09.11.2023





# Ashit N. Shah & Co

Chartered Accountants

CA Ashit N. Shah  
B.Com., LL. B, F.C.A.

Phone: 2640 3811  
1, Shantinath Appt,  
Shantisadan Society,  
B/H. Doctor House,  
Ellisbridge,  
Ahmedabad-380006.

## CERTIFICATE FOR BUILT-UP OF RESERVES

We, the statutory auditors of Charms Industries Limited (hereinafter referred to as "the Company"), have examined the Annual Reports and other related information provided by the Company and on the basis of provided information we hereby certify that the company has Capital Reserve of Rs.31,46,529/- as shown in the Annual Report for the Financial Year 2007-08 created out of Sale of Land and the said amount of Rs.31,46,529/- of Capital Reserve continue to exist as on 31.03.2023.

**Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium are as follows:**

### 1) Capital Reserve

Financial Years	Particulars	Amounts
2006-07	Profit on sale	18,14,020
2007-08	Profit on sale	13,32,509
<b>Total</b>		<b>31,46,529</b>

### 2) Capital Redemption Reserve

Sr No.	Particulars	Amounts
1.	Capital Redemption Reserve	Nil

Note: The Company has not redeemed any amount since incorporation, therefore, there is no Capital Redemption Reserve exist in accounts of the Company.

### 3) Securities premium

Sr No.	Particulars	Amounts
1.	Securities premium	Nil

Note: Since Incorporation, the Company has not issued any Equity shares at premium, therefore, there is no Securities Premium exist in accounts of the Company.

We, further certify that the Capital Reserve of Rs.31,46,529/- as on 31.03.2023 is a realized capital reserve created on sale of Land.

This Certificate is issued at the request of the Charms Industries Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the Bombay Stock Exchange ('BSE').

This Certificate should not be used for any other purpose without our prior written consent.

For Ashit N Shah & Co  
Chartered Accountants

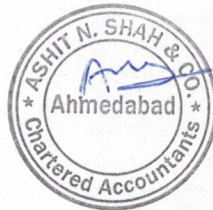
FRN: 100624W

Ashit N. Shah

(Proprietor)

Membership No. 036857

UDIN:23036857BGSNDC2284



Place: Ahmedabad

Date: 13.12.2023