

# 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:22/08/2023

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 14<sup>th</sup> August,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. Processing fee (non-refundable) payable to SEBI at the rate of 0.1% of the paid-up share capital of the listed / transferee / resulting company, whichever is higher, post sanction of the proposed scheme, subject to a cap of Rs.5,00,000, plus 18% GST - Not paid. Request not to deduct any TDS on the above payment.

**Reply:** We have paid SEBI processing Fee of Rs.48,452/- . A detailed calculation is hereunder

Sr No.	Particular	Calculation	
1.	SEBI processing Fee (rate of 0.1% of the paid-up share capital + 18% GST)	<b>Paid-up Capital: 41061000</b>	
		@0.1% of 41061000	Rs. 41061
		18 % GST	Rs. 7391
	<b>Amount Payable</b>	<b>Rs 48452/-</b>	

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

**Reply:** A Copy of undertaking certified by the auditor clearly stating the reasons for non-applicability of Para 10(a) is already submitted with the Application. However, **A copy of the same is also attached herewith for your reference with this Reply**

3. Confirmation by the Managing Director/ Company Secretary as per format enclosed as Annexure XI- Kindly provide not applicable for the pointers wherever applicable

**Reply:** A copy of Confirmation by the Managing Director/ Company Secretary as per format enclosed as Annexure XI- with required changes is also attached herewith.

Please take the same on your record.

Your faithfully,

**For, Charms Industries Limited**

Shivkumar  
Raghunanda  
n Chauhan

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Shivkumar  
Raghunandan Chauhan  
Date: 2023.08.22  
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**Shivkumar R. Chauhan**

**Managing Director**

**Din - 00841729**

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## 'ANNEXURE XI'

To,  
The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001.

Dear Sir,

**Sub: Application 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').**

In connection with the above application, we hereby confirm that:

- a) The proposed scheme of ~~amalgamation/arrangement/merger/reconstruction/~~ reduction of capital etc. to be presented to any Court or Tribunal does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, securities contract (Regulations) Rules, 1957, RBI Act, The Depositories Act, 1996, Companies Act, 2013, the rules, regulations and guidelines made under these Acts, the provisions as explained in Regulation 11 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and the requirements of SEBI circulars and BSE Limited.
- b) In the explanatory statement to be forwarded by the company to the shareholders u/s 230 or accompanying a proposed resolution to be passed u/s 66 of the Companies Act 2013, it shall disclose:
  - i) the pre and post-arrangement ~~or amalgamation (expected)~~ capital structure and shareholding pattern and
  - ii) the "fairness opinion" obtained from an independent merchant banker on valuation of assets / shares done by the valuer for the company and unlisted company. **(Not Applicable)**
  - iii) Information about unlisted companies involved in the scheme as per the format provided for abridged prospectus of the SEBI ICDR Regulations, if applicable **(Not Applicable)**:
  - iv) The Complaint report as per Annexure III.
  - v) The observation letter issued by the stock exchanges
- c) The draft Scheme of Capital Reduction of Charms Industries Limited and its Shareholders together with all documents mentioned in Part – I(A)(8)(a) of SEBI Master Circular no. **SEBI/HO/CFD/POD-2/P/CIR/2023/93** dated June 20, 2023 has been disseminated on company's website as per Website link given hereunder i.e., **[www.charmsindustries.co.in](http://www.charmsindustries.co.in)**
- d) The listed company shall submit to the designated stock exchange a report from its Audit Committee and the Independent Directors certifying that the listed entity has compensated the eligible shareholders, within a period of 90 days from the date of allotment as per the

draft scheme submitted to SEBI. Both the reports shall be submitted within 7 days of compensating the shareholders. **(Not Applicable)**

- e) The company will disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.
- f) The company shall not require to obtain shareholders' approval by way of special resolution passed through e-voting. Further, the company shall proceed with the draft scheme only if the vote cast by the public shareholders in Favor of the proposal is more than the number of votes cast by public shareholders against it. **(Not Applicable)**
- g) The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.
- h) There will be no alteration in the Share Capital of the unlisted transferor company from the one given in the draft scheme of amalgamation/ arrangement. **(Not Applicable)**
- i) None of the promoters or directors of the company involved in the scheme is a fugitive economic offender.

**For, Charms Industries Limited**

Shivkumar Raghunandan Chauhan  
Digitally signed by Shivkumar Raghunandan Chauhan  
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**Shivkumar R. Chauhan**  
**Managing Director**  
**[Din: 00841729]**

Date: 22/08/2023  
Place: Ahmedabad

# 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.

**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**

We the Statutory Auditors of Charms Industries Limited, a Company incorporated under the provisions of Companies Act, 1956, having its Registered office at 108-B/109 Sampada Building Mithakhali Six Roads Opp. Hare Krishna Complex B/H, Kiran Motors Ahmedabad - 380009, and listed on Bombay Stock Exchange ("BSE") (Script Code : 531327), ("**Company**") have reviewed the draft Scheme of Reduction of Capital of the Company and based on our examination of the proposed Scheme, evidences obtained and the information and explanations provided by the management, in our opinion-

- 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.

For, Ashit N Shah & Co  
Chartered Accountants  
FRN: 100624W

  
Ashit N. Shah  
(Proprietor)  
Membership No. 036857  
Date : 01/07/2023  
UDIN: 23036857BGSMVI8284



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Date:22/08/2023

## ANNEXURE VII

### Complaints Reports

#### Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	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.	Not Applicable		

We request you to kindly take the same on your record.

Thanking you,

Yours faithfully,

**For, Charms Industries Limited**

Shivkumar  
Raghunandan  
Chauhan

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Shivkumar Raghunandan  
Chauhan  
Date: 2023.08.22 17:19:03  
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**Shivkumar R. Chauhan**  
**Managing Director**  
**[Din: 00841729]**