

National Stock Exchange Of India Limited

Ref: NSE/LIST/40414

March 07, 2024

The Company Secretary
HLE Glascoat Limited
H-106, PHASE IV, GIDC,
Vitthal Udyognagar,
Anand, Gujarat.

Kind Attn.: Ms. Achal S. Thakkar

Dear Madam,

Sub: Requirements for in principle approval for draft Scheme of Amalgamation of Kinam Enterprise Private Limited (“Transferor Company”) with HLE Glascoat Limited (“Transferee Company”) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

This is with reference to your application for draft Scheme of Amalgamation of Kinam Enterprise Private Limited (“Transferor Company”) with HLE Glascoat Limited (“Transferee Company”) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

In this regard you are requested to provide the following documents/details as mentioned below:

1. In Valuation Report, kindly clarify the following-
 - a. In sources of Information, it has been observed that Limited Reviewed Financial statements for KEI and KEPL for the period December 31, 2023, are disclosed. Kindly clarify how is the Company complying with circular NSE/CML/2023/70 dated September 29, 2023.
 - b. Kindly provide workings for the valuation methods adopted including the comparable companies taken in CCM method.
 - c. Rationale for not adopting Income approach for HLE and KEPL and Market Approach for KEPL.
2. In the Report from the Committee of Independent Directors recommending the draft scheme all the points as per Master Circular are not covered. Kindly include all the points and provide revised.
3. With respect to Shareholding pattern, kindly provide the following-
 - a. Kindly provide shareholding pattern in accordance with Regulation 31 (1) of the SEBI (LODR) Regulations, 2015 including all the tables, further, also provide shareholding pattern (With and without PAN) of Kinam Enterprise Private Limited.
 - b. Kindly provide a Separate Shareholding pattern for Preference Shares.
4. Kindly provide Audited financials for the last 3 years (Audited financials not being more than 6 months old) of Kinam Enterprise Private Limited.

5. It has been observed that clause w.r.t approval from the public shareholders through e-voting, as required under Para (A)(10)(b) of Part I of SEBI Master Circular is not mentioned in draft scheme, kindly provide rationale for the same.
6. Kindly provide No Objection Certificate (NOC) from the lending scheduled commercial banks/financial institutions/ debenture trustees.
7. Kindly provide Pricing certificate from the PCA/PCS/Statutory Auditor of the listed company as per Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
8. Kindly provide the documents/undertaking as per Annexure I.
9. Kindly provide confirmation in case NoC/Clearance from the respective sectorial regulators is not applicable.
10. It has been observed that the Company has not submitted additional requirements (Annexure M) as per the NSE Checklist. Kindly provide the same.
11. Since NSE is DSE, kindly provide the documents/undertaking as per Annexure I.
12. Kindly provide reasons for the increase in reserves and net worth from FY21 to FY22.
13. It has been observed in financial statements of HLE Glascoat Limited, that there is continuous increase in loans for the last years and period ended December 31, 2023. Kindly provide the reasons for the same.
14. It has been observed that in the consolidated financial statements of HLE Glascoat Limited, the net worth of the Company is less as compared to on standalone basis. Kindly provide reasons for the same.
15. It has been observed that in standalone financial statements, there is no non-controlling interest, however, in consolidated financial statements of HLE Glascoat Limited, the non-controlling interest exists which is continuously increasing during the last three years. Kindly provide the reasons for the same.
16. Kindly provide Confirmation by the Company as per format enclosed as Annexure F.

17. On internal check, we have observed that similar names as that of Directors/Promoters/Promoter Group of the issuer are appearing in the below regulatory actions. Kindly confirm whether below named persons are related to the Issuer. If so, kindly provide the status of the below mentioned respective regulatory actions.

Sr. No.	Name	Entity	Competent Authority	Regulatory Charges	Regulatory Action(s)/ Date of order
1.	Nilesh K.Patel	Niketan Marketing	Banks	Wilful Defaulter	Suit Filed- Rs.51,00,000 along with other Entities/Persons UCO Bank 30-Sep-2023
2.	Nilesh K.Patel	N.K.Proteins Ltd.	NSEL	Defaulted In Paying Outstanding Obligation to National Spot Exchange Ltd.	Declared Defaulter by National Spot Exchange Ltd. 22-Aug-2013
3.	Nilesh K.Patel	Tirupati Retail (I) Ltd.	NSEL	Defaulted In Paying Outstanding Obligation to National Spot Exchange Ltd.	Declared Defaulter by National Spot Exchange Ltd. 22-Aug-2013
4.	Himanshu Patel	Presto Finance Ltd.	SEBI	Circulated Fake and Duplicate Share Certificates	Debarred / Restrained from Associating With / Accessing Capital Market

					/ Intermediaries From 22-Apr- 1998 To 21- Apr-2003 23-Apr-1998
5.	Priti M. Patel	Shree Sadhak Stockage	Banks	Defaulted In Repayment of Loans	Possession Notice- Rs.17,50,46,00 0 Along with Other Entities/Person s Bank Of India 28-Oct-2015
6.	Priti Patel (DIN:0312569 0)	Priva Systems Pvt. Ltd. CIN: U29221GJ2010PTC0615 81	MCA	Did Not File Financial Statements Or Annual Returns For Any Continuous Period Of 3 Financial Years	Person Disqualified From Directorship For The Period 01-Nov-2016 To 31-Oct- 2021 02-Jul-2020
7.	Priti Patel (DIN:0335489 7)	Iscon Energy Solution Pvt. Ltd. CIN: U74999GJ2010PTC0633 00	MCA	Did Not File Financial Statements or Annual Returns For Any Continuous Period Of 3 Financial Years	Person Disqualified from Directorship For The Period 01-Nov-2016 To 31-Oct- 2021 02-Jul-2020

Yours faithfully,
For National Stock Exchange of India Ltd.
Pranali Honrao
Deputy 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