



Regd. Office:
2nd Floor, A-3 Shree Ganesh Nagar Housing Society,
Ramakaka Temple Road, Chhani, Vadodara-391740
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E-mail : info@kotyark.com, kipi7722@gmail.com,
Website : www.kotyark.com

CIN : U24100GJ2016PLC094939 • GST : 08AAGCK3927K1Z7

Date: August 10, 2022

To,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G
Bandra Kurla Complex,
Bandra (E), Mumbai-400051

Dear Sir/Madam,

Subject: Outcome of Board Meeting - Scheme of Amalgamation between Kotyark Industries Limited (KIL) and Yamuna Bio Energy Private Limited (YBEPL) and their respective shareholders

Ref: Kotyark Industries Limited (Symbol/ISIN: KOTYARK/INE0J0B01017)

In compliance with Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI listing Regulations"), read with SEBI Circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015, we write to advise you that the Board of Directors of Kotyark Industries Limited ("KIL") at its Meeting held today, i.e August 10, 2022 at its Registered Office of the Company has approved the Scheme of Amalgamation ("Scheme") of Yamuna Bio Energy Private Limited ("YBEPL") ("Transferor Company") with the Kotyark Industries Limited ("KIL") ("Transferee Company") and their respective shareholders pursuant to the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions, if any, of the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("Listing Regulations") and in terms of SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000065 dated November 23, 2021 ("SEBI Circular")

The Scheme is subject to receipt of necessary approvals from the jurisdictional bench(es) of the National Company Law Tribunal, Stock Exchanges, the Securities and Exchange Board of India, shareholders and such other statutory and regulatory authorities, as may be required.

The Scheme has been reviewed and recommended by the Audit Committee and Committee of Independent Directors of the Company at their Meetings held on August 10, 2022.

In terms of the SEBI Listing Regulations read with SEBI Circular No CIR/CFD/CMD/4/2015 dated September 09, 2015, we are furnishing herewith the details of the Scheme as Annexure 1.

The meeting of the Board of the Company started at 3.00 p.m. and concluded at 08.15 p.m.

Yours faithfully,

For Kotyark Industries Limited

Gaurang Rameshchandra Shah
Managing Director
DIN: -03502841



Encl:- A/a



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Annexure 1- Brief details of Amalgamation/ Merger

a) Name of the entity (ies) forming part of the amalgamation/merger along with details such as size, turnover etc.:

(₹ in Lakhs as at March 31, 2022)

Particulars	Kotyark Industries Limited	Yamuna Bio Energy Private Limited
Total Assets	3,148.97	4,470.15
Net worth (excluding Capital Reserves)	2,663.41	1,706.86
Total Paid up Equity Capital	827.49	649.44
Revenue from Operations	15,604.59	7,791.33

b) Whether the transaction would fall within related party transaction? If yes, whether the same is done at "arm's length basis":

Transferor Company forms part of Promoter Group of Transferee Company and they are related parties to each other. Pursuant to the Scheme, KIL will issue consideration by way of Equity Shares to the shareholders of YBEPL recommended by the Board relying on the Valuation Report obtained from CS Abhishek Chhajed, Registered Valuer, dated August 10, 2022 and Fairness Opinion on the same obtained from Beeline Capital Advisors Private Limited, a SEBI Registered Category I Merchant Banker dated August 10, 2022.

c) Area of Business of the Entities

Kotyark Industries Limited

Company is primarily engaged in the manufacturing of Bio Fuel which is an alternative source of energy and has the ability to replace and a good substitutes of traditional fossil fuels like coal, firewood, lignite, etc. Our company is serving towards renewable green energy and sustainable development of renewable natural resources (Biofuels) through the adoption of environmentally friendly technology that favors the net reduction of greenhouse gas emissions for use in a vehicle for public and private transport as well as various equipment and Gen Sets.

Yamuna Bio Energy Private Limited

YBEPL is also engaged in business of Bio Fuel which is an alternative source of energy and has the ability to replace and a good substitutes of traditional fossil fuels like coal, firewood, lignite, etc. Our company is serving towards renewable green energy and sustainable development of renewable natural resources (Biofuels) through the adoption of environmentally friendly technology that favors the net reduction of greenhouse gas emissions for use in a vehicle for public and private transport as well as various equipment and Gen Sets.

d) Rationale for amalgamation/merger:-

The amalgamation shall be in the interest of all concerned stakeholders including shareholders, customers, creditors, employees and general public, in the following ways:





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- The business activities of the Transferor Company and the Transferee Company are similar in nature, it would enable the Transferee Company to leverage its combined assets and to create a more competitive business, both in scale and operations;
 - The Scheme will result in consolidation of the value of stakeholders which is in the interest of the shareholders, creditors and employees of the Amalgamating Company and the Amalgamated Company.
 - The proposed amalgamation of YBEPL (Transferor Company) into KIL (Transferee Company) is in accordance with the Scheme of Amalgamation would enable both the companies to realize the substantial benefits of greater synergies among their businesses and would enable them to avail the financial resources as well as the managerial, technical, man power, distribution and marketing resources of each other, leading to a reduction in costs.
 - The Amalgamation contemplated in this Scheme will help avoid duplication of administrative functions, resources, systems, skills and processes, reduce overall cost, improve synergies, enable the achievement of economies of scale, reduce administrative costs entailed by the conduct of businesses through separate entities, eliminate multiple record-keeping, provide enhanced flexibility in funding of expansion plans, promote management efficiency and optimize the resources of the Amalgamated Company.
 - Consolidation of entities will result in significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the companies.
 - It will lead to cost savings owing to more focused operational efforts, rationalization, standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses.
 - It will help in achieving consolidation, greater integration and flexibility that will maximize overall shareholder's value and improve the competitive position and negotiating power of the combined entity.
 - it would enhance operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources and ultimately enhancing overall shareholders value;
 - it would achieve synergies in costs (particularly in respect of customer relationship management and establishing sales and marketing channels), operations, stronger and wider capital and financial base for future growth;
 - it would allow for an integrated and coordinated approach to investment strategies and more efficient allocation of capital and cash management;
 - it would prevent overlap of sales and marketing channels of the Transferor Company and the Transferee Company;
 - it would consolidate administrative and managerial functions and elimination of multiple record-keeping, *inter alia*, other expenditure and optimal utilization of resources by elimination of unnecessary duplication of activities and related costs thus resulting in reduced expenditure.
- e) **In case of cash consideration - amount or otherwise share exchange ratio:**
Upon the Scheme coming into effect, the Transferee Company shall, without any further act or deed, issue and allot 14 (Fourteen) Equity shares of Re. 10/- each fully paid up for every 100 (Hundred) Equity shares of Rs. 10/- each fully paid up held by the shareholders of the Transferor Company.
- f) **Brief details of change in shareholding pattern (if any) of listed entity:**

Category	Number of shares & % voting rights Pre-Amalgamation		Number of shares & % voting rights Post-Amalgamation*	
	As on 31 st March 2022			
Promoter & Promoter Group	59,76,225	72.221%	68,83,223	74.947%
Public Shareholder	22,98,675	27.779%	23,00,893	25.053%
Total	82,74,900	100.00%	91,84,116	100.000%





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** Upon the Scheme becoming effective, the Transferee Company will issue 909,216 equity shares, as per the share exchange ratio mentioned at point (e) above, to the equity shareholders of the Transferor Company as on the "record date".*

In the event that the New Equity Shares to be issued result in fractional entitlement, the Board of Directors of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of New Equity shares to nearest integer.

g) Details of the proposed Scheme

The draft Scheme of Amalgamation between the Transferor Company and the Transferee Company and their respective shareholders under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("Scheme"). The salient features of the proposed Scheme are, inter alia, as follows:

- The Appointed Date for the arrangement under the Scheme is April 01, 2022
- Transferor Company falls under Promoter Group of Transferee Company
- Pursuant to the Scheme, Upon the Scheme becoming effective, the Transferee Company will issue 9,09,216 equity shares, as per the share exchange ratio mentioned at point (e) above, to the equity shareholders of the Transferor Company as on the "record date".
- The New Equity Shares of the Transferee Company shall be listed and/ or admitted to trading on the Stock Exchange on which the existing Equity Shares of the Transferee Company are listed. The Transferee Company shall enter into such arrangements and give such confirmation and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchange.
- The Scheme is subject to receipt of necessary approvals from the jurisdictional bench(es) of the National Company Law Tribunal, Stock Exchanges, the Securities and Exchange Board of India, shareholders and such other statutory and regulatory authorities, as may be required.

For Kotyark Industries Limited

Gaurang Rameshchandra Shah
Managing Director
DIN: -03502841

