



Gorani Industries Ltd.

CIN : L28121MP1995PLC009170
GSTIN : 23AAACG6274B1Z2

Regd. Office :

Plot No. 32-33, Sector-F, Sanwer Road, Industrial Area,
Indore-452 015 (M.P.) India

Admin. Office :

1st Floor, B-15 Pologround, Indore - 452 015 (M.P.)

Phone : 0731-2723202-3

Email : goraniindustriesltd@gmail.com

Website : www.goraniindustries.com

To,
The Chief General Manager
Listing Operation,
BSE Limited,
20th Floor, P.J. Towers,
Dalal Street,
Mumbai – 400001

Date: 22.02.2023

Place: Indore

Dear Sir,

Reference: Application for obtaining No Objection letter for the Scheme of Amalgamation between Blow Hot Kitchen Appliances Private Limited (Transferor Company) and Gorani Industries Limited (Transferee Company) pursuant to regulation-37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

This is with reference to above mentioned subject, we would like to submit point wise reply/clarifications/documents:

1. Kindly submit the details of UTRN, date of payment, GST, TDS deducted if any on the SEBI fees. Kindly provide calculation of SEBI fees. Further, it is to be noted that the Companies are not allowed to deduct TDS on the SEBI fees payment, if done so request to process the TDS deducted.

Reply: The UTRN of payment of SEBI Fees is **AXIC230457134704** on **14th February, 2023**. Further note that we have not deducted any TDS on the SEBI fees payment. The details of the payment are as follows:

As per amendment in Regulation 37, the listed entity shall pay a fee 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.

Particulars	Calculation	Amount
Post paid-up share capital of the listed Company post sanction of the proposed scheme	80,95,098 Equity Shares =Rs.8,09,50,980 of Rs. 10 each 22,00,000 NCRPS =Rs. 2,20,00,000 of Rs. 10 each	Rs. 10,29,50,980.00
SEBI Fees	0.1% of Rs. 10,29,50,980.00	Rs. 1,02,951.00
Add GST	18% of Rs. 1,02,951.00	Rs. 18,532.00
Total (including GST)		Rs. 1,21,483.00

The acknowledgment of payment to SEBI is attached herewith as Annexure-A

For Gorani Industries Ltd.


Director.



Gorani Industries Ltd.

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2. Valuation report- Kindly provide the working of NPV of cash flow for the explicit period for the valuation done for GIL and BHKAPL.

Reply: The working of NPV of cash flow for the explicit period is attached herewith as Annexure-B

3. Shareholding pattern- as per our calculation, total 27,32,500 equity shares to be issued as the consideration from the Transferee company, however, the Company states that 27,32,498 new equity shares to be issued. As per the scheme, the fractional entitlements shall be ignored. Please clarify the same.

Reply: As per share exchange ratio specified by the Registered Valuer, the new shares to be allotted to the members of Blow Hot Kitchen Appliances Private Limited should be 27,32,500 equity shares and 22,00,000 Non-Convertible Redeemable Preference Shares (NCRPS). But the Company is issuing 27,32,498 equity shares and 22,00,000 NCRPS pursuant to the scheme as the Company has ignored the fractional entitlement in consideration because as per Clause 16.9 of the Scheme of Amalgamation

"Any fractional entitlement arising out of issue and allotment of the New Equity Shares and NCRPS of the Transferee Company to the shareholders of the Transferor Company pursuant to Clause 16.1 hereinabove shall be ignored".

The excel sheet for computation of consideration is attached herewith as Annexure-C for your reference.

4. Annexure IV- It is observed that in Annexure IV of GIC "Audited financials as on 31.12.2022 is mentioned the Audited report of GIL as on 31.12.2022.

Reply: Due to inadvertence, we have mentioned Audited Financials as at 31.12.2022 **instead** of Unaudited Limited Reviewed Financials as at 31.12.2022 in Annexure IV of Gorani Industries Limited. Revised Annexure IV is attached herewith as Annexure-D

5. Compliance report- kindly clarify the requirements under the Corporate Governance are not applicable for GIL for which financial year?

Reply: Corporate Governance Requirement was never applicable to the Company since inception as the Company does not have paid up equity share capital of exceeding rupees ten crore and net worth of exceeding rupees twenty-five crore, as on the last day of any previous financial years as per Regulation-15 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

6. Brief details of the transferee/resulting and transferor/demerged companies as per format enclosed at Annexure VIII.- Networth details of BHKAPL are not matching as per the networth certificate.

Reply: The revised Annexure VIII is attached herewith as Annexure-I.

7. Statutory Auditor's Certificate confirming the compliance of the accounting treatment etc. as specified in Para (I)(A) (5)(a) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as per the format given in Annexure II of aforesaid SEBI circular. Format given in Annexure V- unable to open, kindly avoid using any special characters while naming the document.



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Reply: Statutory Auditor's Certificate confirming the compliance of the accounting treatment etc. is attached herewith as Annexure-F.

8. Pre and Post Amalgamation/ Arrangement No of Shareholders of all companies in the format as provided in Annexure III- kindly include details of preference shareholders as well.

Reply: Pre and Post Amalgamation/ Arrangement No of Shareholders including preference shareholders of all companies in the format as provided in Annexure III is attached herewith as Annexure-G.

9. Report on the Unpaid Dues- kindly submit as per the format of Annexure XV.

Reply: Report on the Unpaid Dues in the specified format is attached herewith as Annexure H.

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

Reply: The Board of Directors of the Company Gorani Industries Limited at the meeting held on Friday, 19th August, 2022 have considered and approved Scheme of Amalgamation between Blow Hot Kitchen Appliance Private Limited and the Company pursuant to Sections 230 to 232 of the Companies Act, 2013 and filed such Scheme to BSE on 05th September, 2022.

Afterwards, the Company has withdrawn the said Scheme of Amalgamation in the Board meeting dated 07th February, 2023 as the Company proposes to change some of the clauses in the draft Scheme. The Company has approved the revised Scheme of Amalgamation between Blow Hot Kitchen Appliance Private Limited and the Company in the same Board Meeting i.e. 07th February, 2023.

Except above, there were no prior schemes of arrangement concerning the Company.

11. Undertaking that the transferee entity will not issue/reissue shares not covered under the draft scheme: To be confirmed by Listed company. (ii) Undertaking that as on date of application there are no outstanding Warrants/instruments/agreements which give right to any person to take the equity shares in the transferee entity at any future date : To be confirmed by listed company.

Reply: Undertaking from the Company in the aforesaid regard is attached herewith as Annexure I.

12. Report from the Committee of Independent Directors recommending the draft scheme taking into consideration, inter alia, that the scheme is not detrimental to the shareholders of the listed entity, as per Para (A)(2)(i) of Part I of SEBI Master Circular: not found.

Reply: Report from the Committee of Independent Directors recommending the draft scheme taking into consideration, inter alia, that the scheme is not detrimental to the shareholders of the listed entity, as per Para (A)(2)(i) of Part I of SEBI Master Circular is attached herewith as Annexure J.

13. No objection certificate (NOC) from lending scheduled commercial banks/ financial institutions/ debenture trustees OR An undertaking from the listed entity signed by Managing Director/ Company Secretary/ Compliance Officer stating that: We hereby confirm that we have initiated the process of obtaining the No Objection Certificate from the lending scheduled commercial banks/financial institutions/debenture trustees as required under Para A (2) (k) of Part I of SEBI

For Gorani Industries Ltd.
Director.



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Master Circular dated November 23, 2021 and we shall submit the same with the Exchange before the receipt of the No-objection letter from stock exchange in terms of Regulation 37(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: not found.

Reply: The No objection certificate (NOC) from Axis Bank Limited being the only scheduled commercial bank of the Company is attached herewith as Annexure K.

I hereby confirm that the information provided in the above clarifications is true and correct.

Thanking You

Yours faithfully

For Gorani Industries Limited

Nakul Gorani
(Holding DIN- 06543317)
(Whole-time Director)

For Gorani Industries Ltd.
Nakul Gorani
Director

Enclosed:

S. No.	Particulars	Annexure	Page Number
1.	Acknowledgment of payment to SEBI	A	1-1
2.	Working of NPV	B	2-4
3.	Excel sheet for calculation of consideration	C	5-5
4.	Revised Annexure IV	D	6-7
5.	Revised Annexure VIII	E	8-13
6.	Statutory Auditor's Certificate confirming the compliance of the accounting treatment etc	F	14-16
7.	Pre and Post Amalgamation/Arrangement No of Shareholders	G	17-18
8.	Report on the Unpaid Dues	H	19-19
9.	Undertaking from the Company	I	20-20
10.	Report from the Committee of Independent Directors	J	21-26
11.	No objection certificate (NOC) from Axis Bank Limited	K	27-27

For Gorani Industries Ltd.

Nakul Gorani
Director

Unitary Transaction

File Upload

Authorization

Enquiry

You are in: Enquiry / Unitary Transaction / Domestic Payments

Outward View Details

Message Details			
Message Type	Customer Instruction	Txn Reference No	25:1085373902:1
UTR Number	AXIC230457134704	Related Reference No	
Currency	INR	Amount	Rs. 121,483.00
Transaction Date	14-Feb-2023	Value Date	14-Feb-2023
Sender Reference			
Sender Details			
Sending Customer A/c Type	Cash Credit	Sending Branch's IFSC	
Sending Customer A/c No	919030082509974	Sender to Receiver Information	
Sending Customer A/c Name	GORANI INDUSTRIES LIMITED	Line 2	
Sending Customer Email Id		Line 3	
Sending Customer Mobile No	9109121771	Line 4	
Originator of Remittance	GORANI INDUSTRIES LIMITED	Line 5	
Line 1	GORANI INDUSTRIES LIMITED	Line 6	
Line 2			
Line 3			
Beneficiary Details			
Beneficiary Branch's IFSC	ICIC0000106	Beneficiary Customer Address	
Beneficiary Customer A/c Type		Line 2	
Beneficiary Customer A/c No	SEBIRCCFDSICHEMEFEE	Line 3	
Beneficiary Customer A/c Name	SECURITIES AND EXCHANGE BOARD OF INDIA	Line 4	
Beneficiary Customer Email Id			
Beneficiary Customer Mobile No			
Status			
Request Received from RBI		Current Status	Settled: Settlement Notification Received
Batch Time	25	Error Information	
Credit Confirmation (H10)	123603	Reason Code	
Return Date	31-Jan-2023 00:00:00	Rejection Reason	
Return Batch Time		Upload Date	14-Feb-2023

For Gorani Industries Ltd.



Director

Addendum Letter to Valuation Report

February 2023



Tel: +91 22 6228 0817

HO

The Ruby, Level 9, North West Wing,
Senapati Bapat Marg, Dadar (W),
Mumbai 400028, INDIA

Ref. No.: SD/Feb21-123/2023

February 21, 2023

To,

The Board of Directors
Gorani Industries Limited
Plot No. 32-33, Sector F,
Sanwer Road, Industrial Area,
Indore - 452 015.

The Board of Directors
Blow Hot Kitchen Appliances Private Limited
Industrial Estate Pologround,
Indore - 452 015.

Dear Sir(s)/ Madam(s),

Sub: Addendum to Report dated February 07, 2023 bearing its reference number SD/Feb7-117/2023 and Valuation Annexure dated February 07, 2023 bearing its reference number SD/Feb7-118/2023 issued to revise the valuation of equity shares and determine the fair share swap ratio considering financial statements as on December 31, 2022, for the proposed merger of Blow Hot Kitchen Appliances Private Limited into Gorani Industries Limited

We, BDO Valuation Advisory LLP ("BDO Val" or "We" or "Us"), have been appointed by Gorani Industries Limited ("GIL" or "Transferee Company" or "the Client") vide Addendum Engagement Letter dated December 19, 2022 to revise the valuation of equity shares and determine the fair share swap ratio considering financial statements as on December 31, 2022 for the proposed merger of Blow Hot Kitchen Appliances Private Limited ("BHKAPL" or "Transferor Company") into GIL on a going concern basis, as per the revised Proposed Scheme of Arrangement pursuant to provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Proposed Scheme").

In this regard, we had issued Report dated February 07, 2023 bearing its reference number SD/Feb7-117/2023 and Valuation Annexure dated February 07, 2023 bearing its reference number SD/Feb7-118/2023, recommending the Fair Share Swap Ratio for the Proposed Scheme.

Further, with reference to the above-mentioned report, we have been requested to submit the working of Net Present Value ("NPV") of cash flows for the explicit period for the valuation of GIL and BHKAPL.

This addendum to report shall be read in conjunction to the Valuation Report and Valuation Annexure. All other terms & conditions and other contents mentioned in the Valuation Report shall remain unchanged and would apply to this clarification to the Valuation Report as well.

Regards,

For BDO Valuation Advisory LLP
IBBI No.: IBBI/RV-E/02/2019/103



VRN Number: IOVRF/BDO/2022-2023/1389

Swanand Kishor Deshpande

Partner

IBBI No.: IBBI/RV/05/2019/11148

BDO Valuation Advisory LLP, an Indian limited liability partnership firm, with LLP Identity No. AAN 9463, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Head Office: The Ruby, Level 9, North West Wing, Senapati Bapat Marg, Dadar (W), Mumbai 400028, INDIA | Tel: +91 22 6228 0817



1. Working of Net Present Value of GIL

Particulars (INR Mn.)	FY23 ^[1]	FY24	FY25	FY26	FY27	TV
EBITDA	8.8	82.0	99.4	116.9	136.9	143.7
Less: Outflows						
Capital Expenditure	-	-	-	-	-	(2.1)
Incremental Working Capital	95.6	(20.5)	(20.1)	(19.1)	(19.4)	(7.9)
Taxation	(2.0)	(19.9)	(24.3)	(28.8)	(34.0)	(35.7)
Free Cash Flow	102.4	41.7	54.9	69.0	83.5	98.0
Present Value Factor (@ 12.4%)	0.99	0.92	0.82	0.73	0.65	0.65
Present Value of Cash Flows	100.9	38.2	44.8	50.0	53.9	63.3
Net Present Value of Explicit Period	287.8					
Present Value of Terminal Value	856.1					
Enterprise Value (EV)	1,143.9					

^[1] For the 3 month period ended March 31, 2023

Computation of Terminal Value	
Terminal Period Cash Flow (a)	63.3
Discount Factor (b)	12.4%
Terminal Growth Rate (c)	5.0%
Terminal Value [a/(b-c)]	856.1

2. Working of Net Present Value of BHKAPL

Particulars (INR Mn.)	FY23 ^[1]	FY24	FY25	FY26	FY27	TV
EBITDA	16.3	118.9	156.2	181.1	210.2	220.7
Less: Outflows						
Capital Expenditure	-	-	-	-	-	(3.0)
Incremental Working Capital	(9.2)	(27.4)	(19.1)	(25.9)	(23.6)	(10.9)
Taxation	(3.3)	(28.5)	(38.2)	(44.6)	(52.1)	(54.8)
Free Cash Flow	3.7	62.9	98.9	110.6	134.6	152.1
Present Value Factor (@ 15.4%)	0.98	0.90	0.78	0.67	0.58	0.58
Present Value of Cash Flows	3.7	56.5	77.0	74.6	78.6	88.9
Net Present Value of Explicit Period	290.4					
Present Value of Terminal Value	853.6					
Enterprise Value (EV)	1,144.0					

^[1] For the 3 month period ended March 31, 2023

Computation of Terminal Value	
Terminal Period Cash Flow (a)	88.9
Discount Factor (b)	15.4%
Terminal Growth Rate (c)	5.0%
Terminal Value [a/(b-c)]	853.6



Annexure C

Reference : Point No. 3 of Query List received from BSE dated 18.02.23

Share Exchange Ratio as prescribed by the Registered Valuer	1093 (One Thousand and Ninety Three) fully paid equity share of face value of INR 10/- (Rupees Ten Only) each of the Transferee Company, for every 10 (Ten) fully paid-up equity share of face value of INR 100/- (Rupees One Hundred only) each of the Transferor Company and 880 (Eight Hundred and Eighty) fully paid Non-Convertible Redeemable Preference Shares of face value of INR 10/- (Rupees Ten only) at a premium of INR 201/- (Rupees Two Hundred and One Only) of the Transferee Company, for every 10 (Ten) fully paid-up equity share of face value of INR 100/- (Rupees One Hundred Only) each of the Transferor Company ("Share Exchange Ratio") as determined by Registered Valuer BDO Valuation Advisory LLP.
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Consideration Clause- Equity Shares

Name of shareholder of Transferor Company	Existing Equity Shares	Equity Shares to be issued	Ignoring fractional entitlement (as per Clause 16.9 of the Scheme)
Mrs. Shanta Devi Gorani	100	10930	10930
Mr. Narendra Gorani	6225	680392.5	680392
Mr. Sanjay Gorani	6225	680392.5	680392
Mr. Nakul Gorani	6225	680392.5	680392
Mr. Geet Gorani	6225	680392.5	680392
Total	25000	2732500	2732498

Consideration Clause- Non-Cumulative Redeemable Preference Shares

Name of shareholder of Transferor Company	Existing Equity Shares	NCRPS to be Issued	Ignoring fractional entitlement
Mrs. Shanta Devi Gorani	100	8800	8800
Mr. Narendra Gorani	6225	547800	547800
Mr. Sanjay Gorani	6225	547800	547800
Mr. Nakul Gorani	6225	547800	547800
Mr. Geet Gorani	6225	547800	547800
Total	25000	2200000	2200000

For Gorani Industries Ltd.



Director.

The financial details and capital evolution of the transferee and transferor companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: Gorani Industries Limited (Transferee Company)

(Rs. in Crores except EPS and book value)

	As per Unaudited Limited Reviewed Financials	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	As at 31.12.2022	2021-22	2020-21	2019-20
Equity Paid up Capital	5.3626	4.875	4.875	4.875
Reserves and surplus	6.423	2.504	0.895	0.290
Carry forward losses	0	0	0	0.0640
Net Worth	11.4956	7.08	5.48	4.81
Miscellaneous Expenditure	0	0	0	0
Secured Loans	7.857	6.662	2.54	2.62
Unsecured Loans	0.571	0.841	0.291	0.789
Fixed Assets	3.265	3.342	2.832	2.849
Income from Operations	34.10	28.76	18.40	21.43
Total Income	34.22	28.87	18.51	21.48
Total Expenditure	31.36	26.61	17.60	20.58
Profit before Tax	2.86	2.26	0.91	0.90
Profit after Tax	2.12	1.663	0.66	0.64
Cash profit	2.45	2.03	1.03	1.35
EPS	3.94	3.41	1.35	1.33
Book value	21.44	14.54	11.24	9.8

Note:

1. Cash Profit = PBT-Current tax + Dep.+ {(Int. exp. On lease Liabilities + Unrealised Forex Diff. + Employee Benefit Expenses i.e. Actuary Report)} Ind As Adjustment} You can also refer cash flow statement for the same.
2. Book Value = Net worth/ No. of shares
3. Net worth is calculated as per Companies Act, 2013
4. Debit Balance of Profit and Loss has been shown under carry forward losses

For Gorani Industries Ltd.


Director.

7

The financial details and capital evolution of the transferee and transferor companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: Blow Hot Kitchen Appliances Private Limited (Transferor Company)

(Rs. in Crores except EPS and Book Value)

	As per Audited Financials	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	As at 31.12.2022	2021-22	2020-21	2019-20
Equity Paid up Capital	0.25	0.25	0.25	0.25
Reserves and surplus	6.62	6.43	6.08	3.84
Carry forward losses	0	0	0	0
Net Worth	6.87	6.68	6.33	4.09
Miscellaneous Expenditure	0	0	0	0
Secured Loans	9.22	3.93	1.96	1.95
Unsecured Loans	4.07	1.82	2.03	0.93
Fixed Assets	8.46	3.46	1.89	1.97
Income from Operations	61.53	46.25	23.51	12.65
Total Income	63.55	46.29	23.83	12.65
Total Expenditure	63.31	45.83	20.74	12.16
Profit before Tax	0.24	0.46	3.09	0.49
Profit after Tax	0.16	0.35	2.24	0.34
Cash profit	0.78	0.97	2.86	0.87
EPS	62	140	898	136
Book value	2748	2672	2532	1636

Note:

1. Cash Profit = PAT+DEP

You can also refer cash flow statement for the same.

2. Book Value = Net worth/ No. of shares

3. Net worth is calculated as per Companies Act, 2013

For Gorani Industries Ltd.


Director.

Brief particulars of the transferee and transferor companies

Particulars	Transferee Company	Transferor Company
Name of the company	Gorani Industries Limited	Blow Hot Kitchen Appliances Private Limited
Date of Incorporation & details of name changes, if any	14/03/1995 (No change of name from the incorporation of the Company)	02/03/1963 (Name Change from Supersteel Manufacturing Co. Pvt. Ltd. to Blow Hot Kitchen Appliances Private Limited in the EGM held on 12.02.2007)
Registered Office	32-33, Sector-F Sanwer Road Indore (M.P.) 452015	B/15, Industrial Estate Pologround Indore (M.P.) 452015
Brief particulars of the scheme	The Scheme of Amalgamation is presented under Section 230 to Section 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder including any statutory modifications or re-enactments thereof, if any for the amalgamation/merger of Blow Hot Kitchen Appliances Private Limited ("Transferor Company") with Gorani Industries Limited ("Transferee Company") and other ancillary and incidental matters thereto.	
Rationale for the scheme	<p>The proposed amalgamation would be in the best interest of the Parties and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages as set out <i>inter alia</i> below:</p> <ol style="list-style-type: none"> i. consolidation for the long-term sustainability of the business; ii. create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, innovations in technology and expanded reach with increased growth opportunities, higher cross selling opportunities to a larger base of customers, improvement in productivity and operational efficiencies, amongst others; iii. better administration and cost optimization (including optimization in administrative and other common costs by bulk negotiations); iv. pooling of resources, achieving economies of scale and creating better synergies; v. provide material realisable cost and revenue synergies for the benefit of the Parties; vi. The merger will result in achieving greater integration and greater financial strength and flexibility and to maximize overall shareholders' value; vii. The merger will result in achieving cost savings from more focused operational efforts, rationalization, standardization and simplification of business processes and productivity improvements; 	

For Gorani Industries Ltd.



Director,

	<p>viii. The merger will result in greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund growth opportunities, to maximize shareholders value;</p> <p>ix. The merger will help in consolidating and improving the internal control systems and procedures which will bring greater management and operational efficiency due to integration of various similar functions being carried out by the entities such as human resources, finance, legal, management etc;</p> <p>x. The merger will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor Company and the Transferee Company;</p> <p>xi. The merger will also enable unified accounting and auditing resulting in reduction of costs and time and efforts involved;</p> <p>xii. Greater ability of the Transferee company to raise financial resources, either as equity or debt, based on combined financials;</p>	
Date of resolution passed by the Board of Director of the company approving the scheme	07 th February, 2023	07 th February, 2023
Date of meeting of the Audit Committee in which the draft scheme has been approved	07 th February, 2023	Not Applicable
Appointed Date	01 st April, 2022	
Name of Exchanges where securities of the company are listed	BSE Limited	Unlisted
Nature of Business	The Transferee Company is engaged in the business of production and sales of kitchen and home appliances since 1996. Its main products are LPG stoves, steel frames, gas geyser, rangehood chimney etc	The Transferor Company is engaged in the business of Sale and trading of Chimney, Hobs, OTG, Electric Geyser, Gas Geyser, Range Hood, Gas Stove, Gas Water Heater, Electric Water Heater, Food Guard, & Components etc and Manufacturing of induction cooker and infrared cooker.
Capital before the scheme (No. of equity shares as well as capital in rupees)	5362600 equity shares of Rs. 10 each aggregating to Rs. 5,36,26,000 (Rupees Five Crore Thirty Six Lacs and Twenty Six Thousand Only)	25000 equity shares of Rs. 100 each aggregating to Rs. 25,00,000 (Rupees Twenty Five Lacs Only)

For Gorani Industries Ltd.


Director,

No. of shares to be issued	<p>1093 (One Thousand and Ninety Three) fully paid equity share of face value of INR 10/- (Rupees Ten Only) each of the Transferee Company, for every 10 (Ten) fully paid-up equity share of face value of INR 100/- (Rupees One Hundred only) each of the Transferor Company and 880 (Eight Hundred and Eighty) fully paid Non-Convertible Redeemable Preference Shares of face value of INR 10/- (Rupees Ten only) at a premium of INR 201/- (Rupees Two Hundred and One Only) of the Transferee Company, for every 10 (Ten) fully paid-up equity share of face value of INR 100/- (Rupees One Hundred Only) each of the Transferor Company ("Share Exchange Ratio") as determined by Registered Valuer BDO Valuation Advisory LLP.</p> <p>Therefore 27,32,498 fully paid up equity share of face value of INR 10/- (Rupees Ten Only) each of the Transferee Company and 22,00,000 fully paid Non- Convertible Redeemable Preference Shares of face value of INR 10/- (Rupees Ten only) at a premium of INR 201/- (Rupees Two Hundred and One Only) of the Transferee Company will be issued.</p> <p>Kindly note that fraction entitlements arising out of the above share exchange ratio were ignored.</p>	
Cancellation of shares on account of cross holding, if any	N.A.	N.A.
Capital after the scheme (No. of equity shares as well as capital in rupees)	<p>80,95,098 equity shares of Rs. 10 each aggregating to Rs. 8,09,50,980 (Rupees Eight Crore Nine Lakhs Fifty Thousand Nine Hundred and Eighty Only)</p> <p>22,00,000 Non- Convertible Redeemable Preference Shares of face value of Rs. 10 each aggregating to Rs. 2,20,00,000 (Rupees Two Crore Twenty Lakhs Only).</p>	N.A.
<p>Net Worth</p> <p>Pre (as on 31/03/2022)</p> <p>Post</p> <p>Pre (as on 31/12/2022)</p> <p>Post</p>	<p>(Rs. In crores)</p> <p>Rs. 7.09</p> <p>Rs. 16.09</p> <p>Rs. 11.49</p> <p>18.36</p>	<p>(Rs. In crores)</p> <p>Rs. 6.72</p> <p>Not Applicable</p> <p>Rs. 6.87</p> <p>Not Applicable</p>
Valuation by independent Chartered Accountant – Name of the	M/s. BDO Valuation Advisory LLP (Registration Number: IBBI/RV-E/02/2019/103)	

valuer/valuer firm and Regn no.						
Methods of valuation and value per share arrived under each method with weight given to each method, if any.			Transferee		Transferor	
	Valuation Approach	Method	Value per share(INR)	Weights	Value per Share(INR)	Weights
	Income Approach	DCF Method	196.9	33.3%	40,494.5	50%
	Market Approach	MP Method	209.1	33.3%	NA	NA
		CCM Method	225.7	33.3%	42754.5	50%
	Cost Approach	Summation Method	NA	NA	NA	NA
	Value Per Share (Rounded Off)		211.0		41.625.0	
Swap Ratio		197.3				
Fair value per shares	Rs.211.0			Rs. 41.625.0		
Exchange ratio	1093 (One Thousand and Ninety Three) fully paid equity share of face value of INR 10/- (Rupees Ten Only) each of the Transferee Company, for every 10 (Ten) fully paid-up equity share of face value of INR 100/- (Rupees One Hundred only) each of the Transferor Company and 880 (Eight Hundred and Eighty) fully paid non-convertible redeemable preference shares of face value of INR 10/- (Rupees Ten only) at a premium of INR 201/- (Rupees Two Hundred and One Only) of the Transferee Company, for every 10 (Ten) fully paid-up equity share of face value of INR 100/- (Rupees One Hundred Only) each of the Transferor Company ("Share Exchange Ratio") as determined by Registered Valuer BDO Valuation Advisory LLP.					
Name of Merchant Banker giving fairness opinion	M/s Fedex Securities Private Limited					
Shareholding pattern	Pre as on 31/12/2022			Pre as on 31/12/2022		
		No. of Shares	% of holding	No. of Shares	% of holding	
Equity Shares						
Promoter	33,38,562	62.26	25,000	100		
Public	20,24,038	37.74	-	-		
Custodian	-	-	-	-		
SUB-TOTAL (A)	53,62,600	100	25,000	100		
Non-Convertible Instruments						
Promoter	-	-	-	-		
Public	-	-	-	-		
SUB-TOTAL (B)	-	-	-	-		

For Gorani Industries Ltd.



Director,

	Post*		Post	
	No. of Shares	% of holding		
Promoter	60,71,060	75.00		
Public	20,24,038	25.00		
Custodian	-	-		
TOTAL	80,95,098	100.00		
Non-Convertible Instruments**				
Promoter	22,00,000	100.00		
Public	-	-		
SUB-TOTAL (B)	22,00,000	100.00		
No of shareholders as on 31/12/2022	1986		5	
Names of the Promoters (with PAN nos.)	<ol style="list-style-type: none"> Sanjay Gorani (PAN: ACKPG1819K) Narendra Kumar Gorani (PAN: ACKPG1818J) Anil Gorani (PAN: ACHPG3178N) Shanta Devi Gorani (PAN: ACKPG1738K) Balkishan Gorani (PAN: ACHPG3177D) Nakul Gorani (PAN: AKZPG6880H) Manju Gorani (PAN: ACKPG1823F) Geet Gorani (PAN: CAZPG7825C) Hema Gorani (PAN: ACHPG3179P) 		<ol style="list-style-type: none"> Shanta Devi Gorani (PAN: ACKPG1738K) Sanjay Gorani (PAN: ACKPG1819K) Nakul Gorani (PAN: AKZPG6880H) Geet Gorani (PAN: CAZPG7825C) Narendra Kumar Gorani (PAN: ACKPG1818J) 	
Names of the Board of Directors (with DIN and PAN nos.)	<ol style="list-style-type: none"> Sanjay Gorani (Holding DIN: 00055531) (PAN: ACKPG1819K) Nakul Gorani (Holding DIN: 06543317) (PAN: AKZPG6880H) Geet Gorani (Holding DIN: 08364525) (PAN: CAZPG7825C) Komal Motwani (Holding DIN: 07302550) (PAN: CVTPM6573N) Raina Goyal (Holding DIN: 08295368) (PAN: BMOPG3399D) 		<ol style="list-style-type: none"> Sanjay Gorani (Holding DIN: 00055531) (PAN: ACKPG1819K) Geet Gorani (Holding DIN: 08364525) (PAN: CAZPG7825C) 	

For Gorani Industries Ltd.



Director.

	6. Ayush Shukla (Holding DIN: 09057436) (PAN: HOQPS2594L)	
Please specify relation among the companies involved in the scheme, if any	The Transferor Company is promoter group Company of Transferee Company	The Transferor Company is promoter group Company of Transferee Company
Details regarding change in management control in listed or resulting company seeking listing if any	Not Applicable	

**Post shareholding pattern of Transferee Company is mentioned assuming no change in the shareholding during the merger.*

Date: 22/02/2023

Place: Indore

For Gorani Industries Ltd.

 Director.

SANDEEP SURENDRA JAIN & CO.
 CHARTERED ACCOUNTANTS
 F.R.N - 010172C
 PAN - ABRFS4409B
 E-mail:- sandipjain_ca@rediffmail.com



HO: 11, JAWAHAR MARG
 THANDLA DIST. JHABUA (M.P.)
 BO: 104, 1ST FLOOR, SHAMTOWER
 RNT MARG, INDORE (M.P.)
 0731-2526207, 9425057040

To,
 The Board of Directors,
 Gorani Industries Limited
 Address- 32-33, Sector-F, Sanwer Road,
 Indore (M.P.) 452015

Dear Sir,

Sub: Independent Auditor's Certificate certifying the proposed accounting treatment in the books of Gorani Industries Limited as mentioned in Clause 17 of the Draft Scheme of Arrangement

1. We, M/s. Sandeep Surendra Jain & Co., the statutory auditors of Gorani Industries Limited (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in Clause 17 (reproduced as an 'Annexure A' to this certificate, as provided by the Transferee Company) of the Draft Scheme of arrangement in the nature of merger of Blow Hot Kitchen Appliances Private Limited (Transferor Company) with Gorani Industries Limited (Transferee Company) in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 read with applicable rules made thereunder, with reference to its compliance with the applicable Accounting Standards notified under Section-133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other Generally Accepted Accounting Principles.

Management's Responsibility

2. The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved.

Auditor's Responsibility

3. Our responsibility is to examine and report whether the Draft Scheme complies with the applicable Accounting Standards notified under Section-133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
4. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

For Gorani Industries Ltd.

Director.





Opinion

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and all the applicable Accounting Standards notified by the Central Government under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules, 2015.

Restriction on use

This Certificate is issued at the request of the Gorani Industries Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE Limited. This Certificate should not be used for any other purpose without our prior written consent.

For Sandeep Surendra Jain & Co.
(Chartered Accountants)
Firm Reg. No. 010172C

Seema

CA Seema Vijayvargiya
(Partner)
Membership No. 409674



For Gorani Industries Ltd.
Gorani
Director.

UDIN: 23409674BGXCWV3954
Place: Indore
Date: 07.02.2023

SANDEEP SURENDRA JAIN & CO.

CHARTERED ACCOUNTANTS

F.R.N - 010172C

PAN - ABRFS4409B

E-mail:- sandipjain_ca@rediffmail.com



HO: 11, JAWAHAR MARG
THANDLA DIST. JHABUA (M.P)

BO: 104,1ST FLOOR,SHAMTOWER
RNT MARG, INDORE (M.P.)

0731-2526207,9425057040

Annexure A

Relevant extract of Clause 17 of the Draft Scheme of Amalgamation between Blow Hot Kitchen Appliances Private limited ("Transferor Company") and Gorani Industries Limited ("Transferee Company") and their respective shareholders and creditors ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 read with applicable rules made thereunder.

Clause 17

17. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEEE COMPANY

On the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of account in accordance with of accounting as provided for business combinations under IND AS 103 notified under Section 133 of the Companies Act, 2013, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time.



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ANNEXURE G**A. EQUITY SHAREHOLDERS****No. of Equity Shareholders Pre and Post Merger of Transferor Company**

Category	Pre as on 31.12.2022	Post
A) Promoter	5	N.A.
B) Public	-	-
C) Non-Promoter Non-Public		
C1) Shares underlying DR's	-	-
C2) Shares held by Employee Trust	-	-
Total	5	N.A.

No. of Equity Shareholders Pre and Post Merger of Transferee Company

Category	Pre as on 31.12.2022	Post*
A) Promoter	7	7
B) Public	1979	1979
C) Non-Promoter Non-Public		
C1) Shares underlying DR's	-	-
C2) Shares held by Employee Trust	-	-
Total	1986	1986

B. PREFERENCE SHAREHOLDERS (i.e. NON- CONVERTIBLE REDEEMABLE PREFERENCE SHAREHOLDERS)**No. of Preference Shareholders Pre and Post Merger of the Transferor Company**

Category	Pre as on 31.12.2022	Post
D) Promoter	0	N.A.
E) Public	-	-
F) Non-Promoter Non-Public		
C1) Shares underlying DR's	-	-
C2) Shares held by Employee Trust	-	-
Total	0	N.A.

No. of Preference Shareholders Pre and Post Merger of the Transferee Company

Category	Pre as on 31.12.2022	Post*
D) Promoter	0	5
E) Public	0	0
F) Non-Promoter Non-Public		
C1) Shares underlying DR's	-	-
C2) Shares held by Employee Trust	-	-
Total	0	5

For Gorani Industries Ltd

 Director,

18

**Post shareholding pattern of Transferee Company is mentioned assuming no change in the shareholding during the merger.*

Date: 22nd February, 2023
Place: Indore

For Gorani Industries Ltd.

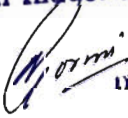

Director.

FORMAT FOR REPORT ON UNPAID DUES

Sr. No.	Particulars	Details of dues/fine	Amount	Reason for non-payment
1	Pending Dues of SEBI	Not Applicable	0.00	Not Applicable
2	Pending Dues of Stock Exchanges	Not Applicable	0.00	Not Applicable
3	Pending Dues of Depositories	Not Applicable	0.00	Not Applicable

Date: 22nd February, 2023
Place: Indore

For Gorani Industries Ltd.


Director



Gorani Industries Ltd.

CIN : L28121MP1995PLC009170
GSTIN : 23AAACG6274B1Z2

Regd. Office :
Plot No. 32-33, Sector-F, Sanwer Road, Industrial Area,
Indore-452 015 (M.P.) India
Admin. Office :
1st Floor, B-15 Pologround, Indore - 452 015 (M.P.)
Phone : 0731-2723202,3
Email : goraniindustriesltd@gmail.com
Website : www.goraniindustries.com

To,
The Chief General Manager
Listing Operation,
BSE Limited,
20th Floor, P.J. Towers,
Dalal Street,
Mumbai – 400001

Annexure - I

20

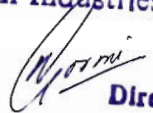
Dear Sir,

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed scheme of merger of Blow Hot Kitchen Appliances Private Limited with Gorani Industries Limited

In connection with the above application, I hereby undertake the following:

1. That the Transferee Company will not issue/reissue shares to the shareholders of the transferor company as consideration for the merger, which are not covered under the draft scheme of Amalgamation between Blow Hot Kitchen Appliances Private Limited and Gorani Industries Limited;
2. That as on date of application there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee Company at any future date.

For Gorani Industries Ltd.


Director,

Nakul Gorani
(Holding DIN: 06543317)
Whole-time Director

Date: 22nd February, 2023
Place: Indore

REPORT OF THE INDEPENDENT DIRECTORS COMMITTEE OF THE COMPANY GORANI INDUSTRIES LIMITED FOR RECOMMENDING THE DRAFT SCHEME OF AMALGAMATION BLOW HOT KITCHEN APPLIANCES PRIVATE LIMITED AND BETWEEN GORANI INDUSTRIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS AT ITS MEETING HELD ON TUESDAY, 07TH FEBRUARY, 2023 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 32-33, SECTOR 'F' SANWER ROAD, INDUSTRIAL AREA, INDORE 452015 (M.P.)

MEMBERS PRESENT: (PHYSICALLY)

1. Mr. Ayush Shukla (Holding DIN- 09057436)
2. Ms. Komal Motwani (Holding DIN- 07302550)

In Attendance of

Ms. Sachi Samaria (Company Secretary)

1. Background

- 1.1. The Proposal to consider and recommend draft Scheme of Arrangement in the nature of merger / amalgamation between Blow Hot Kitchen Appliance Private Limited ("Transferor Company / BHKAPL") and Gorani Industries Limited ("Transferee Company" / "GIL") and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 read with applicable rules made thereunder ("Scheme") was placed before and considered by members of the Independent directors committee at its meeting held on Tuesday, 7th February, 2023.
- 1.2. The Equity Shares of GIL are listed on BSE Limited ("BSE"). The Company will be filing the Scheme along with the necessary documents / information with the BSE for their No Objection or No Observation Letter pursuant to Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and applicable statutory provisions.
- 1.3. The Report of the Independent directors Committee is made to comply with the requirements of SEBI LODR Regulations and master circular in relation to scheme of arrangement issued by SEBI having No. SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated November 23, 2021 covering all circulars issued by SEBI in relation to scheme of arrangement including any amendments or modifications thereof, and any other circular issued pursuant to Regulations 11, 37 and 94 of SEBI LODR Regulations ("SEBI Master Circular") considering following:
 - a. Valuation Report dated 7th February, 2023 issued by M/s. BDO Valuation Advisory LLP, an Independent Registered Valuer (Registration No. IBBI/RV-E/02/2019/103) ("Registered Valuer") appointed for recommending the fair share exchange ratio for the purpose of this Scheme;

For Gorani Industries Ltd.

Ayush Shukla
Director.

- b. Fairness Opinion Report dated 7th February, 2023 issued by M/s Fedex Securities Private Limited Category I SEBI Registered Merchant Banker (Registration No. INM000010163) providing fairness opinion ("Fairness Opinion") on the share exchange ratio recommended in the Valuation Report issued by Registered Valuer and
- c. Draft certificate to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in pursuance to Section 133 of the Companies Act, 2013 read with applicable rules and/ or the accounting standards and principles, received from Statutory Auditors of the Transferee Company i.e., M/s. Sandeep Surendra Jain & Co., Chartered Accountants (Firm's Registration No. 010172C).

2. Proposed Scheme:

2.1. The Scheme, inter-alia, provides the following:

- a. merger of Blow Hot Kitchen Appliance Private Limited with Gorani Industries Limited and
- b. various other matters consequential or otherwise integrally connected herewith.

2.2. Appointed Date of the Scheme is 01st April, 2022.

2.3. The Effective Date for the Scheme means the day on which last of the conditions specified in Clause 27 of the Scheme are complied with.

2.4. The Scheme would be subject to the sanction or approval of the National Company Law Tribunal, SEBI, Stock Exchanges, Shareholders, Creditors and other Appropriate Authorities (as defined in the Scheme).

3. Need for the merger and Rationale of Scheme

3.1. The Transferor Company is engaged in the business of Sale and trading of Chimney, gas stove, Hobs, OTG, Electric Geyser, Gas Geyser, Range Hood, Gas Water Heater, Electric Water Heater, Food Guard, & Components etc and Manufacturing of induction cooker and infrared cooker. The Transferee Company is engaged in the business of production and sales of kitchen and home appliances since 1996. Its main products are LPG stoves, steel frames, gas geyser, rangehood chimney etc. It does its business through a strong network of dealers and distributors all over central, south and north India. Both the Companies have same set of promoters.

3.2. The Independent directors noted the need for proposed merger of Blow Hot Kitchen Appliance Private Limited with Gorani Industries Limited in light of the various synergies and value creation on account of multiple factors as outlined in the Scheme. Further, it was noted that merger by way of a Scheme approved by NCLT under provisions of the Companies Act, 2013 would be the most efficient mechanism for consolidation of the businesses.

For Gorani Industries Ltd.

Director.

- 3.3. Creating meaningful value for various stakeholders, including shareholders, customers, employees of Transferor and Transferee Company respectively, as the combined business would benefit from increased scale, comprehensive product offerings, balance sheet resiliency and the ability to drive synergies across revenue opportunities, operating and underwriting efficiencies, amongst others.
- 3.4. The Transferor Company and Transferee Company believe that the financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of each of the Company's pooled in the merged entity, will lead to increased optimal utilisation of resources, cost reduction and efficiencies, productivity gains and logistic advantages, thereby significantly contributing to future growth and maximising shareholder value.
- 3.5. The proposed merger would be in the best interest of both the Companies and their respective shareholders, employees, creditors and other stakeholders as the proposed merger will yield advantages as set out inter alia below:
- a. consolidation for the long-term sustainability of the business;
 - b. create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, innovations in technology and expanded reach with increased growth opportunities, higher cross selling opportunities to a larger base of customers, improvement in productivity and operational efficiencies, amongst others;
 - c. pooling of resources, achieving economies of scale and creating better synergies;
 - d. provide material realisable cost and revenue synergies for the benefit of the Companies;
 - e. The merger will result in achieving greater integration and greater financial strength and flexibility and to maximize overall shareholders' value;
 - f. The merger will result in achieving cost savings from more focused operational efforts, rationalization, standardization and simplification of business processes and productivity improvements;
 - g. The merger will result in greater efficiency in cash management, and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund growth opportunities, to maximize shareholders value;
 - h. The merger will help in consolidating and improving the internal control systems and procedures which will bring greater management and operational efficiency due to integration of various similar functions being carried out by the entities such as human resources, finance, legal, management etc;

For Gorani Industries Ltd.
B. Shukla
Director.

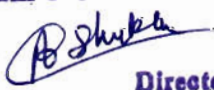
- i. The merger will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor Company and the Transferee Company;
 - j. The merger will also enable unified accounting and auditing resulting in reduction of costs and time and efforts involved;
 - k. Greater ability of the Transferee company to raise financial resources, either as equity or debt, based on combined financials;
- 3.6. Thus with the intent to achieve aforesaid objectives and further in order to consolidate, streamline and effectively merge the Transferor Company and Transferee Company in a single entity it is intended that the Transferor Company be merged with the Transferee Company.

4. Synergies of business of the entities involved in the Scheme

As elaborated in the rationale of the Scheme, the proposed merger would be in the best interest of both the Companies and their respective shareholders, employees, creditors and other stakeholders as the proposed merger will yield advantages as set out inter alia below:

- a. consolidation for the long-term sustainability of the business;
- b. create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, innovations in technology and expanded reach with increased growth opportunities, higher cross selling opportunities to a larger base of customers, improvement in productivity and operational efficiencies, amongst others;
- c. pooling of resources, achieving economies of scale and creating better synergies;
- d. provide material realisable cost and revenue synergies for the benefit of the Companies;
- e. The merger will result in achieving greater integration and greater financial strength and flexibility and to maximize overall shareholders' value;
- f. The merger will result in achieving cost savings from more focused operational efforts, rationalization, standardization and simplification of business processes and productivity improvements;
- g. The merger will result in greater efficiency in cash management, and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund growth opportunities, to maximize shareholders value;
- h. The merger will help in consolidating and improving the internal control systems and procedures which will bring greater management and operational efficiency due to integration of various similar functions being carried out by the entities such as human resources, finance, legal, management etc;

For Gorani Industries Ltd


Director.

- i. The merger will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor Company and the Transferee Company;
- j. The merger will also enable unified accounting and auditing resulting in reduction of costs and time and efforts involved;
- k. Greater ability of the Transferee company to raise financial resources, either as equity or debt, based on combined financials;

5. Impact of the Scheme on the shareholders of the Company

- 5.1 Pursuant to the Scheme, shares of the Transferee Company are proposed to be issued to the shareholders of the Transferor Company on the basis of share exchange ratio, as recommended by the Registered Valuer. Further, the Fairness Opinion report from Merchant Banker has confirmed that the share exchange ratio as recommended by the Registered Valuer is fair for both the Companies and their respective shareholders.
- 5.2 The proposed merger will create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, product diversification and expanded reach with increased ability to growth opportunities, higher cross selling opportunities to a larger base of customers, improvement in productivity and operational efficiencies amongst others;
- 5.3 Greater efficiency in cash management and unfettered access to cash flow generated by the combined business, which can be deployed more efficiently, to maximise shareholder value;
- 5.4 The Scheme has been drafted keeping in mind the provisions of section 2(1B) of the Income Tax Act, 1961 and therefore it may not have any adverse tax implications.
- 5.5 The Scheme is expected to be beneficial to the Companies and its shareholders and all other stakeholders in large and is not detrimental to any of the shareholders of the Company.

6. Recommendations of the Independent Director Committee

- 6.1 Pursuant to the above, the Independent Directors Committee has perused the following documents:
 - (a) Draft Scheme of Amalgamation between Blow Hot Kitchen Appliance Private Limited ("Transferor Company / BHKAPL") and Gorani Industries Limited ("Transferee Company" / "GIL") and their respective shareholders and creditors;
 - (b) Valuation Report dated 7th February, 2023 issued by M/s. BDO Valuation Advisory LLP;

For Gorani Industries Ltd.



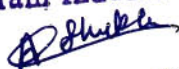
Director.

- (c) Fairness Opinion recommended to the Board that the Share Exchange Ratio is fair to the shareholders (including the minority shareholders) of GIL, dated 7th February, 2023 issued by M/s Fedex Securities Private Limited;
- (d) A certificate issued by M/s. Sandeep Surendra Jain & Co. (Firm's Registration No. 010172C), the Statutory Auditors dated 7th February, 2023 to the effect that the accounting treatment contained in the scheme is in compliance with all Accounting Standards.

6.2 The Independent Directors Committee having considered and noted the above, recommends the draft Scheme to the Board, in its present form for favourable consideration by the Board, Stock Exchanges, National Company Law Tribunal, SEBI and such other regulatory authorities, as may be applicable;

6.3 In the opinion of the members of the Independent Directors Committee present at the Meeting, draft Scheme is in the best interest of all the stakeholders of GIL including shareholders, customers, lenders and employees and the Share Exchange Ratio as mentioned in the Valuation Report is fair and reasonable.

By Order of the Independent Directors Committee
For Gorani Industries Ltd



Director.

Ayush Shukla
Independent Director
(Holding DIN: 09057436)

Place: Indore
Date: 7th February, 2023


To,
Gorani Industries Limited
Registered Office: 32-33, Sector-F,
Sanwer Road, Indore (M.P.) 452015

Subject: No Objection Certificate for Amalgamation between Gorani Industries Limited and Blow Hot Kitchen Appliances Private Limited.

Dear Sir,

In pursuance to the above mentioned subject and your request letter dated 07.02.2023, we have read and understood the proposed Scheme of Amalgamation between Gorani Industries Limited and Blow Hot Kitchen Appliances Private Limited and we hereby agree and confirm the said Scheme of Amalgamation and provide our consent to the same and we also authorise the Board of Directors of the Company to take appropriate steps as may be required including modification or alteration of Scheme as may be directed by Securities Exchange Board of India, BSE Limited and National Company Law Tribunal, Indore Bench (NCLT).

Thanking You,


Designation: RM



Date: 10.02.2023
Place: Indore