

ANNEXURE - 10

COMPLIANCE REPORT WITH THE REQUIREMENTS
SPECIFIED IN PART-A OF ANNEXURE I OF SEBI CIRCULAR
CIR/CFD/CMD/16/2015 DATED NOVEMBER 30, 2015



Chandni Textiles Engineering Industries Ltd.

(Formerly known as Chandni Textiles Ltd.)

CIN : 25209MH1986PLC040119

110, T.V. Industrial Estate, 52, S.K. Ahire Marg,
Worli, Mumbai- 400 030. Maharashtra, INDIA
Fax : ++91-22-2495 0328
Email : sales@ctell.com
Website: www.ctell.com

ANNEXURE 10

Sub: Application under Regulation 37 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, or the proposed Scheme of Arrangement ("the Scheme") between Chandni Textiles Engineering Industries Limited ("CTEIL" or "Demerged Company") and Chandni Machines Private Limited ("CMPL" or "Resulting Company")

In connection with the above application, we hereby confirm that we satisfy all the conditions as stipulated in the aforesaid SEBI circular, as given hereunder:

Sr. No.	Requirements as per SEBI circular CIR/CFD/CMD/16/2015 dated November 30, 2015	Whether complied or not & how
1.	Listed companies shall choose one of the stock exchanges having nationwide trading terminals as the designated stock exchange for the purpose of coordinating with the SEBI.	Complied The Company has chosen BSE Limited as the designated stock exchange
	Compliance as per Part A, Annexure I to the Circular	
2.	Documents to be submitted	
	a) Draft Scheme of arrangement/ amalgamation/ merger/ reconstruction/ reduction of capital, etc.	Complied – Copy enclosed
	b) Valuation Report from Independent Chartered Accountant	Complied – Copy enclosed
	c) Report from the Audit Committee recommending the Draft Scheme	Complied – Copy enclosed
	d) Fairness opinion by merchant banker	Complied – Copy enclosed
	e) Pre and Post amalgamation shareholding pattern of the unlisted company	Complied – Pre and Post shareholding pattern is enclosed
	f) Audited financials of last 3 years (financials not being more than 6 months old) of unlisted company	The financial details of Demerged Company for the last three years are enclosed as per prescribed format. The Resulting Company i.e. Chandni Machine Private Limited was incorporated on April 12, 2016. As the Company is recently incorporated, financials are not available.
	g) Compliance with Regulation 17 to 27 of the Listing Regulations	Complied – Copy enclosed
	h) Complaints Report	This will be submitted within 7 days of expiry of 21 days from the date of filing the draft scheme.
3.	The equity shares sought to be listed are proposed to be allotted by the unlisted issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by High Court under section 391 – 394 of the Companies Act, 1956 or section 230 to 234 of the Companies Act, 2013	Yes. The Equity shares sought to be listed are proposed to be allotted by the unlisted issuer, viz. Chandni Machines Private Limited.

84



4.	At least 25% of the post scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public shareholders in the Transferor Company.	<p>The Resulting Company is an unlisted entity and it shall issue shares to the shareholders of the Demerged Company which is a listed company.</p> <p>The Shareholders of the Demerged Company will receive shares from the Resulting Company in the same proportion in which they hold shares in the Demerged Company.</p>
5.	The transferee company will not issue/reissue any shares, not covered under the Draft Scheme	We confirm that the Resulting Company will not issue/reissue any shares which are not covered under the draft scheme
6.	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. If there are such instruments stipulated in the draft Scheme, the percentage referred to above, shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised.	We confirm 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 resulting entity at any future date. If there are such instruments stipulated in the draft Scheme, the percentage referred to above, shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised.
7.	The shares of the Transferee Company issued in lieu of the locked-in shares of the Transferor Company are subjected to the lock-in for the remaining period.	NOT APPLICABLE since no shares of the Demerged Company are subject to any lock-in period.

For Chandni Textiles Engineering Industries Limited

Gayatri
 Gayatri Valan
 Company Secretary
 (ACS - 37106)

