

JTLIL/CHD/2020-21/24

August 18, 2021

Corporate Relationship Services  
**BSE Limited**  
25TH Floor, P.J. Towers,  
Dalal Street,  
Mumbai 400 001

Corporate Relationship Services  
**Metropolitan Stock Exchange of India**  
Limited 4<sup>th</sup> Floor, Vibgyor tower,  
Opp. Trident Hotel,  
Bandra- Kurla Complex, Mumbai-98

**BSE Scrip Code: 534600**

**MSEI Symbol: JTLINFRA**

**Subject: Outcome of the Board Meeting held today i.e. August 18, 2021.**

Dear Sir,

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein-after referred as 'SEBI (LODR) Regulations, 2015') read with Sub-Para 1.2 of Para A1 of Annexure I of Circular bearing number CIR/CFD/CMD/4/2015 dated 9th September, 2015 issued by SEBI, we are pleased to inform you that the Board of Directors (the "Board") of the Company at its meeting held today i.e August 18, 2021 has approved the following:

1. In continuation to an earlier disclosure made by the board in its meeting held on August 7, 2021, the Scheme of Arrangement for Amalgamation of Chetan Industries Limited ("Transferor Company") with JTL Infra Limited ("Transferee Company") on a going concern basis and immediately thereupon, under Section 230 - 232 of the Companies Act, 2013.

The above Scheme of Arrangement shall be subject to the approval of National Company Law Tribunal (NCLT) of relevant jurisdiction, Securities Exchange Board of India (SEBI), BSE Limited, Metropolitan Stock Exchange of India ("Stock Exchanges"), Shareholders and Creditors of both the Companies.

The detailed disclosure as required under Regulation 30 of the Listing Regulations, 2015 read with Circular CIR/CFD/CMD/4/2015 dated September 9, 2015 is enclosed as **Annexure -I** to this Outcome;

2. Appointment of Mr. Dhruv Singla (DIN: 02837754) as an Additional Director of the Company with immediate effect. Further, subject to the approval of the members of the Company at the ensuing General Meeting of the Company, the Board appointed Mr. Dhruv Singla as an Executive Director (Whole-time Director) of the

Company for a period of 5 consecutive years. He will continue to serve the Company as Chief Financial Officer as well;

3. Appointment of Mr. Pranav Singla (DIN: 07898093) as an Additional Director of the Company with immediate effect. Further, subject to the approval of the members of the Company at the ensuing General Meeting of the Company, the Board appointed Mr. Pranav Singla as an Executive Director (Whole- time Director) of the Company for a period of 5 consecutive years;
4. September 14, 2021 as Record Date for the purpose of determining the shareholders eligibility for final dividend, if approved by the shareholders of the Company at the ensuing Annual General Meeting;
5. The Notice convening the 30<sup>th</sup> Annual General Meeting of the company scheduled to be held on Wednesday, September 22, 2021 at 10:30 A.M through VC/OAVM along with Director's Report, Secretarial Audit Report, Corporate Governance Report, other certificates and declarations forming part of Annual Report for the financial year March 31, 2021 and dispatch of notices and Annual reports to the shareholders.

Information pertaining to newly appointed directors, as required under Regulation 30 of the SEBI (LODR) Regulations, 2015 is given in the Annexure II and form part of this outcome.

The meeting of the Board of Directors commenced at 6:30 PM & concluded at 10.30 P.M.

Kindly take the above information in your record and oblige.

Thanking You,

Yours truly,  
For **JTL Infra Limited**

**Mohinder Singh**  
**(Company Secretary)**  
M.No: A2185

Encl : a/a

**ANNEXURE-I****A. The Scheme provides for Amalgamation of Chetan Industries Limited (“Transferor Company”) with JTL Infra Limited (“Transferee Company”)****a) Name of the entity (ies) forming part of the Amalgamation/Merger, details in brief such as, size, turnover etc.**

<b>Name of the Companies</b>	<b>Turnover (Rs. Crores) As on 31<sup>st</sup> March, 2021</b>	<b>Net Worth (Rs. Crores) As on 31<sup>st</sup> March, 2021</b>
Chetan Industries Limited (CIL/Transferor Company)	254.32	32.01
JTL Infra Limited (JTLIL/Transferee Company)	440.37	96.90

**b) Area of Business of the Entities :**

<b>Name of the Companies</b>	<b>Area of Business</b>
Chetan Industries Limited (CIL/Transferor Company)	The company is engaged in business of manufacturing Steel Pipes & Tubes, hollow sections and structural steel that are extensively used in major engineering and construction projects, in addition the company has in-house HR coils manufacturing plant, making it a fully integrated Steel Pipes & Tubes manufacturing unit.
JTL Infra Limited (JTLIL/Transferee Company)	The Company produces Black & Galvanized ERW Steel Pipes & Tubes, hollow sections and solar and other structurals that are extensively used in major engineering and construction projects.  The group caters to the domestic Indian markets as well as the overseas export markets. JTLIL has been recognized as Star Export House by the Government of India. JTLIL offers a wide range of integrated tube and steel pipe solutions embracing standard tubes & pipes.

**c) Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”.**

Yes, it will fall under Related Party Transaction, as the Amalgamation is between the Chetan Industries Limited (Transferor Company) and JTL Infra Limited

(Transferee Company) entities controlled by set of management. However, as per the MCA Circular No. 30/2014, dated 17.07.2014, it was clarified that transactions arising out of the Companies (Compromises, Arrangements and Amalgamations) Companies Act, 2013, will not attract the requirements of section 188 of the Companies Act, 2013.

**d) Rationale for Amalgamation/ Merger –**

- The Transferor Company and Transferee Company are engaged in similar nature of business hence, the amalgamation of Chetan Industries Limited (“Transferor Company”) with the JTL Infra Limited (“Transferee Company”) will strengthen the balance sheet of the Transferee Company and shall create a larger and stronger entity, which will have better resources for business growth and expansion. The scheme of arrangement shall provide a running and profitable business to the Transferee Company which has growth potential and shall also provide the shareholders of Transferor Company liquidity through listing and hence there is significant synergy for consolidation of both the entities.
- The independent operations of the Transferor Company and Transferee Company leads to incurrence of significant costs and the amalgamation would enable economies of scale by attaining critical mass and achieving cost saving. The amalgamation will thus eliminate a multi-layered structure and reduce managerial overlaps, which are necessarily involved in running multiple entities and also prevent cost duplication that can erode financial efficiencies of a holding structure and the resultant operations would be substantially cost-efficient.

This Scheme would result in simplified corporate structure of the Transferee Company and its businesses, thereby leading to more efficient utilization of capital and creation of a consolidated base for future growth of the Transferee Company.

- The Amalgamation of Transferor Company with Transferee Company shall result in multiple manufacturing facilities under single entity which enables Transferee Company to make production planning in more efficient manner, thereby reducing wastages, improves input-output ratio (yield factor) and shorter lead time.
- The Amalgamation of Transferor Company with Transferee Company will add an advantage of Multi-location production facilities, reduce freight cost, easily availability of finished goods in the marketplaces in their respective geographies which will give better and almost real time business intelligence, improve products competitiveness and acceptance amongst the targeted customers.
- The amalgamation will contribute in furthering and fulfilling the objectives and business strategies of both the companies thereby accelerating growth,

expansion and development of the respective businesses through the Transferee Company. The amalgamation will thus enable further expansion of the Transferee Company and provide a strong and focused base to undertake the business more advantageously. Further, this arrangement would bring concentrated management focus, integration, streamlining of the management structure, seamless implementation of policy changes and shall also help enhance the efficiency and control of the Transferor Companies and Transferee Company.

- The synergies created by scheme of arrangement would increase operational efficiency and integrate business functions.
- The proposed arrangement will provide greater integration and flexibility to the Transferee Company and strengthen its position in the industry, in terms of the asset base, revenues, product and service range.

Further This Scheme of Arrangement for Amalgamation of the Transferor Company with the Transferee Company would result, inter-alia, in the following additional benefits to their respective members:

- i. Optimum and efficient utilization of capital, resources, assets and facilities;
- ii. Enhancement of competitive strengths including financial resources;
- iii. Consolidation of businesses and enhancement of economic value addition and shareholder value;
- iv. Obtaining synergy benefits;
- v. Better management and focus on growing the businesses.
- vi. The amalgamation would result in reduction of overheads, administrative, managerial and other expenditure and bring about operational rationalization, efficiency and optimum utilization of various resources.
- vii. A larger growing company will mean enhanced financial and growth prospects for the people and organization connected therewith, and will be in public interest.

The amalgamation will conducive for better and more efficient and economical control over the business and financial conduct of the Companies.

**e) In case of cash consideration – amount or otherwise share exchange ratio**

Transferee Company, without further application, act or deed shall issue and allot to each of the shareholders of the “Transferor Company” shares in proportion of 103 (One Hundred Three) Equity Shares of Face Value Rs. 2/-(Rupees Two) each in the Transferee Company for every 100 (Hundred) Equity Shares of face value of Re.1 (Rupees One) each held by them in the “Transferor Company” pursuant to this Scheme of Amalgamation.

f) Brief details of change in shareholding pattern (if any) of listed entity –

**Pre-Split & Pre-conversion of warrant of Shareholding of the JTL Infra Limited (“Transferee Company”)**

Particulars	Pre- Arrangement No. of shares	Pre- Arrangement Percentage
Promoters	6,921,400	65.25
Non-Promoters	3,686,030	34.75
<b>Total</b>	<b>10,607,430</b>	<b>100</b>

**Pre – Arrangement Shareholding of the JTL Infra Limited (“Transferee Company”)**

Particulars	Pre- Arrangement No. of shares	Pre- Arrangement Percentage
Promoters	34,607,000	52.81
Non-Promoters	30,930,150	47.19
<b>Total</b>	<b>65,537,150</b>	<b>100</b>

**Notes:**

- I. The Board of Directors of the Company in its meeting held on August 7, 2021 has approved the subdivision of shares of the company i.e. the equity shares of face value of Rs. 10 each has been divided into 5 equity shares of Face Value of Rs. 2 each subject to approval of shareholders of the Company.
- II. As on date the 25,00,000 warrants of Rs. 10 each is pending in the company which were to be converted into equal no. of equity shares of Rs. 10 each. However, equity shares of face value of Rs. 10 each has been divided into 5 equity shares of Face Value of Rs. 2 each hence, the warrant will be converted into 1,25,00,00,000/- (One Crore Twenty Five Lacs) equity shares of Rs. 2 each.
- III. The impact of sub-division of equity shares and conversion of warrants has been considered in the above mentioned pre-arrangement shareholding of the Transferee Company.

**Post – Arrangement Shareholding of the JTL Infra Limited (“Transferee Company”)**

Particulars	Post- Arrangement No. of shares	Post- Arrangement Percentage
Promoters	51,161,778	62.32
Non-Promoters	30,930,150	37.68
<b>Total</b>	<b>82,091,928.00</b>	<b>100</b>

**Pre and Post Merger Shareholding of the Chetan Industries Limited  
("Transferor Company")**

**Pre - Arrangement Shareholding of the Chetan Industries Limited  
("Transferor Company")**

<b>Particulars</b>	<b>Pre- Arrangement (No. of shares)</b>	<b>Pre- Arrangement (Percentage)</b>
<b>Promoters</b>	16,072,600	100
<b>Non-Promoters</b>	0	0
<b>Total</b>	<b>16,072,600</b>	<b>100</b>

**Post - Arrangement Shareholding of the Chetan Industries Limited  
("Transferor Company")**

<b>Particulars</b>	<b>Pre- Arrangement (No. of shares)</b>	<b>Pre- Arrangement (Percentage)</b>
<b>Promoters</b>	0	0
<b>Non-Promoters</b>	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

## Annexure II

Name of Director	Mr. Dhruv Singla	Mr. Pranav Singla
DIN	02837754	07898093
Reason for change viz. appointment, resignation, removal, death or otherwise	Appointment	Appointment
Date of appointment/cessation & term of appointment	August 18, 2021	August 18, 2021
Disclosure of relationships between directors (in case of appointment of a director)	Grandson of Shri Mithan Lal Singla, Director of the Company and Son of Shri Madan Mohan, Managing Director of the Company	Grandson of Shri Mithan Lal Singla, Director of the Company
<b>Brief profile (in case of appointment)</b>		
Membership No.	Not Applicable	Not Applicable
Qualification	Master Degree in International Management from King's College, United Kingdom, B.Com (Honors in economics) from Panjab University,	Bachelors in Economics and Accounting Honors from Cass Business School, London, United Kingdom
Work Experience	Mr. Dhruv Singla has over 10 years of experience in this industry and has in depth knowledge in Trade Finance, Working Capital Management Sustainability, R&D, Exports	Mr. Pranav Singla has Graduated in Economics and Accounting and has been part of JTL since his graduation. He is involved in handling International Market and Capital Market at JTL since his joining.

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