



EMKAY TOOLS

EMKAY TAPS AND CUTTING TOOLS LTD.

Registered Office & factory Address: B-27 & B-27/1, M.I.D.C. Industrial Area, Hingna Road, Nagpur-440016 (India)
CIN: L29220MH1995PLC091091

To,

June 29, 2023

National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai-400051

Series: SM

Symbol: EMKAYTOOLS

Subject: Updates - Announcement of Event / Information considered material in compliance of Regulation 30 of LODR, 2015- Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Scheme of Arrangement between i) Emkay Taps And Cutting Tools Limited ("Demerged Company" or "the Company") and ii) Emkay Tools Limited ("Resulting Company" or "the Company") and their respective shareholders ("Scheme").

Respected Madam / Sir,

This is in furtherance to our submission dated May 30, 2023.

With reference to the captioned subject, we wish to inform you that the Board of Directors of the Company, on recommendation of Audit Committee and the Independent Directors of the company, at their meeting held today i.e. Thursday June 29, 2023 has *interalia*:

- Approved the Scheme of Arrangement, under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules and regulations framed thereunder between Emkay Taps and Cutting Tools Limited ("Demerged Company" or "the Company") and Emkay Tools Limited ("Resulting Company" or "the Company") and their respective shareholders (" the Scheme"), *interalia*, for demerger of manufacturing of threading taps and cutting tools division ("Demerged Undertaking") of the Company into the Resulting Company.

- In view of the above, the following are the further details as required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- (a) The turnover of the Demerged Undertaking for the year ended March 31, 2023 is INR 87.33 crore, which is 83.15 % of the total turnover of the Demerged Company (on standalone basis) for the year ended March 31, 2023.
- (b) The Scheme does not involve payment of any cash consideration for the Demerger. In consideration of the demerger of the Demerged Undertaking and subject to applicable law, the Resulting Company shall issue and allot to the equity shareholders of the Demerged Company, whose names are recorded in the register of members and/ or records of the depository on the Record Date (as may be decided by the board of directors in separate meeting), 1 (One) equity share having face value of INR 1/- (Rupee one only) each, credited



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as fully paid up, for every 1 (One) fully paid up equity share of INR 10/- (Rupees Ten only) each of the Demerged Company.

- (c) There will be no change in the shareholding pattern of the Demerged Company pursuant to the Scheme. As stated above, the shareholders of the Demerged Company shall, subject to applicable law, will be issued equity shares of the Resulting Company in the ratio of 1:1. Further, with effect from the Effective Date of the Scheme and upon allotment of equity shares by the Resulting Company, the entire pre-scheme paid up share capital of the Resulting Company, as on Effective Date of the Scheme, held by the Demerged Company shall stand cancelled and the paid up share capital of the Resulting Company to that effect shall stand cancelled and reduced, without any consideration.

We request you to kindly take the above submission on record and disseminate

Thanking You.

For **EMKAY TAPS AND CUTTING TOOLS LIMITED**

Shruti Sohane

Company Secretary & Compliance Officer

Membership No.: A37324