

# VANITY CASE INDIA PRIVATE LIMITED

CIN: U74999MH2012PTC357921

**Registered Office:** Office No. 3, Level 2, Centrium, Phoenix Market City,  
15, Lal Bahadur Shastri Road, Kurla (West), Mumbai, Maharashtra, India, 400 070.  
Email: legal@thevanitycase.com Tel No. +91-22-61801700/01

## REPORT ADOPTED BY THE BOARD OF DIRECTORS OF VANITY CASE INDIA PRIVATE LIMITED AT ITS MEETING HELD ON TUESDAY, SEPTEMBER 24, 2024 AT 3.30 P.M. EXPLAINING THE EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT RATIO

A meeting of the Board of Directors ("Board") of Vanity Case India Private Limited was held on Tuesday, September 24, 2024 to consider and approve the Scheme of Arrangement between Avalon Cosmetics Private Limited ("the Demerged Company" or "ACPL") and Vanity Case India Private Limited ("the Transferor Company" or "VCIPL" or "the Company") and Hindustan Foods Limited ("the Resulting Company" or "the Transferee Company" or "HFL") and their respective shareholders ("the Scheme") under Sections 230 to 232 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act. The Scheme entails the following:

- Demerger of the Contract Manufacturing (Nashik) Business ('the Demerged Undertaking') of Avalon Cosmetics Private Limited (the 'Demerged Company' or 'ACPL') into Hindustan Foods Limited (the 'Resulting Company' or 'HFL')
- Amalgamation of Vanity Case India Private Limited ('the Transferor Company' or 'VCIPL') with Hindustan Foods Limited (the 'Transferee Company' or 'HFL')
- Various other matters consequential or otherwise integrally connected herewith.

As per Section 232(2)(c) of the Act, a report adopted by the Board of Directors explaining the effect of compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the shareholders along with the notice convening the meeting.

This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

The Scheme and the following documents are presented to the Board:

- Valuation Report dated September 24, 2024 issued by Mr. Bhavesh M Rathod, Registered Valuer (Reg No. IBBI/RV/06/2019/10708) on the share entitlement ratio for the proposed Scheme;
- Fairness Opinion Report dated September 24, 2024 issued by Swaraj Shares and Securities Private Limited, Category I, SEBI Registered Independent Merchant Banker, providing its opinion on the fairness of the valuation report prepared by Mr. Bhavesh M Rathod.

The aforesaid Valuation Report and Fairness Opinion Report have been duly considered by the Board and have come to the conclusion that share entitlement ratio is fair and reasonable. No special valuation difficulties were reported.

### Effect of the Scheme of Arrangement on shareholders, key managerial personnel, employees, creditors, etc:

Sr. No.	Category	Effect of the Scheme on Stakeholders
1	Shareholders	<b>On merger of the Company into the Transferee Company:</b> The Company is the promoter of the Transferee Company. It presently holds 4,64,58,145 equity shares of the Transferee





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		<p>Company of face value of INR 2/- each, representing about 40.55% of the total paid up share capital of the Transferee Company as on date.</p> <p>It is proposed to merge the Company into the Transferee Company, as a result of which the shareholders of the Company who also form part of the promoter of the Transferee Company shall directly hold shares in the Transferee Company.</p> <p>The promoters of the Company would continue to hold the same percentage of shares in the Transferee Company, pre and post the merger of the Company into the Transferee Company. However, owing to the other parts of the Scheme there will be slight change in the post Promoters' shareholding of the Transferee Company.</p> <p>The provisions of this Scheme have been drawn up to comply with the conditions relating to "Amalgamation" as defined under section 2(1B) of the Income Tax Act, 1961 and therefore, it may not have any tax implications.</p> <p>Pursuant to the Scheme, the New Equity Shares (as defined in the Scheme) of the Transferee Company are proposed to be listed on Stock Exchange(s). It is proposed that on amalgamation of the Company into the Transferee Company, as a result of which the shareholders of the Company who also form part of the promoter of the Transferee Company shall directly hold shares in the Transferee Company. This will lead to clear cut and straight forward shareholding structure and eliminating needless layers of shareholding tiers and at the same time demonstrate the promoter's direct commitment and engagement with the Transferee Company and improve the confidence of all shareholders. Thus, there is no adverse effect of the Scheme on the shareholders, the promoter and non-promoter shareholders, if any and/ or directors of the Company.</p> <p>Thus, the Scheme does not affect rights and interest of the promoters and non-promoter shareholders, if any and key managerial personnel of the Company prejudicially.</p>
2	Key Managerial Personnel (KMP)	<p>Pursuant to the Scheme, the Company will be dissolved without winding up. The KMPs concerned of the Company shall become employees of the Transferee Company without any interruption in their service and on terms and conditions not less favourable than those on which they are engaged by the Company.</p> <p>Further, none of the KMPs have any interest in the Scheme except to the extent of the equity shares held by them, if any, in</p>

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		the Company. The effect of the Scheme on such interest is the same as in the case of other shareholders.
3	Employees	Pursuant to the Scheme, the Company will be dissolved without winding up. The employees concerned of the Company shall become employees of the Transferee Company without any interruption in their service and on terms and conditions not less favourable than those on which they are engaged by the Company.
4	Creditors	Under the Scheme, there is no arrangement with the creditors of the Company. No compromise is offered under the Scheme to any of the creditors of the Company. The liability to the creditors of the Company, under the Scheme, is neither reduced nor being extinguished and shall be paid off in the ordinary course of business by the Transferee Company.
5	Others	<p>As on date, the Company has not accepted any deposits and therefore, the effect of the Scheme on any such depositors or deposit trustees does not arise.</p> <p>As on date, the Company has not issued any debentures and therefore, the effect of the Scheme on any such debenture holders does not arise.</p>

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

**Certified True Copy**  
**For Vanity Case India Private Limited**

  
**Sameer Kothari**  
**Director**  
**DIN: 01361343**







## HINDUSTAN FOODS LIMITED

A Vanity Case Group Company

A Government Recognised Two Star Export House

**Registered Office:** Office No.3, Level-2, Centrium, Phoenix Market City,  
15, Lal Bahadur Shastri Road, Kurla (West), Mumbai, Maharashtra, India. 400 070.  
Email: [business@thevanitycase.com](mailto:business@thevanitycase.com) Website: [www.hindustanfoodslimited.com](http://www.hindustanfoodslimited.com)  
Tel. No. +91-22-69801700 / 01 CIN: L15139MH1984PLC316003

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF HINDUSTAN FOODS LIMITED AT ITS MEETING HELD ON TUESDAY, SEPTEMBER 24, 2024 AT 12:15 P.M. AND ADJOURNED MEETING AT 12:35 P.M. EXPLAINING THE EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT RATIO**

A meeting of the Board of Directors ("Board") of Hindustan Foods Limited was held on Tuesday, September 24, 2024 to consider and approve the Scheme of Arrangement between Avalon Cosmetics Private Limited ("the Demerged Company" or "ACPL") and Vanity Case India Private Limited ("the Transferor Company" or "VCIPL") and Hindustan Foods Limited ("the Resulting Company" or "the Transferee Company" or "HFL" or "the Company") and their respective shareholders ("the Scheme") under Sections 230 to 232 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act. The Scheme entails the following:

- (a) Demerger of the Contract Manufacturing (Nashik) Business ('the Demerged Undertaking') of Avalon Cosmetics Private Limited (the 'Demerged Company' or 'ACPL') into Hindustan Foods Limited (the 'Resulting Company' or 'HFL')
- (b) Amalgamation of Vanity Case India Private Limited ('the Transferor Company' or 'VCIPL') with Hindustan Foods Limited (the 'Transferee Company' or 'HFL')
- (c) Various other matters consequential or otherwise integrally connected herewith.

As per Section 232(2)(c) of the Act, a report adopted by the Board of Directors explaining the effect of compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the shareholders along with the notice convening the meeting.

This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

The Scheme and the following documents are presented to the Board:

- (a) Valuation Report dated September 24, 2024 issued by Mr. Bhavesh M Rathod, Registered Valuer (Reg No. IBBI/RV/06/2019/10708 ) on the share entitlement ratio for the proposed Scheme;



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- (b) Fairness Opinion Report dated September 24, 2024 issued by Swaraj Shares and Securities Private Limited, Category I, SEBI Registered Independent Merchant Banker, providing its opinion on the fairness of the valuation report prepared by Mr. Bhavesh M Rathod;
- (c) Draft certificate dated September 24, 2024 issued by M/s. M S K A & Associates, Chartered Accountants, Statutory Auditors, as required under Section 232(3) of the Companies Act, 2013 certifying that the accounting treatment in the draft Scheme is in accordance with the accounting standards and applicable law; and
- (d) Copy of Audit Committee report and Committee of Independent Directors Report dated September 24, 2024 in terms of the requirement of master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (including any amendments thereto) as issued by the Securities and Exchange Board of India.

The aforesaid Valuation Report and Fairness Opinion Report have been duly considered by the Board and have come to the conclusion that the share entitlement ratio is fair and reasonable. No special valuation difficulties were reported.

**Effect of the Scheme of Arrangement on shareholders, key managerial personnel, creditors:**

Sr. No.	Category	Effect of the Scheme on Stakeholders
1	Shareholders	<p>The Company has issued 2 classes of shares i.e. Equity Shares and Preference Shares. There will be no impact on the Preference Shareholder as the same will continued to be held by such Preference Shareholder on same terms and conditions.</p> <p>Further, with regards to Equity Shareholders, there will be no impact as the shares issued pursuant to the Scheme is based on the Valuation Report issued by the Registered Valuer.</p> <p>Following is the Swap ratio:</p> <p>1. On merger of the Transferor Company into the Company:</p>







	<p>The Transferor Company is the promoter of the Company. It presently holds 4,64,58,145 equity shares of the Company of face value of INR 2/- each, representing about 40.55% of the total paid up share capital of the Company as on date.</p> <p>It is proposed to merge the Transferor Company into the Company, as a result of which the shareholders of the Transferor Company who also form part of the promoter of the Company shall directly hold shares in the Company.</p> <p>The promoters would continue to hold the same percentage of shares in the Company, pre and post the merger of the Transferor Company into the Company. However, owing to the other parts of the Scheme there will be slight change in the post promoters' shareholding of the Company.</p> <p>There would also be no change in the financial position of the Company. All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing the said merger and matters incidental thereto shall be borne by the Transferor Company or its shareholders directly.</p> <p><b>2. On demerger of the Contract Manufacturing (Nashik) Business of the Demerged Company into the Resulting Company</b></p> <p>Pursuant to the demerger of the Contract Manufacturing (Nashik) Business from the Demerged Company to the Resulting Company, all the assets, liabilities, business, etc. of the Contract Manufacturing (Nashik) Business shall be transferred to the Resulting Company.</p>
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		<p>In consideration for the demerger of the Contract Manufacturing (Nashik) Business of the Demerged Company into the Resulting Company in terms of the Scheme and based on valuation report, the Company will issue and allot an aggregate of 16,80,940 fully paid-up Equity Shares of the face value INR 2/- (Rupees Two Only) each to the equity shareholders of the Demerged Company based on the share exchange ratio mentioned in the Scheme.</p> <p>The provisions of this Scheme have been drawn up to comply with the conditions relating to "Amalgamation" and "Demerger" as defined under section 2(1B) and 2(19AA) of the Income Tax Act, 1961, respectively and therefore, it may not have any tax implications.</p> <p>3. Pursuant to the Scheme, the New Equity Shares (as defined in the Scheme) of the Company are proposed to be listed on Stock Exchange(s). The Scheme is expected to have several benefits for the shareholders and companies, as indicated in the rationale to the Scheme, and is expected to be in the best interests of the shareholders of the Company. Thus, there is no adverse effect of the Scheme on the shareholders, the promoter and non-promoter shareholders and/ or Directors of the Company.</p> <p>Thus, the Scheme does not affect rights and interest of the promoters and non-promoter shareholders and key managerial personnel of the Company prejudicially.</p>
2	Key Managerial Personnel (KMP)	No change in Key Managerial Personnel of the Company is expected pursuant to the Scheme.





3	Employees	Under the Scheme, no rights of the staff and employees of the Company are being affected. The services of the staff and employees of Company shall continue on the same terms and conditions on which they were engaged by the Company.
4	Creditors	Under the Scheme, there is no arrangement with the creditors of the Company. No compromise is offered under the Scheme to any of the creditors of the Company. The liability to the creditors of the Company, under the Scheme, is neither reduced nor being extinguished and shall be paid off in the ordinary course of business.
5	Others	<p>As on date, the Company has not accepted any deposits and therefore, the effect of the Scheme on any such depositors or deposit trustees does not arise.</p> <p>As on date, the Company has no outstanding debentures and therefore, the effect of the Scheme on any such debenture holders does not arise.</p>

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

**Certified True Copy  
For Hindustan Foods Limited**

**Sameer Kothari  
Managing Director  
DIN: 01361343**



**Date: September 24, 2024  
Place: Mumbai**





# AVALON COSMETICS PVT. LTD.

Regd Office : Unit No. 03, Level - 02, Centrium, Phoenix Market City, 15 LBS Marg, Kurla (West),  
Mumbai - 400070. Tel. : + 91-22-69801700 Website : www.thevanitycase.com  
Factory : 58-59, Industrial Area, Paonta Sahib, Dist. Sirmour (H.P.)  
CIN : U24246MH2003PTC140203

Ref. No.

Date :

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF VANITY CASE INDIA PRIVATE LIMITED AT ITS MEETING HELD ON TUESDAY, SEPTEMBER 24, 2024 AT 3.30 P.M. EXPLAINING THE EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT RATIO**

A meeting of the Board of Directors ("Board") of Vanity Case India Private Limited was held on Tuesday, September 24, 2024 to consider and approve the Scheme of Arrangement between Avalon Cosmetics Private Limited ("the Demerged Company" or "ACPL") and Vanity Case India Private Limited ("the Transferor Company" or "VCIPL" or "the Company") and Hindustan Foods Limited ("the Resulting Company" or "the Transferee Company" or "HFL") and their respective shareholders ("the Scheme") under Sections 230 to 232 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act. The Scheme entails the following:

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The aforesaid Valuation Report and Fairness Opinion Report have been duly considered by the Board and have come to the conclusion that share entitlement ratio is fair and reasonable. No special valuation difficulties were reported.

**Effect of the Scheme of Arrangement on shareholders, key managerial personnel, employees, creditors, etc:**

Sr. No.	Category	Effect of the Scheme on Stakeholders
1	Shareholders	On merger of the Company into the Transferee Company:





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		<p>The Company is the promoter of the Transferee Company. It presently holds 4,64,58,145 equity shares of the Transferee Company of face value of INR 2/- each, representing about 40.55% of the total paid up share capital of the Transferee Company as on date.</p> <p>It is proposed to merge the Company into the Transferee Company, as a result of which the shareholders of the Company who also form part of the promoter of the Transferee Company shall directly hold shares in the Transferee Company.</p> <p>The promoters of the Company would continue to hold the same percentage of shares in the Transferee Company, pre and post the merger of the Company into the Transferee Company. However, owing to the other parts of the Scheme there will be slight change in the post Promoters' shareholding of the Transferee Company.</p> <p>The provisions of this Scheme have been drawn up to comply with the conditions relating to "Amalgamation" as defined under section 2(1B) of the Income Tax Act, 1961 and therefore, it may not have any tax implications.</p> <p>Pursuant to the Scheme, the New Equity Shares (as defined in the Scheme) of the Transferee Company are proposed to be listed on Stock Exchange(s). It is proposed that on amalgamation of the Company into the Transferee Company, as a result of which the shareholders of the Company who also form part of the promoter of the Transferee Company shall directly hold shares in the Transferee Company. This will lead to clear cut and straight forward shareholding structure and eliminating needless layers of shareholding tiers and at the same time demonstrate the promoter's direct commitment and engagement with the Transferee Company and improve the confidence of all shareholders. Thus, there is no adverse effect of the Scheme on the shareholders, the promoter and non-promoter shareholders, if any and/ or directors of the Company.</p> <p>Thus, the Scheme does not affect rights and interest of the promoters and non-promoter shareholders, if any and key managerial personnel of the Company prejudicially.</p>
2	Key Managerial Personnel (KMP)	<p>Pursuant to the Scheme, the Company will be dissolved without winding up. The KMPs concerned of the Company shall become employees of the Transferee Company without any interruption in their service and on terms and conditions not less favourable than those on which they are engaged by the Company.</p>





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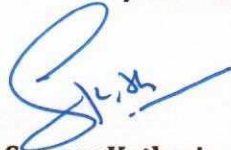
Factory : 58-59, Industrial Area, Paonta Sahib, Dist. Sirmour (H.P.)

CIN : U24246MH2003PTC140203

Ref. No.		
		Further, none of the KMPs have any interest in the Scheme except to the extent of the equity shares held by them, if any, in the Company. The effect of the Scheme on such interest is the same as in the case of other shareholders.
3	Employees	Pursuant to the Scheme, the Company will be dissolved without winding up. The employees concerned of the Company shall become employees of the Transferee Company without any interruption in their service and on terms and conditions not less favourable than those on which they are engaged by the Company.
4	Creditors	Under the Scheme, there is no arrangement with the creditors of the Company. No compromise is offered under the Scheme to any of the creditors of the Company. The liability to the creditors of the Company, under the Scheme, is neither reduced nor being extinguished and shall be paid off in the ordinary course of business by the Transferee Company.
5	Others	<p>As on date, the Company has not accepted any deposits and therefore, the effect of the Scheme on any such depositors or deposit trustees does not arise.</p> <p>As on date, the Company has not issued any debentures and therefore, the effect of the Scheme on any such debenture holders does not arise.</p>

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

**Certified True Copy**  
**For Vanity Case India Private Limited**



**Sameer Kothari**  
**Director**  
**DIN: 01361343**

