



**SHALIMAR  
PAINTS**

January 18, 2022

BSE Limited  
Corporate Relationship Department,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Fort, Mumbai - 400 001  
BSE Scrip Code: 509874

National Stock Exchange of India Ltd  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G- Block  
Bandra Kurla Complex, Bandra (E),  
Mumbai – 400051  
NSE Symbol : SHALPAINTS

**Subject: Outcome of Board Meeting**

Dear Sir/Madam,

In continuation to our letter dated January 13, 2022 and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we would like to inform you that the Board of Directors of Shalimar Paints Limited ("the Company") has, at its meeting held today, i.e. January 18, 2022, inter-alia, considered and approved the following:-

- (1) raising of funds through issuance of 1,79,16,667 (One Crore Seventy Nine Lakh Sixteen Thousand Six Hundred and Sixty Seven) Equity Shares of face value of Rs. 2/- (Rupees two) each for cash at a price of Rs. 120/- (Rupees One Hundred and Twenty only) per Equity Share ("**Investor Shares**"), aggregating to Rs. 215,00,00,040/- (Rupees Two Hundred And Fifteen Crore and Forty only) (as determined by the Board in accordance with the pricing guidelines prescribed under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018), as amended on January 14, 2022 ("**SEBI ICDR Regulations**"), to Hella Infra Market Private Limited, (hereinafter referred as the "**Investor**") on a preferential issue and private placement basis, subject to requisite approvals including approval of the shareholders of the Company.

Details relating to Investor Shares as required under Regulation 30 of the SEBI Listing Regulations read with SEBI circular dated September 9, 2015, bearing reference no. CIR/CFD/CMD/4/2015 ("**SEBI Circular**"), are provided in **Annexure A**.

- (2) raising of funds through issuance of 30,55,556 (Thirty Lakh Fifty Five Thousand Five Hundred And Fifty Six) unsecured and unlisted 9% Optionally Convertible Debentures ("**OCDs**"), having face value of Rs. 180/- (Rupees One Hundred and Eighty only), for cash at a price of Rs. 180/- (Rupees One Hundred and Eighty only) per OCD ("**Investor OCDs**"), aggregating to Rs. 55,00,00,080/- (Rupees Fifty Five Crore and Eighty only) to the Investor on a preferential issue and private placement basis, subject to requisite approvals including approval of the shareholders of the Company. As per the terms and conditions of the Investor OCDs, the Investor has an option either to convert the Investor OCDs into Equity Shares or to redeem the Investor OCDs. Should the Investor decide to convert the Investor OCDs, the Company shall issue and allot 30,55,556 (Thirty Lakh Fifty Five Thousand Five Hundred and Fifty Six) Equity Shares (assuming all Investor OCDs are converted) at a conversion price of Rs. 180/- (Rupees One Hundred and Eighty only) per Equity Share aggregating to Rs. 55,00,00,080/- (Rupees Fifty Five Crore and Eighty only) (as determined by the Board in accordance with the pricing guidelines prescribed under the SEBI ICDR Regulations).

Details relating to Investor OCDs as required under Regulation 30 of the SEBI Listing Regulations read with SEBI Circular are provided in **Annexure B**.





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- (3) the execution of the share subscription agreement between the Company and the Investor with respect to the issuance and allotment of Investor Shares ("SSA") and the execution of the debenture subscription agreement between the Company and the Investor with respect to the issuance and allotment of Investor OCDs ("DSA").

Details relating to SSA and DSA as required under Regulation 30 of the SEBI Listing Regulations read with SEBI Circular are provided in **Annexure C**.

- (4) Considered and approved draft notice of Extraordinary General Meeting of the Company ("EGM") scheduled to be held on Thursday, February 10, 2022 at 11:30 A.M. through Video Conferencing / Other Audio Visual Means and matters related thereto. The notice of the said EGM shall be submitted to the stock exchanges in due course of time in compliance with SEBI Listing Regulations.

The meeting of the Board of Directors commenced at 12:00 Noon and concluded at 05:25 P.M.

We request you to kindly bring the above information to the notice of your members.

Thanking you,

Sincerely yours,

For Shalimar Paints Limited

**Shikha Rastogi**  
Company Secretary

Encl.: As above



**Annexure A**

The details relating to issuance of Investor Shares as required under Regulation 30 of SEBI Listing Regulations read with SEBI Circular are as under:

S. No.	Particulars	Description														
1.	Type of securities proposed to be issued	Equity shares of Rs. 2/- (Rupees Two only) each														
2.	Type of issuance	Preferential allotment of equity shares in accordance with the provisions under the Companies Act, 2013 and rules made thereunder, Chapter V of the SEBI ICDR Regulations and other applicable laws.														
3.	Total number of securities proposed to be issued or the total amount for which the securities will be issued (approximately)	1,79,16,667 (One Crore Seventy Nine Lakh Sixteen Thousand Six Hundred and Sixty Seven) equity shares of the Company of face value Rs. 2/- (Rupees two) each ("Investor Shares"), at a price of Rs. 120/- (Rupees One Hundred and Twenty only) per equity share aggregating to Rs. 215,00,00,040/- (Rupees Two Hundred and Fifteen Crore and Forty only).														
4.	<b>Additional information in case of preferential issue:</b>															
(i)	Name of the Investor	Hella Infra Market Private Limited														
(ii)	Post allotment of securities - outcome of the subscription	<p>The Investor Shares are proposed to be allotted to the Investor. The details of the shareholding of the Company, prior to and after the proposed preferential allotment of the Investor Shares, are as under:</p> <table border="1"> <thead> <tr> <th rowspan="2">Name of the allottee</th> <th colspan="2">Pre-preferential allotment</th> <th colspan="2">Post preferential allotment</th> </tr> <tr> <th>No. of shares</th> <th>%</th> <th>No. of shares<sup>(1)</sup></th> <th>%<sup>(2)</sup></th> </tr> </thead> <tbody> <tr> <td>Hella Infra Market Private Limited</td> <td>0</td> <td>0.00</td> <td>1,79,16,667</td> <td>24.80951</td> </tr> </tbody> </table> <p><b>Notes:</b></p> <ol style="list-style-type: none"> <li>This includes the Investor Shares to be issued pursuant to the preferential allotment.</li> <li>Calculated based on the current paid-up capital of the Company and the proposed allotment of Investor Shares.</li> </ol>	Name of the allottee	Pre-preferential allotment		Post preferential allotment		No. of shares	%	No. of shares <sup>(1)</sup>	% <sup>(2)</sup>	Hella Infra Market Private Limited	0	0.00	1,79,16,667	24.80951
Name of the allottee	Pre-preferential allotment			Post preferential allotment												
	No. of shares	%	No. of shares <sup>(1)</sup>	% <sup>(2)</sup>												
Hella Infra Market Private Limited	0	0.00	1,79,16,667	24.80951												
	Issue Price	Rs. 120/- (Rupees One Hundred and Twenty only) per Investor Share														
	Number of Investor	1 (One) Investor														
(iii)	In case of convertibles – intimation on conversion of securities or on lapse of the tenure of the instrument;	Not applicable														
5.	Any cancellation or termination of proposal for issuance of securities including reasons thereof.	Not applicable														



**Annexure B**

The details relating to Investor OCDs as required under Regulation 30 of SEBI Listing Regulations read with SEBI Circular are as under:

S. No.	Particulars	Description														
1.	Type of securities proposed to be issued	Unsecured and unlisted 9% Optionally Convertible Debentures having a face value of Rs. 180/- (Rupees One Hundred and Eighty only) each														
2.	Type of Issuance	Preferential allotment of unsecured and unlisted 9% optionally convertible debentures in accordance with provisions under the Companies Act, 2013 and rules made thereunder, Chapter V of the SEBI ICDR Regulations and other applicable laws.														
3.	Total number of securities proposed to be issued or the total amount for which the securities will be issued (approximately)	30,55,556 (Thirty Lakh Fifty Five Thousand Five Hundred and Fifty Six) unsecured and unlisted 9% optionally convertible debentures having face value of Rs. 180/- (Rupees One Hundred and Eighty only) ("Investor OCDs"), at a price of Rs. 180/- (Rupees One Hundred and Eighty only) per Investor OCD aggregating to Rs. 55,00,00,080/- (Rupees Fifty Five Crore and Eighty only)														
4.	<b>Additional information in case of preferential issue:</b>															
(i)	Name of the Investor	Hella Infra Market Private Limited														
(ii)	Post allotment of securities - outcome of the subscription	The Investor OCDs are proposed to be allotted to the Investor. The details of the Investor OCDs, prior to and after the proposed preferential allotment, are as under: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th rowspan="2">Name of the allottee</th> <th colspan="2">Pre-preferential allotment</th> <th colspan="2">Post preferential allotment</th> </tr> <tr> <th>No. of OCDs</th> <th>%</th> <th>No. of OCDs</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Hella Infra Market Private Limited</td> <td>0</td> <td>0.00</td> <td>30,55,556</td> <td>NA</td> </tr> </tbody> </table>	Name of the allottee	Pre-preferential allotment		Post preferential allotment		No. of OCDs	%	No. of OCDs	%	Hella Infra Market Private Limited	0	0.00	30,55,556	NA
Name of the allottee	Pre-preferential allotment			Post preferential allotment												
	No. of OCDs	%	No. of OCDs	%												
Hella Infra Market Private Limited	0	0.00	30,55,556	NA												
	Allotted Price	180/- (Rupees One Hundred and Eighty only) per Investor OCD														
	Number of Investor	1 (One) Investor														
(iii)	In case of convertibles - intimation on conversion of securities or on lapse of the tenure of the instrument;	<p>The tenure of Investor OCDs shall not exceed 18 (eighteen) months from the date of allotment.</p> <p>The Investor shall, at its sole discretion, have the right (but not an obligation) to convert the Investor OCDs into Conversion Shares. Should the Investor decide to convert, then the Investor OCDs shall be convertible into equity shares of the Company ("<b>Conversion Shares</b>") at a conversion price of Rs. 180/- (Rupees One Hundred and Eighty only) per equity share. The price for Conversion Shares has been determined in accordance with Chapter V of the ICDR Regulations.</p> <p>For further details relating to terms and conditions of the Investor OCDs, please refer to point 5 below.</p>														
5.	in case of issuance of debt securities or other non convertible securities the listed entity shall disclose following additional details to the stock exchange(s):															
(i)	size of the issue;	The Company proposes to issue 30,55,556 (Thirty Lakh Fifty Five Thousand Five Hundred and Fifty Six) Investor OCDs aggregating to an amount of Rs. 55,00,00,080/- (Rupees Fifty Five Crore and Eighty only)														
(ii)	whether proposed to be listed? If yes, name of the	The Investor OCDs will be unlisted. However, if the Investor decides to convert the Investor OCDs into Conversion Shares,														



	stock exchange(s);	such Conversion Shares will be listed with BSE Limited and National Stock Exchange of India Limited
(iii)	tenure of the instrument - date of allotment and date of maturity;	Tenure – Upto 18 months from the date of allotment
(iv)	coupon/interest offered, schedule of payment of coupon/interest and principal;	9% (nine percent) per annum
(v)	charge/security, if any, created over the assets;	The Investor OCDs proposed to be issued are unsecured.
(vi)	Special right /interest/privileges attached to the instrument and changes thereof;	The key terms of the Investor OCDs are as follows:
(vii)	delay in payment of interest / principal amount for a period of more than three months from the due date or default in payment of interest / principal;	(a) The Investor OCDs shall be unlisted and unsecured;
(viii)	details of any letter or comments regarding payment/non-payment of interest, principal on due dates, or any other matter concerning the security and /or the assets along with its comments thereon, if any;	(b) The Investor OCDs and the Conversion Shares (if applicable) shall be allotted in dematerialised form;
(ix)	details of redemption of preference shares indicating the manner of redemption (whether out of profits or out of fresh issue) and debentures;	(c) The Investor OCDs shall carry a coupon of 9% (nine percent) per annum, which shall be calculated on the basis of 365 / 366 days and the actual number of days lapsed. The coupon shall be calculated from the date of allotment of the Investor OCDs until the date of conversion or redemption, as the case may be. The coupon amount shall be payable in cash each quarter commencing from the date of allotment up to and including the date of redemption or conversion, as the case may be;
		(d) The tenure of Investor OCDs shall not exceed 18 (eighteen) months from the date of allotment;
		(e) The Investor OCDs will not provide any voting rights to the Investor, until they are converted into the Conversion Shares;
		(f) Subject to applicable law, the Investor shall, at its sole discretion, have the right (but not an obligation) to convert the Investor OCDs into Conversion Shares on or any time after the date on which the Closing Price of the Equity Shares breaches the Threshold Price, subject to a maximum period of 18 (eighteen) months from the date of allotment of Investor OCDs to the Investor (“ <b>18 Months Period</b> ”).
		i. “ <b>Issue Price</b> ” means the price at which the Investor OCDs are being issued to the Investor;
		ii. “ <b>Closing Price of the Shares</b> ” means the market closing price of the Equity Shares on the Recognized Stock Exchange on any day post the date of allotment of the Investor OCDs;
		iii. “ <b>Recognized Stock Exchange</b> ” means any stock exchange where the Equity Shares are listed and in which the highest trading volume in respect of Equity Shares has been recorded; and
		iv. “ <b>Threshold Price</b> ” means the Issue Price.



		<p>(g) Subject to the Investor exercising its option to convert as specified above, each Investor OCD shall be convertible into Conversion Shares at a conversion price of Rs. 180/- (Rupees One Hundred and Eighty only) per equity share (appropriately adjusted from time to time for corporate actions such as consolidation, sub-division, re-classification, reduction of capital, bonus issue, rights issue, stock split, merger, amalgamation, demerger or any such capital or corporate restructuring). The Conversion Shares, if issued and allotted, shall rank <i>pari passu</i> with the then existing Equity Shares, including as to dividend and voting rights;</p> <p>(h) 1 (one) Investor OCD shall convert into 1 (one) Equity Share, i.e. the conversion ratio for conversion of the Investor OCDs into the Conversion Shares shall be 1:1;</p> <p>(i) The Investor may redeem the Investor OCDs. If the Investor does not exercise its option to convert the Investor OCDs into Conversion Shares as specified above within the 18 Months Period, the Investor OCDs shall be automatically redeemed by the Company in accordance with applicable laws;</p> <p>(j) The Conversion Shares (if issued and allotted) shall be listed and traded on the stock exchanges and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;</p> <p>(k) The Investor OCDs and the Conversion Shares (if issued and allotted) shall be subject to lock-in for such period as specified in the provisions of Chapter V of the ICDR Regulations; and</p> <p>(l) The Investor OCDs and the Conversion Shares (if applicable) shall be allotted within the timeline prescribed under applicable law.</p>
6.	Any cancellation or termination of proposal for issuance of securities including reasons thereof.	Not Applicable



**Annexure C**

The details relating to Share Subscription Agreement (“SSA”) and Debenture Subscription Agreement (“DSA”) as required under Regulation 30 of the SEBI Listing Regulations read with SEBI Circular are as under:

A. SSA

S. No.	Particulars	Details
1.	Name(s) of parties with whom the agreement is entered	The parties to the SSA are as follows: 1. Hella Infra Market Private Limited (“Investor”); and 2. Shalimar Paints Limited (“Company”).
2.	Purpose of entering into the agreement	The SSA records the terms of raising funds via preferential issue on private placement basis of the Investor Shares to the Investor.
3.	Shareholding, if any, in the entity with whom the agreement is executed	As on date i.e., January 18, 2022, the Investor does not have any securities of the Company.
4.	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;	The SSA prescribes certain customary interim covenants on the Company from the date of execution of the SSA until the allotment of Investor Shares, such as conducting business in ordinary course.  In terms of the SSA, the Investor has the right to appoint one director to the board of the Company (“Board”) upon consummation of the transaction (“Investor Director”). Further, the Audit Committee, Nomination and Remuneration Committee and all other shareholders’ and Board’s committees are required to include the Investor Director. The Investor also has the right to nominate one director on the board of directors of each of the subsidiaries of the Company.  The Investor’s right to nominate the Investor Director on the Board (including the subsidiaries) and its right to representation on various Board and shareholders’ committees shall fall away if the Investor’s holding (together with its affiliates) falls below 10% (ten percent) of the paid up equity share capital of the Company, at any point in time.
5.	Whether the said parties are related to promoter/ promoter group/ group companies in any manner. If yes, nature of relationship	No
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”	Not Applicable
7.	In case of issuance of shares to the parties, details of issue price,	Issuance of Investor Shares at a price of Rs. 120/- (Rupees One Hundred and Twenty only) per Investor Share.



	class of shares issued	
8.	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.	Not applicable.

B. DSA

S. No.	Particulars	Details
1.	Name(s) of parties with whom the agreement is entered	The parties to the DSA are the: 1. Investor; and 2. Company
2.	Purpose of entering into the agreement	The DSA records the terms of raising funds via preferential issue on private placement basis of the Investor OCDs to the Investor.
3.	Shareholding, if any, in the entity with whom the agreement is executed	As on date i.e., January 18, 2022, the Investor does not have any securities of the Company.
4.	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;	The DSA prescribes certain customary interim covenants on the Company from the date of execution of the DSA until the allotment of Investor OCDs, such as conducting business in ordinary course. For terms relating to the Investor OCDs, please refer to point 5 of Annexure B above.
5.	Whether the said parties are related to promoter/ promoter group/ group companies in any manner. If yes, nature of relationship	No
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	Not Applicable
7.	In case of issuance of shares to the parties, details of issue price, class of shares issued	Issuance of Investor OCDs at a price of Rs. 180/- (Rupees One Hundred and Eighty only) per Investor OCD.
8.	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.	Not applicable.

