

DCS/AMAL/RD/R37/4140/2025-26

March 27, 2026

To,  
The Company Secretary,  
**Swan Defence and Heavy Industries Limited**  
Pipavav Port, Post Ucchaiya,  
Via Rajula, Amreli,  
Gujarat – 365560.

Dear Sir/Madam,

Sub: **Scheme of Arrangement by Swan Defence and Heavy Industries Limited (formerly known as Reliance Naval and Engineering Limited)**

We refer to your application for Scheme of Amalgamation of Triumph Offshore Private Limited (“TOPL” or “the Transferor Company”), an unlisted company with Swan Defence and Heavy Industries Limited (“SDHIL” or “the Transferee Company”) under Sections 230 to 232 and other applicable provisions of the Companies Act 2013 filed with the Exchange under Regulation 37 of SEBI LODR Regulations, 2015, read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023.

In this regard, SEBI vide its Letter dated March 27, 2026, has inter alia given the following comment(s) on the said draft scheme of Arrangement: -

1. **“The No-Objection Letter on the draft scheme of arrangement is issued with caveat that in the event the proposed amalgamation is implemented on or after December 07, 2026, the requirement of achieving minimum twenty-five percent public shareholding shall become applicable and the exchange’s ‘No-Objection’ letter shall be valid only if the Company has achieved minimum twenty-five per cent public shareholding.”**
2. **“The proposed Scheme of Arrangement shall be in compliance with the provisions of Regulation 11 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.”**
3. **“The entity shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the listed entity, its promoters and directors, before Hon’ble NCLT and shareholders, while seeking approval of the scheme.”**
4. **“The entity shall ensure that additional information, if any, submitted by the company after filing the scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed company and the stock exchanges.”**

5. “The entities involved in the proposed scheme shall not make any changes in the draft scheme subsequent to filing the draft scheme with SEBI by the Stock Exchange(s), except those mandated by the regulators/ authorities/ tribunal.”
6. “The entity shall ensure compliance with the SEBI circulars issued from time to time.”
7. “The entity shall ensure that the financials in the scheme considered are not for period more than 6 months old.”
8. “The entity is advised to prominently disclose the following, as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, so that public shareholders can make an informed decision in the matter:
  - A. Under the Heading — “Reduction and reorganisation of Reserves of the Company, and transfer of Credit Balance in Capital Reserve and Securities Premium to the Retained Earnings of the Company”
    - a) Adjustment of the debit balance of the Retained Earnings Account, in the following chronological order:
      - i. Entire credit balances appearing under the Capital Reserve; and
      - ii. Securities Premium, to the extent of remaining debit balance of the Retained Earnings Account; as per para 5, Part II of the Scheme.
    - b) The manner of adjustment and transfer of the credit balance in the General Reserve to the Retained Earnings of the Company may also be disclosed in the following format

Particulars	SDHIL (Pre Scheme)	Part I - Reduction and reorganisation	Part I - Amalgamation of TOPL	SDHIL (Post Scheme)
Equity shares				
RPS (issued to TOPL shareholders)				
Securities Premium				
Retained Earning				
Capital Reserves				
Amalgamation Adjustment Reserves				
Other Reserves				
OCI				
Total				

- B. In addition to the above, the following disclosures may also be made in the explanatory statement: -**
- a. The built up of accumulated losses since inception**
  - b. The built up of Reserves of the company since inception**
  - c. A simple explanation of the scheme of arrangement**
  - d. The rationale and objectives underlying the proposed scheme,**
  - e. A detailed explanation of the impact of the scheme on shareholders, including any dilution or change in rights,**
  - f. A cost-benefit analysis outlining the anticipated benefits versus associated costs of the scheme,**
  - g. The latest financials of Swan Defence and Heavy Industries Limited (SDHIL), and Triumph Offshore Private Limited (TOPL), not older than 6 months from the date of Stock Exchange NOC, to be hosted on the Company's website and also disclosed in the explanatory statement.**
  - h. Promoter-wise and aggregate shareholding details of the promoter and promoter group in SDHIL, before and after the scheme, and the corresponding change in public shareholding.**
  - i. Promoter-wise and aggregate shareholding details of the promoter and promoter group in SDHIL, before and after execution of all concurrent schemes, if any, and the corresponding change in public shareholding.**
  - j. Details of the Registered Valuer issuing Valuation Report and the Merchant Banker issuing Fairness opinion, along with a summary of the methods considered for arriving at the Share Exchange Ratio and Rationale for adopting such methods.**
  - k. Details of Revenue, PAT and EBIDTA of SDHIL, and TOPL for last 3 financial years.**
  - l. Pre and Post scheme shareholding of SDHIL, and TOPL as on the date of Shareholders' meeting notice, along with rationale for changes, if any, occurred between filing of Draft Scheme to Notice to shareholders.**
  - m. The value of Assets and liabilities of TOPL being transferred to SDHIL, and post-merger balance sheet of SDHIL.**
  - n. Disclose all pending actions/proceedings against the entities involved in the scheme, including their promoters/directors/KMPs, and the possible impact of the same on SDHIL.**
  - o. Disclosures of conditions imposed by lenders, if any, along with their potential impact on the scheme.**
- 9. "The entity is advised that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."**
- 10. "The entity is advised that the proposed Non-convertible Redeemable Preference Shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only."**
- 11. "The entity is advised that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."**

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12. **“No changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.”**
13. **“The entity is advised that the observations of SEBI/Stock exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.”**
14. **“The entity is advised that applicable additional information, if any, to be submitted to SEBI along with the draft scheme of arrangement as advised by Email dated March 27, 2026, shall form part of disclosure to the shareholders.”**
15. **“The entity is advised to comply with the all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.”**
16. **“It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”**
17. **“The listed entity involved in the proposed scheme shall disclose the No-Objection letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.”**

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Please note that the submission of documents/information, in accordance with the circular to SEBI/Exchange should not in any way be deemed or construed that the same has been cleared or approved by SEBI/Exchange. SEBI/Exchange does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the document submitted.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023.

Kindly note that as required under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

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The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete/incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019, issued to the company

Yours faithfully,



**Marian Dsouza**  
Assistant Vice President



**Tanmayi Lele**  
Deputy Manager

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