

Date: January 16, 2025.

To,

Hikal Ltd.  
Great Eastern Chambers,  
CBD Belapur,  
Navi Mumbai - 400614.

**Kind Attention:** Mr. Rajasekhar Reddy – Company Secretary & Compliance Officer.

**Re.:** Disclosure under Regulation 30, 30A read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”).

**And**

**Re.:** Letter addressed by Kalyani Investments Company Ltd. (“KICL”) bearing ref no KICL : SEC dated 13 January 2025 to the stock exchanges under Reg. 30 and 30A of the SEBI LODR (“captioned letter / KICL’s letter”)

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We reference the captioned letter addressed by KICL by and under which certain allegations have been set out against us as promoters of Hikal, and in particular, suppression of a letter dated 16 June 2023 (“**the subject letter/ Mr. Vaghul’s letter**”) purportedly addressed by the late Mr. N. Vaghul to Mr. Baba Kalyani and the undersigned i.e. Sugandha Hiremath.

1. We are addressing this communication to place on record our clarifications with regard to the contents of the captioned letter addressed by KICL with a request that the Company upload the same in furtherance of our earlier letter dated 9 January 2025 forwarding copies of the family understandings / arrangements and our understanding for the purpose of execution of the same.
2. At the outset, we deny all the allegations and contentions set out in KICL’s letter and in particular the allegation that we have willfully suppressed a vital piece of correspondence with the sole intention to create a false market in the securities of KICL as also of Hikal Ltd., and that our actions are a serious offence under the SEBI Regulations or any other applicable and relevant laws.
3. We are surprised by the contentions and allegations set out in KICL’s letter and the interpretation of the contents of the late Mr. N. Vaghul’s letter dated 16 June 2023. It is clear that KICL is attempting to incorrectly and wrongly interpret the late Mr. Vaghul’s letter for reasons which are not far to seek. Pertinently, if this so-called letter was such a vital piece of information or aided Baba Kalyani and/or the entities directly and indirectly under his control then KICL and/or Baba Kalyani ought to have made a further disclosure regarding this letter itself pursuant to KICL’s disclosure dated 24 March 2023 under Regulation 30 of the SEBI LODR, at the relevant time. This was not done.
4. KICL / BF investments Ltd and /or Baba Kalyani have willfully suppressed Mr. Vaghul’s letter for the following reasons:
  - a. The subject letter purports to be a clarification addressed by the late Mr. Vaghul after a period of 30 years from the date of the meeting that took place in 1994.
  - b. The late Mr. Vaghul categorically admits that a meeting did in fact take place in 1994 between Mr. Baba Kalyani, the late Dr. N.A. Kalyani and mother, late Mrs. S N Kalyani, the late S.S. Nadkarni, and he himself was present at the meeting.
  - c. The subject letter also categorically admits that Mr. Baba Kalyani mentioned that his late father Dr. N.A. Kalyani had breached an earlier understanding that had

been arrived at between themselves one year before this meeting i.e. in 1993. This corresponds to the 1993 Family Agreement.

- d. The subject letter categorically admits that pursuant to discussions during this meeting Dr. N.A. Kalyani stepped down as Managing Director of Bharat Forge and in his place, Mr. Baba Kalyani was inducted and took the position of Managing Director. This corresponds with the late Mr. Vaghul's letter dated 16<sup>th</sup> June 2012 addressed to the late Mrs. S N Kalyani in which at point 4 therein it is categorically recorded that Dr. N.A. Kalyani would resign as the Managing Director and Mr. Baba Kalyani would take over, amongst other things.
- e. The subject letter also clarifies that there was a brief discussion with regard to the transfer of Hikal shares back to the Hiremaths.
- f. The subject letter also states that a note from Dr. N.A. Kalyani was received by the late Mr. Vaghul pursuant to the aforesaid meeting.
- g. The subject letter then purports to state that the letter addressed by the late Mr. Vaghul to the late Mrs. S.N. Kalyani on 16<sup>th</sup> June 2012 was only for the purpose of confirming the fact of the late Mr. Vaghul have received the note from Dr. N.A. Kalyani and that he was not verifying the correctness of the note. However, the 2012 letter categorically records and reaffirms the understanding arrived at in the 1994 meeting.
- h. The subject letter does not deny that
  - (i) the meeting took place;
  - (ii) the existence of the 1994 Family Understanding and
  - (iii) the fact that Mr. Baba Kalyani and the late Dr. N.A. Kalyani had an understanding in May / June of 1994. In fact, the subject letter categorically confirms this.

It is for these reasons that this so-called vital correspondence purportedly received by KICL in June 2023 has been willfully suppressed and not disclosed as a further disclosure under Regulation 30 of the SEBI LODR at the relevant time.

5. Be that as it may, and in any event, the communication dated 16<sup>th</sup> June 2012 addressed to the late Mrs. S. N. Kalyani is self-explanatory and which has also been disclosed by us does not make any such reservations. In fact, the aforesaid 2012 letter provides minute details and categorical recordings of the understandings arrived at between Mr. Baba Kalyani and the late Dr. N.A. Kalyani in 1994. The 2012 letter does not make any exception to what transpired at the said meeting in 1994 or the fact that the late Mr. Vaghul was not aware of such understanding that was arrived at. It is further clear that the parties acted in furtherance of this 1994 understanding and Mr. Baba Kalyani did benefit from the same.
6. The 2012 letter was disclosed alongwith the 1994 Family Agreement/ Understanding as the same is a covering letter addressed by the late Mr. Vaghul to the late Mrs. S.N. Kalyani. Since the 2012 letter encloses the 1994 Understanding and is exhibited in the pending proceedings filed by the undersigned before the Bombay High Court, it is only correct for the undersigned to have submitted the 2012 letter alongwith the Understanding, which is an annexure thereto instead of severing the letter and only submitting the annexure in which case KICL would have not hesitated in making some allegations of mutilation of the records and/or incomplete submissions.
7. Without prejudice to the aforesaid and in any event, the entire issue of the enforcement of the Family Understanding is pending before the Bombay High Court and matters are sub-judice. The undersigned have merely forwarded and disclosed the Understandings pursuant to a categorical clarification by SEBI of Regulations 30 and 30A of the SEBI LODR by its communication dated 30<sup>th</sup> December 2024.

In these circumstances, it is reiterated that there is no willful suppression on our part or that we are liable to be prosecuted. We trust that this adequately clarifies the issue and puts the bone of contention to rest. Be that as it may we reserve all rights in this regard.

Regards,

*Sugandha Hiremath*

Sugandha Hiremath



Jai Hiremath