



**SWISS  
MILITARY**

**April 18, 2022**

BSE Limited  
Corporate Relationship Department,  
P J Towers, Dalal Street  
Mumbai – 400 001  
**Scrip Code- 523558**

**Sub: Intimation for Acquisition of 100% Shares by Swiss Military Consumer Goods Limited (the Company) in “AAA Shenyang Container Seal Private Limited” under Regulation 30 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), for RFID Seal Business**

Dear Sir/Madam,

This is to inform you that pursuant to the resolution passed by the shareholders of the Company at their Annual General Meeting held on 04<sup>th</sup> September, 2021, the company have acquired 100% shareholding of AAA Shenyang Container Seal Private Limited and established a wholly owned subsidiary of the Company for RFID Seal business. In terms of Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, AAA Shenyang Container Seal Private Limited shall be treated as Material Subsidiary of the company.

The details, as required under Regulation 30 read with Schedule III to the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and SEBI Circular dated 9<sup>th</sup> September 2015, are provided hereunder:

S. No.	Information	Details
A	Name of the target entity, details in brief such as size, turnover etc.;	AAA Shenyang Container Seal Pvt. Ltd.  Brief financial details per latest audited balance sheet Total Revenue (2020-21): 91,070,689 Net profit after tax (2020-21): 12,920,906
B	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”	Yes.  Promoshirt SM Private Limited, a Company which is substantially owned and controlled by our Promoters, Mr. Anuj Sawhney and Mrs. Ashita Sawhney, had entered into a Joint Venture Agreement with M/s Hongkong Shining Fortune Trading Co. Limited, Hongkong, on May 24, 2018,

**SWISS MILITARY CONSUMER GOODS LIMITED**

(Erstwhile known as Network Limited)

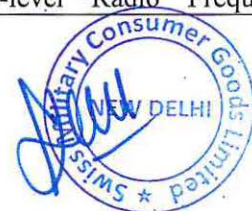
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CIN: L51100DL1989PLC034797



		<p>for the sole purpose of establishment of a Joint Venture in the name of AAA Shenyang Container Seal Private Limited, for the purpose of producing e-seals, other security seals and parts, communication equipment, electronic information technology development, electronic product sales and import and export of business.</p> <p>Since the company has acquired 100% shareholding of AAA Shenyang Container Seal Pvt. Ltd. from both Joint Venture partners at the fair value calculated as per RBI guidelines, therefore transaction between company and Promoshirt SM Private Limited falls within the ambit of related party transaction at arm's length prices.</p>
C	Industry to which the entity being acquired belongs;	RFID E-Seal
D	Objects and effects of acquisition;	The acquisition will enable the Company to carry on RFID seal business.
E	Brief details of any governmental or regulatory approvals required for the acquisition;	No Special approvals are required for acquisition.
F	Indicative time period for completion of the acquisition;	The Company has acquired 2076111 equity shares (100%) of AAA Shenyang container seal Private Limited and 1 equity share is transferred to Mr. Anuj Sawhney as nominee shareholder to complying with the statutory requirement of minimum number of shareholders in a private company as per Section 2(68) of the Companies Act 2013
G	Nature of consideration - whether cash consideration or share swap and details of the same;	Cash consideration
H	Cost of acquisition or the price at which the shares are acquired;	Rs. 4,18,99,280/- (Rs. 20.18 per equity share)
I	Percentage of shareholding / control acquired and / or number of shares acquired;	100% Shareholding
J	<p>Brief background about the entity acquired in terms of products/line of business acquired</p> <p>Date of incorporation</p>	<p>AAA Shenyang Container Seal Pvt. Ltd. was incorporated as on 28/06/2018.</p> <p>RFID technology e-seal facilitating the port logistics automation and cargo tracking Digitalization / Integration in the supply chain. Companies increasingly using item-level Radio Frequency</p>





		<p>Identification (RFID) to trace and track the goods for inventory control purpose and also and supply chain management. The use of RFID e-seal in seaport container terminal is growing notably.</p> <p>Seeing to the market size and future business potential one of the associate company of Promoters started a joint venture with one Chinese Partner (having requisite experience in making of RFID E-Seal for Indian Market) to ensure supply for the Indian Market and successfully running a profitable venture for the last 3 years.</p> <p>In India RFID e-seal used in transport from exporter hub to custom terminal with a preclearing customs procedure by integrated the logistics and Customs aspects as per government directives. Indian Custom implemented use of RFID E-Seal for self-sealing container by exporter and accordingly present market size is approx. 24,00,000 to 36,00,000 unit of RFID E-Seal yearly basis which will increase with the advent of new regulation for the ease of tracking of the container and its movement. Accordingly, Company had decided to acquire the profitable venture of RFID e seals</p>
K	Country in which the acquired entity has presence Any other significant information (in brief);	India

The highlights of financial results of the company for the last three financial years are as follows:

Particulars	31st March, 2021	31st March, 2020	31st March, 2019*
Revenue	91,070,689	88,702,616	40,139,700
Less: Expenditure	73,785,090	73,859,172	38,519,720
Profit/(Loss) before taxation	17,285,599	14,843,444	1,619,980
Less: Income Tax	4,364,693	3,773,825	445,513
Net profit/ (Loss) after taxation	<b>12,920,906</b>	<b>11,069,619</b>	<b>1,174,467</b>

\* The financial results for the year ended on 31<sup>st</sup> March 2019 relates to period of 9 months starting from 28/06/2018 being the date of incorporate of the company.



The highlights of balance sheet of the company for the last three financial years are as follows:

Particulars	31st March, 2021	31st March, 2020	31st March, 2019
<b>EQUITY AND LIABILITIES</b>			
Share Capital	2,07,61,120	2,07,61,120	2,07,61,120
Reserves & Surplus	2,51,64,993	1,22,44,086	11,74,467
Current Liabilities	47,47,949	47,01,553	9,81,482
<b>TOTAL</b>	<b>5,06,74,062</b>	<b>3,77,06,759</b>	<b>2,29,17,069</b>
<b>ASSETS</b>			
Fixed Assets	8,16,624	10,35,922	13,59,965
Inventories	44,07,261	1,20,53,083	66,18,630
Trade Receivable	68,16,335	38,23,554	3,07,080
Cash and Cash Equivalents	2,17,54,218	50,33,026	15,81,896
Other Current Assets	1,68,79,624	1,57,61,174	1,30,49,498
<b>TOTAL</b>	<b>5,06,74,062</b>	<b>3,77,06,759</b>	<b>2,29,17,069</b>

Kindly take the above on record.

Thanking You,

For **SWISS MILITARY CONSUMER GOODS LIMITED**

  
**VIKAS JAIN**  
COMPANY SECRETARY

