

**SCHEME OF REDUCTION OF SHARE
CAPITAL**

BETWEEN

SUPREME PETROCHEM LIMITED

AND

ITS SHAREHOLDERS

(UNDER THE PROVISIONS OF SECTION 66 OF THE COMPANIES ACT, 2013)



A. PREAMBLE OF THE SCHEME

This Scheme of reduction of paid up equity share capital is made pursuant to the provisions of Section 66 of the Companies Act, 2013 and other applicable provisions, if any, read with the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 for reorganization and reduction of equity share capital of "Supreme Petrochem Limited" ("Scheme"). The Scheme provides for reduction of equity share capital of Supreme Petrochem Limited ("Company") by reducing the face value of paid-up equity shares of the Company from the existing Rs. 10/- (Rupees Ten Only) per equity share ("Equity Share(s)") to Rs. 4/- (Rupees Four Only) per Equity Share and returning the amount of Rs. 6/- (Rupees Six Only) per equity share to the equity shareholders of the Company.

B. DESCRIPTION OF THE COMPANY:

i. *Brief details of the Company*

SUPREME PETROCHEM LIMITED (hereinafter referred to as the "Company"), is a Public Limited Company, incorporated on 14th December, 1989 in the State of Maharashtra under the provisions of the Companies Act, 1956 vide a Certificate of Incorporation bearing no. 11- 54633 of 1989 dated 14th December 1989 and received the Certificate of Commencement of Business on 13th February, 1990. The Corporate Identity Number (CIN) of the Company is L23200MH1989PLC054633 and its Registered Office is situated at Solitaire Corporate Park, Bldg. No.11, 5th Floor, 167, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai - 400093. The Company is, *inter-alia*, engaged in the manufacturing of polystyrene, expandable polystyrene, specialty polymer and compounds and extruded polystyrene.

The Equity Shares of the Company are currently listed and traded on BSE Limited ("BSE") with scrip code - 500405 and National Stock Exchange of India Limited ("NSE") with scrip symbol - SUPPETRO.

ii. *Main Objects of the Company*

The main objects* of the Company at present are as follows:

1. To carry on in India and in any part of the world the business of processing, converting, manufacturing, formulating, using, buying, dealing, acquiring, storing, packaging, selling, transport, distributing, importing, exporting and disposing of all types of petrochemicals like Naphtha, Saturated and Unsaturated Acyclic Hydrocarbons, Cyclic Hydrocarbons, Halogenated derivatives of Hydrocarbons, Sulforated and nitrated derivatives of Hydrocarbons, Alcohols and their derivatives, Phenols and derivatives, Epoxides and derivatives, Ketones and derivatives, Carboxylic acids and derivatives, Unsaturated Acyclic Cyclic Monocarboxylic acids & derivatives, Esters and derivatives including raw materials, intermediate products and primary polymers of Methane, Ethylene, Propylene, Butanes, Naphthalene, Cyclohexane, Benzene, Phenol, Acetic Acid, Styrene, Acrylonitrile, Methacrylates, Butadiene, Toulene, Ethyl Benzene, Mercaptans, Synthetic rubbers, Methanol, Formaldehyde, Caprolactam, Adipic Acid, Vinyl Acetates, Malg



Anhydrides, Ethylene Oxide, Ethylene Glycol, Ethylene Dichlorides, Polyglycols, Vinyl Chloride Monomer, Activated Mineral Products, Anti Oxidants and Compound Stabilizer for rubber and plastics, Polymers and co-polymers of Ethylene, Propylene, Styrene, Vinyl Chloride or other Halogenated Olefins, Vinyl Esters, Acrylic, Polyacetal or Polyethers, Polyamides (Nylon all grades), Amino-Resins, Phenolic Resins and Polyurethanes, Compounds and Master batches of thermoplastic resins and elastomers, unsaturated and saturated Polyester resins and all other petrochemical products and Polymers in all form like resins, fibres, sheets, insulation products, moulding and casting, cellophane, colour, paints, varnishes, disinfectants, insecticides, fungicides, deodorants, as well as sizing, bleaching, photographical and other preparations.

2. To carry out in India and in any part of the world the business of processing, converting, manufacturing, formulating, using, buying, dealing, acquiring storing, packaging, selling, transporting, distributing importing, exporting and disposing all types of chemicals including inorganic, organic and aromatic chemicals, pigments and colourants, flame retardants, Oxides, carbonates, bicarbonates and hydroxides of all chemicals, brominated compounds, power, steam, oil, greases, synthetic chemicals derived from petroleum hydrocarbon elements & chemicals including by-products.
3. To carry on business as Merchants, Dealers, Distributors, Traders, commission agents, brokers, adatis or in any other capacity in India or elsewhere and to import, export, buy, sell, barter, exchange, pledge, mortgage, advance upon or otherwise deal in goods, produce, articles and merchandise of any kind including all type of chemicals, petrochemicals intermediate products, plastic goods raw materials, machinery and packaging related thereto.
4. To carry out investigation, basic and fundamental research, applied research, design development, experimental work, pilot plant work, commercial work, scale up works and every description in all branches of science, engineering and technology for producing, discovering, invention, making improvement in, modifications to, effecting costs reduction or energy savings in all forms of energy including wind energy, solar energy, nuclear energy, thermal energy, hydro electric energy, energy from gases, minerals, chemicals, elements and compounds of every description.
5. To finance, protect and promote industrial activities and to promote such activities with capital credit, means, resources and assistance and to procure collaboration agreements for promotion and development thereof and to render financial assistance in the form of a loan and / or investment and / or capital participation and / or in any other manner for industrial and / or commercial and / or trade projects, plants, workshops, establishments, etc. including rendering of such financial assistance in the State which the Board of Directors think fit , all or any of which directly or indirectly lends to promote or is calculated to promote the industrialisation and / or development of industry, commerce and / or trade in such state.
6. To promote and undertake the promotion of any subsidiary Company or other companies for any purpose which may directly or indirectly benefit the Company.



7. To carry on business as financiers and to undertake and carry out all such businesses, operations and transactions as can be carried out lawfully, except banking and insurance business which may fall within the purview of the Banking Regulation Act, 1949, or the Insurance Act, 1938.
8. To cultivate, grow, produce and to carry on activity or business as agriculturists, growers of agricultural produce, processors, manufacturers, importers, exporters, buyers, sellers, agents, brokers, commission agents or indenters of tea, coffee cocoa, rubber, timber, wood, manures and fertilisers, artificial or otherwise and to sell or deal in all kinds of farm produce or products of whatever description, either in prepared, manufactured or raw stage and either by wholesale or retail and to trade in such products or produce for ready or future delivery.
9. To generate, supply, produce, buy, sell or otherwise deal in utilities such as power, steam, water, atomic energy, light, heat, gas and to manufacture, buy, sell, acquire, take or let on hire or lease, act as agents or representatives for, survey, service, repair, alter, exchange, or otherwise deal in all plant machinery, instrument and other items required for such business.
10. To carry on the business as builders and to acquire, hold or deal in land, buildings, houses, flats etc.

iii. *Share Capital*

The share capital of the Company as on 31st December 2020 is as under:

Particulars	Amount (Rs. in Crore)
Authorized Share Capital	
12,50,00,000 Equity shares of Rs. 10/- each	125.00
2,50,00,000 Redeemable cumulative preference shares of Rs. 10/- each	25.00
Total	150.00
Issued, Subscribed and Paid-up Share Capital	
9,40,20,671 Equity Shares of Rs. 10/- each	94.02
Total	94.02

There has been no other change in the Issued, Subscribed and Paid-up Share Capital of the Company subsequent to 31st December, 2020 till the date of approval of this Scheme by the Board.



C. RATIONALE AND PURPOSE OF THE SCHEME

- I. Since the initial public offer in 1994, the Company has been growing and rewarding its shareholders through regular dividend pay-out and periodical buy-back of the equity share;
- II. As on September 30, 2020, the Company has cash and cash equivalents and liquid resources aggregating to Rs. 409.58 Crores, which are in form of cash, bank and investments in debt schemes of mutual funds. Further, the Company has enough resources to meet its ongoing business activities as well as future growth requirements;
- III. On a review of the financial position of the Company as per its Audited Financial Statement as on 31st March, 2020 including its reserves, future revenues, expansion plans and CAPEX thereto etc., the Board of Directors of the Company in the meeting held on March 12, 2021, were of the opinion that the paid up share capital of the Company is in excess of its requirement of funds.
- IV. The Board, in the aforesaid meeting, after carefully examining and evaluating the different options available to the Company and in accordance with the provisions of Section 66 of the Companies Act, 2013 read with the applicable rules issued thereunder, and subject to the consent of the shareholders and the approval from the Tribunal and other statutory authorities as and where applicable decided to pay back the excess share capital by reducing 60% of the paid up share capital of the Company by way of cancelling and extinguishing 60% of the paid up value of the equity shares by returning Rs. 6/- (Rupees Six Only) per equity share to the shareholders.
- V. Article 57 of the Articles of Association authorizes the Company to reduce its share capital in any manner and in accordance with provision of the Companies Act, 2013.
- VI. Post the reduction of share capital–
 - (i) the Company will have more efficient capital structure and the shareholders will also benefit in terms of enhanced return on equity capital, return on capital employed, and dividend yield on face value of shares.
 - (ii) The Company will have enough resources to fund the ongoing activities and its expansion programme etc.
- VII. The reduction of the paid up equity share capital will not result in any change in the proportion of shareholding of the members of the Company and would not in any way have any adverse effect on the Company's ability to honour its commitments or meet its obligations in the ordinary course of business.



VIII. The Scheme does not include splitting of equity shares but is only a reduction in the face value of the equity shares of the Company. i.e. one equity share of Rs. 10/- (Rupees Ten Only) will become one equity share of Rs. 4/- (Rupees Four Only) after returning Rs. 6/- (Rupees Six Only) per equity share to the shareholders of the Company and the number of equity shares issued by the Company will remain the same and the amount required for reduction of capital will be met out of the cash and cash equivalents or other liquid resources of the Company.

IX. The benefits of the Scheme will be as follows:

- a. The excess capital, lying idle and unused by the Company, will be returned to all the shareholders of the Company in a proportion of their shareholding as on the record date, as may be fixed by the Board.
- b. An accurate financial position of the Company will be reflected and excess and unwanted share capital will be returned to the shareholders.

D. THIS SCHEME IS DIVIDED INTO THE FOLLOWING PARTS:

- (i) Part I which deals with definitions.
- (ii) Part II which deals with reduction and reorganization of share capital.
- (iii) Part III which deals with procedure for reduction of capital and listing
- (iv) Part IV which deal with general terms and conditions applicable to the Scheme.



PART I

DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expression shall have the following meaning:

- A. "Act" means the Companies Act, 2013 and rules made thereunder and shall include every modification, amendment or re-enactment thereof for the time being in force and references to the sections/rules of the Act shall be deemed to mean and include reference to those sections and rules enacted in modification or re-enactment thereof.
- B. "Authorities" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, judicial or arbitral body having jurisdiction over the territory of India.
- C. "Board" or "Board of Directors" means Board of Directors of the Company and shall, unless it be repugnant to the context or otherwise, includes a Committee of Directors or any person authorized by the Board of Directors.
- D. "Company" means Supreme Petrochem Limited, a Public Limited Company incorporated under the provisions of the Companies Act, 1956 having CIN L23200MH1989PLC054633 and having its Registered Office situated at Solitaire Corporate Park, Bldg. No.11, 5th Floor, 167, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai – 400093.
- E. "Depositories" means together, National Securities Depositories Limited and Central Depository Services (India) Limited.
- F. "Effective Date" means the date on which the certified copy of the order of the Tribunal sanctioning this Scheme under Section 66 and other applicable provisions, if any of the Companies Act, 2013 is filed with the Registrar of Companies, Maharashtra at Mumbai by the Company. Any reference to the "upon the scheme becoming effective" or "the Scheme coming into effect" or "effectiveness of the scheme" shall be deemed to mean the "Effective Date".
- G. "Record Date" means the date, after the Effective Date, as may be decided by the Board of Directors of the Company for the purpose of giving effect to the order of the Tribunal sanctioning the Scheme.
- H. "Scheme" or "Scheme of Reduction of Capital" shall mean this scheme of reduction of share capital in its present form submitted to the Stock Exchanges, Tribunal, SEBI or any other authority or with any modifications approved, imposed or directed by the Tribunal or such other appropriate authority.



- I. **"Shareholders"** shall mean the shareholders registered (whether registered owner of the shares or beneficial owner of shares) as holders of the equity share capital of the Company as on the Record Date. The word "Shareholder" and/or "Member", wherever mentioned, are used to denote the same meaning and are used interchangeably.
- J. **"Shares" or "Equity Shares"** means the equity shares of the Company having nominal value/face value of Rs. 10/- each, unless otherwise specified in the context thereof.
- K. **"Stock Exchanges"** shall mean BSE Limited and the National Stock Exchange of India Limited. The designated Stock Exchange shall be BSE Limited.
- L. **"Tribunal or NCLT"** means the National Company Law Tribunal (NCLT) or appellate tribunal or such other authority or judiciary having jurisdiction to sanction the scheme.

All terms and words not defined in the Scheme shall unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992, the Depositories Act, 1996, the Income Tax Act, 1961 or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.



PART II

REDUCTION AND REORGANIZATION OF CAPITAL

1. Upon this Scheme becoming effective and after obtaining necessary approvals, consents, sanctions and permissions, the issued, subscribed and paid-up share capital of the Company shall stand reduced from the existing Rs. 94,02,06,710/- (Rupees Ninety Four Crore Two Lakhs Six Thousand Seven Hundred Ten Only) divided into 9,40,20,671 (Nine Crore Forty Lakhs Twenty Thousand Six Hundred Seventy One) equity shares with face value of Rs. 10/- (Rupees Ten Only) per equity share to Rs. 37,60,82,684/- (Rupees Thirty Seven Crores Sixty Lakhs Eighty Two Thousand Six Hundred Eighty Four Only) divided into 9,40,20,671 (Nine Crore Forty Lakhs Twenty Thousand Six Hundred Seventy One) equity shares with face value of Rs. 4/- (Rupees Four Only). The aforesaid reduction in the equity share capital shall be effected by returning to all the Shareholders as on the Record Date an amount of Rs. 6/- (Rupees Six Only) per equity share out of face value of Rs. 10/- (Rupees Ten Only) per equity share held by them and reducing the face value of equity shares of the Company from the existing Rs. 10/- (Rupees Ten Only) per equity share to Rs. 4/- (Rupees Four Only) per equity share.

2. Pursuant to reduction of share capital as per clause (1) above, the face value of equity shares of the Company shall stand reduced to Rs. 4/- (Rupees Four Only) per equity share and consequently, the authorized share capital of the Company shall stand reorganized from:

Rs. 150,00,00,000/- (Rupees One Hundred and Fifty Crores Only) divided into 12,50,00,000 equity shares of Rs. 10/- each and 2,50,00,000 redeemable cumulative preference shares of Rs. 10/- each to

Rs. 150,00,00,000/- (Rupees One Hundred and Fifty Crores Only) divided into 31,25,00,000 equity shares of Rs. 4/- each and 2,50,00,000 redeemable cumulative preference shares of Rs. 10/- each.

3. Effect of the Scheme:

- i. Pursuant to the Scheme as on the Effective Date, there will be no change or reduction in the number of Equity Shares issued by the Company, and hence, the proportion of the Equity Shares held by the existing members of the Company will remain intact and no prejudice will be caused to the shareholders of the Company by the aforesaid reduction in equity share capital;
- ii. The proposed reduction of paid-up share capital and resultant change in the face value of equity shares in the authorized share capital shall be reflected in the book of accounts of the Company on the Effective Date as follows:



Particulars	Amount (Rs. in Crore)
Authorized Share Capital	
31,25,00,000 Equity shares of Rs. 4/- each	125.00
2,50,00,000 Redeemable cumulative preference shares of Rs. 10/- each	25.00
Total	150.00
Issued, Subscribed and Paid-up Share Capital	
9,40,20,671 Equity Shares of Rs. 4/- each	37.61
Total	37.61

Consequently, Clause V in the Memorandum of Association of the Company shall, pursuant to the provisions of section 13 and other applicable provisions, if any of the Act and without any act, instrument or deed be and stand altered, modified and amended as follows:

V. The Authorized Share Capital of the Company is Rs. 150,00,00,000/- (Rupees One Hundred and Fifty Crores Only) divided into 31,25,00,000 equity shares of Rs. 4/- each (Rupees Four Only) and 2,50,00,000 redeemable cumulative preference shares of Rs. 10/- (Rupees Ten Only) with rights, privileges and conditions attached thereto as may be provided by the regulations of the Company for the time being in force with power to increase or reduce the Capital and to divide the Shares in the Capital for the time being into several classes (being those specified in the Companies Act, 2013) and to attach thereto respectively such preferential, qualified, deferred or special rights, privileges or conditions as may be determined in accordance with the regulations of the Company, and to modify or abrogate any such rights, privileges or conditions in such manner as may be lawfully permitted by the said Act or provided by the Articles of Association of the Company for the time being in force.

It is clarified that the reorganization of the authorized share capital, being consequent to reduction of share capital as per this Scheme, shall be deemed to have approved and consented by the Tribunal and the shareholders of the Company in terms of provisions of section 13 and other applicable provisions, if any of the Act and the approval of the Tribunal and the shareholders of the Company to the Scheme shall be deemed to be consent/approval of the shareholders of the Company to reorganization of the authorized share capital and consequent alteration in the Memorandum of Association of the Company as required under the Act and no further approval or procedure for such alteration shall be required.

- iii. Pre and post reduction of paid up share capital on the Effective Date of the Scheme shall be as under:



Particulars	Existing Share Capital of the Company as on 31 st December, 2020 (prior to implementation of the Scheme)	Reduced Share Capital of the Company (post implementation of the Scheme)
Number of equity shares	9,40,20,671	9,40,20,671
Face value of each equity share	Rs. 10/- (Rupees Ten Only)	Rs. 4/- (Rupees Four Only)
Total paid-up equity share capital	94,02,06,710	37,60,82,684

- iv. The shareholding pattern of the Company, Pre and Post reduction of capital, upon approval of the Scheme will be in the following manner considering the fact that the proposed reduction in equity share capital involve reduction of face value of shares from existing Rs. 10/- each to Rs. 4/- (Rupees Four Only) each and hence there is no reduction in the number of equity shares.

Particulars	Holding of shares as on 31 st December, 2020 (prior to the implementation of Scheme)		Holding of shares (post implementation of the Scheme)	
	No of equity shares	Percentage (%) of total equity shares	No. of equity shares	Percentage (%) of total equity shares
Promoter and Promoter Group	6,01,33,600	63.96	6,01,33,600	63.96
Institutions/Mutual Fund	27,54,919	2.93	27,54,919	2.93
Public	3,11,32,152	33.11	3,11,32,152	33.11
Total	9,40,20,671	100.00	9,40,20,671	100.00

4. Effect of the Scheme on Employees

The Scheme shall not have any adverse effect on the employees of the Company in any manner.

5. Effect of the Scheme on Creditors/ Banks/ Financial Institutions

The Scheme will not have any effect on any of the Company's creditors/banks/ financial institutions. The reduction of capital would not in any way have any adverse effect on the Company's ability to honour its commitments or meet its liabilities in the ordinary course of business. The Scheme does not in any manner alter, vary or affect the rights of the creditors of the Company.

6. Legal Proceedings

The Scheme shall not have any effect on the existing and/or on-going legal or other proceedings by or against the Company.



7. The minutes of the resolution relating to reduction of equity share capital of the Company, pursuant to this Scheme, proposed to be registered with the Registrar of Companies, Maharashtra at Mumbai under Section 66 of the Act, is as follows:

"The issued, subscribed and paid up share capital of Supreme Petrochem Limited is henceforth Rs. 37,60,82,684/- (Rupees Thirty Seven Crores Sixty Lakhs Eighty Two Thousand Six Hundred Eighty Four Only) divided into 9,40,20,671 (Nine Crore Forty Lakhs Twenty Thousand Six Hundred Seventy One) equity shares of Rs.4/- each fully paid up reduced from Rs. 94,02,06,710/- (Rupees Ninety Four Crore Two Lakhs Six Thousand Seven Hundred Ten Only) divided into 9,40,20,671 (Nine Crore Forty Lakhs Twenty Thousand Six Hundred Seventy One) equity shares with face value of Rs. 10/- (Rupees Ten Only) per equity share, and effected by returning Rs. 6/- (Rupees Six Only) per share to the equity shareholders of the Company. At the date of the registration of this minute, 9,40,20,671 (Nine Crore Forty Lakhs Twenty Thousand Six Hundred Seventy One) equity shares have been issued and are deemed to be fully paid up and the remaining 21,84,79,329 equity shares of Rs. 4/- (Rupees Four Only) each are unissued.

8. The Board of Directors of the Company are authorized to finalise the minutes of the resolution as provided above and register the same with the Registrar of Companies, Maharashtra, Mumbai under Section 66 of the Act.
9. Notwithstanding the reduction of capital of the Company in pursuance of this Scheme, the Company shall not be required to add the words "And Reduced" as a suffix to its name.



PART III

PROCEDURE FOR REDUCTION OF CAPITAL AND LISTING

10. Upon the Scheme becoming effective, the Board of Directors of the Company shall determine the Record Date and subject to provisions of this Scheme, the Company will make payment of Rs. 6/- per equity share to all the Shareholders of the Company in proportion of their shareholding as on the Record Date through permissible mode. The amount required will be met out the cash and cash equivalents or other liquid resources of the Company.
11. For the purpose of effecting the reduction of share capital in the shareholding of the Shareholders, the Company shall on the Record Date -
- a. **For Shareholders holding Equity Shares in Dematerialized Form**
- Inform the Depositories about the change in the face value of the Equity Shares arising out of the reduction of share capital pursuant to this Scheme and thereafter, take necessary steps to reflect alterations in records of the Depositories and beneficial positions of the Shareholders.
- b. **For Shareholders holding Equity Shares in Physical Form**
- Issue new share certificate(s) to the Shareholders and upon issue of new share certificate(s), original share certificates issued to those Shareholders of the Company (whether surrendered to the Company or not) shall be deemed to have been cancelled and cease to be negotiable and be of no commercial or legal value, on and from the Record Date without any further intimation. The new share certificate(s) issued pursuant to this Scheme shall be delivered by registered post, irrespective of whether such Shareholders have surrendered their original share certificate or not.
- c. Inform the Stock Exchanges about the cancellation and non-tradability of the original share certificates held by the Shareholders in the physical form.
12. Post the reduction of share capital in accordance with this Scheme –
- a. the equity shares of the Company with face value of Rs. 4/- (Rupees Four Only) (“**New Equity Shares**”) shall be admitted for dealing on the Stock Exchanges and the Company shall take necessary steps for obtaining listing and trading approval of the Stock Exchanges in this regard;
- b. The New Equity Shares shall remain frozen in the depository system till the date of receipt of listing and trading approvals from the Stock Exchanges.



PART IV

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

The Scheme is in conformity with all rules, regulations and guidelines framed and issued by SEBI, provisions of the Act, and other applicable laws, if any, and the rules and regulations made and the circulars issued thereunder.

13. Application to the Tribunal

The Company shall make the application/petition for the Scheme as may be required under Sections 66 and other applicable provisions, if any, of the Act for obtaining sanction of the Tribunal for the Scheme.

14. Conditions Precedent

The Scheme is and shall be conditional upon and subject to -

- i. The Company obtaining the Observation Letter or No Objection Letter from the Stock Exchanges for the implementation of the Scheme;
- ii. A special resolution approving the Scheme of reduction of share capital is passed by the Shareholders as required under the provisions of section 66 of the Act;
- iii. The Scheme is confirmed by the Tribunal on the basis of petition filed by the Company, under the provisions of section 66 of the Act;
- iv. The certified true copy of the order of the Tribunal being filed with the Registrar of Companies. Maharashtra at Mumbai.
- v. All other sanctions and approvals, as may be required in Law, in respect of this Scheme being obtained.

15. Effect of Non-Receipt of Approvals/Sanction

If the Scheme is not approved by the Shareholders or the Scheme is not confirmed by the Tribunal or the required order/s is/are not passed, then the Scheme shall become null and void and will stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise be in the law and all costs and expenses in connection with the Scheme shall be borne by the Company.



16. Modifications/Amendments of the Scheme:

The Company by its Board or Committee of Directors or such other person or persons, as the Board may authorize, may make and/or consent to any modification(s)/amendment(s) to this Scheme or any conditions or limitations that the Tribunal or any other appropriate authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them or the Board, including the withdrawal of this Scheme. The Board/Committee of Directors of the Company shall take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties, or questions, including interpretation of the Scheme, whether by reason of any directive or orders of any other authorities howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

17. Severability

If any part of the Scheme hereof is invalid or unworkable, ruled illegal by any appropriate authority of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Board that such part shall be severable from the remainder of the Scheme and shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse, in which case the Board shall attempt to bring a suitable modification in the Scheme. The Board shall be entitled to revoke, cancel and declare the Scheme of no effect, if the Board is of the view that the Scheme coming into effect could have adverse implications on the Company.

18. Costs, Charges and Expenses

All costs, charges and expenses in relation to or incidental to the Scheme or implementation thereof shall be borne by the Company.

19. Stamp Duty

The Scheme does not envisage transfer or vesting of any of the assets and/or liabilities of the Company to any person or entity. The Scheme does not involve any conveyance or transfer of any property of the Company and consequently the order of the Tribunal approving the Scheme will not attract any stamp duty, under the Maharashtra Stamp Act, 1958, in this regard.

20. Accounting Treatment

- i. The Scheme shall be accounted for by the Company in accordance with the Indian Accounting Standards issued under section 133 of the Act and other generally accepted accounting principles in India.
- ii. Upon the Scheme becoming effective, the Company shall record an aggregate amount of Rs.56,41,24,026/- (Rupees Fifty Six Crores Forty One Lakh Twenty Four Thousand Twenty Six Only) as payment made to the shareholders of the Company and shall reduce an equivalent amount from the issued, subscribed and paid up share capital of the Company.

21. Taxation

The reduction of share capital in accordance with this Scheme shall be subject to provisions of the Income Tax Act, 1961 and the Company shall make payment to the shareholders of the Company after withholding or deducting such tax at source as may be applicable as per the Income Tax Act, 1961. The shareholders may seek professional independent advice on treatment of the amount received on reduction of share capital, as aforesaid, in their respective tax returns.

22. Partly Paid-up Shares

As on the date of the Scheme, there are no partly paid up shares in the Company.

23. Miscellaneous

Notwithstanding the reduction of capital of the Company, the listing benefit of the Company on all the Stock Exchanges where the Equity Shares of the Company are listed shall continue and the Company will comply with the applicable provisions of as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other listing conditions with the Stock Exchanges.


