

RELEVANT EXTRACTS OF THE SCHEME FOR THE ARRANGEMENT BETWEEN ESAAR INDIA LIMITED AND THEIR SHAREHOLDERS (Section 66 of Companies Act 2013 read with National company Law Tribunal procedure for reduction of share capital of company) Rules, 2016 and other applicable provisions)

- 1.1. As per the provisions of section 66 of companies Act 2013 read with National company Law Tribunal procedure for reduction of share capital of company) Rules, 2016 and other applicable provisions if any:

(a) Upon the scheme coming into effect from the appointed date:

By the effective date and after securing necessary approvals and permissions the accumulated losses of Rs.8,63,03,260/- (Rupees. Eight Crore Sixty Three Lakh Three Thousand Two Hundred and Sixty) will be set off to Share Premium Account to the extent of Rs.1,24,89,490/- (Rupees One Crore Twenty Four Lakh Eighty Nine Thousand Four Hundred and Ninety) and the share capital cancelled the extent of Rs. 7,38,13,770/- (Rupees Seven Crore Thirty Eight Lakh Thirteen Thousand Seven Hundred and Seventy) with effect from the appointed date.

- 1.2. The scheme seeks to reduce or otherwise alter the issued, subscribed and paid up share capital of the company and the same will therefore remain reduced as a result of the scheme, on the effective date and after securing necessary approvals and permissions the Company shall reduce its fully paid up equity share capital from Rs. 20,44,25,000 divided into 2,04,42,500 equity shares of Rs. 10/- each to Rs.13,06,11,230/- divided into 1,30,61,123 Equity Shares of Rs. 10/- each. The accumulated losses of Rs.8, 63,03,260/- will be set off to the extent of the share capital cancelled i.eRs. 7,38,13,770 divided in 73,81,377 shares of Rs. 10/- each and Share Premium account to the extent of Rs.1,24,89,490/-.
- 1.3. The Scheme seeks to provide further that no shareholder shall be entitled to a fraction of a share and all fractional entitlements resulting from the reduction shall be aggregated into whole shares and the number of shares so arising shall be held by a Trustee appointed by the Board, who shall dispose-off the said shares in the market at the best available price in one or more lots. The Trustee shall hold the net sale proceeds of all such shares after deducting there from all costs, charges and expenses of such sale and shall thereafter distribute such sale proceeds to the members of the Company in proportion to their entitlements.

For Esaar India Limited


Raghvendra Kumar
WTD & CFO
DIN: 08126531
Date: 15/09/2020





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Proposed Accounting Treatment In Books of the Company

Sr. No.	Particulars	Debit	Credit	Narration
1.	Share Capital Account (FV 10)	7,38,13,770	-	Being the Entry for cancellation of 73, 81,377 shares of Rs. 10/- each made and resultant Capital Reduction Account made.
	To Capital Reduction Account	-	7,38,13,770	
2.	Security Premium Account	1,24,89,490	-	Being entry for Transfer of Security Premium Account to the Capital Reduction Account.
	To Capital Reduction Account	-	1,24,89,490	
3.	Capital Reduction Account	8,63,03,260	-	Being entry for the Debit Balance of the Profit and Loss Account (Retained Earnings) Adjusted against the Capital Reduction Account.
	To Retained Earnings		8,63,03,260	

For Esaar India Limited

Raghvendra Kumar

Raghvendra Kumar
Whole Time Director
DIN: 08126531
Date: 15/09/2020

