Coromandel Engineering Company Limited
(ISO 9001:2015 & BS OHSAS 18001:2007 Certified Company)
Registered and Corporate Office:
Parry House, V Floor, 43, Moore Street, Chennai 600 001, India
P.B. No. 1698, Tel: 25301700
CIN No: L74910TN1947PLC000343
Email: coromandelengg@cec.murugappa.com
Website: www.coromandelengg.com

Scrip Code: 533167

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Approval of Scheme of Reduction of entire Unlisted issued, subscribed and paid up 7% Cumulative Non-Participating Redeemable Preference Shares of the Company

C PARVATHI NAGARAJ
Digitally signed by C PARVATHI NAGARAJ
Date: 2023.05.11 15:28:40 +05'30'

murugappa

508

a. That the "Scheme for Reduction of issued, Subscribed and Paid-up Preference Share Capital between Coromandel Engineering Company Limited and Its Shareholders under Section 66 of the Companies Act, 2013 and the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016" duly approved by the preference and equity shareholders of the Applicant Company, be confirmed by this Hon'ble Tribunal so as to be binding on the Applicant Company, its shareholders, creditors and on all stakeholders;

b. That necessary directions may be passed to dispense with the usage of the words "and reduced" to the name of the Applicant; and

c. That the Form of Minute as set out in Clause M and Annexure - 11 of this Application be approved by this Hon'ble Tribunal;

d. That this Hon'ble Tribunal may pass such further or other orders as it may deem fit and proper in the facts and circumstances of the case.

2. It is stated that the Company was originally incorporated on 03.09.1947 under the provisions of the Companies Act, 1913. The registered office of the Company is at "Parry House", 5th Floor, 43, Moore Street, Chennai – 600 001. The Share Capital of the Company consists of Equity and Preference Shares. It is stated that the Equity Share of the Company are listed on the Bombay Stock Exchange since 15.03.2010, however, the Preference Shares are closely held by the promoters of the Company and are not listed in any stock

exchange. The capital structure of the Applicant Company as on 31.03.2021 is extracted from the Application as under:

Shareholders subject to the consent of the Preference Shareholders and other regulatory approvals as may be required for the reduction. The Scheme for the Reduction of Preference Share Capital is placed on record at page nos. 28- 44 of the Application as Annexure - 1.

5. It is stated that unanimous consent of the Preference Shareholders was obtained by way of a Special Resolution in the meeting of the Preference Shareholders dated 03.12.2021. In addition to the same, consent affidavits of all the Preference Shareholders were also obtained and placed as Annexure - 8. The relevant portion of the Special Resolution dated 03.12.2021 is extracted as under:

> "**RESOLVED THAT** pursuant to Section 66 and other applicable provisions of the Companies Act, 2013 ("the Act), if any, and the relevant Rules made there under ("the Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Article 4.4 of the Articles of Association of the Company and further subject to confirmation by the Hon'ble National Company Law Tribunal, Chennai Bench ("NCLT"), and subject to approvals, if any, as may be required from the appropriate authorities, and subject to such terms, conditions or modifications - if any, as may be prescribed by such authorities while granting such approvals, consents or permissions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board'), **the Scheme for Reduction of Issued, Subscribed and Paid-up Preference Share Capital between the Company and its Shareholders ("the Scheme) be and is hereby approved and the consent of the preference shareholders of the Company is hereby accorded** and consequently, the entire paid-up Preference Share Capital of the Company aggregating to Rs. 28,35,63,000/- (Rupees Twenty Eight Crores Thirty Five Lakhs Sixty Three Thousand only) divided into 28,35,630 number of 7 % Cumulative Non-Participating Redeemable Preference Shares of Rs.100/- each by extinguishing right to all payments to be made including but not limited to all outstanding dividends, share premiums, if any, and redemption amount or exit consideration (whether such consideration is the nominal value of the shares or higher) from the date of approval of NCLT and that such reduction be effected by adjusting and/or writing back such reduced

राष्ट्रीय कम्पनी विधि अधिकरण
NATIONAL COMPANY LAW TRIBUNAL
सत्यमेव जयते
CHENNAI

capital proportionately against the accumulated losses of the Company ("the Reduction").

RESOLVED FURTHER THAT no consideration nor payment whatsoever will be made towards the extinguishment of all

9. It is stated that Applicant Company has not accepted any deposits and therefore the Company has no arrears of repayment of deposits or any interest th[illegible]

[illegible] Statutory Auditor of the Company confirming that there are no [illegible] arrears of repayment of deposits or any interest thereon in the [illegible] Company are placed as Annexure – 12 & 1[illegible] respectively.

[illegible]

It is stated that the Applicant Company as on 25.03.2022 has 6 [illegible] reditors and 770 Unsecured Creditors. The certificate the [illegible] list of the said creditors showing the details of the Statutory Auditors [illegible]

30.06.2022 has been before this Tribunal vide SR 3998 dated 01.07.2022 in relation to the above directions. Upon perusal, it is seen that the Applicant Company has effected a newspaper advertisement on 27.06.2022 and 26.06.2022 in 'Business Standard' (English) and Dina Malar (Tamil) respectively. Further, notices in Form No. RSC - 2 dated 25.06.2022 have also been issued to the Regional Director and the ROC, Chennai. That apart, individual notices were duly served on Creditors of the Company and proof of service is also enclosed along with the Application.

14. Consequently, RD has submitted its report dated 12.09.2023. In para 5 of the report, the RD had given his no objection to the proposed reduction of the share capital of the company, which is extracted hereunder:

> *"5. The application for reduction of the share capital has been examined and it has been decided not to make any objection to the proposed reduction of share capital and it is therefore prayed that this Hon'ble Tribunal may dispose of the matter on merits and pass such order/orders as deemed fit and proper."*

15. For the aforesaid discussions, This Tribunal is of the view that there is no impediment to confirm the reduction of the share capital of the Applicant Company as the Company has complied with all the requirements as per Section 66 read with the provisos and the rules. This Tribunal also approves the proposed 'Form of Minutes' set out in the Application and as extracted in paragraph 6 *supra*.

16. Notwithstanding the above, if there is any deficiency found or violation committed qua any enactment, statutory rule or regulation,

the sanction granted by this Tribunal will not come in way of action being taken, albeit, in accordance with the law, against the concerned persons, directors and officials of the Applicant Company.

17. It is however clarified that this order should not be co