

# TRIDEV INFRAESTATES LIMITED

(Formerly Ashutosh Paper Mills Limited)

Regd Off : S-524, F/F, School Block, Vikas Marg, Shakarpur, Delhi-110092 Tel : 011-35943509

## REPORT OF THE INDEPENDENT DIRECTOR COMMITTEE OF TRIDEV INFRAESTATES LIMITED (FORMERLY KNOWN AS ASHUTOSH PAPER MILLS LTD) RECOMMENDING THE DRAFT SCHEME OF THE REDUCTION OF CAPITAL

Present:

S.No.	Name of the Members	Designation	Status
1.	Mr. Rajeev Garg	Member	Independent Director
2.	Mr. Rajesh Kumar Vaid	Member	Independent Director

In attendance: Ms. Ankita Agarwal-Company Secretary And Compliance Officer

The Independent Directors Committee (ID Committee) unanimously elected **Mr Rajeev Garg** as the Chairman of the Meeting. Thereafter Mr. Rajeev Garg took the chair and presided over the meeting.

### 1. Background of the Proposed Scheme of Reduction of Share Capital

A meeting of the Independent Director Committee of Tridev Infraestates Limited (Formerly Known as Ashutosh Paper Mills Ltd) ("the Company") was held on 7<sup>th</sup> February, 2024, inter-alia, to consider and, if though fit, recommend to the Board of Directors, the proposed scheme of Reduction of Capital of **Tridev Infraestates Limited** (Formerly Known as Ashutosh Paper Mills Ltd).

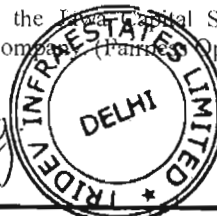
This Scheme of Reduction of Capital is made by Tridev Infraestates Limited (Formerly Known as Ashutosh Paper Mills Ltd). (the Company), pursuant to the provisions of section 66 of the Companies Act, 2013, read with the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 together with SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and other applicable provisions, if any.

The Scheme provides for the reduction of paid up share capital of Tridev Infraestates Ltd by 50%, on proportionate basis and writing off accumulated losses against such reduction of capital.

In terms of Para (A)(2)(i) of Part I of SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("the SEBI Circular"), a report of Independent Director Committee recommending the draft scheme is required, taking into consideration, inter-alia, that the scheme is not detrimental to the shareholders of the listed company. This report of Independent Director Committee has been provided in compliance with the requirement of aforesaid SEBI Master Circular.

### 2. The following documents were placed before the Independent Director Committee meeting:

- Draft Scheme of Reduction of Share Capital of Tridev Infraestates Limited, duly initialed by the Company Secretary of the Company for the purpose of identification.
- The undertaking dated 7<sup>th</sup> February, 2024, issued by Mr Gaurang Agarwal, Chartered Accountant and the Registered Valuer in respect of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/06/2021/14187, to the Company, stipulating, inter alia, requirement for valuation report as mentioned in Para I(A)(4) of Part I of SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 is not applicable to the proposed scheme of reduction of Capital of the Company.
- Fairness Opinion Report dated 7<sup>th</sup> February, 2024 issued by the Jiva Capital Services Private Limited a SEBI Registered Category I Merchant Banker to the Company (Fairness Opinion).

*Rajeev Garg*  


- iv. Draft Certificate, in the prescribed format, by the respective Statutory Auditors of the Companies under the Scheme pursuant to Para A(5)(a) of Part-I of the SEBI Master Circular to the effect that the accounting treatment contained in the Scheme is in compliance with all the Accounting Standards specified by the Central Government under section 133 of the Companies Act, 2013, read with the rules framed thereunder and other Generally Accepted Accounting Principles.
- v. Pre and Post Scheme Shareholding Pattern of the Company.
- vi. Audited financial statements of the Company for the last financial year ended on 31<sup>st</sup> March, 2023:
- vii. Un-audited financial statements for the nine months ended 31<sup>st</sup> December, 2023:


The Independent Director Committee considered and reviewed the aforesaid documents.

### 3. Salient Features of the Proposed Scheme

The Scheme of Reduction of Share Capital, inter-alia, provide the following:

- i. The present Authorised Share Capital of the Petitioner Company is Rs. 8,00,00,000 divided into 80,00,000 Equity Shares of Rs. 10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is Rs. 6,52,54,000 divided into 65,25,400 Equity Shares of Rs. 10 each.
- ii. Upon the Scheme coming into effect, the issued and paid-up share capital of the Company will be reduced by 50%, on proportionate basis. Accordingly, the paid-up value of each Equity Share of the Company will be reduced from Rs. 10 per share to Rs. 5 per share.
- iii. Simultaneously, upon reduction in issued and paid up value of equity shares of the Company from Rs. 10 to Rs. 5 per equity share and in terms of the provisions of section 94 of the Companies Act, 1956, section 61 of the Companies Act, 2013, and other applicable provisions, if any, every two equity shares of Rs. 5 each will be consolidated into one equity share of Rs. 10 each, fully paid up. Approval of this Scheme by the Shareholders and/or Creditors of the Company, as the case may be, and sanction by the Hon'ble National Company Law Tribunal shall be sufficient compliance with the provisions of sections 61 and 64 of the Companies Act, 2013, and other applicable provisions, if any, relating to the aforesaid consolidation of face value of equity shares.
- iv. It is clarified that the reduction of share capital from Rs. 10 per share to Rs. 5 per share and consolidation of every two equity shares of Rs. 5 each into one equity share of Rs. 10 each, will be executed simultaneously.
- v. The Company will issue Equity Shares (in physical or dematerialized form) having face value and paid up value of Rs. 10 per share.
- vi. Accordingly, upon coming into effect the Scheme of Reduction of Capital, the total issued and paid up Equity Share Capital of the Company shall be reduced from Rs. 6,52,54,000 divided into 65,25,400 Equity Shares of Rs. 10 each, fully paid-up, to Rs. 3,26,27,000 divided into 32,62,700 Equity Shares of Rs. 10 each, fully paid-up.
- vii. Simultaneously, the debit balance of Profit & Loss Account of the Company will be written off to the extent of amount of the aforesaid reduction of share capital. Any amount left after writing off the debit balance of Profit & Loss Account will be credited to the Capital Reserve Account in the books of the Company.
- viii. The Reduction of Capital shall be on proportionate basis and all the pre-Scheme shareholders will remain as the shareholders of the Company even after the Scheme in the same proportion, except the shareholders who are entitled to fractional shares which will be paid in terms of the Scheme.

Rejeet Singh



- ix. Fractional entitlements, if any, shall be aggregated and held by a trust, nominated by the Board of Directors of the Company, in that behalf, who shall sell such shares in the market at such price, within a period of 90 days from the date of issue of shares upon reduction, as per this Scheme. The Company shall submit to the Designated Stock Exchange a report from its Audit Committee and the Independent Directors certifying that the Company has compensated the eligible shareholders against their respective fractional entitlement, within a period of seven days of compensating the shareholders.
- x. The Scheme is and shall be subject to certain condition precedent therein, including:
- Approval of the Scheme by the BSE Limited ("Stock Exchanges") and the Securities and Exchange Board of India ("SEBI"), pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and the SEBI Scheme Circular; and other applicable provisions, if any.
  - Approval of the Scheme by the public shareholder through a special resolution under the provisions of the Section 66 of the Companies Act, 2013 and rules made thereunder
  - Sanction of the Scheme by the NCLT having jurisdiction over the Scheme entities.
  - Filing of the certified copies of the NCLT Order(s) sanctioning the Scheme with the respective jurisdictional Registrar of Companies by the Scheme entities.
- xi. The Equity Shares of the Company are listed on BSE Limited. The Company will be filing the Scheme along with necessary information/documents with Stock Exchanges for their approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any.


#### 4. Detailed Rationale of the Scheme

- The present issued, subscribed and paid-up share capital of the Company is Rs. 6,52,54,000 (Rupees Six Crore Fifty-Two Lakh Fifty-Four Thousand only) divided into 65,25,400 Equity Shares of Rs.10 each.
  - As on 31st March, 2023, the Company has accumulated losses (debit balance of Profit & Loss Account) to the tune of Rs. 3,83,84,350.
  - In order to re-align the relation between capital & assets; and to accurately and fairly reflect the liabilities & assets of the Company in its books of accounts; and for better presentation of the financial position of the Company, the Board of Directors has decided to write off the accumulated losses against reduction in the paid up share capital of the Company in accordance with section 66 of the Companies Act, 2013 read with the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 and other applicable provisions.
5. The ID Committee noted that no valuation report is required for undertaking the proposed reduction of capital of the Company by writing off the accumulated losses, reducing the paid- share capital of the Company on a proportionate basis. ID Committee also acknowledged that since the reduction of capital shall be on proportionate basis, there shall not be any change in percentage shareholding of any shareholder of the Company.

The pre & post reduction of capital shareholding pattern of the Company shall be as under:

Sl. No.	Category	Pre-Scheme* (Equity Shares of Rs. 10 each)		Post-Scheme (Equity Shares of Rs. 10 each)	
		No. of Shares	%	No. of Shares	%
1.	Promoter	7,80,510	11.96	3,90,255	11.96

*Jejeer Singh*



2.	Non-Promoter (Public)	57,44,890	88.04	28,72,445	88.04
	<b>Total</b>	<b>65,25,400</b>	<b>100.00</b>	<b>32,62,700</b>	<b>100.00</b>

\* As per the shareholding pattern as on 31<sup>st</sup> December, 2023.

6. The ID Committee reviewed and noted the accounting treatment in the Scheme which has been certified by the respective Statutory Auditors of the Companies in the Scheme:

Upon the Scheme becoming effective, Reduction of Capital Company of the Company will be accounted for in accordance with the applicable provisions of the Companies Act, 2013, Accounting Standards prescribed under section 133 of the Companies Act, 2013, and Generally Accepted Accounting Principles in India (Indian GAAP), as the case may be. Para 2.3 of Part 2 of the scheme details out the accounting treatment of post reduction share capital of the Company.

7. **Scheme not detrimental to the Shareholders of the Company:**

ID Committee acknowledged that since the reduction of capital shall be on proportionate basis, there shall not be any change in percentage shareholding of any shareholder of the Company. The ID Committee, after due deliberations and due consideration of all the terms of the draft scheme, pre and post shareholding pattern, the draft fairness Opinion Report of Merchant banker, detailed Rationale of the scheme, impact of the Scheme on the Shareholders and other stakeholders and other documents presented before the ID Committee, it noted that the Scheme of reduction of Share Capital is not detrimental to the Shareholder of the Company.

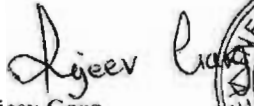
The ID Committee was of the opinion that the Scheme is expected to be in the best interests of the Shareholders of the Company.


8. **Recommendation of the ID Committee:**

In light of the aforesaid, the ID Committee recommends, inter alia taking into consideration, impact of the Scheme on the Shareholders and other stakeholders, to the Board of Directors, the Stock Exchanges, SEBI and other applicable regulatory authorities for its favorable consideration and approval.

This report of the ID Committee is made in order to comply with the requirements of the SEBI Scheme Circular after considering the necessary documents.

By Order of the Committee of Independent  
Director of Tridev Infraestates Limited  
(Formerly Known as Ashutosh Paper Mills Ltd)

  
Rajeev Garg  
Chairman of the Meeting  
DIN: 02216829



Date: 7<sup>th</sup> February, 2024  
Place: Delhi