

4. PRE & POST APPROVAL OF SCHEME, THE SHARE HOLDING PATTERN OF THE COMPANY SHALL BE IN THE FOLLOWING MANNER.

Particulars	Before Reduction of Capital		After Reduction of Capital	
	No of shares of Rs 10/- each	% to total Shares	No of shares of Rs 1/- each	% to total Shares
a) Promoters & Group holding	4,53,900	13.94	4,53,900	13.94
b) Public holding	28,01,100	86.06	28,01,100	86.06
Total	32,55,000	100	32,55,000	100

5. This is merely a reduction of capital of the company and it does not envisage transfer or vesting of any properties and/or liabilities to or in favour of the Company.
6. The shares certificates in relation to the shares held by Equity Shareholders whose names appear in the register of Members as on Record Date, shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and new share certificates will be issued by the Company. It is clarified that the paid up value of shares held in dematerialised form will be reduced automatically and it will be deemed that on such reduction, the paid up and face value of shares were reduced accordingly.
7. The reduction of capital in the manner proposed will enable the Company to have a rational capital structure which is commensurate with its remaining business and assets.
8. The proposed reduction will be for the benefit of the Company and its shareholders, creditors and all concerned as a whole. Such reduction will also not cause any prejudice to the creditors of the Company. The reduction of capital does not involve either the diminution of any liability in respect of unpaid capital or the payment to any shareholder of any paid-up capital. The creditors of the Company are in no way affected by the proposed reduction of the share capital. Further, the proposed adjustment would not in any way adversely affect the ordinary operations of the Company or the ability of the Company to honour its commitments or to pay its debts in the ordinary course of business.

