

**SCHEME OF ARRANGEMENT
IN THE NATURE OF REORGANIZATION OF CAPITAL**

BETWEEN

**OMKAR OVERSEAS LIMITED
AND
ITS MEMBERS AND CREDITORS**

**[UNDER SECTIONS 230 READ WITH SECTION 66 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT 2013 AS
AMENDED]**

This Scheme provides for (i) re-organization of share capital pursuant to sections 230 read with section 66 and other relevant provisions of the Companies Act, 2013, of OMKAR OVERSEAS LIMITED in the following manner:

1. DEFINITIONS:

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- 1.1 **“Act” or “The Act”** means the Companies Act, 2013 any other statutory modifications or re-enactment thereof for the time being in force.
- 1.2 **“Appointed Date”** means 01st April, 2024, the date from which the Scheme if approved, shall take effect.
- 1.3 **“Board”** means Board of Directors of the Applicant Company or any committee of the Board.
- 1.4 **“Company”** means OMKAR OVERSEAS LIMITED, a company incorporated under the provisions of the Act, and having its registered office situated at 304, Shoppers Plaza-V,

OMKAR OVERSEAS LIMITED
Prabir K. Jaha
DIRECTOR/AUTHORIZED SIGNATORY

Govt Servant Co-Op Hsg Soc, Opp. Municipal Market, C.G. Road, Navrangpura, Ahmedabad 380009, Gujarat.

- 1.5 **"Tribunal"** means the National Company Law Tribunal, Ahmedabad Bench at Ahmedabad.
- 1.6 **"Effective Date"** or **"coming into effect of this Scheme"** means the date on which the certified copies of the Orders of the National Company Law Tribunal under Section 230 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Gujarat.
- 1.7 **"Record Date"** means such date as may be fixed by the Board of Directors of the Company for determining the eligibility to receive equity shares pursuant to this Scheme.
- 1.8 **"Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Arrangement in its present form or with any modification(s)/amendment(s), if any, as may be approved, imposed or directed by the Securities and Exchange Board of India, the Tribunal or any other appropriate authority sanctioning this Scheme.

2 SHARE CAPITAL

The share capital of the Company as per the latest audited Balance Sheet as at March 31, 2023 was as under:

	Amount (Rs.)
Authorized Share Capital	
60,00,000 Equity Shares of Rs.10/- each.	6,00,00,000
Issued Share Capital	
50,00,000 Equity Shares of Rs. 10/- each.	5,00,00,000
Subscribed and Paid-up Share Capital	

50,00,000 Equity Shares of Rs. 10/- each.	4,92,35,750
Calls Unpaid	7,64,250

There is no change in Share Capital of the Company subsequent to the date of the latest Balance Sheet.

2. RATIONALE OF THE SCHEME

OMKAR OVERSEAS LIMITED, the Applicant Company was incorporated on 25th November, 1994 under the provisions of the Companies Act, 1956. The Company is engaged in the business of trading and distribution of textiles and other allied products. The Company in the year 2022 has altered the object clause to add the business of trading of agro commodities and edible and non-edible oils.

The Company has accumulated huge losses of Rs. 5,10,81,568.43/- against the paid-up share capital of Rs. 4,92,35,750/- as on 31st December, 2024- i.e. the latest audited financials disseminated on Stock Exchange. In view of 100% erosion in net worth of the company, this Scheme proposes to restructure the share capital of the Company in following two (2) stages:

- (1) by cancellation of 1,01,900 unpaid equity shares on which call monies is not received till date;
- (2) by reduction of 95% of fully paid equity share capital of the Company and cancellation of Equity Shares on proportionate basis to adjust the debit balance of Profit and Loss account of the Company against such cancellation.

The proposal of the Scheme for restructuring of the share capital of the Company would facilitate disclosure of true and fair picture of the financial position of the Company and cleaning up of the Balance Sheet of the Company.

The proposed scheme, if approved, would not, in any manner, be prejudicial to the interest of the members or creditors of the Company. The Scheme will not affect the ability of the Company to honour its commitments or pay its debts. Accordingly, the proposed Scheme would not, in any, way adversely affect the Company in its ordinary course of business or its shareholders or creditors.

The proposed restructuring of share capital of the Company includes cancellation of 101900 unpaid equity shares on which amounting to Rs. 764250/- is not received till date. The proposed restructuring of share capital does not provide for any return of paid-up share capital to the shareholders of the Company. The Scheme envisages cancellation of part of the share capital already paid up which is lost and not represented by available assets of the Company.

The reduction of share capital pursuant to this Scheme shall be given effect as an integral part of the Scheme in accordance with the provisions of Section 66 of the Companies Act, 2013 and the order of the Tribunal or other prescribed authority sanctioning this Scheme shall be deemed to be also the order under Section 66 of the Companies Act, 2013 for the purpose of confirming such reduction. The consent given to the Scheme by the shareholders of the Company shall be deemed to be their consent under the provisions of Section 66 of the Companies Act, 2013 and all other applicable provisions of the Act to such reduction of capital of the Company, and the Company shall not be required to convene any separate meeting or carry out any separate procedure for that purpose.

3. RESTRUCTURING OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

Upon coming into effect of this Scheme-

- 3.1.1 The issued, subscribed and unpaid share capital of the Company of Rs. 2,54,750/- (divided into 1,01,900 equity shares of Rs. 2.5/- each) shall stand forfeited and cancelled.

3.1.2 The issued, subscribed and fully paid share capital of the Company shall stand reduced from Rs. 4,89,81,000/- (divided into 48,98,100 equity shares of Rs. 10/- each) to Rs. 24,49,050/- (divided into 2,44,905 equity shares of Rs. 10/- each) by cancelling the balance share capital.

Accordingly, upon such reduction of share capital, the shareholders of the Company whose names appear on the Register of Members of the Company on the Record Date shall be issued **ONE** new equity share of the Company for every **TWENTY** equity shares held by them in the Company on the Record Date.

The calculation of revised structure of the paid up share capital of the Company shall be as under:

Sr.	Particulars	No. of Shares	Paid up Value per Share (Rs.)	Total Value (Rs.)
1	Before Reduction	20	10.00	200
2	Upon Reduction	1	10.00	10

3.2 No fractional certificates, entitlements or credits shall be issued or given by the Company in respect of the fractional entitlements, if any, to which the shareholders of the Company are entitled on the issue and allotment of new equity shares by the Company upon reduction of share capital in accordance with Clause 3.1 of this Scheme. The Board of Directors of the Company shall instead, round off such fractional entitlement to the nearest full digit, and accordingly issue new shares to the shareholders of the Company. The Board shall have full discretion to determine the number of such new shares to be allotted to all eligible shareholders of the Company, provided that the Board shall ensure that total number of new shares does not go beyond 2,44,905 as provided in Clause 3.1.2 in this Scheme.

3.3 The new equity shares issued and allotted by the Company in terms of Clause 3.1.2 of the Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Company, and shall

have the same rights and privileges of the earlier equity shares of the Company before reduction of share capital, except that the shareholders of the Company shall be entitled for voting rights and dividend on the reduced shares allotted to them in terms of Clause 3.1 of the Scheme.

- 3.4 The new equity shares of the Company issued in terms of Clause 3.1.2 of this Scheme shall; subject to the execution of the listing agreement, necessary compliances and payment of the appropriate fee be listed and/or admitted to trading on the Bombay Stock Exchange Limited where the shares of the Company are presently listed and/or admitted to trading. The Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchange.
- 3.5 The New Equity Shares allotted pursuant to Clause 3.1.2 of this Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.
- 3.6 Each of the shareholders of the Company holding shares in physical form shall have the option, exercisable by notice in writing by them to the Company on or before the Record Date, to receive the new equity shares of the Company, pursuant to the reduction of share capital, either in physical certificate form or in dematerialized form, in lieu of their existing shares in the Company in accordance with the terms hereof. In the event that such notice has not been received by the Company in respect of any of the members of the Company, the new shares of the Company shall be issued to such members in physical form. Those of the members of the Company who exercise the option to receive the shares in dematerialized form shall be required to have an account with a depository participant and shall provide full details thereof and such other confirmations as may be required in the notice provided by such shareholder to the Company. It is only thereupon that the Company shall issue and directly credit the demat/dematerialized securities account of such member with the new equity shares of the Company. The physical share certificates representing the equity shares of the Company shall stand

automatically and irrevocably cancelled on the issue of new equity shares by the Company in terms of Clause 3.1 of the Scheme.

- 3.7 Upon coming in to effect of the Scheme, the old share certificates of the Company shall stand cancelled, and the existing shareholders of the Company holding their share certificates in physical form shall surrender their respective existing share certificates for issuing to them the new share certificates against the reduced share capital.
- 3.8 Upon coming into effect of the scheme, the following accounting treatment shall be given in the books of accounts of the Company:
- 3.9 Share Capital Account shall be reduced by a sum of Rs. 4,72,96,200/- resulting into balance of Rs. 24,49,050/-.
- 3.10 Profit & Loss Account shall be reduced by a sum of Rs. 4,65,31,950/-.

4. AMENDMENT IN OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:

- 4.1 The proposed restructuring scheme does not provide for change in existing Objects Clause of the Memorandum of Association of the Transferee Company.

5. AMENDMENT OF ARTICLES OF ASSOCIATION OF THE TRANSFEREE COMPANY:

- 5.1 The proposed restructuring scheme does not provide for change in Articles of Association of the Transferee Company.

6. APPLICATION TO TRIBUNAL:

The Company shall, with all reasonable dispatch, make all applications/petitions under the applicable provisions of the Act, to the National Company Law Tribunal, Ahmedabad Bench at Ahmedabad for sanctioning of the Scheme under the provisions of the law, and obtain all approvals as may be required under the law.

7. CONDITIONALITY OF THE SCHEME:

The Scheme is conditional upon and subject to:

- (a) The Scheme being agreed to by the requisite majority of the members of the Company as required under the Act and the requisite orders of the National Company Law Tribunal being obtained;
- (b) Such other sanctions and approvals including sanctions of any Government or regulatory authorities, creditor, lessor or contracting party as may be required by law being obtained; and
- (c) The certified copies of the Court orders referred to in this Scheme being filed with the Registrar of Companies, Gujarat.

8. OPERATIVE DATE OF THE SCHEME:

The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date.

9. MODIFICATION / AMENDMENT TO THE SCHEME:

- 9.1 The Company and or any Director authorized in that behalf by the concerned Board of Directors (hereinafter referred to as "the Delegates") may make or assent from time to time on behalf of all persons concerned to any modifications or amendments of the Scheme or of any conditions or limitations which the Tribunal and/or any other authorities under law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deed, matters and things necessary for putting the Scheme into effect.
- 9.2 For the purpose of giving effect to the Scheme or to any modifications or amendments thereof or additions thereto, the Delegates of the Company or the Company may give and are

authorized to determine and give all such directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

10. EFFECTIVE THE SCHEME NOT SANCTIONED:

In the event of this Scheme not sanctioned by the tribunal or such other appropriate authority, the Scheme shall become null and void; and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person; and in such case, the Company shall bear its own costs.

11. EXPENSES CONNECTED WITH THE SCHEME:

All costs, charges and expenses, including any taxes and duties in relation to or in connection with this Scheme shall be borne and paid solely by the Company.

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OMKAR OVERSEAS LIMITED
Pooel. K. JOY
DIRECTOR/AUTHORIZED SIGNATORY