



GUJARAT POLY ELECTRONICS LIMITED

CIN: L21308GJ1989PLC012743

7. JAMSHEDJI TATAROAD. CHURCHGATE RECLAMATION. MUMBAI-400 020
Ph: 022 - 2282 0048, E-mail: gpel@kilachand.com , Website: www.gpelindia.in

Date: 28th November, 2023

To
Head Listing Compliance
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

Company Code – 517288

Dear Sir/Ma'am,

Sub:

Company Update: Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

This is in continuation to our letter dated 15th June, 2022, 13th July, 2022, 5th August, 2022 and 19th December, 2022 to the Exchange.

This is to further inform you that as the Company has filed petition with National Company Law Tribunal (NCLT), Ahmedabad for issue of 9,81,500 ½% Non-Cumulative Redeemable Preference Shares of Rs. 100 each in lieu of the existing 9,81,500 ½% Non-Cumulative Redeemable Preference Shares of Rs. 100 each issued by the Company, the matter has been posted before NCLT several times for hearing and the same got adjourned for hearing and the matter was pending for final verdict from NCLT.

Further the final hearing date on the matter on was given as 19th October, 2023 subject to all requirements from the Bench is fulfilled. The Bench heard the learned counsel of the applicant and the respondent and perused the order on verification of all the requirements by the Bench. The order was kept reserved by the Bench.

Further on 24th November, 2023 NCLT passed the final order (received by the Company today i.e. 28th November, 2023) on the matter and allowed and approved the issuance of 9,81,500 ½% Non-Cumulative Redeemable preference shares of Rs.100 each in lieu of the existing 9,81,500 ½% Non-Cumulative Redeemable Preference Shares of Rs.100 each issued by the Company and disposed of the application. The said order dated 24th November, 2023 is attached herewith for your reference and records.



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The procedure for allotment of Preference Shares will be initiated at the earliest by the Company. We will update Exchange on any further developments in this regards.

Please note that the above-mentioned Preference Shares are not listed in any Exchange.

This is for your information and records.

For GUJARAT POLY ELECTRONICS LIMITED

Nivedita Nambiar
Company Secretary & Compliance Officer
FCS: 8479

Encl: Final Order Copy

**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH –I, AHMEDABAD**

CP 27/NCLT/AHM/2022

(An application filed under 55 of the Companies Act, 2013)

In the matter of:

Gujarat Poly Electronics Limited

Having its registered office at:

B-18, Gandhinagar Electronic Estate,
Gandhinagar, Gujarat-382204.

...Petitioner

VERSUS

Polychem Limited

Having its registered address at:

7, Jamshedji Tata Road,
Churchgate Reclamation,
Mumbai-400020.

...Respondent

Order pronounced on 24.11.2023

CORAM:

SHAMMI KHAN, MEMBER (JUDICIAL)

SAMEER KAKAR, MEMBER (TECHNICAL)

Appearance

For the Applicant : Mr. Rishabh Jaison, Advocate

For the Respondent : Mr. Murgesh Jani, Advocate

ORDER

(Per: BENCH)

1. This is an application filed by the Petitioner under Section 55 of the Companies Act, 2013 seeking the following prayers:

- (a) *Permit/allow the Petitioner to issue further 9,81,500 ½% non-cumulative redeemable preference shares of Rs. 100 each to Respondent No. 1 in lieu of the Existing Preference Shares, i.e. 9,81,500 ½% non-cumulative redeemable preference shares of Rs. 100 each on terms and conditions recorded in the shareholders resolution dated 13th July 2022;*
- (b) *Order and declare that upon issuances of the further 9,81,500 ½% non-cumulative redeemable preference shares of Rs. 100 each to Respondent No. 1 in lieu of the Existing Preference Shares, i.e., 9,81,500 ½% non-cumulative redeemable preference shares of Rs. 100 each, the Existing Preference Shares, i.e., 9,81,500 ½% non-cumulative redeemable preference shares of Rs. 100 each, shall stand redeemed; and*
- (c) *Any other reliefs that the Tribunal may deem fit.*

2. Though initially the Petitioner had made the Regional Director (Respondent No. 2) as one of the parties, however, during the hearing held on 19.10.2023, as there was no prayer against Respondent No. 2, upon request of the Applicant, Respondent No. 2 was removed from the array of the parties and for which a purshis has been filed on 20.08.2023 under Diary No. D4113.

3. It is stated that the Petitioner is a company registered under the Companies Act, 1956 and was earlier known as Gujarat Poly-AVX Electronics Private Limited.
4. This application has been affirmed by an authorized representative duly approved under Board Resolution dated 15.06.2022.
5. Respondent No. 1 company is registered under the Companies Act and holds 9,81,500 ½% non-cumulative redeemable preference shares of Rs. 100 each in the Petitioner company and also holds 53.99% of the equity shares capital of the Petitioner company.
6. By an order dated 06.05.1997 passed by the Hon'ble Board of Industrial and Financial Reconstruction ("BIFR"), the Petitioner was declared a sick company. After the due proceedings, the scheme was approved under Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA") under which the Petitioner issued 9,81,500 ½% non-cumulative redeemable preference shares of Rs. 100 each (said shares) to the lenders of the Petitioner. A

copy of the order of Hon'ble AAIFR dated 27.03.2022 is annexed as Annexure-E.

7. It is stated that in terms of the order of Hon'ble AAIFR, the Petitioner has issued the said shares to four lenders of the Petitioner. The details of which are provided at page no. 5 of the application and such terms and conditions are provided under para 11 of the application.
8. The said shares were to be redeemed on 31.03.2008 and 31.03.2009. However, the Petitioner had cumulative losses from the Financial Year 2002-03 till Financial Year 2008-09 and accordingly could not redeem the said shares.
9. Certain orders were passed by BIFR and AAIFR under the provisions of the SICA with respect to the redemption of shares. However, the Hon'ble Gujarat High Court vide order dated 08.04.2013 set aside/quashed the order of Hon'ble BIFR and AAIFR. A copy of the order of Hon'ble High Court of Gujarat is annexed as Annexure-H.

10. It is stated that consequent the Applicant has extended the date of redemption to 19.12.2022 since the said date was within a period of 20 years from the date of issuance of the said shares and which was permissible under Section 80 of the Companies Act, 1956/Section 55 of the Companies Act, 2013.
11. It is stated that Respondent No. 1 purchased the said shares on different dates commencing on 20.11.2011 and ending on 08.02.2012 from the existing shareholders of the said shares and the copy of such share certificates etc. are attached with the application at Annexure-J to Annexure-N and the entire said shares are being held by Respondent No. 1.
12. By letter dated 13.07.2022, Respondent No. 1 has waived its rights to receive dividends on the existing preference shares (said shares).
13. It is stated that as on 31.03.2022, the Petitioner has carried forward losses of Rs.6,58,21,000/- and as such is

not in a position to redeem the said shares. The latest balance sheet is annexed at Annexure-P.

14. It is stated that Respondent No. 1 vide letter dated 18.05.2022 gave his consent for issuance of fresh redeemable preference share from Respondent No. 1. The said letter is annexed at Annexure-Q.

15. It is stated that the shareholders of the Petitioner in the Extraordinary General Meeting of the Petitioner held on 13.07.2022 have consented for issuance of new preference shares and redemption of the existing preference shares subject to the approval of this Tribunal. The Board Resolution is dated 15.06.2022 is also attached as Exhibit-A to the application.

16. It is stated that the issuance of fresh preference shares will not affect the financial health of the Petitioner company and it is merely a replacement of the share.

17. We have heard the counsel for the Applicant and have perused the documents which are placed before us.

Respondent No. 1 who holds the entire said shares and has already given consent for the issuance of such fresh preference shares, the Board of Directors of the company have already approved the issue of new shares upon extinguishment of the said shares vide Board Meeting dated 15.06.2022, the shareholders have also given their consent for the Extra Ordinary General Meeting held on 13.07.2022. Hence, in light of the above, we do not find any embargo in allowing the application as prayed for. With this, the application is allowed and approval for issuance of 9,81,500 ½% non-cumulative redeemable preference shares of Rs.100 each is granted.

18. The prayer (a) and prayer (b) are hereby allowed and accordingly, this application is hereby disposed off.
19. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

-SD-
SAMEER KAKAR
MEMBER (TECHNICAL)

-SD
SHAMMI KHAN
MEMBER (JUDICIAL)

Rajeev/P.S