



DUGAR
HOUSING DEVELOPMENTS LIMITED

October 06, 2022

To,
BSE Limited,
Listing Department,
P J Towers, Dalal Street,
Fort, Mumbai – 400 001.

Kind Attn: Mr. Marian D'souza, Manager.

Sub: Intimation of Record Date for allotment of equity shares of the Company post approval of Reduction of Capital by the Hon'ble National Company Law Tribunal.

Scrip Code: 511634.

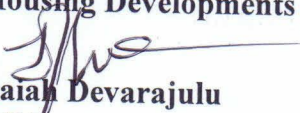
Dear Sir,

We wish to inform you that, the company has fixed **October 18, 2022 as the Record Date** for the purpose of allotment of equity shares of the Company pursuant to the Order of the Hon'ble National Company Law Tribunal, Special Bench II, Chennai dated September 20, 2022 approving the Reduction of Share Capital of Dugar Housing Developments Limited. A synopsis of the Scheme of Reduction of Share Capital of the Company is enclosed herewith vide '**Annexure A**' and the copy of said order of NCLT is also attached herewith vide '**Annexure B**'.

For complete details on the Scheme of Capital Reduction, please refer the documents available on the website of the Company.

Kindly take the above on record and do the needful.

Thanking you,
Yours faithfully,
For Dugar Housing Developments Limited,


Mr. Lakshmaiah Devarajulu
Whole Time Director
DIN: 07704260

Encl:

1. Synopsis of Scheme – Annexure A
2. Certified true copy of the Order dated September 20, 2022 of the Hon'ble National Company Law Tribunal – Annexure B



DUGAR
HOUSING DEVELOPMENTS LIMITED

Annexure A

Synopsis of Scheme

As on March 31, 2020, the Company has accumulated losses (debit balance of profit & loss account) of the Rs. 3,47,94,761/- (Rupees Three Crores Forty Seven Lakhs Ninety Four thousand Seven hundred Sixty One Only). The said accumulated losses have wiped off the value represented by the share capital. Thus, the financial statements of the Company are not reflective of the financial position of the Company. The Company has incurred heavy losses in the past resulting in the substantial erosion of its Net Worth. The Scheme will result in improving its Net Worth. The Company's financial position will become more accurate after the capital reduction. It will also give a true and fair picture of the financial condition of the Company, resulting in the better presentation of the balance sheet of the Company;

In order 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 National Company Law Tribunal (Procedure for Reduction of Share Capital of the Company) Rule, 2016 and other Applicable provisions.

Accordingly, pursuant to the Order of the Hon'ble National Company Law Tribunal, Chennai dated September 20, 2022 the Reduction of Share Capital of Dugar Housing Developments Ltd is approved under section 66 of the Companies Act, 2013.

The subscribed and paid up share capital of the Company shall be reduced from 30,00,000 equity shares of Rs. 10/- each equivalent to Equity Share Capital of Rs.3,00,00,000/- to 3,00,000 equity shares of Rs. 10/- equivalent to an equity share capital of Rs. 30,00,000/-. Hence after reduction the shareholders of the company holding 100 equity shares of Rs.10/- each as on the record date, will receive 10 equity shares of Rs.10/- each post the capital reduction.

In the event, if, after giving effect to the reduction of the equity shares of the Company (as mentioned above), a shareholder becomes entitled to a fraction of an equity share of the company, the company shall not issue fractional shares or share certificates as the case may be, to such member/beneficial owner, but shall consolidate such fractions and round up the aggregate of such fractions to the next trustee nominated by the Board in that behalf, who shall sell such shares in the market at such price or prices and on such time or times as the trustee may in its sole discretion decide and on such sale, shall pay and distribute the net sale proceeds (after deduction of the expenses incurred) to the shareholders and beneficial owners respectively entitled to the same in proportion to their fractional entitlement.

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
SPECIAL BENCH – II, CHENNAI**

CP/28(CHE)/2022

(filed under Section 66 of the Companies Act, 2013 read with Rule 2 of National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016)

In the matter of **Dugar Housing Developments Limited**

DUGAR HOUSING DEVELOPMENTS LIMITED

Represented by its Whole Time Director

Registered Office at:

Dugar Towers, 6th Floor,

34(123) Marshalls Road,

Egmore, Chennai – 600 008

[CIN: L65922TN1992PLC023689]

... Applicant Company

Order pronounced on 20th September, 2022

CORAM :

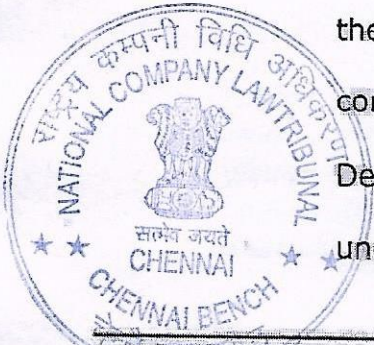
**JUSTICE RAMALINGAM SUDHAKAR, PRESIDENT
SAMEER KAKAR, MEMBER (TECHNICAL)**

For Applicant: *Lakshmmi Subramanian, PCS*

ORDER

Per: JUSTICE RAMALINGAM SUDHAKAR, PRESIDENT

The instant Application has been filed under section 66 of the Companies Act, 2013 (hereinafter referred to as the 'Act') for confirming the reduction of Share Capital of Dugar Housing Developments Limited, a Company incorporated on 23.10.1992 under the provisions of Companies Act, 1956 and having its



CP/28(CHE)/2022

In the matter of Dugar Housing Developments Limited

present registered office is situate at Dugar Towers, 6th Floor,
34(123) Marshalls Road, Egmore, Chennai – 600 008.

2. It is submitted that the main objects of the Company as set out its the Memorandum of Association of the Company, are briefly reproduced as under;

- a. To design, develop, make, import, export and carry on the business of information technology, computer software of all types and to conduct business in the area of website design, including buying, developing, designing, making and selling websites, portals, vortals and all other technologies related to internet and all other information technology enable services such as E-Commerce, Enterprise Resource planning, data processing, data mining, medical, legal, accounting transcriptions and related services and any other future developments as the technology develops.
- b. To establish and run computer centres either directly or through licenses or by being a franchisee holder or licence holder in India or abroad in software design, data processing, networking, website design and other related areas
- c. To invest in, manage, assist software companies either in India or abroad for fulfilment of the above objects.
- d. To acts as builders and contractors, decorators, merchants, dealers in stone, sand, brick, timber, hardware, cement and other building requisites, brick and tile and terra-cota makers, jobmasters, carriers, licenced victualers and house agents in India and outside.
- e. To act as promoters and developers of Plots, Flats, House, Commercial accommodations, Holiday homers, Guest Houses, Ware Houses, Cold Storage Resorts, Farm House, Clubs and as contractors for construction of roads, bridge dams, culverts and do such other infrastructural



development activities as are normally handle by persons engaged in this type of business in India and outside.

- f. To sell, lease, let on hire or otherwise deal with lands, house or buildings and other property or any part or portions thereof belonging to the company or in which the company in any way interested or concerned in India and outside.
- g. To manufacture constructions and other allied materials used in the construction and development of houses, flats, commercial accommodation etc.
- h. To carry on the business of stock broking and allied matters acting as underwriters, brokers, dealers in securities buying and selling of securities of all kind's of description including acting as Portfolio Managers, Investments counsellors, financial consultants and also too take corporate membership in any stock exchange in India as may be expedient in the interest of the company as determined by the Board of Directors. The Liability of the Board of Directors as may be required in any regulations of the Governments, Stock exchanges or Authority shall by unlimited in terms of Section 322 of the Companies Act, 1956 for any transactions entered into by the company as a Member of any Stock exchange.

3. It is submitted that the Authorized Share Capital of the Applicant Company as on 31.03.2021 is stated to be Rs.10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs.10/- each. It is also stated that the issued, subscribed and paid-up capital is Rs. 3,00,00,000/- (Rupees Three Crore only) divided into 30,00,000 (Thirty Lakhs) Equity Shares of Rs.10/- each. It is also submitted that the Company neither has any partly paid-up shares nor any other class of shares.



3.63
2.70
(-93)

4. It is submitted that the Applicant Company dues to continuous business losses over the years and as per the audited financial statements, the Company has accumulated losses amounting to Rs. 3,63,04,695/- as on 31.12.2021. It is further submitted that the Company has a negative net worth as per the accounts of the financial statements. A certificate to this effect by a Chartered Accountant has been placed as at page 108 - 109 of the Application.

5. It is submitted by the Applicant that the Company does not have any secured creditors and that there are three unsecured creditors whose entire dues as on 31.01.2022 stood at Rs. 1,03,33,064/-. A Certificate to this extent by a Statutory Auditor has been placed on record at page 110-111 of the Application. That apart, an Affidavit to this effect has been sworn by the Managing Director of the Company and the same has been placed on record at page 112 - 114 of the Application.

6. It is submitted by the Applicant that Company has not accepted any deposits from any persons and that therefore, the default of interest thereon is does not arise. A declaration to this effect has been sword by the Wholetime Director and has been placed on record at page 115 of the Application. Certificate to this extent by an Auditor has been placed on record at page 116 of the Application.



7. It can be seen from the Application that the Shareholders in the Extraordinary General Meeting held on 10.01.2022 have passed a Special Resolution for the Reduction of Share Capital. The said minutes have been placed on record at page 159 - 160 of the Application.

8. It is also clarified by the Applicant that Clause 4(vi) of the Articles of Association permits Reduction in the Share Capital, the said clause is stated to be as follows;

"The Company may, by Special Resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, its share capital, any capital redemption reserve account, or any share premium account."

9. The form of the minutes proposed to be registered under section 66 (5) of the Act and as per the Application is as follows:

"The issued, subscribed and paid-up Share Capital of Dugar Housing Developments Limited in henceforth Rs. 30,00,000/- (Rupees Thirty Lakh only) divided into 3,00,000 (Three Lakh only) Equity Shares of Rs. 10/- (Rupees Ten only) each fully paid up as reduced from Rs. 3,00,00,000 (Rupees Three Crores only) divided into 30,00,000 (Thirty Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten only) each."

10. It is submitted that Applicant Company in compliance of the SEBI Circular dated 10.03.2017, have preferred an application to the Bombay Stock Exchange (hereinafter referred



to as 'BSE') for obtaining "in principal" approval and in response to the same the BSE vide letter dated 28.10.2021 had given "No adverse observation" to the proposed Scheme. The said letter is placed at page 118-119 of the Application.

11. Having considered it necessary, this Tribunal vide its order dated 20.04.2022, *inter alia* directed the Applicant Company to give notice of the present application to the Central Government through the Regional Director, Southern Region and Registrar of Companies having jurisdiction and to cause the publication of notice in the prescribed form, that a part, this Tribunal has also directed to update in the Company's website the factum of preferring the present Application. Pursuant to the same, it is submitted that the said directions had been duly complied with and an Affidavit to that effect is taken on record. A perusal of the same shows the fact that the Applicant Company had duly carried Notice to Regional Director, Southern Region, Registrar of Companies and Bombay Stock Exchange and had effected newspaper advertisement on 17.05.2022 in "Makkal Kural" (Tamil Nadu Edition) and "Business Standard" (All India Edition).

12. Consequent thereto, upon receipt of the notice, the Central Government represented by the Regional Director has filed a report dated 20.05.2022 before this Tribunal, wherein the

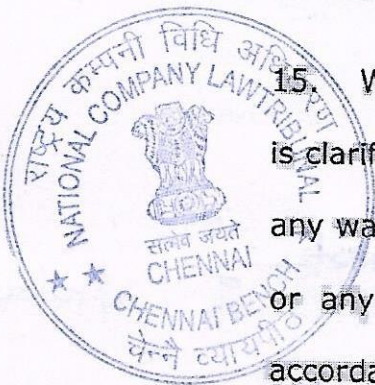


Regional Director had decided not to make any objection to the Reduction of Share Capital in the Applicant Company. The said decision can be found at para 5 of the report. The Registrar of Companies has neither replied to the notice nor raised any objection.

13. In view of the same, this Tribunal is of the view that it is just and proper to confirm the Scheme of Reduction of Share Capital of the Applicant Company which as resolved by the members of the Company. This Tribunal consequently approves the proposed form of Minutes filed along with the Application.

14. 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 law, against the concerned persons, directors and officials of the Applicant Company.

15. While approving the Reduction of Share Capital as above, it is clarified that this order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes or any other charges, if any payment is due or required in accordance with law or in respect to any permission/ compliance



with any other requirement which may be specifically required under any law. Further all compliances as are required to be done by the Applicant Company upon this order confirming reduction of share capital and security premium reserve shall be duly complied with in relation SEBI, FEMA and Income Tax laws and any other as may be applicable.

16. In compliance of the provision under subsection (4) of Section 66 of the Act, the Applicant Company shall publish the order of confirmation of reduction of share capital in English "Business Standard" (All India Edition) and in Tamil, "Makkal Kural" (Tamil Nadu Edition) and file a certified copy of this order with the RoC within 30 days from the date of this order.

17. This Application stands **Allowed** and accordingly, the reduction of share capital is hereby confirmed.



-Sd-
SAMEER KAKAR
MEMBER (TECHNICAL)

-Sd-
JUSTICE RAMALINGAM SUDHAKAR
PRESIDENT

Certified to be True Copy

V. Shreekumar

K. Nataraj
3/10/2022
DEPUTY REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH
CORPORATE BHAVAN, 3rd FLOOR,
29, RAJAJI SALAI, CHENNAI-600001