

## **KRITI INDUSTRIES (INDIA) LIMITED**

### **Synopsis of Scheme of Arrangement** **between**

**Kriti Industries (India) Limited,**  
**Kriti Nutrients Limited and Kriti Auto &**  
**Engineering Plastics Private Limited**  
**as approved by the Hon'ble High Court of Madhya Pradesh**

### **Introduction:**

Kriti Industries (India) Limited has three divisions viz

- Solvent Division which is engaged in the extraction of oil from Soya bean situated at Dewas
- Plastic Division which is engaged in the manufacture of PVC pipes, HDPE pipes etc. situated at Pithampur; and
- Engineering Moulding Division that is engaged in manufacturing of engineering plastics products for consumer durables, automobiles sector and other applications, situated at Ranjangaon, Pune

### **Details of Demerger**

The company proposed to:

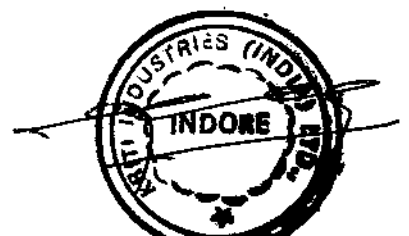
- a. Demerge its Solvent Division in a company known as Kriti Nutrients Limited; and
- b. Hive-off its Engineering Moulding Division to a company named Kriti Auto & Engineering Plastics Private Limited

and the residual company, the plastics division, would remain in Kriti Industries (India) Limited.

The shareholders of the company had approved this demerger/ Hiving off in their Annual General Meeting held on 29th September 2007.

The company had received '**no-objection letter**' from the Bombay Stock Exchange vide their letter dated 27 February 2008 and the Madhya Pradesh Stock Exchange vide their letter dated 05.May.2008.

An application was filed with the Hon'ble High Court, Indore Bench, Madhya Pradesh on 12th May 2008 for the demerger/ Hive- off.



As per High Court's Direction the meeting of shareholders of all the companies and secured creditors of Kriti Industries (India) Limited was held on 28th June 2008 and the scheme was approved.

The petition for the second motion hearing was filed with the High Court on 21st July 2008.

On 28th July, Court directed the

- Registrar of Companies, Gwalior ; and
- The Regional Director, Mumbai to submit their comment and report on the scheme of arrangement; and
- Company for publication of notices in the newspaper and Official Gazette

The Company has received certified true copy of the order of Hon'ble High Court on 08<sup>th</sup> January 2010 approving the above scheme and has fixed appointed date as 1<sup>st</sup> January 2010. The Company has also filed Form 21 to the Registrar of Companies for above Orders of the Hon'ble High Court of Madhya Pradesh.

**Share Entitlement Ratio:**

- a. For every 10 (ten) Equity Shares of Rs.1/- each held in Kriti Industries (India) Limited; every equity shareholder would get 8 (eight) Equity Shares of Rs.1/- of Kriti Industries (India) Limited and 8 (eight) Equity Shares of Rs. 1/- each of Kriti Nutrients Limited.
- b. Kriti Auto and Engineering Plastics Private Limited in exchange of transfer and vesting of "Engineering Moulding Division" of Kriti Industries (India) Limited shall issue and allot 38.75 Lakhs equity shares of Rs. 10/- each fully paid-up at a premium of Rs. 10/- each to Kriti Industries (India) Limited.

**Listing of Shares of Kriti Nutrients Ltd.**

The Company Kriti Nutrients Ltd. shall file application to the Bombay Stock Exchange Ltd and the Madhya Pradesh Stock Exchange for enlistment of the equity shares of the Company as per Scheme of Arrangement

**Listing of Shares of Kriti Industries (I) Ltd.**

As per the scheme, the listed share capital of the Company shall be reduced from Rs. 62004400 divided into 62004400 equity shares of Re. 1/- to Rs. 49603520 divided into 49603520 equity shares of Re. 1/-

**For Kriti Industries (India) Limited,**

  
**Company Secretary.**