

BOARD OF DIRECTORS

Soketu Parikh : Managing Director
Asmita Parikh : Director & CFO
Kanan Rajan Kapur : Independent Director
Heena Sayyed : Independent Director

COMPANY SECRETARY

Pupsraj R. Pandey

STATUTORY AUDITORS:

HAM & CO.

REGISTERED OFFICE:

15, Sliversands,
Juhu Tara Road
Mumbai-400049
(CIN: L99999MH1994PLC076732)

Bankers

Oriental bank of Commerce

REGISTRARS & TRANSFER AGENT:**Link Intime India Pvt Ltd**

C 13, Pannalal Silk Mills Compound,
Next To Shangrilla Biscuits, Lbs Marg,
Bhandup West, Mumbai - 400078
Tel: (91)-22-25963838, 25946970, 25960320, 25946960

Demat Facility is available to company's Shareholders ISIN- INE273F01014

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ALAN SCOTT INDUSTRIES LIMITED

NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of ALAN SCOTT INDUSTRIES LIMITED will be held on Tuesday, 06th September, 2016 at 10.00 AM. at 38/39 Apurva Industrial Estate, Makwana road, off Andheri Kurla Road, Mumbai 400059, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2016 and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Ms. Asmita Parikh (DIN- 00178701), who retires by rotation, and being eligible, offers herself for re-appointment.
3. To re-appoint M/s. HAM & Co., Chartered Accountants, (FRN No: 100991W), Mumbai, retiring Auditor of the Company as Statutory Auditors:

To consider, and if thoughts fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made there under, M/s. HAM & Co., Chartered Accountants, (FRN No: 100991W), Mumbai, retiring auditor of the Company be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.

Special Business:

4. Reduction of Share Capital against the losses of under Reserve and Surplus account of the Company

To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions Section 100 to Section 103 and other applicable provisions, if any, of the Companies Act, 1956 and other applicable provisions of the Companies Act, 2013, if any, read with the Articles of Association of the Company and pursuant to the relevant provisions of the Companies (Court) Rules, 1959 and subject to confirmation of the Hon'ble High Court of Judicature at Bombay and any other appropriate authorities, if any, in this regard, approval members of the company be and is hereby accorded to reduce the Subscribed and Paid-up Share Capital of the Company from Rs. 3,26,37,000.00 (Rupees Three Crores Twenty Six Lakhs Thirty Seven Thousand Only) divided into 32,63,700 (Thirty Two Lakhs Sixty Three Thousand Seven Hundred) fully paid up Equity Shares of Rs. 10/- (Rupees Ten Only) each, to Rs. 68,53,770 (Sixty Eight Lakhs Fifty Three Thousand Seven Hundred Seventy Only) divided into 6,85,377 (Six Lakhs Eighty Five Thousand Three Hundred Seventy Seven) Equity Shares of Rs.10/- (Rupees Ten Only) each against the previous years losses standing in the Balance Sheet of the Company under the heading Reserve and Surplus of the Company. (Hereinafter referred to as Capital Reduction and the Company is not required to add word "And Reduced" as suffix to its name. Subject to the aforementioned approvals, the Capital Reduction will be effective from the date of approval of the equity shareholders by a special resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and for removal of any difficulties or doubts, Mr. Soku Parikh Managing Directors and/ or Ms. Asmita Parikh, be and are hereby jointly and severally authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, expedient, usual or proper and/ or make such adjustments in the books of account as are considered necessary to give effect to the above resolution or to carry out such modifications/ directions as may be ordered by the Hon'ble High Court of Judicature at Bombay to implement the aforesaid resolution.

RESOLVED FURTHER THAT Mr. Soku Parikh Managing Directors and/ or Ms. Asmita Parikh, Director of the Company, be and are hereby jointly and severally authorized to take all necessary steps for effecting the reduction of capital, including but not limited to:

- (a) To appoint advocate(s) in order to file and represent the Company before the Hon'ble High Court of Judicature at Bombay for the State of Maharashtra or National Company Law Tribunal (NCLT) and/ or such other authorities and to file the necessary applications, petitions, affidavits, pleadings for and on behalf of the Company and to apply and obtain certified copies of the orders, decrees, directions etc. that may be passed by the High Court of Judicature at Bombay for the State of Maharashtra or NCLT and/ or such other authorities courts and all such other documents as may be required for and on behalf of the Company;
- (b) To verify, deal, sign, swear, affirm, declare, deliver, execute, make, enter into, acknowledge, record and prepare all deeds, declarations, instruments, affidavits, applications, petitions, objections, consents, notices and writings whatsoever as may be usual, necessary, proper or expedite in all manners of documents, petitions, affidavits and applications in relation to the implementation of Reduction and Consolidation of Capital as aforesaid;
- (c) To make such alterations, modifications or amendments in all the applications, petitions and other documents as may be required or necessary for complying with the requirements or conditions imposed by the High Court or NCLT and/ or any other appropriate authorities and to prepare and execute applications, petitions and file the same with the Hon'ble High Court or NCLT and/ or any other appropriate authorities and to do all such matters connected therewith, as may be directed by the Hon'ble High Court or NCLT and/ or other appropriate authorities, if any, and to appoint and retain services of such professionals as may be necessary in connection therewith including and to do all such acts, deeds, matters and things as may be required to bring the Reduction and Consolidation of Capital into effect;
- (d) To do all such acts, matters, deeds and things as may be necessary or desirable including any directions for settling any questions or doubts or difficulty whatsoever that may arise, for the purpose of giving effect to the Reduction and Consolidation of Capital;
- (e) To accept service of notices or other processes, which may from time to time be issued in connection with the matter aforesaid;
- (f) To produce all documents, matters or other evidence in connection with the matters aforesaid on all and any of other proceedings incidental thereto or arising thereat;
- (g) To make, prepare any applications, petitions, appeals and judges summons before any Court, Tribunal or Authorities;
- (h) To file, submit with the Registrar of Companies, Regional Director, other statutory/regulatory authorities in India any forms, documents, affidavits through electronic media or any other computer readable media or manually to follow up the same;
- (i) To do all such acts, deeds and things, as may be necessary and incidental thereto, to appoint from time to time or generally such person(s) and any such substitute(s) or sub-delegation of powers conferred vide the above to any persons, as may be necessary,

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and to appoint another or other in his/her or their place, for the better and more effectual doing, effecting and performing all or any such matters and things as aforesaid to all intents and purpose to give effect to this resolution."

RESOLVED FURTHER THAT the Scheme of Reduction of Share Capital of the Company, as submitted to the Bombay Stock Exchange (BSE) and the Securities and Exchange Board of India, be and is hereby approved."

By Order of the Board
Alan Scott Industriess Limited
Sd/-

Soketu Parikh
Managing Director
DIN-00178665

Place Mumbai
Date : 28th July, 2016

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HER SELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy, in order to be effective, should be duly completed and deposited at the registered office of the Company not less than 48 (forty-eight) hours before the commencement of the meeting.
2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
3. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto."
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
6. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours, up to the date of the Meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting along with the following additional documents.
 - i. Copies of the Memorandum of Association and Articles of Association of the Company.
 - ii. Copy of the audited balance sheet and profit and loss account for the year ended March 31, 2016.
 - iii. Copies of the Fairness Opinion issued by the Merchant Banker.
 - iv. Copies of the Complaints reports submitted by the Company with the Stock Exchanges.
 - v. Copies of Observation letters received from BSE Limited dated June 23, 2016.
 - vi. Copy of the Report of the Audit Committee dated April 21, 2016 for recommendation of the scheme.
8. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from 31st August, 2016 to 06th September, 2016 (both days inclusive), for the purpose of Annual General Meeting.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Transfer Agents.
11. Non- Resident Indian Members are requested to inform Registrars and Transfer Agents, immediately of:
 - a. Change in their residential status on return to India for permanent settlement.
 - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
12. The Shareholders are requested to notify their change of address immediately to the Registrars & Transfer Agent (RTA) - **Link Intime India Private Limited** on mumbai@linkintime.co.in. The Company or its registrar will not act on any request received directly from the shareholder holding shares in electronic form for any change of bank particulars or bank mandate. Such changes are to be advised only to the Depository Participant by the Shareholders.
13. Equity shares of the Company are under compulsory Demat trading by all Investors. Those shareholders who have not dematerialized their equity shares are advised to dematerialize their shareholding, to avoid inconvenience in future.
14. Re-appointment of Directors: At the ensuing Annual General Meeting, Ms. Asmita J. Parikh having (DIN- 00178701), liable to retire by rotation, and being eligible, offers herself for re-appointment. The details pertaining to this Director as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is annexed with the Notice.
15. Members intending to seek explanation / clarification about the Accounts at the Annual General Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that relevant information may be made available, if the Chairman permits such information to be furnished.
16. The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Shareholders holding shares in physical form may kindly provide their e-mail IDs to the RTA by sending an e-mail to **Link Intime India Private Limited** on mumbai@linkintime.co.in. The Annual Report of the Company would also be made available on the Company's website <http://www.alanscottind.com/>.
17. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to its members to exercise their right to vote by electronic

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means. The Members / list of Beneficial Owners as on cut-off date i.e. 30th August, 2016 are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the "cut-off" date can exercise their right to vote by electronic means. The e-voting period will commence from 9.00 a.m. (IST) on 03rd September, 2016 and will end at 5.00 p.m. (IST) on 05th September, 2016. The Company has appointed Ms. Sonam Jain, Practicing Company Secretaries to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The members desiring to vote through electronic mode may refer to the detailed procedure one-voting sent separately.

18. Members who are unable to exercise their voting rights through e-voting may exercise their voting rights at a poll provided at the Annual General Meeting.

19. Investor Grievance Redressal :

The Company has designated an exclusive e-mail id alanscottindustrieslimited@gmail.com to enable Investors to register their complaints, if any.

20. A rout map showing directions to reach the venue of the 22nd Annual General Meeting is given at the end of this Notice as per the requirement of the Secretarial Standard - 2 on "General Meetings".

21. E-Voting

In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The Company has signed an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their vote electronically.

The instructions to the shareholders for voting electronically are as under:

- i) The voting period begins on Saturday, 03rd September, 2016 (9.00 am) and ends on Monday, 05th September, 2016 (5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 30th August, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- iii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- iv) Click on "Shareholders" tab.
- v) Now, select the "Alan Scott Industries Limited" from the drop down menu and click on "SUBMIT"
- vi) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company
- vii) Next enter the Image Verification as displayed and Click on Login.
- viii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- ix) If you are first time user follow the step given below.

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

After entering these details appropriately, click on "SUBMIT" tab.

- xi) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xiii) Click on the EVSN for Alan Scott Industries Limited.
- xiv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

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- xvi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xviii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xix) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xx) Shareholders can also cast their vote using CDSL's mobile app M-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xxi) Note for Non - Individual Shareholders & Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and custodians are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
22. The result of e-voting and votes cast at the AGM shall be declared within forty eight hours from the conclusion of the Meeting and the result declared along with the Scrutinizer's Report shall be communicated to BSE Ltd and also placed on the Company as well as CDSL website.

ANNEXURE TO ITEM 2 OF THE NOTICE

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (in pursuance SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015)

Name of the Director	Ms. Asmita Parikh
Director Identification Number (DIN)	00178701
Date of Birth	14th November, 1951
Nationality	Indian
Date of Appointment on Board	25/05/2005
Qualification	LCEH
Shareholding in Company	NIL
List of Directorships held in other Companies	NIL
Memberships / Chairmanships of Audit and Stakeholders Relationship Committees across Public Companies excluding this Company	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 4:

1. The Company is registered in Mumbai and is engaged inter-alia in the following business:
 - i. To manufacturers, processors, knitters, dyers, colourers, bleachers, printers, spinners, doublers, weavers, ginners, sellers, buyers, importers, exporters, distributors and or otherwise dealers in textiles, garments, garment accessories, hosiery, fabrics, yarns and such related activities.
 - ii. To carry on in India or elsewhere the business to the present, produce, arrange, organize, manage, conduct, sponsor, compose, plan, design, exhibit, demonstrate and run at national and international level all sorts of Advertisements, shows, films, news, programmes of arts, TV channels, web sites, publications, periodicals and such related activities.
 - iii. To carry on the business of film manufacturers, film apparatus manufacturers, film producers, both sound and silent, hippodrome and circus proprietors, picture places and studios; to carry on the business of letting or subletting the use of cinema hall, theatres, picture, places, studios or other machinery, apparatus, building and such related activities.
2. As on March 31, 2015 the Company has a paid up capital of Rs. 3,26,37,000.00 (Rupees Three Crores Twenty Six Lakhs Thirty Seven Thousand Only) and a negative reserves and surplus of Rs. 2,61,07,111/- (Rupees Two Crores Sixty One Lakh One Hundred Eleven Only) leaving a net worth of Rs. 65,29,889/- (Rupees Sixty Five Lakh Twenty Nine Thousand Eight Hundred Eighty Nine Only).
3. In view of substantial erosion of its Net worth, the Company is not in a position to undertake operations of the company in a reasonable way. The Company is also not able to raise any loans from Financial Institutions, whether in the form of equity or debt, which is essential for continuing / expanding / diversifying its business activities.
4. After an analysis of the various options available to the Company, The Board of Directors of the Company has approved, subject to the approval from the Members, the Hon'ble High Court of Judicature at Bombay and other regulatory authorities, to write off such debit in the statement of Profit and Loss account by reducing the amount standing to the credit of the Reserve and Surplus Account, which will give a true and fair view of the financial statements of the Company.

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5. Therefore, it is proposed to undertake a financial restructuring exercise whereby the balance of the accumulated losses of Rs. 2,57,83,230/- (Rupees Two Crores Fifty Seven Lakh Eighty Three Thousand Two Hundred Thirty Only) of the Company is sought to be set off against the paid up capital of the Company with effect from the appointed date.
6. As an integral part of this Scheme and upon coming into effect of the Scheme the issued, subscribed and paid up share capital of the Company shall be reduced by canceling a sum of Rs. 7.90/- from every paid up share of Rs.10/- and thereafter consolidating 1 Equity Shares of Rs.10/- each as fully paid up capital in the Company i.e. after reduction the capital of the company will be of 6,85,377 (Six Lakhs Eighty Five Thousand Three Hundred Seventy Seven) Equity Shares of Rs.10/-(Rupees Ten Only) each, aggregating to Rs. 68,53,770 (Sixty Eight Lakhs Fifty Three Thousand Seven Hundred Seventy Only).
7. The proposed reduction of capital will be effective from the date approval of the special resolution by the shareholders of the Company.
8. The registered Office of the Company is situated in Mumbai in the State of Maharashtra, therefore the Company would file an application for the approval of the reduction of capital before the Hon'ble High Court of Mumbai / National Company Law Tribunal subsequent to Members approval.
9. The proposed reduction of capital will not cause any prejudice to the creditors or to any of the parties, who is interested by any way in the Company. For the sake of clarity, it is specified that the reduction of share capital does not involve either the diminution of any liability in respect of unpaid share capital or the payment to any shareholder nor is any call being waived. The Company would be in a position to discharge its liabilities in the normal course of business. The creditors of the Company are in no way affected by the proposed reduction of capital as there is no reduction in the amount payable to any of the creditors, no compromise or arrangement is contemplated with the creditors and there is no reduction in the security, which the creditors may have in the Company. Further, the proposed reduction of capital would not in any way adversely affect the ordinary operations of the Company or the ability of the Company to honor its commitments or to pay its debts in the ordinary course of business.
10. **No-Objection / Observation Letter from the Stock Exchanges:**
In-terms of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company, being a listed company, was required to file application with the Stock Exchanges for obtaining No-objection / Observation Letter to the reduction of capital at least 30 days before the date of filing of the application with the Hon'ble High Court / National Company Law Tribunal. BSE Limited vide its letter Ref No: DCS/AMAL/KS/24(f)/392/2016-17, dated May 23, 2016, issued no-objection letter / Observation Letter to the reduction of capital.
11. **Capital Structure and shareholding pattern of the Company.**
The capital structure and shareholding pattern of the Company pre reduction of capital as on 19th February, 2016 (filed with BSE) pre and post reduction of capital are as follows:

Capital Structure			
Particulars	Pre Reduction (Rs.)	Particulars	Post Reduction (Rs.)
Authorised Share Capital 50,00,000 Equity shares of Rs. 10/- each	5,00,00,000	Authorised Share Capital 50,00,000 Equity shares of Rs. 10/- each	5,00,00,000
TOTAL	5,00,00,000	TOTAL	5,00,00,000
Issued Subscribed and Paid-up Capital: 32,63,700 Equity Share of Rs.10/- each	3,26,37,000	Issued, Subscribed and Paid-up Share Capital: 6,85,377 equity shares of Re.10/- each	68,53,770
TOTAL	3,26,37,000	TOTAL	68,53,770

Shareholding Pattern				
Particulars (Category)	Prior to the Scheme		After the implementation of the Scheme	
	No. of Shares (Rs. 10/- each)	%	No. of Shares (Rs. 1/- each)	%
Promoter's & Group	9,23,950	28.31	1,94,030	28.31
Foreign Portfolio Investors	0	0	0	0
Shareholders holding upto Rs. 2 lakhs	1343266	41.16	282085	41.16
Shareholders holding more than Rs. 2 lakhs	288700	8.84	60627	8.84
NRI	149600	4.58	31416	4.58
Mutual Fund	64300	1.97	13503	1.97
HUFs	1984	0.06	417	0.06
Clearing Members	0	0	0	0
Body Corporates	491900	15.07	103299	15.07
Total	32,63,700	100.00	6,85,377	100.00

12. The Board of Directors of the Company recommends to the shareholders for passing the proposed special resolution.
13. Upon approval of the Scheme by the shareholders of the Applicant Company pursuant to this meeting and e-voting, the Company will file petition under Section 101 and other applicable provisions of the Act with the Hon'ble High Court of Judicature at Mumbai / National Company Law Tribunal for sanctioning of the Scheme.
14. No winding up petitions have been pending and/ or admitted against the Company.
15. None of the Directors or Key Managerial Personnel of the Company or their relatives are interested in the proposed resolution.
16. Copy of the following is annexed herewith as a part of this explanatory Statement:
 - a. Scheme of Reduction of Capital
 - b. Fairness Opinion issued by the Merchant Banker.
 - c. Complaints reports submitted by the Company with the Stock Exchanges.
 - d. Observation letters received from BSE Limited dated May 23, 2016.

By Order of the Board
Alan Scott Industries Limited
 Sd/-
Saketu Parikh
Managing Director
 DIN-00178665

Place: Mumbai
 Date: 28th July, 2016

SCHEME OF ARRANGEMENT FOR RECONSTRUCTION /
RESTRUCTURING OF CAPITAL

BETWEEN

ALAN SCOTT INDUSTRIES LIMITED AND
ITS SHAREHOLDERS

A. PREAMBLE:

Alan Scott Industries Limited (Hereinafter referred to as ASIL or Company), a listed public limited company having registered office situated at 15, Silversands, Dariyalal CHSL, Juhu Tara Road, Mumbai - 400049, Maharashtra, was founded in February 1994 under the name of 'Suketu Fashions Limited' it was subsequently changed its Name to Alan Scott Industries Limited.

B. BRIEF NOTE ON COMPANY, ITS ACTIVITIES AND ASSETS, ETC.:

The Company engaged inter- alia in the following business:

- i. To manufacturers, processors, knitters, dyers, colourers, bleachers, printers, spinners, doublers, weavers, ginners, sellers, buyers, importers, exporters, distributors and or otherwise dealers in textiles, garments, garment accessories, hosiery, fabrics, yarns and such related activities.
- ii. To carry on in India or elsewhere the business to the present, produce, arrange, organize, manage, conduct, sponsor, compose, plan, design, exhibit, demonstrate and run at national and international level all sorts of Advertisements, shows, films, news, programmes of arts, TV channels, web sites, publications, periodicals and such related activities.
- iii. To carry on the business of film manufacturers, film apparatus manufacturers, film producers, both sound and silent, hippodrome and circus proprietors, picture places and studios; to carry on the business of letting or subletting the use of cinema hall, theatres, picture, places, studios or other machinery, apparatus, building and such related activities.

As on March 31, 2015 the Company has a paid up capital of Rs. 3,26,37,000.00 (Rupees Three Crores Twenty Six Lakhs Thirty Seven Thousand Only) and a negative reserves and surplus of Rs. 2,61,07,111/- (Rupees Two Crores Sixty One Lakh One Hundred Eleven Only) leaving a net worth of Rs. 65,29,889/- (Rupees Sixty Five Lakh Twenty Nine Thousand Eight Hundred Eighty Nine Only).

C. RATIONALE FOR THE SCHEME:

The Company has been incurring losses in earlier years due to business Loss and inadequate working capital facilities. The Audited accumulated losses of the Company as on 31st March, 2015 which amounted to Rs. 2,61,07,111/- (Rupees Two Crores Sixty One Lakh One Hundred Eleven Only) has almost wiped off the most of the net worth of the Company. The company is therefore unable to raise any finance either from the capital markets or financial institutions whether in the form of equity or debt, to under



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business activities on a larger scale. The proposed Scheme would enable the company to show the actual financial position in its balance sheet to depict the representing Assets value which in turn will enable it to approach for financial assistances in order to develop its business and thereby increase its net worth to enhance the stakeholders' value.

D. PURPOSE OF THE SCHEME:

The purpose of the Scheme is to reorganize the Capital Structure of the Company so as to represent the realistic value for the Shares of the Company. This scheme of arrangement is between M/s. Alan Scott Industriess Limited and its Shareholders.

PART-I

The Scheme of Arrangement provides for:

Reduction of Share capital of M/s. Alan Scott Industriess Limited;

1. DEFINITIONS:

In this Scheme, unless repugnant to or inconsistent with the meaning or context thereof, the following expressions shall have the following meanings:

- 1.1. "Act" or "the Act" means the Companies Act, 2013 and / or the Companies Act 1956, as applicable to the Company, including any statutory modifications, re-enactments or amendments thereof from time to time.
- 1.2. "Appointed Date" means 01.04.2016 or such other date as may be approved by the High Court at Bombay or such other appropriate authority.
- 1.3. "Capital Loss" means the accumulated losses available to M/s. Alan Scott Industriess Limited to be set off against its future profits;
- 1.4. "Company" means M/s. Alan Scott Industriess Limited, a company registered under the Companies Act, 1956 and having its registered office situated at 15, Silversands, Dariyalal CHSL, Juhu Tara Road, Mumbai - 400049, Maharashtra herein after referred as ASIL;
- 1.5. "Court, The Court or High Court" shall mean the High Court of Judicature of Mumbai, and shall include the National Company Law Tribunal as applicable;
- 1.6. "Effective Date" for the Scheme of Arrangement shall mean the date on which certified copies of the Order of the Hon'ble High Court of Maharashtra sanctioning this Scheme of Arrangement under Section 100 to 104 of the Companies Act, 1956 and other applicable provisions, if any, are filed with the Registrar of Companies, Maharashtra and if the certified copies are filed on different dates, the last of such dates.



- 1.7. "Record Date" means the date to be fixed by the Board of Directors or a committee of the Company for the purpose of determining the members of the Company whose shares in the Company will stand reduced pursuant to this Scheme and allotment of New Shares as per the scheme after reduction of capital.
- 1.8. Reference in the Scheme to "coming into effect of the Scheme" or "effectiveness of the Scheme" shall mean the Effective Date.
- 1.9. "This Scheme" or "The Scheme" or "Scheme" means this Scheme of Arrangement for reconstruction / restructuring of capital between M/S. Alan Scott Industriess Limited and its Shareholders in its present form or with any modification(s) approved or imposed or directed by the High Court of Maharashtra.
- 1.10. "Stock Exchange" means the BSE Limited where the equity shares of the Company are listed.
- 1.11. The words "shareholder" and "member" are used to denote the same meaning and are used interchangeably;

PART-II CAPITAL STRUCTURE

2. The share capital of "M/s. Alan Scott Industriess Limited (ASIL)" as on January 01, 2016 is as under:

Share Capital	Amount in Rs.
Authorised:	
50,00,000 Equity shares of Rs. 10/-each	5,00,00,000.00
Issued, subscribed and paid-up:	
32,63,700 equity shares of Rs. 10/- each fully paid up	32,637,000.00

3. COMPLIANCE WITH TAX LAWS

This Scheme has been drawn up to comply also with the provisions of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the scheme becomes effective, the provisions of the said section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the provisions of the Income Tax Act, 1961.



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PART-III

4. SCHEME

REDUCTION OF SHARE CAPITAL

- 4.1. On the effective date and after securing necessary approvals and permissions, the accumulated losses of Rs. 2,57,83,230/- (Rupees Two Crors Fifty Seven Lakh Eighty Three Thousand Two Hundred Thirty Only) of the Company is sought to be set off against the paid up capital of the Company with effect from the appointed date.

As an integral part of this Scheme and upon coming into effect of the Scheme the issued, subscribed and paid up share capital of the Company shall be reduced by canceling a sum of Rs.7.90/- from every paid up share of Rs.10/- and thereafter consolidating 1 Equity Shares of Rs.10/- each as fully paid up capital in the Company i.e. after reduction the capital of the company will be of 6,85,377 (Six Lakhs Eighty Five Thousand Three Hundred Seventy Seven) Equity Shares of Rs.10/-(Rupees Ten Only) each, aggregating to Rs. 68,53,770 (Sixty Eight Lakhs Fifty Three Thousand Seven Hundred Seventy Only).

- 4.2. As a result of the reduction the Subscribed and Paid-up Share Capital of the Company shall stand reduced from Rs. 3,26,37,000.00 (Rupees Three Crors Twenty Six Lakhs Thirty Seven Thousand Only) divided into 32,63,700 (Thirty Two Lakhs Sixty Three Thousand Seven Hundred) fully paid up Equity Shares of Rs. 10/-(Rupees Ten Only) each, to Rs. 68,53,770 (Sixty Eight Lakhs Fifty Three Thousand Seven Hundred Seventy Only) divided into 6,85,377 (Six Lakhs Eighty Five Thousand Three Hundred Seventy Seven) Equity Shares of Rs.10/-(Rupees Ten Only) each.
- 4.3. The reconstruction / restructuring of capital shall not cause any shareholder to hold any fractional shares in the Company. In respect of the fractional shares, if any, caused by the reconstruction / restructuring of capital, the same shall be rounded off to one share and the same would be allotted to the shareholders. Simultaneously the increase in the number of shares due to rounding off will be foregone by Mr. Soretu J. Parikh, Managing Director of the Company thus keeping the paid up capital intact to Rs. 68,53,770 (Sixty Eight Lakhs Fifty Three Thousand Seven Hundred Seventy Only).
- 4.4. For the purpose as aforesaid, the Company shall, if and to the extent required, apply for and obtain any approvals from all concerned authorities, for the transfer of the fractional shares to the Trust and to pay the proportionate net sale proceeds of fractional entitlement as provided above.
- 4.5. The consent of the members of the Company to this Scheme of reduction of capital of the company shall be taken through a resolution under the provisions of Section 100 to 104 of the Act and any other applicable provisions.

5. EFFECT OF THE SCHEME

The proposed reconstruction / restructuring of capital by reduction of paid up capital against accumulated losses pursuant to the Scheme shall be reflected in the books of Accounts of the Company, on the effective date, in the following manner.

Particulars	Prior Capital to the	Reduction of	Post Capital
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