

# Public Notice: Capital Reduction Agreement (Draft)

Date: 12 June 2024

Notice is hereby given pursuant to Section 66 of the Companies Act that the Board of Directors of **ABC PUBLIC LIMITED COMPANY**, having its registered office at 123 Business Avenue, City, Country, has agreed to enter into a Capital Reduction Agreement, subject to the approval of the shareholders and confirmation by the Court.

## SUMMARY OF CAPITAL REDUCTION

The Company proposes to reduce its issued and paid-up share capital from **INR 10,00,00,000 (Rupees Ten Crores)** divided into **1,00,00,000 equity shares of INR 10 each** to **INR 5,00,00,000 (Rupees Five Crores)** divided into **50,00,000 equity shares of INR 10 each**, by cancelling 50,00,000 equity shares.

The reduction is being proposed in accordance with the relevant provisions of the Companies Act, subject to the approval of the shareholders by special resolution and confirmation by the National Company Law Tribunal (NCLT).

## EFFECT OF THE REDUCTION

- The face value per equity share remains unchanged at INR 10 per share.
- Post-reduction, the number of equity shares of the Company will stand reduced to 50,00,000 shares.
- The reduction does not involve any payout or return of capital to the shareholders.
- The liabilities of the Company will remain unaffected by this reduction.

## INVITING OBJECTIONS

Any creditor or shareholder of the Company may file their objections, if any, with the NCLT or the Company at its registered office within **21 days** from the date of publication of this notice.

By Order of the Board  
For ABC Public Limited Company

Name: [Director Name]  
Designation: Director  
Date: 12 June 2024

## Important Notes:

- A Capital Reduction Agreement must comply with the relevant sections of the Companies Act and be approved by special resolution.
- The reduction is subject to confirmation by the relevant Tribunal or Court.
- Proper public notice is essential to inform creditors and shareholders.
- Objections, if any, must be filed within the statutory period mentioned in the notice.
- This draft is for illustrative purposes and should be adapted in consultation with legal counsel.