

September 10, 2020



To  
Corporate Relationship Department  
**BSE Limited**  
P.J. Tower, Dalal Street, Fort, Mumbai  
Scrip Code: 524324

To  
Listing Compliances  
**National Stock Exchange of India Limited**  
Exchange Plaza,  
Bandra Kurla Complex,  
Bandra East, Mumbai - 400051  
Symbol: SEYAIND

**Subject: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

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Dear Sir / Madam,

This intimation is being made in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 to apprise the stock exchange and the stakeholders of the Company about the developments in relation to the ongoing dispute between the Company and Beacon Trusteeship Limited (acting in its capacity as the debenture trustee) ("**Beacon**") under the Debenture Trust Deed dated March 8, 2019 ("**DTD**").

On October 23, 2019 and October 25, 2019, we have informed the stock exchanges about the wrongful invocation of pledge of shares given as security by the promoter of the Company to Beacon against which arbitration proceedings have been initiated by our Company and Promoter, which proceedings are pending.

In furtherance of our earlier disclosures, we would like to inform all our stakeholders as under:

- (a) Beacon had illegally recalled the entire facility, invoked the pledge and transferred to itself 10.81% shares (valued at Rs. 91,78,33,000/- at the then prevailing market price) held by the promoters of the Company to its own account on 18.10.2019, which is far in excess of the subscription amount under the DTD alongwith interest thereon. The Company and its promoters have raised claims for refund of the excess amount and damages which is pending before the Ld. Arbitrator.
- (b) However, despite the fact that (i) Beacon chose to get the pledged shares transferred to itself upon illegal invocation of pledge, (ii) the pledged shares transferred were of a value far greater than the amount allegedly due on the date of invocation, and (iii) a dispute in relation to the said invocation is pending in arbitration, Beacon is continuing

its insistence for compliance of the obligations under the DTD which according to the company stand fulfilled in entirety. The Company and the promoters are contesting the claim of Beacon which is a misinterpretation of DTD and a misrepresentation to the public at large.

- (c) Beacon has also been making incorrect and unwarranted statements at the time of making disclosures under Regulation 29(2) of SEBI (SAST) Regulations, 2011 by stating *inter alia* that “*due to continuous default in making interest payment to debenture holder*”, Beacon has sold the “*pledged shares*” from time to time. As stated hereinbefore, Beacon had in full discharge of all amounts under the DTD, appropriated and transferred to itself all the pledged shares thereby becoming the beneficial owner in respect of such shares and such shares therefore, no longer fall within the meaning of ‘pledged shares’ and become the shares owned by Beacon. It is informed that sale of such shares by Beacon (after having them transferred them to itself) cannot be construed as disposal of ‘pledged shares’, as wrongly disclosed by Beacon.
- (d) The material information relating to the dispute pending before the arbitration tribunal has been deliberately omitted by Beacon and it has made following incorrect statements in the disclosures made by it:
- (i) It has been wrongly stated that the 26,60,000 equity shares were pledged as security for debentures issued by the Company aggregating to **Rupees Eighty Crores Only** as against the correct subscription amount of **Rupees Seventy-Two Crores Only**.
- (ii) The diluted share capital and corresponding percentage (%) details of pledged shares invoked (which would be on lower side) have not been mentioned.
- (iii) The disclosure against the entry “*Equity share Capital/Total Voting Capital of the TC before the said sale*” and “*Equity share Capital/Total Voting Capital of the TC after the said sale*” has been wrongly stated to be as per the table provided below, as opposed to the correct figure of 2,46,00,000 equity shares:

<b>Date of Disclosure</b>	<b>Equity Share Capital / Total Voting Capital of the TC before the said sale</b>	<b>Equity Share Capital / Total Voting Capital of the TC after the said sale</b>
December 2, 2019	26,60,000	21,33,212
May 12, 2020	21,33,212	16,40,630
July 8, 2020	16,40,630	11,63,391

- (e) In our disclosure filed on October 25, 2019, we had brought to the attention of the stock exchanges, similar misstatement of the Company’s equity share capital by Beacon in the disclosure under Regulation 29(1) of the SEBI SAST Regulations filed pursuant to wrongful invocation of pledge. Despite our said disclosure being publicly available,



Beacon has failed to act diligently and professionally, despite being a SEBI registered intermediary.

- (f) The matter being sub-judice, we will keep the stock exchanges and the stakeholders informed of material developments in the matter. Meanwhile, we request the Company's stakeholders not to be misled by incorrect disclosures being made by other market participants.

This is for your information and record.

Thanking you.

Yours sincerely,

For **Seya Industries Limited**



**Manisha Solanki**  
**Company Secretary**