

PARABOLIC DRUGS LIMITED

Regd. Off: S.C.O. 186-187 Second Floor, Sector 8-C Chandigarh-160008
CIN: L24231CH1996PLC017755

Date: 22.01.2021

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C-1, G Block
Dadara- Kurla Complex, Bandra (E)
Mumbai-400051

The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001

Scrip Code-PARABDRUGS

Scrip Code: 533211

Dear Sir/Madam,

Sub: Justification for No Payout to the Shareholders of Parabolic Drugs Limited
("Company/Corporate Debtor")

Ref: Intimation regarding Delisting of Shares pursuant to the Resolution Plan
approved by Hon'ble NCLT, Chandigarh Bench

This is in reference to the captioned matter and in furtherance to the letter addressed to your good office on 19th January, 2021, whereby, your good self was intimated regarding the Delisting of Shares pursuant to the approval of resolution plan by Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT") in terms of Section 31(1) of the Insolvency and Bankruptcy Code, 2016 ("IBC") via. order dated 12th January, 2021 which was submitted by Akums Drugs and Pharmaceuticals Limited (the "Resolution Applicant") for the Company.

In view of the Resolution plan that was approved by NCLT we would like to state, the accumulated losses as per Balance sheet of Company as on 31.03.2020 are to be tune of Rs.1002,91,52,744/- (Rupees One thousand two crore Ninety one Lakh Fifty two thousand Seven hundred Forty Four only) as against the Paid up Capital ("Equity") of Rs. 61,89,20,140/-, clearly specifying that the losses are more than 16 times of the Equity; therefore, funds that are available for distribution to the shareholders are in negative and thus, the payout to the shareholders will not be possible.

Further stated, that as per plan approved, the existing Equity of the Company shall stand cancelled and pursuant to Clause 5 of Schedule 2 of Resolution plan, the Company shall stand delisted from the date of passing the order from Bombay Stock Exchange and National Stock Exchange (jointly called as "Stock Exchange").



Further, as per approved Resolution Plan, the Resolution Applicant is required to repay the loans taken by the Company in the following manner:

1. 100% cost of Insolvency Resolution Plan cost (IRP cost) on first priority;
2. 100% of the amount payable to the workers and employees;
3. Resolution Applicant shall also settle and pay amounts as per plan to the Government Authorities, Financial Creditors and Operational Creditors;
4. The Resolution Applicant is also required to infuse its Equity and further funds by way of loans in order to keep the Company in going.

Therefore, the funds that are available with the Company are insufficient to pay any amount to the shareholders at the time of delisting.

Also, Equity is represented by unavailable assets of the Corporate Debtor and that existing Equity shall stand cancelled.

In view of the above, Parabolic Drugs Ltd. is need to be delisted in the terms of Regulations 3(3) of SEBI (Delisting of Equity Shares) Regulations, 2009 without any payout to the existing shareholders of the Company.

You are requested to kindly take the above information in record.

For Parabolic Drugs Limited


For Parabolic Drugs Limited

D.C. Jain

(Director)

DIN: 00323379

Director