IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SUMMONS FOR DIRECTION NO. 177 OF 2015.

In the matter of the Companies Act 1 of 1956);

AND

In the matter of Sections 100 to 104 of the Companies Act, 1956;

AND

In the matter of Reduction of Share Capital of AVI Photochem Limited

AVI PHOTOCHEM LIMITED, a company incorporated under the Companies Act, 1956 having its registered office at 110, Manish Industrial Estate No.4, Navghar, Vasai (East), Thane-401210 ) ) ) ) ...Applicant Company.

Called Summons for Direction for hearing
Mr. Rajesh Shah i/b M/s. Rajesh Shah & Co., Advocate for the Applicant

Coram: S. J. Kathawalla, J.

Date: 27th February, 2015

MINUTES OF THE ORDER

UPON THE APPLICATION OF the above named Applicant Company by a summons for Directions dated 27th day of January, 2015 AND UPON HEARING Mr. Rajesh Shah of M/s Rajesh Shah & Co., Advocates for the Applicant Company AND UPON READING the affidavit of Mr. Avinash D. Vora, Director, of the Applicant Company, dated 27th day of January, 2015, in support of summons for directions and Article 38 of the Articles of Association of the Applicant Company empowers the Applicant Company to reduce its share capital from time to time special Resolution and Applicant Company having passed Special Resolution in its Extraordinary General Meeting of its Equity Shareholders held on 29th December, 2014 being Exhibit 'F' to the Company Summons for Direction, approving that the Paid up of the Equity Share Capital of the Company be reduced from Rs.3,48,00,760/- divided into 34,80,076 Equity Shares of Rs.10/- each fully paid-up to Rs. 1,04,40,220/- divided into 10,44,022 equity shares of Rs.10/- each and that such reduction of Rs. 2,43,60,540/- (Rupees Two Crores Forty Three Lacs Sixty Thousand Five Hundred Forty Only) be effected by cancelling 24,36,054 Equity Shares in Equity Paid up Share Capital to the extent of 70 equity shares for every 100 equity shares held which has been lost or is represented by accumulated losses of Rs.2,54,01,502/- as per the Audited accounts as on 31st March, 2014 AND in view of the averment made in Paragraph 14 to 16 of the said affidavit interalia stating that there are no secured creditors of the Applicant Company and the proposed reduction in the Share Capital Account will not involve any financial outlay/outgo on the part of the Applicant Company and is only in the nature of a book entry and that such reduction will also not cause any prejudice to the Creditors of the Applicant Company and that the Applicant states that the reduction of the Share Capital Account does not involve either the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital nor is any call being waive and that the creditors will in no way be affected by the proposed reduction of the Share Capital Account as there is no reduction in the amount payable to any of the Creditors, no compromise or arrangement is contemplated with the Creditors and also there is no reduction in the security, which the creditors may have in the Applicant Company and that the proposed adjustment would not in any way be adversely affect the ordinary operations of the Applicant Company or the ability of the Applicant Company to honour its commitments or to pay its debts in the ordinary course of business. In view of the above, the procedure prescribed under Section 101(2) of the Companies Act, 1956 is dispensed with.

(S. J. Kathawalla, J.)