IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SUMMONS FOR DIRECTION NO. 321OF 2015

In the matter of Companies Act, 1956 (1 of 1956) and Companies Act, 2013;

AND

In the matter of Section 61 of the Companies Act, 2013 and Sections 100 to 103 of the Companies Act, 1956;

AND

In the matter of Reduction of Preference Share Capital of REL Utility Engineers Private Limited

REL Utility Engineers Private Limited,)
a Company incorporated under the)
Companies Act, 1956 and having its)
Registered Office at B/702, Raheja Point)
1, Pandit Jawaharlal Nehru Road, Vakola,)
Santacruz (East), Mumbai - 400055) … Applicant Company

<u>Called Summons for Direction for hearing</u>

Mr. Rajesh Shah i/b Rajesh Shah & Co, Advocates for the Applicant Company.

CORAM: S. J. KATHAWALLA, J

DATE: 24 APRIL, 2015

MINUTES OF ORDER

UPON THE APPLICATION of the above named Applicant Company by a Company Summons for Direction AND UPON HEARING Mr. Rajesh Shah, instructed by M/s. Rajesh Shah & Co., Advocates for the Applicant Company AND UPON READING the affidavit of Mr. Abhijit Banerjee, Company Secretary of the Applicant Company dated 31st day of March, 2015 in support of Company Summons for Direction AND Article 27 of the Articles of Association of the Applicant Company empower the Applicant Company to reduce its Share Capital from time to time by passing a Special Resolution in any manner for the time being authorised by law AND the Applicant Company having passed Special Resolution with requisite majority at its Extraordinary General Meeting held on 28th March, 2015 being Exhibit-D2 to the Affidavit in Support of Company Summons for Direction, approving the reduction of issued, subscribed and paid up Preference share capital of the Applicant Company of Rs. 3000,00,00,000/- (Rupees Three Thousand Crores) divided into 300,00,00,000 (Three Hundred Crore) 10% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- each, fully paid up, by reduction of the face value and paid-up value of these preference shares from 1 (One) preference share of Rs. 10 each fully paid up to 1 (One) preference share of Rs 0.01 each fully paid up and simultaneously consolidation of every 1,000

(One Thousand) preference share of Rs 0.01 each into 1 (One) fully paid up preference share of Rs. 10 each AND in view of the averment made in paragraph 16 of the Affidavit in support of Summons for Direction it is further stated that the proposed reduction in capital neither involves any financial outlay/outgo on the part of the Applicant Company nor does it directly or indirectly involves any outflow of the Applicant Company's assets to its shareholders and is only in the nature of a book entry. Consequently, such reduction will not cause any prejudice to the creditors of the Applicant Company. The reduction of capital 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. The proposed adjustment would not in any way 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. The restructuring will not cause any prejudice to the creditors of the Applicant Company. The Creditors of the Applicant Company would not be affected in any way by the proposed restructuring as there is no reduction in the amount payable to any of the creditors and also no compromise or arrangement is contemplated to be made with the creditors. In view of the above, the procedure prescribed under Section 101(2) of the Companies Act, 1956 is dispensed with.

(S. J. KATHAWALLA, J.)