IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITON NO 841 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 903 OF 2014

IN THE MATTER OF SECTIONS 100 TO 105 OF THE COMPANIES ACT, 1956;

AND

IN THE MATTER OF REDUCTION OF SHARE CAPITAL OF SEAARLAND MANAGEMENT SERVICES (INDIA) PRIVATE LIMITED

SEAARLAND MANAGEMENT SERVICES)
(INDIA) PRIVATE LIMITED, a Company)
Incorporated under the Indian Companies)
Act, 1956 And having its registered office at)
14th Floor, Lotus Neelkamal Buisness)
Park, Dalia Industrial Estate, New Link Road,)
Andheri (West), Mumbai-400 053,)
Maharashtra.) …Petitioner Company

<u>Called for Hearing</u>

Mr. Suraj Iyer, Advocate for the Petitioner

Coram: S.J. Kathawalla, J.

Date: 13th February 2015

P.C.:

1. Heard the learned counsel for the Petitioner. No objector has come before the Court to oppose the Scheme and nor any party has controverted any averments made in the Petition.

2. The sanction of the Court has been sought for the reduction of Equity Share Capital and Preferential Share Capital of Seaarland Management Service (India) Private Limited, the Petitioner Company under Section 100 to 105 of the Companies Act 1956 as approved in the Special Resolutions passed by both the Equity Shareholders and Preferential Shareholders at the extra ordinary general meeting held on 8th May 2014 separately, which are annexed as **EXHIBITS** '**F'** & '**F-1'** to the said Company Scheme Petition

3. The learned Counsel for the Petitioner submits that the Petitioner Company has accumulated cash surplus, which is beyond the wants of the Petitioner Company. The Board of Directors of the Petitioner Company evaluated options for the utilization of the excess capital available with the Company. After examination and analysis of the various options available to the Petitioner Company and in light of the fact that the Company management does not foresee incurrence of any major expenditure in the near future or any business expansion plans of the Company in the near future and a part of the paid up share capital which is in excess of the wants of the Company be returned to the Shareholders and rationalize its capital structure and accordingly reduce its existing Equity Share Capital and Preference Share Capital.

4. The learned Counsel for the Petitioner submits that the Petitioner Company adopted Table 'A' in the First Schedule of the Companies Act, 1956 and Article 4 of Article of Association empowers the Petitioner Company to reduce its Equity share capital & Preferential Share Capital by passing Special Resolution in any manner, authorized by law and Petitioner Company having passed a Special Resolution in its Extra Ordinary General Meeting of its

Equity Shareholders as well as Preferential Share holders which are held on 8th May 2014 separately, and both the Special Resolution have been unanimously approved by both the Equity Shareholders as well as Preferential Shareholders for reduction of the (i) Equity Share Capital of the Company to Rs.4/- (Rupees Four Only) per Equity Share out of the present face value of the Equity Shares of the Company of Rs.10/- (Rupees Ten Only) each fully paid up and face value of Equity Shares so reduced at the rate of Rs.6/- (Rupees Six Only) per Equity Share; and (ii) Preference Share Capital of company to Rs.76/- (Rupees Seventy Six Only) per Redeemable Cumulative Preference Share out of the present face value of the said Preference Share of the Company of Rs.100/- (Rupees Hundred Only) each fully paid up and the face value of the of the said Preference Shares so reduced at the rate of Rs.24/- (Rupees Twenty Four Only) per Preference Share which being in excess of the needs of the Company be paid to the Equity Shareholders and Preference Shareholders, the said resolutions are annexed as **EXHIBITS** '**F'** & '**F-1'** to the said Company Scheme Petition. The said reduction does not involve any diminution of liability in respect of the unpaid share capital AND the proposed reduction shall not in any manner affect the Micro, Medium & Small Enterprises under the Trade Payable since the net worth of the Petitioner Company is positive and has sufficient assets to discharge the liability, in view of averments made in paragraph 17(a) & 20 of the said Company Scheme Petition AND that the proposed reduction of its equity and preference share capital will not prejudicially affect the Petitioner Company and its shareholders and/or Creditors. AND there are no secured creditors of the Petitioner Company. In view thereof, the procedure prescribed under Section 101(2) of the Companies Act 1956, was dispensed with vide order dated 16th January 2015 passed in Company Summons for Direction No. 903 of 2014.

5. The learned Counsel appearing on behalf of the Petitioner Company states that the Petitioner Company has complied with all the statutory requirements as per the directions of this Court and they have filed necessary affidavit of compliance in the Court. Moreover, Petitioner Company also undertakes to comply with statutory requirement, if any, as required under the Companies Act 1956 and/or Companies Act 2013 and the rules made thereunder, as may be applicable.

6. Since the requisite statutory procedure has been fulfilled, the Company Scheme Petition is made absolute in terms of prayer clauses (a) and (b).

7. All concerned regulatory authorities to act on ordinary copy of order and the form of minutes annexed as '**Exhibit – I'** to the Petition, duly authenticated by the Company Registrar, High Court, Bombay.

8. Filing and issue of drawn up order is dispensed with.

9. Petitioner is directed to publish notice of registration of order and minute of reduction by the concerned registrar of companies, Maharashtra in the same newspapers i.e. Free Press Journal in English language and translation thereof in Navshakti, in Marathi language both having circulation in Mumbai and also in the Maharashtra Government Gazette.

(S.J. KATHAWALLA J)