IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO.544 OF 2015.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 592 OF 2015

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

And

In the matter of Sections 100 to 104 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013 (Corresponding to Section 78 of the Companies Act, 1956);

And

In the matter of Reduction of share capital (Securities Premium Account) of Religare Invesco Asset Management Company Private Limited

Religare Invesco Asset Management Company Private Limited, a Company incorporated under the Companies Act, 1956 and having its Registered Office at 3rd Floor, GYS Infinity, Paranjpe 'B' Scheme, Subhash Road, Vile Parle (E) , Mumbai – 400 057. } ..... Petitioner Company

Called For Hearing

Mr. Rajesh Shah i/b M/s. Rajesh Shah & Co., Advocate for the Petitioner.

CORAM: S. C. Gupte, J.

DATE: 4th September, 2015

1. Heard counsel for the Petitioner. No objector has come before the Court to oppose the Reduction 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 share capital (Securities Premium Account) of Religare Invesco Asset Management Company Private Limited, the Petitioner Company, under 100 to 104 read with Section 52 of the Companies Act, 2013 (Corresponding to Section 78 of the Companies Act, 1956), as approved in the Special Resolution passed by its Equity Shareholders at the Extra Ordinary General Meeting held on 25th day of June, 2015.

3. Learned Counsel for the Petitioner states that the reasons for reduction of Share Capital has been stated in paragraph 8 and 11 of the Petition interalia stating that the Company has been incurring losses for the past few years and due to the business losses and inadequate working capital facilities the present business of the company had suffered accumulated losses tremendously. The proposed Scheme would enable the company to correct its existing capital by reduction and to

show the actual financial position in its balance sheet to depict the representing Assets value which in turn will enable it to approach for financial assistances in order to develop its business value.

4. Learned Counsel for the Petitioner submits that the Articles 210 to 213 of the Articles of Association of the Petitioner Company empowers the Petitioner Company to reduce its Securities Premium Account and the Petitioner Company having passed Special Resolution in its Extraordinary General Meeting of its Equity Shareholders held on 25th June, 2015 being Exhibit 'E' to the Company Scheme Petition, resolution that reduction of Share Premium Account from Rs. 1,39,94,58,953/- (Rupees One Hundred Thirty Nine Crore Ninety Four Lac Fifty Eight Thousand Nine Hundred Fifty Three Only) to Rs.0/- (Rupees Nil) and to affect such reduction by adjusting the debit balance in the Profit and Loss Account amounting to Rs.1,39,94,58,953/- (Rupees One Hundred Thirty Nine Crore Ninety Four Lac Fifty Eight Thousand Nine Hundred Fifty Three Only) as on March 31, 2015 and in view of the averment made in Paragraph 18 to 20 of Company Scheme Petition the proposed reduction in the Share Capital Account does not involve any financial outlay/ outgo on the part of the Petitioner 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 Petitioner Company and that the Petitioner states that the reduction of the Share Capital Account ('Securities Premium 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 waived and that the Creditors of the Petitioner Company are also 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 Petitioner Company and that the proposed adjustment would not in any way adversely affect the ordinary operations of the Petitioner Company or the ability of the Petitioner Company to honour its commitments or to pay its debts in the ordinary course of business. In view of thereof vide order dated 24th July, 2015 the procedure prescribed under Section 101(2) of the Companies Act, 1956 was dispensed with.

5. Counsel appearing on behalf of the Petitioner states that they have 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 undertakes to comply with statutory requirements, if any, as required under the Companies Act, 1956/ 2013 and the Rules made thereunder whichever is applicable. The Undertaking is accepted.

6. None of the parties concerned have come forward to oppose the proposed reduction of Share Capital (Securities Premium Account). Since

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

7. Petitioner is directed to file a copy of this order alongwith a copy of the Form of Minutes with the concerned Registrar of Companies, electronically, along with E-Form/ INC-28 in addition to physical copy as per the relevant provisions of the Act.

8. All concerned regulatory authorities to act on a copy of this order and the Form of Minutes annexed as Exhibit- 'H' to the Petition, duly authenticated by the Company Registrar, High Court, Bombay.

9. Filing and issuance of the drawn up order is dispensed with.

10. Petitioner to publish notices of registration of the Order and form of minutes of reduction of capital by concerned Registrar of Companies once each in the same newspapers viz. “Free Press Journal”, in English language and translation thereof in “Navshakti”, in Marathi language. Both having circulation in Mumbai within 14 days of registration.

(S. C. Gupte, J.)