IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO.845 OF 2015
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 838 OF 2015

In the matter of Companies Act, 1956 (1 of 1956) (or any re-enactment thereof upon effectiveness of Companies Act, 2013);

AND

In the matter of Sections 100 to 104 of the Companies Act, 1956 and Section 55 of the Companies Act, 2013;

AND

In the matter of Reduction of Capital of Walton Street Capital India Private Limited

Walton Street Capital India Private Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at Unit No. 215, The Capital, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051.) ... Petitioner Company

Called for Hearing

Mr. Hemant Sethi i/b Hemant Sethi & Co., Advocates for the Petitioner Company

CORAM: K R Shriram, J.
DATE: 4^{th} December , 2015

1. Heard the learned Counsel for the Petitioner Company. No objector has come before the court to oppose the reduction of share capital and nor any party has contravened any averments made in the Petition.
2. The Counsel for the Petitioner Company submits that by order dated 30th day of October 2015 passed in Company Summons for Direction No 838 of 2015, the procedure prescribed under Section 101(2) of the Companies Act, 1956 was dispensed with.
3. The learned Counsel for the Petitioner Company states that in paragraph 8 of the Petition, it is stated that the Board of Directors of the Petitioner Company have opined that the paid up share capital and the accumulated profits / reserves of the Petitioner Company are in excess of its business requirements. Hence it is desired to reduce the issued, subscribed and paid up share capital of the Petitioner Company upto 23,62,827 (Twenty Three Lacs Sixty Two Thousand Eight Hundred Twenty Seven) equity shares of Rs.10 each fully paid up out of existing 23,72,827 (Twenty Three Lacs Seventy Two Thousand Eight Hundred Twenty Seven) equity shares of Rs.10 each fully paid held by the equity shareholders of the Petitioner Company and that the Petitioner Company shall repay not exceeding Rs.3,00,00,000 (Rupees Three Crores Only) for the aforesaid

reduction of capital subject to payment of taxes as may be applicable to the equity shareholders of the Petitioner Company.

4. Articles 12 of the Article of Association of the Petitioner Company permits the reduction of capital.

5. The Counsel for the Petitioner states that the Petitioner Company has at its Extra Ordinary General Meeting held on 8th day of September, 2015 pass a special Resolution that the issued, subscribed and paid up equity share capital of the company, currently at Rs.2,37,28,270 (Rupees Two Crores Thirty Seven Lacs Twenty Eight Thousand Two Hundred Seventy Only) divided into 23,72,827 (Twenty Three Lacs Seventy Two Thousand Eight Hundred Twenty Seven) equity shares of Rs.10 each fully paid up, shall be reduced by cancellation of upto 23,62,827 (Twenty Three Lacs Sixty Two Thousand Eight Hundred Twenty Seven) equity shares of Rs.10 each. The Company shall pay a sum not exceeding Rs.3,00,00,000 (Rupees Three Crores Only) to the equity shareholders for the aforesaid reduction of capital subject to payment of taxes as may be applicable and the Company will first utilize the Equity Share Capital Account and then for balance, if any, Company will utilize the Capital Redemption Reserve Account for the said purpose.

6. In paragraph 28 of the Petition, the Petitioner Company has stated that it was in the process of determining the exact amount to be paid to the shareholders pursuant to Capital

Reduction and that the Petitioner Company would apply to this Court for confirmation of the Minute of Reduction of Share Capital by filing a separate Affidavit after the exact amount of payment to shareholders is determined.

7. Accordingly Petitioner Company has filed an Affidavit dated 26th day of November 2015 and stated that the exact number of equity shares has now been determined. As a result of which 21,56,910 (Twenty One Lacs Fifty Six Thousand Nine Hundred Ten) equity shares of Rs.10 each shall be cancelled pursuant to capital reduction. And also stated that exact amount to be paid to the equity shareholders of the Petitioner Company pursuant to the capital reduction of the Petitioner Company has now been determined. As a result of which an amount of Rs.2,79,45,836 (Rupees Two Crores Seventy Nine Lacs Forty Five Thousand Eight Hundred Thirty Six Only) shall be paid pursuant to capital reduction representing Rs.2,15,69,100 (Rupees Two Crores Fifteen Lacs Sixty Nine Thousand One Hundred Only) towards the cancellation and reduction of 21,56,910 (Twenty One Lacs Fifty Six Thousand Nine Hundred Ten) equity shares of Rs.10 each and balance towards Capital Redemption Reserve Account of the Petitioner Company subject to payment of taxes. The form of minutes proposed to be filed is annexed as Exhibit – ‘A’ to the said Affidavit.

8. Learned Counsel appearing on behalf of the Petitioner Company further 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 also undertakes to comply with statutory requirements, if any, as required under the Companies Act, 1956 and the Rules made thereunder.

9. No objector has come forward to oppose the proposed reduction. Since the requisite statutory procedure has been fulfilled, the Petition is made absolute in terms of prayer clauses (a) and (b).

10. All concerned parties to act on ordinary copy of order and the form of minutes annexed as Exhibit–'A' to the Affidavit dated 26th day of November 2015, duly authenticated by the Company Registrar, High Court, Bombay.

11. Petitioner Company to publish notices 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 about registration of Order and minutes of reduction by the concerned Registrar of Companies, Maharashtra, Mumbai.

(**K. R. Shriram, J)**

CERTIFICATE

I certify that this Order uploaded is a true and correct copy of original signed order.

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