IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 1 OF 2015

CONNCECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 1 OF 2015

In the matter of Companies Act 1956

AND

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

AND

In the matter of Reduction of Capital Of FTVSI Ventures Private Limited. a Company incorporated under Companies Act, 1956 and having its registered office at JKB Legal Attorneys, Office No. 401/A, 4th Floor, Fort Chambers, Ambalal Doshi Marg, Fort, Mumbai – 400 001.

FTVSI Ventures Private Limited)
A company incorporated under the Companies Act 1956)
having its registered office at)
JKB Legal Attorneys, Office No. 401/A,)
4th Floor, Fort Chambers, Ambalal Doshi Marg,)
Fort, Mumbai – 400 001)

.. Petitioner Company

<u>Called for Hearing</u>

Mr. Ramesh Saraogi, Advocate for the Petitioner.

Coram : S. J. Kathawalla, J

Date : 13th February, 2015

PC:-

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 confirmation of the Court has been sought for the reduction of share capital of FTVSI Ventures Private Limited, the Petitioner Company under section 100 to 104 of the Companies Act, 1956, as approved in the special resolution passed by its Equity Shareholder on 15th day of November, 2014.

3) Learned Counsel for the Petitioner states that the reasons for the reduction of share capital has been stated in para 11 of the petition inter alia stating that the petitioner company has the debit balance of profit and loss account as at 31st March, 2014 of Rs 26,40,89,294/-. Hence, the board of directors thinks it prudent to write off part of its paid up equity share capital against debit balance of profit and loss account so as to show a true and fair view of the Balance Sheet and operate with a leaner base Balance sheet.

4) The counsel for the Petitioner states that Article 7 of the Articles of Association of the Petitioner Company authorizes the Petitioner Company to reduce its equity share capital by passing Special Resolution and the Petitioner Company has passed a Special Resolution in its Extra Ordinary general Meeting held on 15th November, 2014 with requisite majority which is annexed as Exhibit “D-3” to the Petition for purpose of reduction of issued, subscribed and paid up Equity Share Capital of the Petitioner Company to be reduced from Rs. 28,89,95,800/- divided into 2,88,99,580 Equity Shares of Rs. 10/- each fully paid up to Rs. 2,80,00,000/- divided into 28,00,000 Equity Shares

of Rs. 10/- and that such reduction be effected by canceling 2,60,99,580 Equity Shares of Rs. 10/- each amounting to Rs. 26,09,95,800/- which is lost or un-represented by the available assets i.e. Debit Balance in Profit and Loss Account and in view of the averments made in para 21 of the petition inter-alia stating that the reduction of the equity share capital does not involve the diminution of liability in respect of unpaid share capital or the payment to any shareholders of any paid up share capital of the Company and there is no cash out flow from the Company. In view of the averments made in para 22, 24 and 28 of the Petition inter-alia stating that there are no secured creditors of the Petitioner Company and that the sole Unsecured Creditor of the Petitioner Company have given consent to the proposed reduction of Equity Share Capital of the company which is annexed at Exhibit "F" to the Affidavit in support of Summons for Direction and that the proposed reduction of Share Capital would not in any way adversely affect the interest of any creditor of the Company. In view thereof, the procedure prescribed under Section 101(2) of the Companies Act, 1956 has been dispensed with vide order dated 9th January, 2015 passed in Company Summons For Direction No. 1 of 2015.

5) Counsel appearing on behalf of the Petitioner further states that they have complied with all statutory requirements as per the direction 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. The undertaking is accepted.

6) Since the requisite statutory procedure has been fulfilled, the petition is made absolute in terms of prayer clauses (a) & (b).

7) Petitioner is directed to file a copy of this order along with 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 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 – F to the petition duly authenticated by the Company Registrar, High Court, Bombay.

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

10) Petitioner to publish the notice of registration of the order and minutes of reduction with concerned Registrar of Companies in the same two local newspaper viz Free Press Journal in English Language and Marathi translation therein in “Navshakti”, both having circulation in Mumbai about registration of the order and minutes of reduction with the concerned Registrar of Companies.

(S.J.Kathawalla, J)