IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO.256 OF 2015.
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 282 OF 2015

IN THE MATTER of the Companies Act, 1956

AND

IN THE MATTER of Sections 100 to 105 of the Companies Act, 1956

AND

IN THE MATTER of the Reduction of Capital of Advent Business Credit Development Company Private Limited.

Advent Business Credit Development Company Private Limited, a Company incorporated under the Companies Act, 1956 and having its Registered Office at, Indo German Technology Park, Survey Number 297, 298 and 299, District Pune 412108 Maharashtra, India. } ….. Petitioner Company

Called for Hearing

Mr. Vishal Kanade i/b M/s Crawford Bayley & Co, Advocate for Petitioner Company

CORAM: S. J. KATHAWALLA, J

DATE : 8th MAY , 2015

PC:

1. Heard learned counsel for the Petitioner. No objector has come before the court to oppose the proposed Reduction of Share Capital of

the Petitioner Company and nor any party has controverted any averments made in the Petition.

2. The sanction of the Court has been sought for comfirmation of the Reduction of Share Capital of Advent Business Credit Development Company Private Limited, the Petitioner Company, under Sections 100 to 105 of the Companies Act, 1956, as approved in the Special Resolution passed by its Equity Shareholders at the Annual General Meeting held on 30th September, 2014.

3. The Learned Counsel for the Petitioner states that the reasons for proposed reduction of Share Capital has been stated in paragraph 13 of the Company Scheme Petition interalia stating that the Petitioner Company will be in compliance of the directions issued by the FIPB vide their letter dated April 25, 2012 and there will be no negative impact on Cash Flow or financial standing of the Petitioner Company and due to which, Creditors interest will not be prejudicially affected and earning per share will improve and there will be no outflow or remittance of any funds out of India.

4. The Learned Counsel for the Petitioner submits that Article 21 of the Articles of Association of the Petitioner Company empowers the Petitioner Company to reduce its Share Capital and Petitioner Company having passed Special Resolution in its Annual General Meeting of its Equity Shareholders held on 30th September, 2014 being Exhibit E to the Company Scheme Petition, resolved that the cancellation of 90,000 equity shares of Rs. 1,000 each issued to

UnicashVerswaltungsgesellschaft GmbH pursuant to conversion of loan resulting in reduction of the existing paid up equity share capital of the Company from Rs. 100,000,000 (divided into 100,000equity shares of Rs.1,000 each) to Rs. 100,00,000(divided into 10,000equity shares of Rs.1,000each) to capital redemption reserve AND in view of the averment made in Paragraphs 21 to 25 of the Company Scheme Petition interalia stating there that there are no secured creditors and the proposed reduction in the Equity Share Capital 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 reduction will also not cause any prejudice to the Creditors of the Petitioner Company and that the reduction of the Equity Share 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 Creditors of the Petitioner Company are also in no way affected by the proposed reduction of the Equity Share Capital 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. Further, 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. There is no creditors whose name has been concealed who is entitled to object to the reduction and that there is no misrepresentation about the debt or claim of any creditors. In view thereof, the procedure prescribed under Section 101(2) of the Companies Act, 1956 was dispensed with vide order dated 10th April, 2015 passed in the Company Summons for Direction No. 282 of 2015.

5. The Learned Counsel appearing on behalf of the Petitioner Company states that the Petitioner 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 requirements, 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) to (b).

7. The Petitioner Company is directed to file/lodge a copy of this order along with 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 Companies Act 1956 / 2013, whichever is applicable.

8. The Petitioner Company to publish a notice of registration of order and form of minutes of reduction of capital by concerned Registrar of Companies once each in the same newspapers, viz, “Economics Times”, in English Language and a translation thereof in

“Maharashtra Times”, in Marathi language both having circulation in Pune, within 14 days of registration.

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

10. All concerned regulatory authorities to act on authenticated copy of order and the form of minute annexed as ‘Exhibit F-1’ to the Company Scheme Petition, duly authenticated by the Company Registrar, High Court, Bombay.

(S. J. KATHAWALLA, J)