

THE HON'BLE SRI JUSTICE CHALLA KODANDA RAM

COMPANY PETITION No.311 of 2015

ORDER:

This company petition is filed under Section 100 to 104 of the Companies Act, 1956 for confirming the proposed scheme of arrangement for reduction of capital of the petitioner.

The petitioner averred that it was incorporated as a private limited company under the Act on 04.12.1995 with its registered office situated at 8-2-334, SDE Serene Chambers, Road No.7, Banjara Hills, Hyderabad-500 034; that its authorized share capital as on 31.03.2015 is Rs.403,70,00,000/- divided into 40,37,00,000 equity shares of Rs.10/- each; the issued, subscribed and paid up share capital is Rs.176,33,32,390/- divided into 17,63,33,239 fully paid up equity shares of Rs.10/- each; and that in its annual general meeting held on 26.10.2015, after due notice, a special resolution was passed under Section 189 of the Act. It is further averred that it has no Secured or Unsecured creditors.

It is further averred that Article 5 of the Articles of Association of the petitioner provides reduction of capital as may be determined in General Meeting or in accordance with the Articles of Association of the Company.

It is further averred that the petitioner has accumulated losses in its books as on 31.03.2015 hence share capital needs to be reduced and be corrected to reflect the appropriate capital/shareholders' funds.

It is further averred that reduction of share capital does not involve diminution of any liability in respect of unpaid capital; that the proposed reduction of capital will not prejudicially affect the petitioner-Company or its shareholders; and that it would not in any way adversely affect the ordinary operations of the company or the ability of the company to honour its commitments or to pay its debts.

It is further averred that the proposed reduction of capital of the petitioner-Company does not violate any of the provisions of the

Companies Act 1956 or the Companies Act 2013 or any rules and regulations made thereunder; and that there are no winding up proceedings pending or initiated against the petitioner-Company.

This Court by order, dated 04.11.2015 ordered publication of advertisement of this Company Petition in two newspapers, viz., 'Business Standard' (English) and 'Andhra Bhoomi' (Telugu) of Hyderabad editions having circulation in the State of Telangana. In pursuance thereof, the petitioner has carried out the publications and filed proof of publications, vide memo USR No.6427 of 2015, dated 15.12.2015.

Sri V.S. Raju, learned counsel for the petitioner submits that he has not received any claims or objections in response to the paper publications.

In the light of the above facts and in the absence of any claims or objections received by the learned counsel for the petitioner in response to the publications, this Court does not find any legally sustainable objections for confirming the proposed scheme of arrangement for reduction of share capital of the petitioner.

Accordingly, the Company Petition is allowed by approving the proposed scheme of arrangement for reduction of share capital of the petitioner-company as per the form of Minute proposed to be registered under Section 103(1) (b) of the Act. The petitioner shall, within 30 days of receipt of a certified copy of this order, cause the same to be delivered to the Registrar of Companies for the State of Telangana and Andhra Pradesh, Hyderabad, and publish the notice of registration of the form of Minute by the Registrar of Companies, in the same newspapers in which notice of this Company Petition was published within 14 days of the registration.

JUSTICE CHALLA KODANDA RAM

23rd December, 2015
Js.