IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SUMMONS FOR DIRECTION NO 242 OF 2016

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

AND

In the matter of Section 52 of the Companies Act, 2013 and Sections 100 to 103 of the Companies Act, 1956;

AND

In the matter of Reduction of Equity Share Capital of Reliance Energy Trading Limited

**RELIANCE ENERGY TRADING LIMITED,** a company incorporated under the Companies Act, 1956 and having its Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710. ) … Applicant Company

**Called Summons for Direction for hearing**

Mr. Hemant Sethi, i/b Hemant Sethi & Co. Advocates for Applicant

CORAM: B.P. Colabawalla, J

DATE: 16th April, 2016

**MINUTES OF THE ORDER**

UPON the Application of above named Company by a Summons for Directions dated 29th day of January, 2016 AND UPON HEARING Mr. Hemant Sethi, i/b Hemant Sethi & Co. Advocates for the Applicant Company AND UPON reading the Affidavit dated 29th day of January, 2016 of Mr. Prakash Khedekar, Company Secretary, of the Applicant Company AND Article 1 and Article 2 of the Articles of Association of the Applicant Company and Article 46 of Table A of the Companies Act, 1956 empowering the Applicant Company to reduce the capital by passing a Special Resolution in any manner provided for and pursuant to the provision of section 52 of the Companies Act, 2013 and Section 100 to Section 103 of the Companies Act, 1956 AND the Applicant Company having passed a Special Resolution with requisite majority at its Extra Ordinary General Meeting held on 18th day of January, 2016, being Exhibit-'D2' to the Affidavit in support of Company Summons for Direction, has approved the reduction of equity share capital from Rs.20,65,00,000 (Rupees Twenty Crores and Sixty Five Lacs only) divided into 2,06,50,000 (Two Crore Six Lacs and Fifty Thousand) Equity Shares of Rs.10/- (Rupees Ten) each, fully paid up, to Rs.2,00,00,000 (Rupees Two Crores only) divided into 20,00,000 (Twenty Lacs) Equity Shares of Rs.10/- (Rupees Ten) each, fully paid up, by cancellation of 1,86,50,000 (One Crore Eighty Six Lacs and Fifty Thousand) Equity Shares of Rs.10/- (Rupees Ten) each held by Reliance Infrastructure Limited and that this reduction of share capital shall be made by paying an aggregate consideration of Rs.28,55,00,000/- (Rupees Twenty Eight Crore and Fifty Five lacs Only), subject to payment of taxes, as may be applicable, and utilisation of the entire balance in the Securities Premium Account of Rs.9,90,00,000 (Rupees Nine Crore Ninety Lac only), AND in view of the averments made in paragraph 15 of the Affidavit in Support of Company Summons for Direction, it is further stated that the proposed reduction in capital neither involves any financial outlay/outgo on the part of the Applicant Company nor does it directly or indirectly involves any outflow of the Applicant Company's assets to its shareholders and is only in the nature of a book entry. Consequently, such reduction will not cause any prejudice to the creditors of the Applicant Company. The reduction of 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 proposed adjustment would not in any way adversely affect the ordinary operations of the Applicant Company or the ability of the Applicant Company to honour its commitments or to pay its debts in the ordinary course of business. The restructuring will not cause any prejudice to the creditors of the Applicant Company. The Creditors of the Applicant Company would not be affected in any way by the proposed restructuring as there is no reduction in the amount payable to any of the creditors and also no compromise or arrangement is contemplated to be made with the creditors. In view of above, the procedure prescribed under Section 101(2) of the Companies Act, 1956 is dispensed with.

**(B.P. Colabawalla, J)**

**CERTIFICATE**

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

Uploaded by: Shankar Gawde, Stenographer