IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SUMMONS FOR DIRECTION NO. 749 OF 2016

In the matter of Companies Act, 1956;

And

In the matter of Sections 100 to 104 of the Companies Act, 1956 read with sections 52 of the Companies Act, 2013

And

In the matter of Reduction of Share Capital of Preethi Kitchen Appliances Private Limited

Preethi Kitchen Appliances Private Limited, a company incorporated under the provisions of Companies Act, 1956, having its registered office at Unit No. 506, 5th Floor, Boomerang Chandivali Farm Road, Powai, Mumbai – 400072, Maharashtra)))))) ………..........Applicant

Called Summons for Direction for hearing

Mr. Shyam Mehta, Senior Counsel, Mr. Hemant Sethi, i/b Hemant Sethi & Co. Advocates for Applicant

CORAM: A.K. MENON, J

DATE: 8^{TH} SEPTEMBER, 2016

MINUTES OF THE ORDER

UPON the Application of above named Company by a Summons for Directions dated 4^{th} day of August, 2016 AND UPON HEARING Mr. Hemant Sethi, i/b Hemant Sethi & Co. Advocates for the Applicant Company AND UPON reading the Affidavit dated 4^{th} day of August, 2016 and additional affidavit dated 30^{th} August 2106 of Mr. Rajiv Mathur, Director, of the Applicant Company AND Article 10 of the Articles of Association of the Applicant Company which empowers the Applicant Company to reduce its equity shares in any manner AND the Applicant Company having passed a Special Resolution with requisite majority at its Extra Ordinary General Meeting held on 21^{st} June, 2016 to reduce the issued, subscribed and paid up equity share capital of the Applicant Company from Rs. 843,457,220 (Rupees Eighty Four Crore Thirty Four Lakh Fifty Seven Thousand Two Hundred and Twenty only) to Rs. 492,634,130 (Rupees Forty Nine Crore Twenty Six Lakh Thirty Four Thousand One Hundred and Thirty only) by cancelling 35,082,309 (Three crore Fifty Lakh Eight Two Thousand Three Hundred and Nine) equity shares in aggregate held by KPNV and repaying to KPNV, Rs. 79.50 (Rupees Seventy Nine and Fifty Paise only) per equity share AND in view of the averments made in paragraphs 12.2, 13.1 to 13.3 and 14 of the affidavit dated 4^{th} day of August, 2016 in support of Company Summons for Direction, inter-alia stating that 33937106 8% Non-Cumulative Convertible Preference Shares of Rs. 10 each will be issued and allotted to Philips India Limited for the purpose of funding the reduction of the equity share capital and that the proposed reduction would not in any way adversely affect the interests of any of the Applicant Company's Creditors or the ordinary operations of the Applicant Company or the ability of the Applicant Company to honour its debts in the ordinary course of business and that no compromise or arrangement is called for with any of the creditors of the Applicant Company as there is no reduction in the amount payable to any of the Creditors of the Applicant Company and that the Applicant company has obtained consent from its Sole Secured Creditor a copy whereof is annexed as Exhibit-A to the additional affidavit dated 30th August 2016 and from eleven Unsecured Creditors of the value of Rs. 343,254,864/- copies of consent letters which are annexed as Exhibits-B1 to B11 to the additional affidavit dated 30th August 2016 and that the Applicant Company has already discharged more than 95% of its trade payables and on aggregate basis about 77% of the total unsecure creditors balance (including short term borrowings for which consent letters have been obtained). In view of the above, the procedure prescribed under Section 101(2) of the Companies Act, 1956 is dispensed with.

(A.K. MENON, J)

CERTIFICATE

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

Uploaded by: Shankar Gawde, Stenographer