IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SUMMONS FOR DIRECTION NO. 869 OF 2016.

In the matter of the Companies Act of 1956;

AND

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

AND

In the matter of the Reduction of Share Capital of HAKOBA LIFESTYLE LIMITED

HAKOBA LIFESTYLE LIMITED, a company incorporated under the Indian Companies Act, 1956 and having its registered office at Unit No, 101-B, 1st Floor, Abhishek Premises, Plot No. C5-6, Dalia Industrial Estate, Off. New Link Road, Andheri (West), Mumbai - 400 058) ...Applicant Company.

Called Summons for Direction for hearing

Mr. Rajesh Shah i/b Rajesh Shah & Co, Advocates for the Applicant Company.

CORAM: A. K. Menon, J

DATE: 27th October, 2016

MINUTES OF ORDER

UPON THE APPLICATION of the above named Applicant Company by a Company Summons for Direction AND UPON HEARING Mr. Rajesh Shah, instructed by M/s. Rajesh Shah & Co., Advocates for the Applicant Company AND UPON READING the Affidavit of Mr. Uday Nemlekar, Authorised Signatory of the Applicant Company dated 6th day of September, 2016 in support of Company Summons for Direction AND Article 3 of the Articles of Association of the Applicant Company that empowers the Applicant Company to reduce its Share Capital from time to time by passing a Special Resolution in any manner for the time being authorised by law AND the Applicant Company having passed Special Resolution with requisite majority at its Annual General Meeting held on 12th August, 2016 being Exhibit-E to the Affidavit in Support of Company Summons for Direction, approving the reduction of the existing paid-up Equity Share Capital of the Company from Rs. 48,46,31,170/- (Rupees Forty Eight crores Forty Six Lacs Thirty One Thousand one Hundred and seventy only) divided into 4,84,63,117 (Four Crores Eighty Four Lacs Sixty Three Thousand One Hundred and Seventeen) Equity Shares of Rs.10/- each fully paid-up to Rs.4,84,63,120/- (Rupees Four Crores Eighty Four Lacs Sixty Three Thousand One Hundred and Twenty only) divided into 48,46,312 (Forty Eight Lacs Forty Six Thousand Three Hundred and twelve) Equity shares of Rs.10/- each fully paid-up by cancelling the capital to the extent of 4,36,16,805 Equity Shares of Rs. 10/- each thereby the amount of the Equity Share Capital is reduced by Rs. 43,61,68,050/- (Rupees Forty Three Crores Sixty One Lacs Sixty Eight Thousand and Fifty only) be adjusted against the debit balance in Profit & Loss Account as appearing in the books of account of the Company as on March 31, 2016 AND in view of the averment made in Paragraph 18 and 19 of the Affidavit in support of Company Summons for Direction it is further stated that there is sole Secured Creditor and as far as Unsecured Creditors in the Applicant Company is concerned 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. For the sake of clarity, it is specified that 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 under this scheme of reduction of capital. It is further submitted that the proposed reduction of Share Capital does not involve either the diminution of any liability in respect of unpaid share capital or the payout of capital to the shareholders of the Applicant Company. 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.

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