IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 817 OF 2016

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 907 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 Share Capital (Securities Premium Account) of Samalkot Power Limited.

SAMALKOT POWER 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, Mumbai 400710.) … Petitioner Company

Called For Hearing

Alpana Ghone with Mr. Rajesh Shah i/b Rajesh Shah & Co, Advocates for the Petitioner.

CORAM: S.C. Gupte J.

DATE: 2nd December, 2016

1. Heard counsel for the Petitioner. No objector has come before the court to oppose the Reduction and nor any party has controverted any averments made in the Petition.

2. The sanction of the Court has been sought for the Reduction of Share Capital (Securities Premium Account) of the Petitioner Company, under section 52 of the Companies Act, 2013 and Section 100 to Section 103 of the Companies Act, 1956, as approved in the Special Resolution passed by its members at the Extra Ordinary General Meeting held on 3rd October, 2016.

3. Learned Counsel for the Petitioner states that the reasons for reduction of Share Capital (Securities Premium Account) has been stated in paragraph 8 of the Petition.

4. Learned Counsel for the Petitioner submits that Article 1, Article 2 of the Articles of Association of the Petitioner Company read with Article 46 of Table A of the Companies Act, 1956, empowers the Petitioner Company to reduce its Share Capital from time to time by passing a Special Resolution in any manner for the time being authorized by law and the Petitioner Company having passed Special Resolution with requisite majority at its Extraordinary General Meeting held on 3rd October, 2016 being Exhibit-'D2' to the Company Scheme Petition, approving the utilization of Securities Premium Account of the Petitioner Company for an amount not exceeding Rs.2,700 Crores (Rupees Two Thousand Seven Hundred Crores Only) for the purpose of writing off the value of Capital work-in-progress as per its Books of Account as on 30th September 2016 and / or recouping the amounts written off from Capital work-in-progress consequent

upon adoption by the Company of the provisions of the Companies (Indian Accounting Standards) Rules, 2015 (IndAS) as amended from time to time, by an equivalent amount not exceeding Rs. 2,700 crores (Rupees Two Thousand seven Hundred crores only) AND in view of the averment made in paragraph 9 of the Company Scheme Petition interalia stating that there are Secured Creditors of the Petitioner Company and the said reduction does not in any manner, alter or vary the rights of the creditors of the Company and further, the proposed adjustment would not in any way adversely affect the ordinary operations of the Company, nor will it affect the ability of the Company to honour its commitment or pay its debts, if any, in the ordinary course of business and in view of the averment made in paragraph 10 of the Affidavit in support of Company Scheme Petition stating therein that there are unsecured creditors and the said reduction does not in any manner, alter or vary the rights of the creditors of the Petitioner Company and further, the proposed adjustment would not in any way adversely affect the ordinary operations of the Petitioner Company, nor will it affect the ability of the Petitioner Company to honour its commitment or pay its debts, if any in the ordinary course of business. The procedure prescribed under Section 101(2) of the Companies Act,1956 was dispensed with vide order dated 27th October, 2016 passed in Company Summons for Direction No. 907 of 2016. Further, in view of the averment made in paragraph 18 of the Affidavit in support of Company Summons for Direction, it is stated that Petitioner Company is restructuring its capital in the interest of all stakeholders and in case the words "And Reduced" are added with its name it will have a negative impact and cause hindrances in the smooth functioning of the Petitioner Company and hence addition of these words be dispensed with.

5. Counsel appearing on behalf of the Petitioner states that they have 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 undertakes to comply with statutory requirements, if any, as required

under the Companies Act, 1956/ 2013 and the Rules made thereunder. The Undertaking is accepted.

6. None of the parties concerned have come forward to oppose the proposed reduction of share capital (Securities Premium Account). Since the requisite statutory procedure has been fulfilled, the Petition is made absolute in terms of prayer clauses (a) and (b).

7. Petitioner is directed to file a copy of this order alongwith a copy of the Form of Minutes with the concerned Registrar of Companies, electronically, along with INC-28 in addition to physical copy as per the relevant provisions of the Act.

8. All concerned regulatory authorities to act on a copy of this order and the Form of Minutes annexed as Exhibit- 'G' to the Petition, duly authenticated by the Company Registrar, High Court, Bombay.

9. The Petitioner to publish notices of registration of the Order and form of minutes of reduction of capital with the concerned Registrar of Companies, one each in the two local newspapers viz. "Free Press Journal", in English language and translation thereof in "Navshakti", in Marathi language, both having circulation in Mumbai within 14 days of registration.

10. Publication of notice in Maharashtra Government Gazette is dispensed with.

11. Filing and issuance of the drawn up order is dispensed with.

(S. C. Gupte, J.)

CERTIFICATE

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

Uploaded by : Shankar Gawde, Stenographer.