**HONOURABLE SRI JUSTICE CHALLA KODANDA RAM**

COMPANY PETITION No. 343 OF 2015.

DATED 11TH FEBRUARY, 2016

In the matter of

M/s.Varma Technocrats India Private Limited,
Hyderabad, rep. by its Managing Director
P.Sree Nivasa Varma

..Petitioner

**HONOURABLE SRI JUSTICE CHALLA KODANDA RAM**

COMPANY PETITION No. 343 OF 2015.

**ORDER:**

This company petition is filed under Sections 100 to 103 of the Companies Act, 1956 for confirming the proposed scheme of arrangement made for reduction of share capital of the petitioner-company.

The petitioner-company pleaded that it was incorporated as a private limited company under the Act on 06.09.2013; that its authorized share capital as on 31.03.2015 is Rs.1,25,00,000/- divided into 12,50,000 equity shares of Rs.10/- each; that the issued, subscribed and paid up share capital as on 31.3.2015 is Rs.1,03,50,000/-; that the Board of Directors in the annual general meeting held on 06.07.2015, after due notice as provided under the Companies Act, passed a special resolution for reduction of equity share capital. The Secured Creditors of the petitioner Company have expressed their no objection for reduction of share capital.

It is further averred that Article 1A(1) of the Articles of

Association of the petitioner provides for reduction of capital. It is further averred that the petitioner deemed it appropriate to reduce the share capital of the company from Rs.1,03,50,000/- divided into 10,35,000 equity shares of Rs.10/- each to Rs.5,00,000/- divided into 50,000 equity shares of Rs.10/- and that such reduction be effected by concealing the equity share capital of Rs.98,50,000/- which is not required for the operations of the company and the same will be repaid to the share holders of the Company.

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.

Learned counsel for the petitioner-company submitted that pursuant to the order of this Court dated 30.12.2015, the petitioner had given an advertisement of this company petition in two daily newspapers, viz., The Business Standard (English daily) and Andhra Bhoomi (Telugu daily) both from Hyderabad Editions on 19.01.2016 indicating the date of hearing of the Company Petition as 11.02.2016 and filed proof of publication vide USR No.353 of 2016 dated 27.01.2016.

In the light of the above and as no objections have been received from any quarter, this Court does not find any legally sustainable objection for confirming the proposed scheme of arrangement made for reduction of share capital of the petitioner-company.

Accordingly, the Company Petition is allowed by approving the proposed scheme of arrangement made 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 said registration.

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***JUSTICE CHALLA KODANDA RAM***

DATED 11TH February, 2016.
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