

HONOURABLE SRI JUSTICE CHALLA KODANDA RAM

COMPANY PETITION No. 314 OF 2015.

DATED 11TH FEBRUARY, 2016

In the matter of

M/s. Rockworth Systems Furniture (India) Private Limited
Rep. by its Director Chakrit Vorachacreyanan

..Petitioner

HONOURABLE SRI JUSTICE CHALLA KODANDA RAM

COMPANY PETITION No. 314 OF 2015.

ORDER:

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This company petition is filed under Sections 100 to 104 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 20.03.2008; that its authorized share capital as on 31.03.2015 is Rs.35,00,00,000/- divided into 35,00,000 equity shares of Rs.100/- each; that the issued, subscribed and paid up share capital as on 31.3.2015 is Rs.34,99,03,500/- divided into 34,99,035 equity shares of Rs.100/- each; and that the Board of Directors in the annual general meeting held on 24.09.2015, after due notice to the shareholders, passed a special resolution for reduction of equity share capital to carry forward losses. It is further averred that it has no Secured or Unsecured creditors.

It is further averred that Article 20 of the Articles of Association of the petitioner provides reduction of capital. It is further

averred that the petitioner deemed it appropriate to reduce the share capital of the company from Rs.34,99,03,500/- divided into 34,99,035 equity shares of Rs.10/- fully paid up to 17,49,51,750/- divided into 34,99,035 equity shares of Rs.50/- each fully paid up and that such reduction be effected by cancelling the capital which has been lost or is unrepresented by available tangible assets to the extent of Rs.50/- per share upon each of the 34,99,035 equity shares which have been issued and by reducing the nominal amount of all the shares in the capital of the company from Rs.100/- to Rs.50/- share. It was further resolved that an amount of Rs.17,49,51,750/- be set off against the accumulated losses of Rs.29,27,22,661.

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 19.11.2015, 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 12.12.2015 indicating the date of hearing of the Company Petition as 31.12.2015 and filed proof of publication vide USR No.6733 of 2015 dated 31.12.2015.

In the light of the above, 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. No objections have been received from any of the nook and corner.

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.

JUSTICE CHALLA KODANDA RAM

DATED 11TH February, 2016.
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