

HONOURABLE SRI JUSTICE A.RAMALINGESWARA RAO

COMPANY PETITION No.340 of 2016

ORDER:

1. This petition is filed by the petitioner company for confirmation of the reduction of share capital. The petitioner company was incorporated on 05.05.1994 and is carrying out its operations from Secunderabad in the State of Telangana. The authorized share capital of the company is Rs.85,00,00,000/- divided into 8,50,00,000/- equity shares of Rs.10/- each, whereas the issued, subscribed and paid up capital is Rs.72,44,19,620/- divided into 7,24,41,962/- equity shares of Rs.10/- each. A special resolution was passed on 07.09.2016 to reduce the paid up capital of Rs.72,44,19,620/- to Rs.14,48,83,924/-. The said proposal was made as the company incurred losses due to impairment of intangible assets and writing off of bad assets. There are no secured creditors and the unsecured creditors amounting to 95.07% have given their consent letters. A Scrutinizer and Chairman appointed for the said purpose submitted a report, which disclosed that 99.98% votes were cast in favour of the resolution.

2. This Court admitted the Company Petition on 30.09.2016 and got the notice published on 05.10.2016 in Business Standard and Andhra Bhoomi and the proof of service was filed on 04.11.2016. So far no objections were received by the company or by this Court.

3. In the circumstances, the procedure contemplated under Section 101 (2) of the Companies Act, 1956 is dispensed with and the Company Petition is ordered for reduction of capital as approved by the Board of Directors in its special resolution on 07.09.2016 and confirmed in the Annual General Meeting held on 07.09.2016.

A.RAMALINGESWARA RAO, J

30-11-2016
Gsn

