

IN THE NATIONAL COMPANY LAW BOARD TRIBUNAL
MUMBAI BENCH

CP NO. 143 OF 2017

In the matter of Section 66 of the Companies Act 2013
and the Rules framed thereunder

AND

In the matter of Reduction of Equity Share Capital of
Varroc Engineering Private Limited

Varroc Engineering Private Limited, a }
company incorporated under the provisions of }
the Companies Act, 1956 having its registered }
office at L-4, MIDC Industrial Area, Waluj, }
Aurangabad- 431 136 Maharashtra }
}.....Petitioner Company

Judgment/Order delivered on 9th November, 2017

Coram:

Hon'ble B.S.V. Prakash Kumar, Member (J)
Hon'ble V. Nallasenapathy, Member (T)

For the Petitioner(s): Mr. Hemant Sethi i/b Hemant Sethi & Co for the Petitioner
For Regional Director : Mr. S Ramakantha , Joint Director in the office of RD.
For Registrar of Companies : Mr. Ramesh Gholap, Deputy Registrar of Companies

Per: **V. Nallasenapathy, Member (T)**

Order confirming Reduction of Share Capital and Approving Minutes

1. Heard the learned counsel for the Petitioner Company. No objector has come before the Tribunal to oppose the Petition and nor any party has controverted any averments made in the Application.
2. The Counsel for the Petitioner Company submits that no representation have been received from the Central Government through the office of Regional Director or the Registrar of Companies or the Creditors within the said period,

and therefore it is presumed that they have no objection to the reduction of share capital.

3. The Counsel for the Petitioner Company further submits that Article 7 of the Articles of Association empowers the Petitioner Company to reduce its share capital.
4. The Counsel for the Petitioner Company submits that the Petition was filed for the confirmation of the special resolution passed at the meeting of shareholders held on 1st November, 2016 for the proposed reduction of share capital which will result in cancellation of 852,349 equity shares of the Petitioner Company. The Board of Directors of the Petitioner Company at their meeting held on 27th October, 2016 have deemed it appropriate to reduce the Issued, Subscribed and Paid-up Equity Share Capital of the Company by cancellation / reduction of 852,349 (Eight Lacs Fifty Two Thousand Three Hundred and Forty Nine) Equity Shares of Rs. 10/- each held by Varroc Polymers Private Limited without any payment for the aforesaid reduction of capital.
5. The Counsel for the Petitioner further submits that subsequent Conversion of Series 'A' Preference Shares, transfer of equity shares and allotment of Series 'B' and 'C' Preference Shares, the Company has passed Board Resolution and Special Resolution on 20th July 2017 and 29th August 2017 respectively, copy whereof is annexed as Exhibit-D to the additional affidavit dated 23rd September 2017.
6. Counsel appearing on behalf of the Petitioner Company states further that the Petitioner Company has complied with all the statutory requirements as per the directions of the Tribunal and they have filed necessary Affidavit of Service in the Tribunal. Moreover, the Petitioner Company also undertakes to comply with statutory requirements. None of the parties have come forward to oppose the proposed reduction. Since the requisite statutory procedure has been fulfilled the application is made absolute accordingly. The Special Resolution as approved by

the shareholders in their Extraordinary General Meeting held on 1st November, 2016 and 29th August 2017 are hereby confirmed.

7. The minutes set forth hereto be and is hereby approved.
8. Petitioner Company to publish the notices about registration of order and minutes of reduction in two newspapers namely i.e. 'Lokmat Times' in English language and translation thereof in 'Lokmat' in Marathi language both having circulation in Aurangabad within 30 days of registration.
9. All concerned regulatory authorities to act on certified copy of the order duly certified by the Deputy Director, National Company Law Tribunal.

Form of Minutes

"The issued, subscribed and paid up equity share capital of the Petitioner Company be reduced, by way of reduction, extinguishment and cancellation of 852,349 (Eight Lakh Fifty Two Thousand Three Hundred and Forty Nine) equity shares of Rs. 10 (Rupees Ten) each held by Varroc Polymers Private Limited ("VPPL") without any payment.

The capital of Petitioner Company, is henceforth Rs. 114,604,170 (Eleven Crore Forty Six Lakh Four Thousand One Hundred Seventy Only) divided into 11,460,417 (One Crore Fourteen Lakh Sixty Thousand Four Hundred Seventeen) equity shares of Rs. 10 each fully paid up and Rs. 20,207,360 (Two Crore Two Lakh Seven Thousand Three Hundred Sixty Only) divided into 2,020,736 (Twenty Lakh Twenty Thousand Seven Hundred Thirty Six) Preference Shares of Rs. 10 each fully paid up, reduced from Rs. 123,127,660 (Twelve Crore Thirty One Lakh Twenty Seven Thousand Six Hundred Sixty Only) divided into 12,312,766 (One Crore Twenty Three Lakh Twelve Thousand Seven Hundred Sixty Six) equity shares of Rs. 10 each fully paid up and Rs. 20,207,360 (Two Crore Two Lakh Seven Thousand Three Hundred Sixty Only) divided into 2,020,736 (Twenty Lakh Twenty Thousand Seven Hundred Thirty Six) Preference Shares of Rs. 10 each fully paid up."

Sd/-

V. Nallasenapathy, Member (T)

Sd/-

B.S.V. Prakash Kumar, Member (J)