

BEFORE THE NATIONAL COMPANY LAW BOARD TRIBUNAL

MUMBAI BENCH

CP NO 222 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 Share Capital of A2Z Online Services Private Limited

A2Z Online Services Private Limited

.....Petitioner Company

Judgment/Order delivered on 27th September , 2017

Coram:

Hon'ble **B.S.V. Prakash Kumar**, Member (J)

Hon'ble **V .Nallasenapathy** Hon'ble, Member (T)

For the Petitioner(s): Mr. Hemant Sethi i/b Hemant Sethi & Co

Per: **B.S.V. Prakash Kumar, Member(J)**

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 Petition .
2. The Counsel for the Petitioner submit that no representation have been received from the Central Government through Regional Director or the Registrar of Companies or the Creditors within the said period, it is therefore presumed that they have no objection to the reduction of share capital .
3. The Counsel for the Petitioner Company submits that Article 18 of the Articles of Association of the Company empowers the Petitioner Company to reduce its share capital.
4. The Counsel for the Petitioner Company submits that proposed adjustment in the shareholding pattern will help to rationalize the holding in the company and improve governance and dealings within the shareholders and the Company. Furthermore, the proposed reduction of capital is likely to have a positive impact on the key financial ratios such as return on capital employed, return on net worth, etc. Thus considering the same, the Board of Directors of the Petitioner Company at their meeting held on

22nd May, 2017 have deemed it appropriate to cancel upto a maximum of 1,030,000 (Ten Lakh Thirty Thousand) Equity Shares of Rs. 10/- each out of the existing paid up equity share capital of the Company of Rs. 10,420,730/- (Rupees One Crore Four Lakhs Twenty Thousand Seven Hundred and Thirty only) divided into 1,042,073 (Ten Lakh Forty Two Thousand and Seventy Three) Equity Shares of Rs. 10/- (Rupees Ten only) each fully paid up, and that such reduction is effected by cancellation of the equity share capital upto maximum of Rs. 10,300,000/- (Rupees One Crore and Three Lakhs only) divided into 1,030,000 (Ten Lakh Thirty Thousand) equity shares of Rs 10/- each, without making any payment to the equity shareholders against the equity shares so cancelled and extinguished. The shareholders who are entitled to such cancellation shall be those whose names appear in the register of members of the Company, on the date prior to 31st March, 2017, however shall specifically exclude shares held by Premsagar Infra Realty Pvt. Ltd. and those shares that are issued and allotted post 31st March, 2017. The amount equivalent to the amount of share capital so reduced shall be credited to the Capital Reserve Account.

5. The Counsel for the Petitioner Company further submits that the Petitioner having passed a Special Resolution with requisite majority at its Extra Ordinary General Meeting held on 2nd June 2017, for reduction of Issued, Subscribed and Paid-up equity share capital of the Petitioner Company be reduced from Rs. 10,420,730 (Rupees One Crore Four Lakhs Twenty Thousand Seven Hundred and Thirty Only) divided into 1,042,073 (Ten Lakhs Forty Two Thousand and Seventy Three) Equity shares of Rs. 10/- each fully paid-up, and that such reduction is effected by cancellation of the equity share capital upto maximum of Rs. 10,300,000/- (Rupees One Crore and Three Lakhs only) divided into 1,030,000 (Ten Lakh Thirty Thousand) equity shares of Rs 10/- each, without making any payment to the equity shareholders against the equity shares so cancelled and extinguished. The shareholders who are entitled to such cancellation shall be those whose names appear in the register of members of the Company, on the date prior to 31st March 2017,

however shall specifically exclude shares held by Premsagar Infra Realty Pvt. Ltd. and those shares that are issued and allotted post 31st March 2017.

6. Counsel appearing on behalf of the Petitioner Company further submits that the Petitioner has complied with all the statutory requirements as per the directions of the Tribunal and they have filed necessary Affidavit of compliance in the Tribunal. Moreover, the Petitioner Company also undertakes to comply with the statutory requirements, if any under the Companies Act, 2013 and the Rules made thereunder, as may be applicable.
7. Since the requisite statutory procedure has been fulfilled, the Company Petition is made absolute in terms of the prayer clauses 1 to 2 of the Petition.
8. Petitioner to publish the notices about registration of order and minutes of reduction by the Concerned Registrar of Companies, Maharashtra in two newspapers namely i.e. 'Indian Express' in English language and translation thereof in 'Loksatta', in Marathi language both having circulation in Pune within 14 days of registration .
9. The minutes set forth hereto be and is hereby approved.
10. All concerned regulatory authorities to act on the certified copy of the order and the form of minutes forming part of the Petition , duly certified by the Deputy Director, National Company Law Tribunal.

Form of Minutes

“The Equity Share Capital of A2Z Online Services Private Limited, the Petitioner company is henceforth Rs. 120,730 (Rupees One Lac Twenty Thousand Seven Hundred & Thirty) divided into 12,073 (Twelve Thousand and Seventy Three only) Equity Shares of Rs. 10/- each, reduced from Rs. 10,420,730 (Rupees One Crore Four Lakhs Twenty Thousand Seven Hundred and Thirty Only) divided into 1,042,073 (Ten Lakhs Forty Two Thousand and Seventy Three) Equity shares of Rs. 10/- each without making any payment to the equity shareholders for equity shares so cancelled and extinguished.”

Sd/-

V. Nallasenapathy, Member (T)

Sd/-

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