

BEFORE THE NATIONAL COMPANY LAW BOARD TRIBUNAL
MUMBAI BENCH

CP NO. 357 OF 2017

In the matter of Section 66 read with Section 52 of the
Companies Act 2013 and the Rules framed thereunder

AND

In the matter of Reduction of Equity Share Capital of
Archoma India Private Limited

Archroma India Private Limited, a company }
incorporated under the provisions of the }
Companies Act, 1956 having its registered }
office at 9th Floor, 'D' Building, MBC Park, }
Near Hyper City Mall, Ghodbunder Road, }
Kasarvadavali, Thane (West) – 400 615 }....Applicant Company

Judgment/Order delivered on 16th August, 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 for the Applicant

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

Order confirming Reduction of Share Capital and Approving Minutes

1. Heard the learned counsel for the Applicant Company. No objector has come before the Tribunal to oppose the Application and nor any party has controverted any averments made in the Application.
2. The Counsel for the Applicant 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 Applicant Company further submits that Article 4.2.(g) of the Articles of Association of the Applicant Company empowers the Applicant Company to reduce its share capital.
4. The Counsel for the Applicant Company submits that the application was filed for the confirmation of the special resolution for the proposed reduction of share capital which will result in return of capital in excess of the requirements of the Applicant Company and will result in restructuring of its Balance Sheet. The reduction of capital in the manner proposed would enable the Applicant Company to have a rational capital structure which is commensurate with its business and assets. The Board of Directors of the Applicant Company at their meeting held on 19th April, 2017 have deemed it appropriate to reduce its equity share capital from Rs. 2,68,035 (Rupees Two Lacs Sixty Eight Thousand and Thirty Five only) comprising of 2,68,035 (Two Lacs Sixty Eight Thousand and Thirty Five) Equity shares of Rs.1 each fully paid to Rs. 1,84,015/- (Rupees One Lac Eighty Four Thousand and Fifteen only) comprising of 1,84,015 (One Lac Eighty Four Thousand and Fifteen) Equity shares of Rs. 1 each fully paid up. Further, there will be reduction in the securities premium account amounting to Rs. 49,99,19,000/- (Rupees Forty Nine Crores Ninety Nine Lacs and Nineteen Thousand only) pursuant to capital reduction. Thus, pursuant to capital reduction, there would be a payment of cash amounting to Rs. 50,00,03,020/- (Rupees Fifty Crores Three Thousand and Twenty only) to the shareholders of the Company.
5. Counsel appearing on behalf of the Applicant Company states further that the Applicant 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 Applicant 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 21st April, 2017 is confirmed.

6. The minutes set forth hereto be and is hereby approved.
7. Applicant Company 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. 'Free Press' in English language and translation thereof in 'Navshakti', in Marathi language both having circulation in Mumbai within 30 days of registration.
8. 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 equity share capital of Archroma India Private Limited is henceforth Rs. 184,015 divided into 184,015 equity shares of Rs. 1 each reduced from Rs. 268,035 divided into 268,035 equity shares of Rs. 1 each and the Securities Premium account is henceforth Rs. 32,53,60,765/- reduced from Rs. 82,52,79,765/-. At the date of the registration of this minute 184,015 equity shares have been issued and deemed to be fully paid."

sd/-

V. Nallasenapathy, Member (T)

sd/-

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