

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

COMPANY PETITION NO10 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  
Andromeda Sales and Distribution Private Limited

}  
Andromeda Sales and Distribution Private }  
Limited, company Incorporated under the }  
provisions of companies Act 1956 having its }  
registered office at 158, Dani Corporate Park, }  
C S T Road Kalina, Santacruz (East), Mumbai }....Petitioner  
MH 400098 IN.

**Called for admission**

Mr. Hemant Sethi i/b. Hemant Sethi & Co., Advocates for the Petitioner Company

**CORAM: B.S.V. Prakash Kumar, Member (Judicial)**

**V. Nallasenapathy, Member (Technical)**

**DATE: 02<sup>nd</sup> February 2017**

1. Petition admitted.
2. Petition fixed for hearing on 03<sup>rd</sup> May 2017.
3. The learned Counsel for the Petitioner submits that this is an application for alteration of memorandum of association by reducing the amount of share capital from Rs. 84,738,360/- (Rupees Eight Crores Forty Seven Lakhs Thirty Eight Thousand Three Hundred and Sixty Rupees only) consisting of 83,12,154 (Eighty Three Lakhs Twelve Thousand One Hundred and Fifty Four) Equity shares of Rs.10 (Rupees Ten) each fully paid up and 161,682 (One Lakh Sixty One Thousand Six Hundred and Eighty Two) Compulsorily Convertible Preference Shares of Rs.10 (Rupees Ten) each fully paid up to Rs. 75,405,010/- (Rupees Seven Crores Fifty Four Lakhs Five Thousand and Ten only) comprising of

73,96,626 (Seventy Three Lakhs Ninety Six Thousand Six Hundred and Twenty Six) Equity shares of Rs. 10 (Rupees Ten) each fully paid up and 143,875 (One Lakh Forty Three Thousand Eight Hundred and Seventy Five) Compulsorily Convertible Preference Shares of Rs.10 (Rupees Ten) each fully paid up. Further, there will be reduction in the securities premium account amounting to Rs. 8,88,64,447/- (Inclusive of the Premium to be paid at Rs.65/-per share on Share capital reduction and further reduction of securities premium to the extent of dividend paid to the shareholder in excess of Free Reserves) and payment of cash to the shareholders amounting to Rs.70,000,125/- pursuant to capital reduction. The said share special resolution was passed by the Company in its Extra Ordinary General Meeting held on 10<sup>th</sup> November 2016.

4. The learned Counsel for the Petitioners submits that all the Secured Creditors have given their consent for the reduction of share capital of the Petitioner Company.
5. The Counsel for the Petitioner Company states that the Petitioner Company has filed an Additional Affidavit on 30<sup>th</sup> January, 2017, stating that as on 30<sup>th</sup> December, 2016 there were 53 unsecured creditors (trade payables) out of which 52 unsecured creditors has been paid off and the payment details are annexed to the Additional Affidavit as Exhibit A and the remaining one unsecured creditor has provided its written consent for the proposed capital reduction and the same has been annexed to the Petition as Annexure L4 and the copy was also attached to the additional affidavit as Exhibit B. The Counsel further submits that 39 unsecured creditors have either encashed cheques or have received monies through RTGS.
6. The Petitioner Company is also directed to serve notices along with copy of scheme upon:- (i) Registrar of Companies, Mumbai (ii) to the Regional Director, Western Region, Mumbai (iii) Creditors with a direction that they may submit their representations, if any, within a period of three months from the date of receipt of such notice to the Tribunal with copy of such representations shall simultaneously be served upon the Petitioner Company, failing which, it shall be presumed that the authorities have no representations to make on the proposals.

7. Within 7 days from the date of this order, the Petitioner Company to publish notice of the date of hearing of Petition as required under NCLT (procedure for reduction of share capital Rules 2016) in 'Free Press Journal' in English language and translation thereof in 'Navshakti' in Marathi language both having circulation in the State of Maharashtra and may also uploaded the same in the website of the company, if any, seeking objections from the creditors.
8. The Petitioner Company to file affidavit in this Tribunal not later than 7 days from the date of issuance of such notices as stated in paragraph 7 above and publication of the notices.

Sd/-

**B.S.V. Prakash Kulkar, Member (Judicial)**

Sd/-

**V. Nallasenapathy, Member (Technical)**