

IN THE HIGH COURT OF KARNATAKA AT BANGALORE

DATED THIS THE 20TH DAY OF APRIL 2012

BEFORE

THE HON'BLE MR. JUSTICE A.S. BOPANNA

COMPANY PETITION NO.45/2012

Between :

JT International (Wholesale)
India Private Limited, A company
having its registered office at
102, Haudin House
5, Haudin Road
Bangalore – 560 042
Rep. by its Director
Mrs. Elfira Dudnik.

... **Petitioner**

(By Sri Saji P John, Adv. for M/s. SPJ Legal)

And :

Nil

... **Respondent**

This petition is filed under Sections 78 and 100 to 104 of the Companies Act, 1956, praying to a) the Reduction of Securities Premium Account by the amount of the accumulated losses as approved by the Petitioner Company in terms of the special resolutions passed by the Equity shareholders at the extraordinary General meeting held on February 16, 2012 at Platinum Partners, 2nd Floor, Block-E, the Mira, Ishwar Nagar, Mathura Road, New Delhi-110065 be confirmed by this Court.

This petition coming on for orders, this day, the Court made the following:



ORDER

The petitioner company is before this Court in this petition filed under Section 78 and 100 to 104 of the Companies Act seeking confirmation of the reduction of the share capital and securities premium.

This Court by order dated 20.03.2012 ordered advertisement of the petition. Thereafter the matter was listed before this Court on 13.04.2012 as published in the newspaper. There is no objection to the petition from any quarter.

2. Heard Sri Saji P. John, learned counsel for the petitioner and perused the petition papers.

3. The petitioner company has the Authorised Capital of Rs.1,00,00,000/- consisting of 10,00,000/- equity shares of Rs.10/- each. The Issued, Subscribed and Paid up Capital as on 30.11.2011 is a sum of Rs.61,88,520/- consisting of 6,18,852 equity shares of Rs.10/- each. The Securities Premium Account of the

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petitioner company on the same date is at Rs.60,27,63,480/-

4. The Board of Directors of the petitioner Company in its meeting dated 29.12.2011 has resolved to reduce the equity share capital and the Securities Premium Account subject to the approval of the shareholders. The resolution passed by the Board of Directors is produced as Annexure-D to the petition. In that context, a perusal of the resolution passed by the Board of Directors would indicate that the Securities Premium amount standing at Rs.60,27,63,480/- is resolved to be reduced to Rs.12,25,10,895/- by way of set-off of Rs.48,02,52,585/- against the debit balance in the Profit and Loss Account of the company. The Board further resolved that subject to confirmation from this Court, the Issued, Subscribed and Paid up Equity share capital of the company would be Rs.61,88,520/- divided into 6,18,852 equity shares of Rs.10/- each and the balance in Securities Premium account of the company, after writing off of Profit and Loss Account of the company be proportionately reduced to

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Rs.18,64,200/- divided into 1,86,240 equity shares of Rs.10/- each and Rs.4,68,35,295/- respectively.

5. In that view, having perused the resolution passed by the Board of Directors of the petitioner company and also the resolution passed in the Extra-ordinary General Body Meeting of the members held on 16.02.2012 and further since there is no objection received by this Court pursuant to the advertisement made in the petition, the prayer made in the instant petition requires to be granted.

6. In the result, the following:

ORDER

“(1) That the reduction of the share capital of the above company resolved on and effected by the special resolution passed at a general meeting of the said company held on the 16th day of February 2012 which resolution was in the words and figures following viz.

“RESOLVED THAT pursuant to Section 78 read with Section 100 and any other applicable provisions, of the Companies Act, 1956, and the Articles of Association of the Company and subject to the confirmation of the Hon’ble High Court of Karnataka or any other appropriate authority as required under the

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Act, the balance in Securities premium account of the Company be reduced from Rs. 60,27,63,480/- to Rs. 12,25,10,895/- by way of set-off of Rs. 48,02,52,585/- against the debit balance in the Profit and Loss Account of the Company.

FURTHER REOLVED THAT pursuant to Section 100 (1) (c) read with Section 78 and other applicable provisions of the Companies Act, 1956 and the Articles of Association of the Company and subject to confirmation of the Hon'ble High Court of Karnataka and other appropriate authorities in this regard, the issued, subscribed and paid-up equity capital of the Company of Rs.61,88,520/- divided into 6,18,852 equity shares of Rs.10 each fully paid up and the balance in the Securities premium account of the Company after write off of Profit and Loss Account of the Company be proportionately reduced to Rs.18,64,200/- divided into 1,86,420 equity shares of Rs.10 each fully paid up and Rs.4,68,35,295/- respectively, consequent to which the shareholders of the Company shall be paid off by the Company in proportion to their shareholding in the Company in accordance with the provisions of the Companies Act, 1956 and other applicable laws."

be and the same is hereby confirmed.

(2) That the minute set forth in the Schedule hereto be and is hereby approved.

(3) That a certified copy of this order including the minute as approved be delivered to the Registrar of Companies within 21 days from this date.

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(4) That notice of the registration by the Registrar of Companies of this order and of the said minute be published in one issue of 'The Hindu' English newspaper and 'Vijaya Karnataka' Kannada newspaper within 14 days of the registration aforesaid."

SCHEDULE

"The paid up share capital of JT International (Wholesale) India Private Limited is henceforth Rs.18,64,200/- (Rupees Eighteen Lakhs Sixty Four Thousand Two Hundred Only) divided into 1,86,420 (One Lakh Eighty Six Thousand four Hundred And Twenty) Equity shares of Rs.10/- each fully paid up, reduced from Rs.61,88,520/- (Rupees Sixty One Lakhs Eighty Eight Thousand Five Hundred And Twenty Only) divided into 6,18,852 (Six Lakhs Eighteen Thousand Eight Hundred And fifty Two) equity shares of Rs.10 each fully paid up.

The Securities Premium Account of JT International (Wholesale) India Private Limited is henceforth Rs. 4,68,35,295/- (Rupees Four Crores Sixty Eight Lakhs Thirty

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Five Thousand Two Hundred And Ninety Five Only) reduced from Rs.60,27,63,480/- (Rupees Sixty Crores Twenty Seven Lakhs Sixty Three Thousand Four Hundred And Eighty Only) after setting off debit balance in Profit and Loss Account of Rs.48,02,52,585/- (Rupees Forty Eight Crores Two Lakhs Fifty Two Thousand Five Hundred And Eighty Five Only) and reducing of Rs.7,56,75,600/- (Rupees Seven Crore Fifty Six Lakhs Seventy Five Thousand Six Hundred Only), being the amount proportionate to the equity shares cancelled.”

**Sd/-
JUDGE**

akc/bms