

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY PETITION NO. 854 OF 2004  
CONNECTED WITH  
COMPANY APPLICATION NO. 400 OF 2004

In the matter of Section 100, 391 & 392  
of the Companies Act, 1956;

And

In the matter of Scheme of Compromise /  
Arrangement between Jaysynth Dyestuff  
(India) Limited and its Secured Creditors,  
Unsecured Creditors, Preference  
Shareholders and Equity Shareholders.

Jaysynth Dyestuff (India) Limited, a }  
Company incorporated under the }  
provisions of Companies Act, 1956 }  
having its registered office at 301, }  
Sumer Kendra, Pandurang Budhkar }  
Marg, Worli, Mumbai - 400 018. } ..... Petitioner

CORAM: S.U Kamdar J.

DATE: 17th December 2004

UPON the Petition of JAYSYNTH DYESTUFF (INDIA) LIMITED, the  
Petitioner Company abovenamed presented to this Hon'ble Court on  
the 1st day of November 2004 for sanctioning the Scheme of  
Compromise/Arrangement between Jaysynth Dyestuff (India) Limited  
(hereinafter referred to as the "Petitioner Company") and its Secured

Creditors, Unsecured Creditors, Preference Shareholders and Equity Shareholders and for other reliefs as mentioned in the said Petition AND the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Shri Mahendra K Kothari, Director of the Petitioner Company solemnly affirmed on 1st day of November 2004 verifying the said Petition AND UPON READING the affidavit of Mr. Mahendra K. Kothari, Director of Petitioner Company dated 15th day of December 2004 proving publication of the notice of date of hearing of the Petition in Newspapers viz. "Free Press Journal" in English and "Navshakti" in Marathi both dated 19th day of November 2004 AND UPON READING the affidavit of Shri Vilas Naik, clerk in the office of Advocate for the Petitioner Company dated 10th day of December 2004 proving service of notice of hearing of Petition upon Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the order dated 24th day of September 2004 passed by this Hon'ble Court in Company Application No. 400 of 2004 whereby the Petitioner Company was directed to convene meetings of its Equity Shareholders, Unsecured Creditors and Secured Creditors for the purpose of considering and if thought fit, approving with or without modification the Arrangement embodied in the Scheme of Compromise/Arrangement between Petitioner Company and its Secured Creditors, Unsecured Creditors, Preference Shareholders and Equity Shareholders and meeting of the Preference Shareholders was dispensed with in view of consent give by the sole 9% Non Convertible Cumulative Preference Shareholder of the Petitioner Company which is annexed as Exhibit - F to the affidavit dated 14th September 2004 of Mr. Mahendra K. Kothari in support of Company Application No. 400 of 2004 and procedure prescribed under Sections 101 (2) of the Companies Act, 1956 was dispensed with in view of averments made in paragraph fifteen of the affidavit of Mr. Mahendra K. Kothari, Director of Petitioner Company dated 14th day of September 2004 in support of Company Application No. 400 of

2004 and the Petitioner Company was directed to move Special Resolution at the meeting of the Equity Shareholders pursuant to the provisions of Section 100 of the Companies Act, 1956 for confirming cancellation of its Equity Share Capital in terms of the Scheme of Compromise/Arrangement AND UPON READING affidavit of Mr. Mahendra K. Kothari, one of the Chairman appointed for the meetings of Equity Shareholders, Unsecured Creditors and Secured Creditors of the Petitioner Company dated 12th day of October 2004 proving publication of notice convening the meetings of Equity Shareholders, Unsecured Creditors and Secured Creditors of the Petitioner Company in "Free Press Journal" and "Navshakti" both dated 28th day of September 2004 and also proving dispatch of notice convening meetings to the individual Equity Shareholders, Unsecured Creditors and Secured Creditors AND UPON READING the report dated 30th day of October 2004 of Mr. A. P. Kothari, Company Registrar, High Court, Bombay and Chairman of the meetings of the Equity Shareholders, Unsecured Creditors and Secured Creditors of the Petitioner Company as to the result of the said meetings AND UPON READING affidavit dated 30th day of October 2004 of Mr. A. P. Kothari, Chairman of the meetings of the Equity Shareholders, Unsecured Creditors and Secured Creditors of the Petitioner Company verifying the said report AND IT APPEARS from the said report of the Chairman of the meetings of the Equity Shareholders, Unsecured Creditors and Secured Creditors of the Petitioner Company that the Scheme of Compromise/Arrangement between Petitioner Company and its Secured Creditors, Unsecured Creditors, Preference Shareholders and Equity Shareholders has been approved by 100% of the Equity Shareholders present at the said meeting and a Special Resolution approving the reduction of Equity Share Capital of the Petitioner Company was passed by 100% of the Equity Shareholders of the Petitioner Company present at the said meeting and the Scheme of Compromise/Arrangement between Petitioner Company and its

Secured Creditors, Unsecured Creditors, Preference Shareholders and Equity Shareholders has been approved by 100% of the Unsecured Creditors of the Petitioner Company present at the said meeting and that the Scheme of Compromise/Arrangement between Petitioner Company and its Secured Creditors, Unsecured Creditors, Preference Shareholders and Equity Shareholders has been approved by majority in number of the Secured Creditors representing more than three fourth in value of the Secured Creditors of the Petitioner Company present at the said meeting AND UPON READING the Special Resolution approving the reduction of 9% Non Convertible Cumulative Preference Share Capital of the Petitioner Company passed at the meeting of the 9% Non Convertible Cumulative Preference Shareholders of the Petitioner Company held on 23rd October 2004 which is annexed as Exhibit - I to the Petition AND UPON READING Affidavit dated 17th December 2004 of Mr. Chakradhara Paik, Regional Director, Western Region, Ministry of Company Affairs, stating that in the event of the scheme being sanctioned, the Petitioner Company may be directed to comply with procedural requirements u/s 31/16/95/192 of the Companies Act, 1956 regarding alteration to the Capital Clause of the Memorandum of Association and Articles of Association and that the Scheme is not prejudicial to the interest of the creditors and shareholders of the Petitioner Company AND UPON READING affidavit dated 17th day of December 2004 of Mr. Suresh Varadarajan, Company Secretary of the Petitioner Company stating that the Petitioner Company undertakes to this Hon'ble Court that it shall take necessary steps to follow procedure as required under Section 31/16/95/192 of the Companies Act, 1956 for amending its Capital Clause as contained in its Memorandum and Articles of Association and as more particularly referred to in Clause 3 of the Scheme of Compromise/Arrangement being Exhibit-A to the Petition AND UPON HEARING Mr. Hemant Sethi, Advocate for Petitioner Company and Mr. C. J. Joy with Mr. R. C. Master

and Mr. M. M. Goswami, Panel Counsel instructed by Dr. T. C. Kaushik for Regional Director, Department of Company Affairs, Maharashtra, Mumbai who submits to the order of the Hon'ble Court AND no other person or persons entitled to appear at the hearing of the Petition appearing this day either in support of the Petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the Scheme of Compromise/Arrangement between Jaysynth Dyestuff (India) Limited, the Petitioner Company and its Secured Creditors, Unsecured Creditors, Preference Shareholders and Equity Shareholders as set forth in Exhibit A to the Petition and also in the Schedule hereto AND THIS COURT DOTH HEREBY DECLARE that the same to be binding on the Petitioner Company and their respective Secured Creditors, Unsecured Creditors, Preference Shareholders and Equity Shareholders AND THIS COURT DOTH ORDER that the reduction of Equity Share Capital in terms of the Scheme as approved by Special Resolution passed by Equity Shareholders of the Petitioner Company in their meeting held on 23rd October 2004 (in pursuance of the Order dated 24th September 2004 passed in the Company Application No. 400 of 2004) be and is hereby confirmed and passed by this Hon'ble Court AND THIS COURT DOTH FURTHER ORDER that the reduction of 9% Non Convertible Cumulative Preference Share Capital in terms of the Scheme as approved by Special Resolution passed by 9% Non Convertible Cumulative Preference Shareholders of the Petitioner Company in their meeting held on 23rd October 2004 be and is hereby confirmed and passed by this Hon'ble Court AND THIS COURT DOTH FURTHER ORDER that sanctioning the Scheme of Compromise/Arrangement be deemed to an order confirming reduction of the Share Capital within the meaning of Section 102 of the Companies Act, 1956 AND THIS COURT DOTH FURTHER ORDER that the parties to the Arrangement embodied in the Scheme of Compromise/Arrangement sanctioned herein or any other person

or persons interested therein shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary with regard to the working of the Arrangement embodied in the Scheme of Compromise/Arrangement sanctioned herein and set forth in the schedule hereto AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay a sum of Rs 2500/- (Rupees Two thousand five hundred only) to the Regional Director, Department of Company Affairs, Maharashtra, Mumbai towards costs of the said Petition WITHNESS SHRI DALVEER BHANDARI, the Chief Justice at Bombay aforesaid this 17th day of December 2004.



BY THE COURT

For **Prothonotary & Senior Master**

Sealer

Dated this 27th day of December 2004

Order Sanctioning the Scheme of Compromise / Arrangement }  
drawn on application of Shri Hemant Sethi, Advocate for the }  
Petitioner having his office at 302 Satnam Building, 3A Sion }  
West, Mumbai 400 022. }

..... Schedule