

In Re: on Line Media Solutions Ltd.

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Court : Andhra Pradesh

Decided On : Jul-10-2007

Reported in : [2008]82SCL64(AP)

Judge : Ramesh Ranganathan, J.

Acts : [Companies Act, 1956](#) - Sections 78, 80, 100, 100(1), 101, 101(1), 101(2), 102, 102(1), 102(2), 102(3), 103, 103(5) and 103(6); Companies (Issue of Share Certificates) Rules, 1960; Companies (Court) Rules, 1959 - Rules 55 and 62

Appeal No. : Company Petition No. 55 of 2007

Appellant : In Re: on Line Media Solutions Ltd.

Advocate for Pet/Ap. : B. Chandrasen Reddy, Adv.

Judgement :

Ramesh Ranganathan, J.

1. This petition is filed under Section 101 of the [Companies Act, 1956](#), seeking an order of confirmation from this Court to the reduction of the share capital of the petitioner-company.

2. The petitioner was originally incorporated as a private limited company on 24-2-1999, under the name and style of 'Om Web (P.) Ltd.'. Its name was subsequently changed to 'On Line Media Solutions (P.) Ltd.', vide certificate of incorporation

dated 30-8-1999. The petitioner was converted into a public limited company and a fresh certificate of incorporation dated 9-9-1999, was issued under the name and style of 'On Line Media Solutions Ltd.'. The main object, for which the petitioner-company was incorporated, is to carry on business in export oriented information technologies and software development utilizing the services of software designers, systems analysts and programmers, etc. The authorised capital of the company, on the date of the filing of the company petition, was Rs. 13,00,00,000 divided into 1,30,00,000 shares of Rs. 10 each and its issued, subscribed and paid-up capital was Rs. 10,50,43,000 divided into 1,05,04,300 shares of Rs. 10 each. Its accumulated losses for the year ended 31-3-2006, was Rs. 9,68,79,188 resulting in almost complete erosion of its net worth which on that date stood at Rs. 48,07,000.

3. The board of directors of the petitioner-company, in its meeting held on 2-9-2006, resolved to reduce the paid-up capital of the company subject to approval of the shareholders of the company, by way of a special resolution in the annual general meeting to be convened for the purpose, and subject to confirmation of the High Court. A notice, along with the explanatory statement, was sent to the shareholders of the company informing them that the eighth annual general meeting was being convened on 28-6-2006. The explanatory note, annexed to the notice calling for the eighth annual general meeting of the company, states that the company has been incurring losses continuously since the last few years, that its accumulated losses as per the audited balance-sheet as on 31-3-2006, is Rs. 9,68,79,188 resulting in erosion of net worth despite all efforts to make the company turn around and profit making and that, in order to have a healthy debt-equity ratio and a true and fair representation of the capital by the available assets of the company, a proposal was envisaged for reduction of Rs. 6,30,25,800 (rupees six crores thirty lakhs twenty five thousand and eight hundred only), out of the paid-up capital of the company so as to bring parity with and making it representative of the residue of the assets at present held by the company and also to write off the accumulated losses to the extent of Rs. 9,68,79,188 and that consequent to the reduction of capital the shareholders would get Rs. 1,05,04,300 equity shares of Rs. 4 each aggregating to Rs. 4,20,17,200 against as many shares as are held by them of Rs. 10 per share paid-up and that, pursuant to

Section 100 of the [Companies Act, 1956](#), the resolution would be effective after confirmation by the High Court.

4. In the eighth annual general meeting of the petitioner-company held on 28-9-2006, it was unanimously resolved as under:

Resolved that pursuant to the provisions of Section 100 of the [Companies Act, 1956](#), (including any statutory modification or re-enactment thereof, for the time being in force) and subject to confirmation by the Hon'ble High Court of Andhra Pradesh, Hyderabad, the paid-up capital of the company be reduced from Rs. 10,50,43,000 (rupees ten crores fifty lakhs forty three thousand only) divided into 1,05,04,300 equity shares of Rs. 10 each as Rs. 4,20,17,200 (rupees four crores twenty lakhs seventeen thousand and two hundred only) (divided into 1,05,04,300 equity shares of Rs. 4 each) as fully paid-up and that such reduction be effected by cancelling the equity share capital of Rs. 6,30,25,800 (rupees six crores thirty lakhs twenty five thousand and eight hundred only) which has been lost or is unrepresented by available assets to the extent of Rs. 6 per equity share in each and every share of the company which have been issued.

Further resolved that the accumulated losses of the company be written off to the tune of Rs. 6,30,25,800 (rupees six crores thirty lakhs twenty five thousand and eight hundred only) by cancelling the paid-up capital of the company aggregating to Rs. 6,30,25,800 (rupees six crores thirty lakhs twenty five thousand and eight hundred only) of Rs. 6 per equity share.

Resolved further that the board of directors of the company be and are hereby authorised to call for cancellation of the already issued shares certificates pursuant to the Companies (Issue of Share Certificates) Rules, 1960, and to do all such acts, deeds, matters and things, as may be necessary, proper or expedient, to give effect to this resolution including appointment of advocates, file and verify petition, affirm affidavits, appear in the High Court and do all acts, deeds, matters and things, connected with or incidental to giving effect to this resolution.

5. Pursuant thereto, this company petition is filed.

In the company petition it is stated that, as on 31-3-2006, the company did not have any secured creditors, that both the unsecured creditors, for Rs. 2,61,51,770.50 had given their affidavits of consent to the reduction of share capital, that the shareholders in the annual general meeting had resolved to reduce the share capital reducing the fully paid shares of Rs. 10 each to Rs. 4 each, and as the reduction did not involve either diminution of liability in respect of unpaid capital, or payment to any shareholder of any part of the paid-up capital, no creditor would be prejudiced necessitating invitation of their objections to the reduction of share capital.

6. The company petition was admitted on April 30,2007, and the petitioner was directed to issue notice in Form I of the 'advertisement of petition and list of creditors' in the main editions of the 'Economic Times' and 'Vaartha' newspapers. Accordingly, Sri B. Chandrasen Reddy, learned Counsel for the petitioner, effected the notice, prescribed in Form I appended to the Companies (Court) Rules, 1959, in both these newspapers on 23-5-2007. The advertisement in Form I specified that any person claiming to be the creditor of the company, and whose name was not entered in the list of creditors, should send his name, address and particulars of his claim to counsel on or before 4-6-2007. Sri B. Chandrasen Reddy, learned Counsel for the petitioner, has also filed an affidavit in this regard on 11-6-2007. Thereafter, on 18-6-2007, he filed another affidavit, as required under Rule 55 of the Companies (Court) Rules, 1959, stating that, pursuant to the notice published in the Economic Times and Vaartha daily news papers on 23-5-2007, he did not receive any claims with respect to the notice in Form I from any person so far.

7. Under Section 100(1) (&) of the Companies Act, subject to confirmation by court, a company limited by shares, and having a share capital, may, if so authorised by its articles, by special resolution, reduce its share capital either with or without extinguishing or reducing liability on any of its shares, cancel any paid-up share capital which is lost, or is unrepresented by available assets and may, if and so far as is necessary, alter its memorandum by reducing the amount of its share capital and of its shares accordingly.

8. Prior to seeking confirmation of the court, for reduction of share capital, the twin requirements to be satisfied are that the company must be authorised by its articles and a special resolution must be passed by the shareholders of the company in its general meeting resolving to reduce the share capital. Along with the company petition a copy of the memorandum and articles of association of the petitioner-company is filed. Article 12(f) of the said articles of association reads thus.

The company shall have power:

(i) to reduce any share premium account or its share capital in accordance with the provisions of Section 78 read with Section 100 of the Act.

(ii) to reduce any capital redemption reserve account in accordance with Section 80 read with Section 100 of the Act.

9. The articles of association of the petitioner enables it to reduce its 'share capital in accordance with the provisions of Section 100 of the Companies Act. As noted above, the shareholders of the petitioner-company, in their eighth annual general meeting held on 28-9-2006, unanimously resolved to reduce the paid-up capital from Rs. 10,50,43,000 to Rs. 4,20,17,200 as fully paid cancelling equity share-capital of Rs. 6,36,25,800 which was lost and was unrepresented by the available assets, to the extent of Rs. 6 per equity share, in each and every share of the company. The twin requirements under Section 100(1)(b) of the Companies Act, of the reduction being authorised by the articles, and a special resolution of the shareholders being passed in the general meeting held in this regard, are satisfied.

10. Section 101(1) enables the company, where it has passed a resolution for reducing its share capital, to apply, by petition, to the court for an order confirming the reduction. Clauses (a) to (c) of Section 101(2) have no application in the present case, as the proposed reduction of share capital neither involves diminution of liability in respect of unpaid share capital nor payment to any shareholder of any unpaid share capital. In all other cases, the aforesaid requirements need to be complied with only if the court so directs. The petitioner

has specifically pleaded in its petition that the company does not have any secured creditors and that both the unsecured creditors of the company had given their affidavits of consent to the reduction of capital. Company Application No. 1118 of 2007, to receive the affidavits of the unsecured creditors, viz., M/s. Savera Constructions (P.) Ltd. and M/s. Goldstone Exports Ltd., declaring their no objection/consent for confirmation of reduction of the capital of the company, was ordered on 26-6-2007, and the affidavits made part of the record. The affidavit filed by Sri B. Chandrasen Reddy, learned Counsel for the petitioner, on 18-6-2007, would show that no claims have been received from any other person claiming that any debt is due to him from the petitioner, I see no reason, therefore, to direct the petitioner-company to comply with the procedural requirements of Clauses (a) to (c) of Section 101(2) as compliance thereof would be a mere formality and a needless exercise.

11. Section 102 relates to the order confirming reduction and the powers of the court on making such an order. Under Clause (1) thereof, if the court is satisfied, with respect to every creditor of the company, that either his consent to the reduction has been obtained or his debt or claim has been discharged, or has been determined, or has been secured, it may make an order confirming the reduction on such terms and conditions as it thinks fit. Since the petitioner has specifically pleaded that there are no secured creditors and that the company has only two unsecured creditors, and as affidavits of consent of both the unsecured creditors have been filed, the requirements of Section 102(1) must also be held to have been complied with.

12. On the question of the need to alter the authorised capital clause of the memorandum of association of the company, prior to an order being passed by the court confirming reduction of capital, Sri B. Chandrasen Reddy, learned Counsel for the petitioner, would refer to Section 103 of the Companies Act to submit that Sub-section (5) thereof is a deeming provision whereunder registration of the minute approved by the court would, in effect, amount to substitution of the corresponding part of the memorandum of association and no steps are, therefore, required to be taken by the petitioner for alteration of its memorandum of association prior to the order of confirmation of reduction in share capital being

passed by this Court. Learned Counsel would submit that, even otherwise, it is only after this Court confirms the order of reduction of share capital would the need to alter the memorandum of association giving effect to the reduction in share capital, arise and that the requirements of making necessary amendments/alterations to the memorandum of association, if need be, can always be effected prior to registration of the order and the minute by the Registrar of Companies.

13. I find considerable force in this submission of learned Counsel. The requirement under Section 100(1) of alteration of the memorandum of association, by reducing the value of each share of the company, is only to the extent it is considered necessary. Since Section 103(5) provides that registration of the minute, approved by the court, would automatically amount to an alteration of the memorandum of association, and as Section 103(6) provides that substitution of the minute for part of the memorandum of the company shall be deemed to be an alteration of the memorandum, no separate steps for alteration of the authorised capital clause of the memorandum of association to reflect the reduction in share capital, need be taken, and, on registration, the minute approved by the court would automatically substitute the authorised capital clause in the memorandum of association. As observed in Palmer's Company Law the minute is conclusive of the capital of the company from the date of its registration.

14. Now the question as to whether, while making an order confirming the reduction of capital, there are special reasons which necessitates this Court to direct that the company should, for a certain period, add to its name as the last words 'and reduced' and to make an order requiring the company to publish the reasons for reduction, or such other information in regard thereto as the court thinks expedient, with a view to giving information to the public of the causes which led to and the reasons for reduction.

15. Sri B. Chandrasen Reddy, learned Counsel for the petitioner, would place reliance on the letter of the Bombay Stock Exchange dated 12-4-2007 conveying to the petitioner-company its no objection to the proposed scheme of reduction of equity share capital of the company, to submit that since the Bombay Stock

Exchange, with which the shares of the petitioner-company are listed, has itself conveyed its no objection this Court ought not to direct the petitioner to add the words 'and reduced' as the last words of its name. Learned Counsel would further submit that, since the company does not have any secured creditor, as both the unsecured creditors had given their consent to the reduction of capital, as the reduction does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital, and it is only with a view to write off its accumulated losses has the petitioner chosen to reduce its paid-up share capital to the extent of its accumulated losses, there are no other reasons for reduction of capital which necessitate publication. Learned Counsel would submit that, since the notice in Form I was already published in the newspapers on 23-5-2007, inviting claims from creditors who were opposed to the proposed reduction of capital, as the notice specifically refers to the petition for confirmation of reduction of capital having been presented to this Court, and the public at large were already made aware of the reduction of capital, the requirements of a fresh publication giving reasons for such reduction is wholly unnecessary. Learned Counsel would submit that the consistent view of different High Courts has been not to insist on any such publication or for adding of the words 'and reduced' after the name of the company. Learned Counsel would, place reliance on *Essar Steel Ltd., In re* [2005] 59 SCL 457 (Guj.); *Novopan India Ltd., In re* [1997] 14 SCL 233 (AP) and *Parrys Confectionery Ltd., In re* [2004] 56 SCL 34 (Mad.). Learned Counsel would also place reliance on certain passages from *Palmer's Company Law* in support of his submission that, in practice, the courts have not used the power to add the words 'and reduced' for many years and only occasionally have they directed publication of the reasons for reduction of capital.

16. In *Essar Steel Ltd.'s* case (*supra*), the Gujarat High Court, while confirming the reduction in capital, as it did not involve diminution of any liability in respect of unpaid capital or payment to any shareholder of any paid-up share capital, permitted the petitioner to dispense with the use of the words 'and reduced', and held that the procedure laid down under Section 102(2) and (3) of the Act, as regards the creditors, be dispensed with. The petitioner was merely directed to publish notice, of confirmation of reduction of share capital, and approval of the

minutes, in the newspapers within 14 days of registration of the order with the Registrar of Companies.

17. Novopan India Ltd.'s case (supra), this Court observed that no special reasons were shown by the Central Government to be existing which may call for giving directions to the company to add the words 'and reduced' to its name and that nothing had also come to the notice of the court which may give rise to exercising such discretion vested in the court and, therefore, it did not find any necessity for giving such directions.

18. In Parrys Confectionery Ltd.'s case (supra), the Madras High Court was of the view that, since there was no cash flow from the petitioner-company to the shareholders, and as the secured creditors of the company had given their consent to the proposed reduction, the words 'and reduced' need not be added to the name of the petitioner-company from the date of the order and that the requirement of compliance with the provisions of Rules 62(b) and (c) of the rules was also dispensed with. The Madras High Court noted that the adjustment would not have any impact on the book value of the shares to the extent of losses written off as the net worth calculations required adjustment of losses towards the capital and reserves of the petitioner-company, that the proposed adjustment was not prejudicial to the interests of the creditors as there was no reduction in the amount payable to them and that the proposed adjustment would not adversely affect ordinary operations of the petitioner-company or its liability to honour its commitments or to pay its debts in the ordinary course of business.

19. It is useful to extract paragraph 33-11 in Chapter 33 of Palmer's Company Law:

Words 'and reduced' Publication of reasons for reduction,-The court may attach conditions to its sanctions of the reduction [Section 68(1)] and, if for any special reason it thinks fit to do so, order that the words 'and reduced' be added to the company's name and used for a longer or shorter period [Section 68(2)(a)], but in practice this power has not been used by the court for many years. Occasionally the court directs the publication of the reasons for the reduction [Section 68(2)(b)]: Truman, Hanbury, Buxton & Co. Ltd., In re [1910] 2 Ch. D 498.

20. It is true that in the aforesaid judgments of the Gujarat, Andhra Pradesh and Madras High Courts, the requirement of adding the words 'and reduced' as the last words of the name of the company has been dispensed with. As has been observed in Palmer's Company Law, in practice courts have seldom exercised this power of requiring the company to add the words 'and reduced to its name and it is only, occasionally, have courts directed publication of the reasons for reduction.

21. But then, adherence to the statutory prescription, under Section 102(2) of the Companies Act, would necessitate examination by the court whether there are special reasons requiring it to make an order directing that the company add to its name as its last word the words 'and reduced' and to make an order requiring the company to publish reasons for reduction of capital or such other information in regard thereto as the court may think expedient with a view to giving proper information to the public.

22. One of the most common modes of reduction of capital is where the capital is lost or is unrepresented by assets. This is a useful means of reintroducing reality into the balance-sheet of the company. Where a company has lost a large part of its capital, resulting in its profit and loss account being heavily in debit, the effect is that the asset side of the balance-sheet will show the profit and loss account debit balance preventing distribution of profits by way of dividend until the loss has been completely wiped off by subsequent profits. Where reduction of capital is sought for on the ground that the capital is lost, or is unrepresented by available assets, the court requires some prima facie evidence of such loss and that such loss is of a permanent nature. Where a company has lost a part of its capital nothing is more beneficial to the company than to admit the loss, and to write it off, by reducing its capital and thus place itself in a position to resume payment of dividends or raise further capital. The desirability of the company being able to write off its losses, and put its balance-sheet in the clear, is well recognized.

23. What are the matters which are required to be examined by the court ' to decide whether special reasons exist for directing the company to add the words 'and reduced' to its name and/or direct the company to publish the reasons for reduction or the causes which led to the reduction of capital. The general rule is

that the prescribed majority of the shareholders of the company are entitled to decide whether there should be a reduction of capital and, if so, in what manner and to what extent it should be carried into effect. This power, conferred on the shareholders by a special majority, must be exercised to safeguard the interests of the creditors, ensure just and equitable treatment of the shareholders and protect the interest of the investing public.

24. While passing an order, confirming reduction of capital, the court must primarily satisfy itself that the interests of the creditors are safeguarded, that the interests of the shareholders are secured and that such reduction is in public interest. In exercising its discretion in this regard courts would also examine whether the loss, arising out of such reduction, is borne by those who would bear it if the company were to be wound up, i.e., the shareholders of the company.

25. A copy of the audited balance-sheet, which is among the documents enclosed to the company petition, would reflect that the accumulated losses of the petitioner-company, as on 31-3-2006, was Rs. 9,68,79,188. Reduction of capital, in the present case, is with a view to write off the accumulated losses of the company. Since the petitioner has specifically pleaded that the company does not have any secured creditors, and as both the unsecured creditors have filed their affidavits of consent to the reduction of capital, it would follow that the interests of the creditors have been safeguarded. The reduction in capital involves reduction in the value of each share from Rs. 10 to Rs. 4 and the differential amount of Rs. 6 per share, which represents the accumulated losses, is now being written off. The reduction in capital is uniform to all shareholders and is applicable to the entire paid up capital of the company. Since all shareholders equally bear the loss of Rs. 6 per share the reduction is uniform to all shareholders and is fair and equitable.

26. The only question which necessitates examination is whether public interest has been adequately safeguarded. The fact that the petitioner is a listed company, and that its shares are listed in the Bombay Stock Exchange, is not in doubt and has, in fact, been admitted by the petitioner. Since the shares of the company are listed, and are being traded, in the stock exchange, public interest would necessitate the prospective investors being informed of the reduction of capital.

This Court has the option of directing the company to add the words 'and reduced' as the last words of its name (either permanently or for a certain duration), and/or direct it to cause publication of the reasons and the causes for such reduction with a view to giving proper information to the public. While publication of the reasons in the newspapers can only be on a particular day, directing the company to add the words 'and reduced' to its name for a certain duration would caution prospective investors and inform them that the company has reduced its capital and enable them to make further enquiries in this regard. Instead of directing publication, of the causes and the reasons for reduction of capital, in the newspapers I consider it appropriate to direct the petitioner to add to its name as its last words the words 'and reduced' for the period up to and until the end of the financial year 2007-08, i.e., 31-3-2008. Such usage, for a period of around eight months, would suffice to protect the interests of prospective investors and would safeguard public interest.

27. The resolution of the shareholders of M/s. On Line Media Solutions /Ltd., dated 28-9-2006, resolving to reduce its share capital is confirmed and the order confirming the reduction of capital is as under:

Company Petition No. 55 of 2007 On Line Media Solutions Ltd.,... Petitioner Before the Hon'ble Shri Justice Ramesh Ranganathan order confirming reduction of capital and approving minute.

Upon the petition of On Line Media Solutions Ltd., presented on 27-4-2007 (upon hearing Shri B. Chandrasen Reddy, advocate for the petitioner, and upon reading the said petition and the documents filed in support thereof, and the affidavits of Shri B. Chandrasen Reddy, counsel for the petitioner, dated 11-6-2007 and 18-6-2007, and the exhibits therein referred to, and the court being satisfied with respect to both the unsecured creditors that their consent to the reduction has been obtained, this Court both 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 September 28, 2007, which resolution was in the words and figures following, viz.,

'Resolved that pursuant to the provisions of Section 100 of the [Companies Act, 1956](#) (including any statutory modification or re-enactment thereof, for the time being in force) and subject to the confirmation by the Hon'ble High Court of Andhra Pradesh, Hyderabad, the paid-up capital of the company be reduced from Rs. 10,50,43,000 (rupees ten crores fifty lakhs forty three thousand only) divided into 1,05,04,300 equity shares of Rs. 10 each as Rs. 4,20,17,200 (rupees four crores twenty lakhs seventeen thousand and two hundred only) (divided into 1,05,04,300 equity shares of Rs. 4 each) as fully paid up and that such reduction be effected by cancelling the equity share capital of Rs. 6,30,25,800 (rupees six crores thirty lakhs twenty five thousand eight hundred only) which has been lost or is unrepresented by available assets to the extent of Rs. 6 per equity share in each and every share of the company which have been issued.

Further resolved that the accumulated losses of the company be written off to the tune of Rs. 6,30,25,800 (rupees six crores thirty lakhs twenty five thousand and eight hundred only) by cancelling the paid up capital of the company aggregating to Rs. 6,30,25,800 (rupees six crores thirty lakhs twenty five thousand and eight hundred only) of Rs. 6 per equity share.

Resolved further that the board of directors of the company be and are hereby authorised to call for cancellation of the already issued share certificates and to reissue fresh share certificates pursuant to the Companies (Issue of Share Certificates) Rules, 1960, and to do all such acts, deeds, matters and things, as may be necessary, proper or expedient, to give effect to this resolution including appointment of advocates, file and verify petition, affirm affidavits, appear in the High Court and do all acts, deeds, matters and things, connected with or incidental to giving effect to this resolution.

Resolved further that consequential amendments to the capital clauses of the memorandum and articles of association of the company be made after the said reduction becomes operative and effective.'

Be and the same is hereby confirmed, and the company is directed to add to its name the words 'and reduced' as the last words on and until 31-3-2008.

- (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.
- (4) That notice of the registration by the Registrar of Companies of this order and of the said minute be published once each in Deccan Chronicle (English) and Eenadu (Telugu) newspapers (Hyderabad Edition) within 14 days of the registration aforesaid.

Dated 10-7-2007.

SCHEDULE In the High Court of Judicature of Andhra Pradesh at Hyderabad (Original Company Jurisdiction) In the matters of [Companies Act, 1956](#) (1 of 1956) and In the matter of On Line Media Solutions Ltd., Company Petition No. 55 of 2007 On Line Media Solutions Ltd.,.... Petitioner Minute The authorised capital of On Line Media Solutions Ltd., is henceforth Rs. 6,69,74,200 (rupees six crores sixty nine lakhs seventy four thousand and two hundred only) divided into Rs. 24,95,700 (twenty four lakhs ninety five thousand and seven hundred) shares of Rs. 10 (rupees ten only) each and 1,05,04,300 (one crore five lakh four thousand and three hundred) shares of Rs. 4 (rupees four only) each reduced from Rs. 13,00,00,000 (rupees thirteen crores only) divided into Rs. 1,30,00,000 (rupees one crore and thirty lakhs only) shares of Rs. 10 (rupees ten only) each.

The issued and paid-up capital of the company is henceforth Rs. 4,20,17,200 (rupees four crores twenty lakhs seventeen thousand and two hundred only) divided into 1,05,04,300 equity shares of Rs. 4 each reduced from Rs. 10,50,43,000 (rupees ten crores fifty lakhs forty three thousand only) divided into 1,05,04,300 equity shares of Rs. 10 each. At the date of the registration of this minute 1,05,04,300 shares of Rs. 4 each have been issued and are deemed to be fully paid up.

The name of the company shall henceforth be 'On Line Media Solutions Ltd. (and reduced)' on and until 31-3-2008.

28. The petition is ordered accordingly.

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