IN THE NATIONAL COMPANY LAW TRIBUNAL
KOCHI BENCH

CP(C.A)/32/KOB/2021
(Under Section 66 of the Companies Act, 2013)

Order delivered on: 6.10.2021

Coram:

Hon'ble Shri Rajesh Sharma, Member (Technical)

Hon'ble Mr.Ashok Kumar Borah Member (Judicial)

In the matter of

Skolte Solutions Private Limited
Registered office at
Antoc Plazza, III/294 B6, N H 66,
Kannadikkadu, Maradu, ...Applicant
Ernakulam- 682 304.

Parties/Counsel present (through video conference)

Counsel for the Petitioner: Shri Nebil Nizar, Advocate

O R D E R

Per: Rajesh Sharma, Member (T)

1. This is a Company Petition filed under Section 66 of the Companies Act, 2013 by M/s. Skolte Solutions Private Limited (CIN: U74110KL2019PTC060565) seeking the following reliefs:

i. That the reduction of capital resolved on by the special resolution set out in paragraph 10;

ii. That the requirement of issuing notice to creditors and publishing newspaper advertisement may kindly be waived;

iii. That to this end all directions necessary and proper be made and given;

iv. That the proposed minute set out in paragraph 19 be approved.

2. The Registered Office of the Company is situated at Antoc Plazza, III/294 B6, N H 66, Kannadikkadu, Maradu, Ernakulam - 682304.

3. Heard the learned Counsel for the Petitioner Company. He has stated that no objection has been received opposing the Petition and nor has any party controverted any averments made in the Petition by way of affidavit.

4. The Petitioner Company submitted that Articles of Association of the Company read along with Article 37 of the Articles of Association of the Petitioner Company empowers the Petitioner Company to reduce its share capital in any manner and with, and subject to, any incident authorised and consent required by law.

5. The petitioner submitted that the Authorized Share Capital of the Company is Rs. 2,00,00,000/- divided into 20,00,000/- Equity Shares of Rs. 10 each, which have been issued and have been fully paid-up or credited as fully paid.

6. The learned counsel for the petitioner further submitted that the Company was incorporated with a view to run a NBFC business under the name and style of Skolte Capital Private Limited with 2 Directors and 2 Shareholders. The primary requirement for applying for a NBFC license with the Reserve Bank

of India being the minimum authorised and paid-up capital to Rs. 2 Crores, the Company raised the capital to Rs. 2 Crores and thereafter applied to the Reserve Bank of India for Certificate of Registration as a NBFC-ND-SI (Non-Deposit taking Systematically Important Non-Banking Financial Company) on 30.05.2020. However, the concerned department of the Reserve Bank of India returned the application of the petitioner stating that the applicant has not been able to meet the requirements prescribed by the Reserve Bank of India. Subsequently the Board of the petitioner reviewed the RBI application status as well as the threat of prevailing Covid-19 pandemic and decided that it is beneficial for the Company to venture into other business areas other than the NBFC.

7. Accordingly, the Board decided to alter the main object of the Company to include the present main object "*to carry on the business of rendering various corporate management services".* The two shareholders of the Company, namely Mr. Bipin Andrews and Mrs. Shubha Andrews, at the Extra-Ordinary Meeting held on 27.11.2020 have also approved the alteration of main object as above. The Board of Directors of the Company also observed that it would be beneficial for the company to remit back its excess capital by way of reduction of share capital as the Company is having surplus capital funds which are not required to be utilized for the business of the Company.

8. The learned counsel for the petitioner further submitted that the Company is now proposing to undertake a scheme capital reduction whereby the Company would reduce the Capital from Rs. 2 Crores (Rupees Two Crores Only) consisting of 20,00,000 (Twenty Lakh) equity shares of Rs. 10/- (Rupees Ten

Only) each to Rs. 5 Lakhs (Rupees Five Lakhs Only) consisting of 50,000 (Fifty Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each by cancelling and extinguishing a sum of Rs. 1,95,00,000/- (Rupees One Crore Ninety-Five Lakhs only) of the total issued, subscribed and paid-up share capital of the Company, comprising 19,50,000 (Nineteen Lakh Fifty Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each.

9. The Petitioner Company further submitted that the Petitioner Company is doing the business such as

i. To carry on the business of rendering various Corporate and Management Services including, but not limited to, General Management, Management Information related, Sales and Marketing of goods and services along with certain others in India and abroad.

ii. To carry on the business of rendering advisory and consultancy and other services of professional and technical nature to Industries, Firms, Associations, Enterprises, Institutions, Bodies Corporate and all type of Concerns.

iii. To develop, study and undertake research activities to facilitate achievement of the above object.

10. It is further stated that the Board of Directors of the Company passed a Resolution on 16.06.2021 approving the proposed reduction of share capital. A Special Resolution has been passed in the Extra Ordinary General Meeting held on 16.06.2021 in accordance with Section 66(1) of the Companies Act, 2013, and approved the proposal for reduction of share capital. The said regulation has been produced before this Tribunal.

11. The learned Counsel for the Petitioner Company stated that the proposed reduction of capital in the manner proposed would enable the Company to have an ideal capital structure commensurate with the current business and assets. It is certified that the proposed reduction of capital will not adversely affect the company and its shareholders, creditors, employees and other stakeholders as a whole. It is also stated that the Company has not accepted any deposits from public and has no secured creditors as on date of this petition and that the Petitioner Company is not having any foreign investments and, therefore, was not required to comply with the provisions of FEMA and RBI guidelines in respect of Foreign Direct Investment (FDI). It is also stated that the proposed reduction of share capital has no adverse impact on the employees as there are no employees working on the rolls of the Company as on 31.03.2021 and the tax implication arising out of such reduction of share capital is subject to the final decision of the Income Tax Authorities. Certificate from Auditor and declaration from Directors of the Company along with the audited financial statements as on 31.03.2021 have been produced before this Tribunal.

12. Since all the requisite statutory procedures have been fulfilled and no objections received from any shareholders before this Tribunal, the Company Petition is made absolute in terms of the prayer clause of the Petition, which are hereby allowed.

13. All concerned regulatory authorities are directed to act on certified copy of the order, duly certified by the Deputy Registrar of this Tribunal. The Petitioner Company is directed to file this order with the Registrar of Companies within 30 days from the date of receipt of the order.

14. Petitioner Company is directed to publish notices about registration of order

and minutes of reduction by the concerned Registrar of Companies, Kerala, in two newspapers, namely 'Indian Express' in English and 'Mathruboomi' in Malayalam, both having circulation in Kerala, within 30 days of registration.

15. The form of Minutes is appended to this Petition as a Schedule as under:

SCHEDULE

FORM OF MINUTES

"The Paid-up share capital of the Company is henceforth Rs. 5,00,000 (Rupees Five Lakhs Only) consisting of 50,000 (Fifty Thousand) equity shares of Rs.10/- (Rupees Ten Only) each by cancelling and extinguishing a sum of Rs. 1,95,00,000 (Rupees One Crore Ninety-Five Lakhs Only) from Rs. 2 Crores (Rupees Two Crores Only) consisting of 20,00,000 (Twenty Lakhs) equity shares of Rs. 10/- (Rupees Ten Only) each. The amount by which Equity Share Capital is so reduced being in excess of the requirements of the company and such reduction shall be effected by returning the amount of Rs. 1,95,00,000/- (Rupees One Crore Ninety-Five Lakhs Only) to the shareholders of the Company".

Dated this the 6th day of October, 2021.

Sd/-
(Rajesh Sharma)
Member (Technical)

Sd/-
(Ashok Kumar Borah)
Member (Judicial)

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