

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH**

C.P NO. 1676 of 2018

In the matter of Companies Act, 2013

AND

In the matter of Section 66 and other applicable provisions of the Companies Act 2013 and the Rules framed thereunder

AND

In the matter of reduction of share capital of BNP Paribas Asset Management India Private Limited

BNP Paribas Asset Management India Private Limited... The Petitioner Company

Order delivered on: 27th September 2018

Coram:

Hon'ble Bhaskara Pantula Mohan, Member (J)

Hon'ble V.Nallasenapathy, Member (T)

For the Petitioner/Applicant:

Adv. Hemant Sethi i/b. Hemant Sethi & Co., Advocates

Per: *Bhaskara Pantula Mohan, Member (J)*

ORDER

1. The Petitioner Company, BNP Paribas Asset Management India Private Limited, had filed the petition with the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT' or 'this Tribunal') on 8th May, 2018 under section 66 of the Companies Act, 2013 for reduction of share capital.
2. Heard the Learned Counsel for the Petitioner Company. No objector has come before the Tribunal to oppose the Petition and nor any party has controverted any averments made in the Company Petition.
3. The Counsel for the Petitioner Company submits that article 8 of the Articles

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of Association of the Petitioner Company empowers the Petitioner Company to reduce its share capital from time to time in any manner for the time being authorized by law.

4. The learned Counsel for the Petitioner Company submits that this Company Petition is for confirmation of a Special Resolution passed by the Petitioner Company for reduction of its equity share capital at its Extra-ordinary General Meeting held on 4th May, 2018 to reduce 10,32,35,226 fully paid-up equity shares from the share capital of the Petitioner Company for a consideration of Rs. 10 per share aggregating to Rs. 103,23,52,260 (Rupees One Hundred and Three Crores Twenty-Three Lacs Fifty-Two Thousand Two Hundred and Sixty only), subject to payment of taxes as applicable.

5. The Regional Director, Western Region, Mumbai has filed a Report dated 28th August, 2018 (the 'said Report') with this Tribunal stating therein that save and except as stated in para 7 (a) & (b) of the said Report, it appears that the Petition is not prejudicial to the interest of shareholders and public. Para 7 (a) & (b) of the said Report read as follows:
 - (a) *It is submitted that, copy of newspaper advertisement is not submitted.*

 - (b) *The tax implication if any arising out of the proposal for reduction is subject to final decision of Income Tax Authorities. The approval of the Company Petition by this Hon'ble Court may not deter the Income tax Authority to scrutinize the tax return filed by the Company after giving effect to the proposed reduction. The decisions of the Income Tax Authority is binding on the petitioner Company.*

6. Apropos observations made in paragraph (a) of the Report of Regional Director is concerned, the Petitioner Company through its Counsel clarifies that the Petitioner Company had published a notice in 'Free Press Journal' in English language and a translation thereof in 'Navshakti' in Marathi Language published in their respective editions dated 9th June, 2018. In response, the Petitioner Company have submitted a copy of the newspaper advertisements and copy of the Affidavit of Service and Publication filed with this Tribunal dated 15th June, 2018 with the Office of the Regional Director on 6th September, 2018.

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7. Apropos observations made in paragraph (b) of the Report of Regional Director is concerned, the Petitioner Company through its Counsel undertakes to comply with all the applicable provisions of the Income-tax Act, 1961 and all tax issues arising out of the Company Petition will be met and answered in accordance with law.
8. The Counsel appearing on behalf of the Petitioner Company further submits that the Petitioner Company has complied with all the statutory requirements as per the directions of the Tribunal and they have filed the necessary Affidavits in compliance thereof with Tribunal. Moreover, the Petitioner Company also undertakes to comply with statutory requirements, if any under the Companies Act, 2013 and the Rules made thereunder, as may be further applicable. Since the requisite statutory procedure has been fulfilled, the petition is made absolute accordingly. The Special Resolution as approved by the shareholders in their Extra-ordinary General Meeting held on 4th May, 2018 is confirmed.
9. Sec. 66 (4) prescribes for publication of notice of reduction of share capital in the newspapers. The Petitioner Company published the notice of reduction of share capital in "Financial Express" in English language and "Navshakti" in Marathi language in their respective editions dated 9th June, 2018, relevant evidence is placed on record.
10. Petitioner Company to publish the notice about registration of order and minutes of reduction by the concerned Registrar of Companies, Mumbai, Maharashtra in two newspapers namely i.e. 'Free Press Journal' in English language and translation thereof in 'Navshakti' in Marathi language both having circulation in Mumbai within 30 days of registration.
11. Petition for reduction of share capital allowed subject to the direction given herein above. All concerned regulatory authorities to act on production of certified copy of this order to be issued on demand by the Assistant Registrar, National Company Law Tribunal, Mumbai.
12. The minutes set forth hereto be and is hereby approved.
13. Ordered accordingly.

Form of Minutes

"In the financial statements of the Company as on 31 March 2018, the paid-up share capital of the Company be reduced from Rs. 210,96,75,000 to Rs. 107,73,22,740 by reducing 10,32,35,226 fully paid-up equity shares from the share capital of the Company for a consideration of Rs. 10 per share aggregating to Rs. 103,23,52,260 (Rupees One Hundred and Three Crores Twenty-Three Lacs Fifty-Two Thousand Two Hundred and Sixty only), subject to payment of taxes as applicable."

Sd/-

V. Nallasenapathy
Member (Technical)

Sd/-

Bhaskara Pantula Mohan
Member(Judicial)