

IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH

C.P.NO.25/17

Under Section 14 of Companies Act, 2013

IN THE MATTER OF
VITEOS CAPITAL MARKET SERVICE LIMITED

Coram: 1. Hon'ble Shri.Ratakonda Murali, Member Judicial
2. Hon'ble Shri.Ashok Kumar Mishra, Member Technical

Order delivered on 4th July, 2017

For the Petitioner (s): Ms. Ambika V.S. P.C.S.

Per: Hon'ble Shri. Ashok Kumar Mishra, Member Technical

Heard on 08.06.2017, 29.06.2017.

ORDER

The Petitioner Company has sought the approval of conversion of the Petitioner Company from Public Limited Company to a Private Limited Company in accordance with Section 14 of the Companies Act, 2013.

The averments made in the petition are as follows:

The Petitioner Company was originally incorporated on 17th January, 2002 under the name and style of "Viteos Technologies Limited" in the State of Karnataka. Subsequently on 28th March, 2005 the name of the company was changed to "Viteos Capital Market Services Limited" vide CIN No: U72900KA2002PLC030004. The Registered Office of the Petitioner Company is situated at No.43, Electronics City, Phase II, Hosur Road, Bangalore-560100.

The Authorised Capital of the Petitioner Company is Rs.2,00,00,000/- divided into 20,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital is Rs.1,99,70,020/- divided into 19,97,002 of Rs.10/- each.



The object of the Petitioner Company is to undertake the business of IT enabled outsourcing activities, including back office, call centres, information technology services, Internet, E-commerce, etc., as stated in the main objects in the Memorandum of Association of the Company as per Annexure 'A' enclosure at page 10 of the petition.

The petitioner declares that as per Section 14 of the Companies Act, 2013, the subject-matter of the petition is within the jurisdiction of the National Company Law Tribunal (NCLT), Bengaluru Bench, as the registered office of the petitioner is situated in the State of Karnataka.

(a) The details in respect of meeting held are given hereunder:

The date of Board meeting of the petitioner company – 28.12.2016 – Board approved the proposal for conversion of status of Company from Public Limited Company to a Private Limited Company. Annexure-'B' of the petition is at enclosure 45 of the petition.

- (b) The date of General Meeting – 20.01.2017. The Board has approved the conversion proposal through a special resolution unanimously approving for alteration of Articles of Association and conversion of Petitioner Company from public limited company to private limited company. The special resolution is at Annexure-'C' (enclosure 46 of the petition).
- (c) The reasons for conversion into a private company, effect of such conversion on shareholders, creditors, denture holders and other related parties as stated in the petition –

The Petitioner is a closely held public limited company. A list of shareholders and shareholding pattern is appended to this petition as Annexure F. No public interest is directly or indirectly involved in the company and the company has minimum shareholders as required by the public limited company and there is no need of further funding and accordingly there is no intention to increase the number of shareholders. Further the company is not having any secured creditors as on date of this application. The entire shareholding is held by the holding company and its nominees. Further, no purpose would be served by retaining the Public Limited character of the company. Besides this, formalities to be complied by a Public Limited Companies on legal angle are much greater than the formalities to be complied by Private Limited Companies and to obtain privileges which are available to the Private Limited Companies which would help the management to carry out its affairs efficiently.




The Director of the Company vide its affidavit dated 22.04.2017 has confirmed about the list of creditors and any contingent on a certain date as may be admissible. There is only one creditor as per the certificate given by the Directors, i.e., Accolet Advisors Private Limited. The amount involved is Rs.3,77,983/-.

The Registrar of Companies vide its letter No. ROCB/MMM/SEC 14/030004/2017 dated 6th June, 2017 has confirmed the following:

- (1) Filing of Form No. MGT 14 vide SRN No.G35755370. The paper publication has also been given by the Company both in English and Kannada. English has been provided in Business Standard and Kannada has been provided in "Hosa Digantha" on 18.05.2017.
- (2) ROC has also confirmed that the petitioner company is regular in filing its statutory details and it has already filed its balance-sheet and annual returns related to the year ending 31.03.2016.
- (3) ROC has not received any objection against the conversion. The company has already issued notices to MCA, New Delhi, Regional Director, MCA, Hyderabad and the concerned creditor.

PCS has confirmed that the creditor has also given the consent for the purpose. No objection has been received by the Petitioner Company as conveyed by the PCS.

PCS also confirmed that the company has complied with Rule 68 of the NCLT Rules, 2016 and all the provisions of Section 14 of the Companies Act, 2013.

Considering the above facts and circumstances, the petition is allowed. The conversion of the company from Public Limited Company to Private Limited Company is approved and the Company is directed to make necessary changes accordingly in the Memorandum and Articles of Association of the Company. The change of the name of the Company from VITEOS CAPITAL MARKET SERVICES LIMITED to VITEOS CAPITAL MARKET SERVICES PRIVATE LIMITED is approved.



The petitioner company is directed to report to the Registrar of Companies, Karnataka, Bangalore within 15 days from the date of order. Any person related in the matter shall be at liberty to apply the Tribunal for any directions that may be necessary.


(ASHOK KUMAR MISHRA)
MEMBER, TECHNICAL


(RATAKONDA MURALI)
MEMBER, JUDICIAL