

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH-I**

CP.NO. 162/MB/2025

In the Matter of:

*Section 66 of the Companies Act,
2013 and the Rules framed
thereunder;*

And

*In the matter of Reduction of Share
Capital.*

Realtime Taxutra Services Private Limited

...Petitioner Company

Order pronounced on 15.12.2025

Coram :

Shri. Prabhat Kumar

Shri Sushil Mahadeorao Kochey

Hon'ble Member (Technical)

Hon'ble Member (Judicial)

Appearances :

For the Petitioner(s)

: Hemant Sethi

For Regional Director

: Mr. Bhagwati Prasad, Assistant
Director from the office of the
Regional Director Western Region
Ministry of Corporate Affairs.

ORDER

1. Heard learned Counsel for the Petitioner Company. No objector has come before the Tribunal to oppose the Petition, nor any party has controverted any averments made in the Petition unless otherwise stated hereunder.
2. The present Petition has been filed by the Realtime Taxutra Services Private Limited (hereinafter referred to as “**Petitioner Company**”) under the provisions of Section 66 and other applicable provisions of the Companies Act, 2013, seeking reliefs as follows:
 - (a) *That the reduction of equity share capital as approved by the members by the Special Resolution in Clause 21 be confirmed;*
 - (b) *That to this end all directions necessary and proper be made and given;*
 - (c) *That the proposed minute as reproduced and annexed be approved so as to make the Selective Capital Reduction effective and binding on all the stakeholders concerned;*
 - (d) *That the Petitioner Company be exempted from inserting the word 'And Reduced' to its name; and*
 - (e) *That such further or other orders be made in the premises as to the Hon'ble Tribunal shall deem fit.*
3. The Petitioner Company was incorporated on 12th November 2010 under the provisions of Companies Act 1956 having its registered office at Lokmanya House, Office No.5, First Floor, Plot No. 44, Sr. no. 89,90/950, Lokmanya Colony, Paud Road, Pune, Maharashtra, India, 411038. The Petitioner Company is

engaged in the business of providing a real-time information platform for Indian tax professionals, offering a comprehensive knowledge base comprising legal updates, judicial rulings, ministry circulars, policy changes, expert columns, and other relevant content in the areas of Income Tax, Goods and Services Tax (GST), Transfer Pricing, and related regulations.

4. The main object of the Company are set out in clause III of the Memorandum of Association of the Company. Clause 15 of the Articles of Association of the Petitioner Company, empowers the Petitioner Company to reduce its share capital in any manner permitted under law, as reproduced below

“The Company may from time to time, by Special Resolution reduce its share capital in any manner for the time being authorised by law, subject to Article No. 68 & 69 (Affirmative vote of Investors). The capital may be paid off on the footing that it may be called up again or otherwise”.

5. The Board of Directors of the Petitioner Company at its meeting on 09th July 2025 unanimously approved the Selective Capital Reduction u/s 66 of the Companies Act, 2013. The Board of Director of the Petitioner Company resolved to reduce its issued, subscribed and paid-up equity share capital from ₹1,61,480 (16,148 equity shares of ₹10 each) to ₹1,46,140 (14,614 equity shares of ₹10 each) by cancelling 1,534 fully paid-up equity shares held by 14 identified shareholders, representing 9.49% of the Company’s total paid-up capital. The fair value of each equity share has been determined at ₹31,728.70 by an independent IBBI-registered valuer being Mr. Pruthvi Mota bearing Registration Number IBBI/RV /06/2022/15190, and in

acknowledgment of the identified shareholders' longstanding association, the Company proposes to offer a premium of ₹271.30 per share, thereby fixing the total consideration at ₹32,000 per share. The Petitioner Company undertakes to pay the consideration to the identified shareholders after deducting applicable withholding taxes under the Income-tax Act, 1961.

6. The Equity Shareholders of the Petitioner Company have approved the Capital Reduction with 100% in favour vide a Special Resolution passed at Extra Ordinary General Meeting of the members of the Petitioner Company held on 2nd August 2025.
7. The directors of the Petitioner Company have duly certified that there are no secured creditor and it has 2 (two) unsecured creditor amounting to Rs. 4,60,080/-. A certificate dated 05.08.2025 from the Statutory Auditor of the Petitioner Company certifying the list of creditor is annexed in the Petition.
8. The Directors of the Petitioner Company, vide declaration dated 01 August 2025, have confirmed that the Company is not in arrears of repayment of any deposits or interest thereon as on 25 July 2025. This position is further corroborated by the Statutory Auditor's Certificate dated 05 August 2025, which certifies that the Company is not in default in repayment of deposits or interest, and in fact, has not accepted any deposits within the meaning of the Companies Act, 2013.
9. The Petitioner Company has complied with all the statutory requirement as per the directions of the Tribunal vide order dated 22.08.2025 and they have filed the necessary Affidavit of Compliance with the Tribunal. The Petitioner Company has also undertaken to comply with statutory requirements, if any, under

the Companies Act, 2013 and the Rules made thereunder, as may be applicable.

10. The Regional Director has filed Report dated 24.11.2025 making certain observations and the Petitioner Company have filed the Affidavit in Rejoinder on 25.11.2025. After consideration of the observation made by the RD, the Petitioners Companies have submitted/undertaken that –

- a. No creditor's rights are affected, as the Petition involves no compromise or arrangement with creditors. No objections have been received from any creditor. All dues, if any, shall be paid in the ordinary course. The reduction of share capital is based on fair value determined by an independent valuer and approved unanimously by shareholders present and voting. Interests of creditors and minority shareholders remain fully protected.
- b. The reduction does not involve any reduction in amounts payable to creditors. All statutory dues and liabilities shall be duly honoured in accordance with law.
- c. All tax implications arising from the reduction shall be subject to determination by the Income Tax Authorities, and any order passed by such authorities shall be complied with, without the approval of this Hon'ble Tribunal prejudicing their rights to assess or scrutinise returns.
- d. Payments made to shareholders above the face value shall be treated as dividend to the extent of accumulated profits under section 2(22)(d) of the Income Tax Act, 1961, and any excess shall be treated as capital gains under section 45. The Company and the shareholders shall discharge all tax/TDS obligations as per law.

- e. In terms of Articles 15 and 68 of the Articles of Association, only the consent of the “Investor”, Mr. Vijaykant Kulkarni, was required, which has been duly obtained. Notice of the EGM was served upon Mr. T. Mohanlal Pai, but he did not attend the EGM, and subsequently furnished a Consent Affidavit, now placed on record. The Company has complied with its AOA.
- f. Consideration payable pursuant to the proposed reduction of share capital is entirely funded out of the Company’s own internal accruals and not from any borrowed funds, and therefore does not in any manner prejudice the interests of creditors. All statutory notices under Forms RSC-2 and RSC-4 were duly issued, and no objections were received from any creditor. The proposed payout of approximately ₹4.90 crores to identified shareholders is fully supported by the Company’s available cash reserves of about ₹7.78 crores. While the net-worth computed under section 2(57) of the Companies Act, 2013 may not reflect the fair value of the business, the Independent Registered Valuer has assessed the fair value at approximately ₹51.52 crores, which remains positive even after the proposed reduction. Section 66 does not impose any requirement of surplus funds or positive net-worth as a condition for reduction. The reduction has been unanimously approved by all shareholders present and voting, is fair, equitable, and does not prejudice the rights of continuing shareholders. The Petitioner relies on the consistent judicial view that reduction of share capital is a matter of domestic concern, supported inter alia by Precious Energy Services Ltd. (NCLAT Delhi), Ulunderpet Expressways Pvt. Ltd. (NCLAT Delhi), and Reckitt Benckiser (India) Ltd. (Delhi High Court),

which hold that where the statutory process is duly followed and no stakeholder raises objections, the reduction ought to be confirmed.

11. The Petitioner Company have submitted the following documents:
- a. Certificate of incorporation, Memorandum of Association and Articles of Association of the Petitioner companies.
 - b. Audited Financial Statements of the Petitioner Company for the year ended 31st March 2024.
 - c. Management Certified Provisional Unaudited Financial Statements of the Petitioner Company as on 25th July 2025.
 - d. Certified true copy of the resolution passed by the Board of Directors of the Petitioner Company on 09th July 2025 authorizing the Selective Capital Reduction.
 - e. List of identified Shareholders of the Petitioner Company.
 - f. Valuation Report dated 8th July 2025 issued by Mr. Pruthvi Mota registered with IBBI vi de registration No. IBBI/RV 10612022115190.
 - g. Valuation Review Report dated 8th July 2025 issued by Coortus Advisors Private Limited on the valuation analysis undertaken by Mr. Pruthvi Mota.
 - h. Copy of the notice dated 11th July 2025 for convening the Extra Ordinary General Meeting of the Equity Shareholders of the Petitioner Company along with the explanatory statement.
 - i. Certified true copy of the Special Resolution passed at the Extraordinary General Meeting of the members of the Petitioner Company held on 02nd August 2025.

- j. Certified true copy of the minutes of the Extraordinary General Meeting of the members of the Petitioner Company held on 02nd August 2025.
 - k. Copy of Form MGT - 14 filed by the Petitioner Company with the Registrar of Companies, Pune along with the challan generated post filing the form.
 - l. Certified copy of the PRE and POST net worth of the Petitioner Company as on 25th July 2025 by DR B S V & Associates, Chartered Accountants, Statutory Auditor of the Petitioner Company.
 - m. Statutory Auditor's Certificate on accounting treatment in compliance with applicable Indian Accounting Standards u/s 133 of the Companies Act, 2013.
 - n. List of Secured and Unsecured Creditors of the Petitioner Company as on 25th July 2025 certified by the directors of the Petitioner Companies.
 - o. List of Secured and Unsecured Creditors of the Petitioner Company as on 25th 11 July 2025 certified by the Statutory Auditor of the Petitioner Company.
 - p. Declaration by a director of the Petitioner Company that there is no default in the repayment of any deposits or interest thereon.
 - q. Statutory Auditors' Certificate with respect to the Petitioner Company not being in arrears in repayment of deposits or interest thereon.
 - r. Statutory Auditors' Certificate certifying the list of shareholders of the Petitioner Company as of 25th 11 July 2025.
12. From the material on record, the Petition for reduction appears to be fair and reasonable and is not violative of any provisions of

law and is not contrary to public policy. Since all the requisite statutory compliances have been fulfilled and is made absolute in terms of the prayer clauses thereof. The Petition is hereby **allowed**.

13. The Income Tax Department will be at liberty to examine the aspect of any tax payable as a result of this Scheme and it shall be open to the Income Tax Authorities to take necessary action to deal with, in relation to tax or any other kind of obligations of Petitioner Company, as permissible under the Income Tax Laws.
14. The Petitioner Company shall file the certified copy of the order and form of minutes duly certified by the Deputy Registrar /Assistant Registrar of this Tribunal with the Registrar of Companies within 30 days from the date of receipt of the certified Order from the Registry of this Tribunal.
15. All concerned regulatory authorities to act on certified copy of the order and the form of minutes forming part of the Petition, duly certified by the Deputy Director or Assistant Registrar, National Company Law Tribunal. The Petitioner Company undertakes to file the same with the Registrar within 30 days from the date of the receipt of the order.
16. Petitioner to publish notices about registration of order and minutes of reduction by the concerned Registrar of Companies, Maharashtra, in two newspapers, namely 'Free Press Journal' in English and 'Navshakti' in Marathi, both having circulation in Mumbai, within 30 days of registration.
17. The minutes set forth hereto be and is hereby **approved**.

FORM OF MINUTE

"The paid-up share capital of Realtime Taxutra Services Private Limited, is henceforth Rs. 1,46,140 (Rupees One Lakh

Forty-Six Thousand one Hundred and Forty) divided into 14,614 (Fourteen Thousand Six Hundred and Fourteen) Equity Shares of Rs. 10 each, reduced from Rs. 1,61,480 (Rupees One Lakh Sixty One Thousand Four Hundred and Eighty) divided into 16,148 (Sixteen Thousand One Hundred and Forty-Eight) Equity Shares of Rs. 10 each. At the date of the registration of these minutes, equity shares numbered 14,614 (Fourteen Thousand Six Hundred and Fourteen) Equity Shares of Rs. 10 each, have been issued and are deemed to be fully paid (and the remaining 35,386 (Thirty Five Thousand Three Hundred and Eighty Six) Equity shares of Rs. 10 each are unissued out of authorised share capital of the company)”

Sd

Prabhat KumarMember (Technical)
Sudhanshu

Sd

Sushil Mahadeorao Kochey

Member (Judicial)