

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT MUMBAI

CSA NO. 968 OF 2017

Under Section 230 to 232 of the
Companies Act, 2013

In the matter of Scheme of Arrangement
between Reliance Money Solutions Private
Limited, ("RMSPL" or "the Demerged
Company") and Reliance Financial Limited
("RFL" or "the Resulting Company") and
their respective shareholders.

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED
.....Applicant Company

Order on 9th November, 2017

Coram:

Hon'ble B.S.V. Prakash Kumar Hon'ble Member (J)

Hon'ble V. Nallasenapathy Hon'ble Member (T)

For the Petitioner(s): Mr. Rajesh Shah with Mr. Ahmed M
Chunawala i/b M/s. Rajesh Shah & Co.,
Advocate for the Petitioner.

Per : V. Nallasenapathy Hon'ble Member (T)

MINUTES OF THE ORDER

UPON the application of the Applicant Company above named by a Company
Notice of Admission **AND UPON HEARING** Mr. Rajesh Shah instructed by
Rajesh Shah & Co., Advocate for the Applicant Company, **AND UPON**
READING the Application along with the Summons for Direction/Notice of
Admission dated October 17, 2017 of Ms. Archana Parikh, Authorised
Signatory of the Applicant Company, in support of Notice of Admission along

with Application and the Exhibits therein referred to, **IT IS ORDERED THAT:**

1. A meeting of the Equity Shareholders of the Applicant Company be convened and held at Conference Room 1133, 11th Floor, R-Tech IT Park, Next to 'The Hub Mall', Western Express Highway, Goregaon (East), Mumbai- 400 063 on Monday, December 18, 2017 at 10 a.m. for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between Reliance Money Solutions Private Limited ("RMSPL" or "the Demerged Company") with Reliance Financial Limited ("RFL" or "the Resulting Company") and their respective shareholders.
2. At least 30 clear days before the said Meeting of the Equity Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said Meeting at the place, day, date and time aforesaid, together with a copy of the Scheme, a copy of the Explanatory Statement required to be sent under Section 230 of the Companies Act, 2013 and the prescribed Form of Proxy, shall be sent by Registered Post or by Air Mail or by courier or by speed post or by hand delivery to each of the Equity Shareholders of the Applicant Company at their respective registered or last known addresses or by e-mail to the registered e-mail address of the Equity Shareholders as per the records of the Applicant Company and / or Depositories.
3. At least 30 clear days before the Meeting of the Equity Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting indicating the place, date and time aforesaid and stating that copies of the Scheme and the statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and that the form of Proxy can be obtained free of charge at the Registered Office of the Applicant Company as aforesaid, be published once each in 'Free Press Journal' in English and 'Navshakti' in Marathi, both circulated in Mumbai.
4. The Applicant Company undertakes to:
 - i. issue Notice convening meeting of the equity shareholders as per Form No. CAA.2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016
 - ii. issue Statement containing all the particulars as per Section 230

- of the Companies Act, 2013;
- iii. issue Form of Proxy as per Form No. MGT-11 (Rule 19) of the Companies (Management and Administration) Rules, 2014; and
- iv. advertise the Notice convening meeting as per Form No. CAA.2 (Rule 7) the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

The undertaking is accepted.

5. Mr. Ashish Turakhia, Director, failing him, Mr. Manish Dhanuka, failing him, Ms. Hetal Shah is appointed as the Chairperson for the meeting of Equity Shareholders of the Applicant Company. The Scrutinizer for the meeting shall be Shri Anil Lohia, Partner at M/s. Dayal & Lohia, Chartered Accountants or in his absence Shri Rinkit Kiran Uchat, Partner at M/s. Dayal & Lohia, Chartered Accountants.
6. The Chairperson appointed for the aforesaid Meeting of the Applicant Company to issue the notices of the Meeting of the Equity Shareholders referred to above. The said Chairperson shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).
7. The quorum for the aforesaid meeting of the Equity Shareholders shall be as prescribed under Section 103 of the Companies Act, 2013.
8. The voting shall be allowed on the proposed Scheme by voting in person, by proxy or through postal ballot or through electronic means. The voting by proxy or authorised representative in case of body corporate be permitted, provided that a proxy in the prescribed form/ authorisation duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant Company at its Registered Office at '7th Floor, B-Wing, Trade World, Kamala Mills Compound, S. B. Marg, Lower Parel, Mumbai - 400 013', not later than, 48 hours before the aforesaid meeting as required under Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

9. The value and number of the shares of each member shall be in accordance with the books/ register of the Applicant Company or depository records and where the entries in the books / register / depository records are disputed, the Chairperson of the Meeting shall determine the value for the purpose of the aforesaid meeting and his decision in that behalf would be final.
10. The Chairperson to file an affidavit not less than seven days before the date fixed for the holding of the meeting and do report this Tribunal that the direction regarding the issue of notices and advertisement have been duly complied with as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
11. The Chairperson to report to this Tribunal, the result of the aforesaid meeting within thirty days of the conclusion of the meeting, and the said report shall be verified by his Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
12. A meeting of 0% Optionally Convertible Redeemable Preference Shareholders of the Applicant Company be convened and held at Conference Room 1133, 11th Floor, R-Tech IT Park, Next to 'The Hub Mall', Western Express Highway, Goregaon (East), Mumbai- 400 063 on Monday, December 18, 2017 at 10.30 a.m. for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between Reliance Money Solutions Private Limited ("RMSPL" or "the Demerged Company") with Reliance Financial Limited ("RFL" or "the Resulting Company") and their respective shareholders.
13. At least 30 clear days before the said Meeting of the 0% Optionally Convertible Redeemable Preference Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said Meeting at the place, day, date and time aforesaid, together with a copy of the Scheme, a copy of the Explanatory Statement required to be sent under Section 230 of the Companies Act, 2013 and the prescribed Form of Proxy, shall be sent by Registered Post or by Air Mail or by courier or by speed post or by hand delivery to each of the 0% Optionally Convertible Redeemable Preference Shareholders of the Applicant Company at their respective registered or last known addresses or by e-mail to the

registered e-mail address of the 0% Optionally Convertible Redeemable Preference Shareholders as per the records of the Applicant Company and / or Depositories.

14. At least 30 clear days before the Meeting of the 0% Optionally Convertible Redeemable Preference Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting indicating the place, date and time aforesaid and stating that copies of the Scheme and the statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and that the form of Proxy can be obtained free of charge at the Registered Office of the Applicant Company as aforesaid, be published once each in 'Free Press Journal' in English and 'Navshakti' in Marathi, both circulated in Mumbai.

15. The Applicant Company undertakes to:

- i. issue Notice convening meeting of the 0% Optionally Convertible Redeemable Preference Shareholders as per Form No. CAA.2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016
- ii. issue Statement containing all the particulars as per Section 230 of the Companies Act, 2013;
- iii. issue Form of Proxy as per Form No. MGT-11 (Rule 19) of the Companies (Management and Administration) Rules, 2014; and
- iv. advertise the Notice convening meeting as per Form No. CAA.2 (Rule 7) the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

The undertaking is accepted.

16. Mr. Ashish Turakhia, Director, failing him, Mr. Manish Dhanuka, failing him, Ms. Hetal Shah, is appointed as the Chairperson for the meeting of 0% Optionally Convertible Redeemable Preference Shareholders of the Applicant Company. The Scrutinizer for the meeting shall be Shri Anil Lohia, Partner at M/s. Dayal & Lohia, Chartered Accountants or in his absence Shri Rinkit Kiran Uchat, Partner at M/s. Dayal & Lohia, Chartered Accountants.

17. The Chairperson appointed for the aforesaid Meeting of the Applicant Company to issue the notices of the Meeting of the 0% Optionally Convertible Redeemable Preference Shareholders referred to above. The

said Chairperson shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).

18. The quorum for the aforesaid meeting of the 0% Optionally Convertible Redeemable Preference Shareholders shall be 1 (one) as there is only one 0% Optionally Convertible Redeemable Preference Shareholder in the Applicant Company.
19. The voting shall be allowed on the proposed Scheme by voting in person, by proxy or through postal ballot or through electronic means. The voting by proxy or authorised representative in case of body corporate be permitted, provided that a proxy in the prescribed form/ authorisation duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant Company at its Registered Office at '7th Floor, B-Wing, Trade World, Kamala Mills Compound, S. B. Marg, Lower Parel, Mumbai - 400 013', not later than, 48 hours before the aforesaid meeting as required under Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
20. The value and number of the shares of each member shall be in accordance with the books/ register of the Applicant Company or depository records and where the entries in the books / register / depository records are disputed, the Chairperson of the Meeting shall determine the value for the purpose of the aforesaid meeting and his decision in that behalf would be final.
21. The Chairperson to file an affidavit not less than seven days before the date fixed for the holding of the meeting and do report this Tribunal that the direction regarding the issue of notices and advertisement have been duly complied with as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
22. The Chairperson to report to this Tribunal, the result of the aforesaid meeting within thirty days of the conclusion of the meeting, and the said report shall be verified by his Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

23. A meeting of 11% Non-Convertible Non-Cumulative Non-Participating Preference Shareholders of the Applicant Company be convened and held at Conference Room 1133, 11th Floor, R-Tech IT Park, Next to 'The Hub Mall', Western Express Highway, Goregaon (East), Mumbai- 400 063 on Monday, December 18, 2017 at 11 a.m. for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between Reliance Money Solutions Private Limited ("RMSPL" or "the Demerged Company") with Reliance Financial Limited ("RFL" or "the Resulting Company") and their respective shareholders.
24. At least 30 clear days before the said Meeting of the 11% Non-Convertible Non-Cumulative Non-Participating Preference Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said Meeting at the place, day, date and time aforesaid, together with a copy of the Scheme, a copy of the Explanatory Statement required to be sent under Section 230 of the Companies Act, 2013 and the prescribed Form of Proxy, shall be sent by Registered Post or by Air Mail or by courier or by speed post or by hand delivery to each of the 11% Non-Convertible Non-Cumulative Non-Participating Preference Shareholders of the Applicant Company at their respective registered or last known addresses or by e-mail to the registered e-mail address of the 11% Non-Convertible Non-Cumulative Non-Participating Preference Shareholders as per the records of the Applicant Company and / or Depositories.
25. At least 30 clear days before the Meeting of the 11% Non-Convertible Non-Cumulative Non-Participating Preference Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting indicating the place, date and time aforesaid and stating that copies of the Scheme and the statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and that the form of Proxy can be obtained free of charge at the Registered Office of the Applicant Company as aforesaid, be published once each in 'Free Press Journal' in English and 'Navshakti' in Marathi, both circulated in Mumbai.
26. The Applicant Company undertakes to:
- i. issue Notice convening meeting of the 11% Non-Convertible Non-

Cumulative Non-Participating Preference Shareholders as per Form No. CAA.2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

- ii. issue Statement containing all the particulars as per Section 230 of the Companies Act, 2013;
- iii. issue Form of Proxy as per Form No. MGT-11 (Rule 19) of the Companies (Management and Administration) Rules, 2014; and
- iv. advertise the Notice convening meeting as per Form No. CAA.2 (Rule 7) the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

The undertaking is accepted.

27. Mr. Ashish Turakhia, Director, failing him, Mr. Manish Dhanuka, failing him, Ms. Hetal Shah is appointed as the Chairperson for the meeting 11% Non-Convertible Non-Cumulative Non-Participating Preference Shareholders of the Applicant Company. The Scrutinizer for the meeting shall be Shri Anil Lohia, Partner at M/s. Dayal & Lohia, Chartered Accountants or in his absence Shri Rinkit Kiran Uchat, Partner at M/s. Dayal & Lohia, Chartered Accountants.
28. The Chairperson appointed for the aforesaid Meeting of the Applicant Company to issue the notices of the Meeting of the 11% Non-Convertible Non-Cumulative Non-Participating Preference Shareholders referred to above. The said Chairperson shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).
29. The quorum for the aforesaid meeting of 11% Non-Convertible Non-Cumulative Non-Participating Preference Shareholders shall be 1 (one) as there is only one 11% Non-Convertible Non-Cumulative Non-Participating Preference Shareholder in the Applicant Company. .
30. The voting shall be allowed on the proposed Scheme by voting in person, by proxy or through postal ballot or through electronic means. The voting by proxy or authorised representative in case of body corporate be permitted, provided that a proxy in the prescribed form/ authorisation

duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant Company at its Registered Office at '7th Floor, B-Wing, Trade World, Kamala Mills Compound, S. B. Marg, Lower Parel, Mumbai - 400 013', not later than, 48 hours before the aforesaid meeting as required under Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

31. The value and number of the shares of each member shall be in accordance with the books/ register of the Applicant Company or depository records and where the entries in the books / register / depository records are disputed, the Chairperson of the Meeting shall determine the value for the purpose of the aforesaid meeting and his decision in that behalf would be final.
32. The Chairperson to file an affidavit not less than seven days before the date fixed for the holding of the meeting and do report this Tribunal that the direction regarding the issue of notices and advertisement have been duly complied with as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
33. The Chairperson to report to this Tribunal, the result of the aforesaid meeting within thirty days of the conclusion of the meeting, and the said report shall be verified by his Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
34. A meeting of 12% Non-convertible Cumulative Redeemable Preference Shareholders of the Applicant Company be convened and held at Conference Room 1133, 11th Floor, R-Tech IT Park, Next to 'The Hub Mall', Western Express Highway, Goregaon (East), Mumbai- 400 063 on Monday, December 18, 2017 at 11.30 a.m. for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between Reliance Money Solutions Private Limited ("RMSPL" or "the Demerged Company") with Reliance Financial Limited ("RFL" or "the Resulting Company") and their respective shareholders.
35. At least 30 clear days before the said Meeting of the 12% Non-convertible Cumulative Redeemable Preference Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said Meeting at the place, day, date and time aforesaid, together with a copy of the

Scheme, a copy of the Explanatory Statement required to be sent under Section 230 of the Companies Act, 2013 and the prescribed Form of Proxy, shall be sent by Registered Post or by Air Mail or by courier or by speed post or by hand delivery to each of the 12% Non-convertible Cumulative Redeemable Preference Shareholders of the Applicant Company at their respective registered or last known addresses or by e-mail to the registered e-mail address of the 12% Non-convertible Cumulative Redeemable Preference Shareholders as per the records of the Applicant Company and / or Depositories.

36. At least 30 clear days before the Meeting of the 12% Non-convertible Cumulative Redeemable Preference Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting indicating the place, date and time aforesaid and stating that copies of the Scheme and the statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and that the form of Proxy can be obtained free of charge at the Registered Office of the Applicant Company as aforesaid, be published once each in 'Free Press Journal' in English and 'Navshakti' in Marathi, both circulated in Mumbai.

37. The Applicant Company undertakes to:

- i. issue Notice convening meeting of 12% Non-convertible Cumulative Redeemable Preference Shareholders as per Form No. CAA.2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016
- ii. issue Statement containing all the particulars as per Section 230 of the Companies Act, 2013;
- iii. issue Form of Proxy as per Form No. MGT-11 (Rule 19) of the Companies (Management and Administration) Rules, 2014; and
- iv. advertise the Notice convening meeting as per Form No. CAA.2 (Rule 7) the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

The undertaking is accepted.

38. Mr. Ashish Turakhia, Director, failing him, Mr. Manish Dhanuka, failing him, Ms. Hetal Shah is appointed as the Chairperson for the meeting 12% Non-convertible Cumulative Redeemable Preference Shareholders. The Scrutinizer for the meeting shall be Shri Anil Lohia, Partner at M/s.

Dayal & Lohia, Chartered Accountants or in his absence Shri Rinkit Kiran Uchat, Partner at M/s. Dayal & Lohia, Chartered Accountants.

39. The Chairperson appointed for the aforesaid Meeting of the Applicant Company to issue the notices of the Meeting of the 12% Non-convertible Cumulative Redeemable Preference Shareholders referred to above. The said Chairperson shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).
40. The quorum for the aforesaid meeting of 12% Non-convertible Cumulative Redeemable Preference Shareholders shall be 1 (one) as there is only one 12% Non-convertible Cumulative Redeemable Preference Shareholder in the Applicant Company.
41. The voting shall be allowed on the proposed Scheme by voting in person, by proxy or through postal ballot or through electronic means. The voting by proxy or authorised representative in case of body corporate be permitted, provided that a proxy in the prescribed form/ authorisation duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant Company at its Registered Office at '7th Floor, B-Wing, Trade World, Kamala Mills Compound, S. B. Marg, Lower Parel, Mumbai - 400 013', not later than, 48 hours before the aforesaid meeting as required under Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
42. The value and number of the shares of each member shall be in accordance with the books/ register of the Applicant Company or depository records and where the entries in the books / register / depository records are disputed, the Chairperson of the Meeting shall determine the value for the purpose of the aforesaid meeting and his decision in that behalf would be final.
43. The Chairperson to file an affidavit not less than seven days before the date fixed for the holding of the meeting and do report this Tribunal that the direction regarding the issue of notices and advertisement have been

duly complied with as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

44. The Chairperson to report to this Tribunal, the result of the aforesaid meeting within thirty days of the conclusion of the meeting, and the said report shall be verified by his Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
45. The Counsel for the Applicant Company submits that since the Scheme is an Arrangement between the Applicant Company and their respective shareholders and therefore, only meeting of Equity Shareholders, 0% Optionally Convertible Redeemable Preference Shareholders, 11% Non-Convertible Non-Cumulative Non-Participating Preference Shareholders and 12% Non-convertible Cumulative Redeemable Preference Shareholders is proposed to be held in accordance with the provisions of Section 230 (1) (b) of the Companies Act, 2013. This bench hereby directs the Applicant Company to issue notice of the Equity Shareholders' meeting by Post / courier / email / hand-delivery to all its Secured Creditors and Unsecured Creditors as on 30th June, 2017 as required under section 230 (3) of the Companies Act, 2013 with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company.
46. The Applicant Company to serve the notice upon the Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai Maharashtra, pursuant to Section 230(5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from Regional Director within 30 days of the date of receipt of the notice it will be presumed that Regional Director and/ or Central Government has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
47. The Applicant Company to serve the notice upon the concerned Registrar of Companies, pursuant to Section 230(5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the Registrar of Companies within 30 days

of the date of receipt of the notice it will be presumed that Registrar of Companies has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

48. The Applicant Company to serve the notice on the concerned Income Tax Authority within whose jurisdiction the respective Applicant Company's assessment are made, pursuant to Section 230(5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the Income Tax Authority within 30 days of the date of receipt of the notice it will be presumed that Income Tax Authority has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

49. The Applicant Company to file an affidavit of service of the directions given by the Tribunal not less than seven days before the date fixed for the holding of the meetings and do report to this Tribunal that the direction regarding the issue of notices have been duly complied with.

Sd/-

V. Nallasenapathy, Member (T)

Sd/-

B.S.V. Prakash Kumar, Member (J)