

IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH
COMPANY APPLICATION NO. 1049 OF 2017
IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF THE SCHEME OF AMALGAMATION OF
MOTILAL OSWAL SECURITIES LIMITED WITH MOTILAL OSWAL
FINANCIAL SERVICES LIMITED AND THEIR RESPECTIVE
SHAREHOLDERS

Motilal Oswal Financial Services)	
Limited , a company incorporated)	
under the Companies Act, 1956 and)	
having its registered office at Motilal)	
Oswal Tower, Rahimtullah Sayani)	
Road, Opposite Parel ST Depot,)	
Prabhadevi, Mumbai- 400025.)	...Applicant Company/ Transferee Company

Order delivered on 22nd day of December 2017

Coram: Hon`ble M.K. Shrawat, Member (Judicial)
Hon`ble Bhaskara Pantula Mohan, Member (Judicial)

Mr. Peshwan Jehangir, Mr. Himanshu Vidhani, Ms. Atika Vaz, Ms. Lakshmi Bussa i/b
Khaitan & Co, Advocates for the Applicant Company

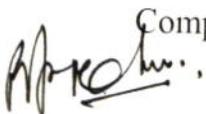
Per: Hon`ble Bhaskara Pantula Mohan, Member (Judicial)

ORDER

UPON the application of the Applicant Company abovenamed by a Notice of Admission and **UPON HEARING** the Learned Counsel for the Applicant Company **AND UPON READING** the Application along with the Notice of Admission dated 29th November, 2017 of Mr. Kailash Purohit, Company Secretary and Compliance Officer of the Applicant Company, in support of the Notice of Admission dated 29th November, 2017 along with the Application and Exhibits therein referred to, **IT IS ORDERED THAT:**



1. A meeting of the Equity Shareholders of the Applicant Company be convened and held at the registered office of the Applicant Company at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai- 400025 on Tuesday, 20th February, 2018 at 4.00 p.m. for the purpose of considering, and, if thought fit, approving, with or without modification(s), the proposed Scheme of amalgamation of Motilal Oswal Securities Limited ("**Transferor Company**") with Motilal Oswal Financial Services Limited ("**Transferee Company**" or "**Applicant Company**") and their respective shareholders ("**Scheme**").
2. At least 30 (Thirty) 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(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 notified on 14th December, 2016 and the prescribed Form of Proxy, shall be sent by Registered Post Acknowledgement Due 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.
3. At least 30 (Thirty) clear days before the meeting of the Equity Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting, at the place, date and time aforesaid be published once each in Financial Express in English and Navshakti in Marathi, both circulated in Mumbai and stating that copies of the Scheme of Amalgamation and the statement required to be furnished pursuant to Section 230(3) of the Companies Act, 2013 read with Rule 6 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and that the Form of Proxy can be obtained free of charge at the registered office of the Applicant Company as aforesaid.
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) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

The undertaking is accepted.

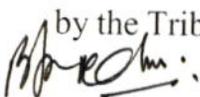
5. Mr. Motilal Oswal, Chairman & Managing Director, failing whom, Mr. Raamdeo Agarawal, Joint Managing Director of the Applicant Company is appointed as the Chairperson for the meeting of the Equity Shareholders of the Applicant Company. The Scrutinizer for the meeting shall be Mr. Umashankar K. Hegde (ACS – 22133), Practising Company Secretary.
6. The Chairperson appointed for the aforesaid meeting of the Applicant Company is to issue notices of the Meeting of the Equity Shareholders referred to above. The Chairperson shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the meeting 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 by proxy or authorised representative, in case of a body corporate be permitted, provided that a proxy in the prescribed form/authorization duly signed by the person entitled to attend and vote at the meeting is filed with the Applicant Company at its registered office at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025, not later than, 48 (forty eight) hours before the aforesaid meeting, as required under Rule 10 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 shall file an affidavit not less than 7 (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 shall report to this Tribunal, the result of the aforesaid meeting within 30 (Thirty) days of the conclusion of the said Meeting of the Equity Shareholders of the Applicant Company, and the said report shall be verified by his Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
12. The Counsel for the Applicant Company submits that there are no Preference Shareholders or Debenture Holders of the Applicant Company and therefore the question of convening meetings of the Preference Shareholders or Debenture Holders of the Applicant Company does not arise.
13. The Counsel for the Applicant Company submits that since the Scheme is an amalgamation of the Transferor Company with the Applicant Company and their respective shareholders, and therefore, only meetings of the Equity Shareholders is proposed to be held in accordance with the provisions of Section 230(1)(b) of the Companies Act, 2013. The 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 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.
14. The Applicant Company to serve notice upon the Regional Director, Western Region, Ministry of Corporate Affairs, pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the Regional Director within 30 (Thirty) days of the date of receipt of the notice, it will be presumed that the 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.
15. The Applicant Company to serve notice upon the concerned Registrar of Companies, pursuant to Section 230(5) of the Companies Act, 2013 as per Rule

M. K. Sharma:

- 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the concerned Registrar of Companies within 30 (Thirty) days of the date of receipt of the notice, it will be presumed that the concerned Registrar of Companies has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016.
16. The Applicant Company to serve notice upon the Income Tax Authority, being the ACIT – 7(2)(2), Mumbai, within whose jurisdiction the Applicant Company's assessments are made, pursuant to Section 230(5) of the Companies Act, 2013, as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the said Income Tax Authority within 30 (Thirty) days of the date of receipt of the notice, it will be presumed that the said Income Tax Authority has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016.
 17. The Applicant Company to serve notice upon the Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, and Reserve Bank of India, pursuant to Section 230(5) of the Companies Act, 2013, as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the Securities and Exchange Board of India, BSE Limited, National Stock Exchange Limited and Reserve Bank of India, within 30 (Thirty) days of the date of receipt of the notice, it will be presumed that the Securities and Exchange Board of India, BSE Limited, National Stock Exchange and Reserve Bank of India has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016.
 18. The Applicant Company to service notice upon the concerned sectoral regulators or authorities 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 concerned sectoral regulators or authorities within 30 (Thirty) days of the date of receipt of the notice, it will be presumed that the concerned sectoral regulators or authorities have no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016.
 19. The Applicant Company to file an Affidavit of Service of the directions given by the Tribunal not less than 7 (Seven) days before the date fixed for holding of



the meetings and report to the Tribunal that the directions regarding the issue of notices has been duly complied with.

Sd/-
BHASKARA PANTULA MOHAN
MEMBER (JUDICIAL)

Sd/-
M. K. SHRAWAT
MEMBER (JUDICIAL)

Dated : 22.12.2017