

**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH, AT MUMBAI**

**COMPANY SCHEME APPLICATION NO. 894 OF 2017**

In the matter of the Companies Act,  
2013;

And

In the matter of Sections 230 to 232  
and other applicable provisions of  
the Companies Act, 2013 and the  
rules framed thereunder as in force  
from time to time;

And

In the matter of the Scheme of  
Arrangement between Intellecash  
Microfinance Network Company  
Private Limited ("Transferor  
Company") and Arohan Financial  
Services Private Limited  
("Transferee Company") and their  
respective shareholders;

**INTELLECASH MICROFINANCE  
NETWORK COMPANY PRIVATE  
LIMITED**, a company incorporated under  
the provisions of the Companies Act, 1956  
and having its registered office at 13A, 6<sup>th</sup>  
Floor, Techniplex II, IT Park, off Veer  
Savarkar Flyover, Goregaon West,  
Mumbai – 400 062

**...Applicant Company/  
Transferor Company**

**Called for Notice of Admission:**

Mr. Shahezad Kazi along with Mr. Viral Mehta, Ms. Prachi Goel and Ms. Misha Chandna, Advocates instructed by S&R Associates, Advocates for the Applicant/ Transferor Company

Coram: Mr. M.K. Shrawat, Hon'ble Member (J)  
Mr. Bhaskara Pantula Mohan, Hon'ble Member (J)

Date: 28<sup>th</sup> September, 2017

### **MINUTES OF ORDER**

UPON the Application of the Transferor Company above named by a Notice of Admission AND UPON RECEIPT of no-objection from the Reserve Bank of India (at Exhibits 'S' and 'T') to the proposed Scheme of Arrangement between the Transferor Company and the Transferee Company, both categorized as Non-Banking Finance Companies, and their respective shareholders AND UPON HEARING Mr. Shahezad Kazi, counsel instructed by S&R Associates, Advocates for the Transferor Company AND UPON READING the Company Scheme Application No. 894 of 2017, the exhibits therein referred and the Affidavit dated 13<sup>th</sup> September 2017 of Ms. Bijal Salot, Authorized Signatory of the Transferor Company in Support of the Application AND UPON READING the Report on the Share Exchange Ratio (at Exhibit 'J') issued by KGRS & Co, Chartered Accountants, dated July 25, 2017 which recommends that for every 100 equity shares of the Transferor Company, 213.44 equity shares of the Transferee Company be issued IT IS ORDERED THAT:

#### **Meeting of the equity shareholders**

1. A meeting of the equity shareholders of the Transferor Company be convened and held at its registered office at 13A, 6<sup>th</sup> Floor, Techniplex II, IT Park, Off Veer Savarkar Flyover, Goregaon West, Mumbai – 400 062 on Tuesday, the 14<sup>th</sup> day of November, 2017 at 11 a.m. (11.00 hours), for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Arrangement between Intellectash Microfinance Network Company Private Limited (Transferor Company) and Arohan Financial Services Private Limited (Transferee Company) and their respective shareholders.
2. At least thirty (30) clear days before the meeting of the equity shareholders of the Transferor Company to be held as aforesaid, a notice convening such meeting at the place, day, date and time aforesaid, together with a copy of the Scheme of Arrangement, a copy of the Explanatory Statement required to be sent under Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016, and the prescribed Form of Proxy, shall be sent by registered post or by courier or by speed post or by

*Signature:*



hand-delivery to each of the equity shareholders of the Transferor Company at their respective registered offices or at their last known addresses or by e-mail to the registered e-mail address of the equity shareholders, as per the records of the Transferor Company or can be obtained free of charge at the registered office of the Transferor Company.

3. The quorum for the aforesaid meeting of the equity shareholders of the Transferor Company shall be 2 (two) persons present and voting, as prescribed under Section 103 of the Companies Act, 2013. In the event, quorum of the meeting is not present within half an hour of the appointed time of such meeting, then the meeting shall be adjourned by a period of half an hour from the time appointed for holding the meeting, and those present shall constitute the quorum. For the purpose of computing the quorum, valid proxies shall also be considered.
4. The voting by proxy or authorised representative in case of a body corporate is 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 Transferor Company at its registered office not later than forty-eight (48) hours before the time fixed for the meeting.

#### **Meeting of the secured creditors**

5. The counsel for the Transferor Company submits that as the Scheme of Arrangement is only between the Transferor Company and the Transferee Company and their respective shareholders, there is no requirement for holding a meeting of the secured creditors of the Transferor Company. However, being a non-banking financial company, the Transferor Company wishes to hold a meeting of its secured creditors.
6. A meeting of the secured creditors of the Transferor Company be convened and held at its registered office at 13A, 6<sup>th</sup> Floor, Techniplex II, IT Park, Off Veer Savarkar Flyover, Goregaon West, Mumbai – 400 062 on Tuesday, the 14<sup>th</sup> day of November, 2017 at 12 p.m. (12.00 hours), for the purpose of considering and if thought fit approving with or without modification(s), the proposed Scheme of Arrangement between Intellectash Microfinance Network Company Private Limited (Transferor Company)



and Arohan Financial Services Private Limited (Transferee Company) and their respective shareholders.

7. At least thirty (30) clear days before the meeting of the secured creditors of the Transferor Company to be held as aforesaid, a notice convening such meeting at the place, day, date and time aforesaid, together with a copy of the Scheme of Arrangement, a copy of the Explanatory Statement required to be sent under Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016 and the prescribed Form of Proxy shall be sent by registered post or by courier or by speed post or by hand-delivery to each of the secured creditors of the Transferor Company (listed at Exhibit 'X') at their respective registered offices or at their last known addresses or by e-mail to the registered e-mail address of the secured creditors, as per the records maintained by the Transferor Company or can be obtained free of charge at the registered office of the Transferor Company.
8. The quorum for the aforesaid meeting of the secured creditors of the Transferor Company shall be one (1) person present and voting. In the event, quorum of the meeting is not present within half an hour of the appointed time of the meeting, then the meeting shall be adjourned by a period of half an hour from the time appointed for holding the meeting, and those present shall constitute the quorum. For the purpose of computing the quorum, valid proxies shall also be considered.
9. The voting by proxy or authorised representative in case of a body corporate is 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 Transferor Company at its registered office not later than forty-eight (48) hours before the time fixed for the aforesaid meeting.

**Appointment of Chairperson and Scrutinizer for the meetings of the equity shareholders and the secured creditors**

10. Mr. Manoj Kumar Narayan Nambiar, a director of the Transferor Company and in his absence, Mr. Anurag Agarwal, a director of the

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Transferor Company, is appointed as the Chairperson of both the aforesaid meetings, viz. the meeting of the equity shareholders and the meeting of the secured creditors, including for any adjournment or adjournments thereof.

11. The scrutinizer for both the aforesaid meetings, viz. the meeting of the equity shareholders and the meeting of the secured creditors of the Transferor Company, including for conducting the polls, shall be Mr. Amit R. Dadheech of M/s. Amit R. Dadheech and Associates, a practising Company Secretary, at a remuneration of Rs. 30,000 /- (Rupees thirty thousand only).

**Directions to Chairperson and Scrutinizer of the meetings of the equity shareholders and the secured creditors**

12. The Chairperson appointed for the aforesaid meetings to issue instructions for the advertisements to be published, and also issue notices of the relevant meetings to the equity shareholders and the secured creditors of the Transferor Company. The said Chairperson shall be vested with all powers conferred under the Articles of Association, and also under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the meetings, including for deciding any procedural questions that may arise or at any adjournment thereof or any other matter including an amendment to the proposed Scheme of Arrangement or resolution, if any, proposed at the aforesaid meetings by any person(s).
13. The Chairperson and/or alternate Chairperson along with the Scrutinizer, as appointed above, shall ensure that the proxy registers for both the meetings of the equity shareholders and the secured creditors are properly maintained.
14. The number and value of the equity shares of each equity shareholder and the value of debt of each secured creditor shall be determined in accordance with the records or registers maintained by the Transferor Company and where the entries in the records or registers are disputed, the Chairperson of such meeting shall determine the number or value of the

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equity shares or the value of the debt, as the case may be, for the purposes of such meetings and the Chairperson's decision in that behalf shall be final.

15. The Chairperson of the aforesaid meetings to file an affidavit(s) not less than seven (7) days before the date fixed for the holding of the aforesaid meetings of the equity shareholders and the secured creditors of the Transferor Company, and to report to this Tribunal that the directions regarding the issue of notices and the advertisement of the aforesaid meetings have been duly complied with in compliance with Rule 12(1) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
16. The Chairperson to report to this Tribunal the result of the aforesaid meetings of the equity shareholders and the secured creditors of the Transferor Company within seven (7) days of the conclusion of such meetings as per Form No. CAA.4 in compliance with Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

#### **Issue of advertisement**

17. The composite notice of the meetings of the equity shareholders and the secured creditors of the Transferor Company to be held, as aforesaid, at the place, day, date and time aforesaid, stating that copies of the Scheme of Arrangement and the Explanatory Statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and the Form of Proxy can be obtained free of charge at the registered office of the Transferor Company shall also be advertised once each in the Times of India (Mumbai edition) in the English language and a Marathi translation thereof in the Maharashtra Times (Mumbai edition), at least thirty (30) clear days before the date fixed for the meetings.

#### **Undertakings by the Transferor Company**

18. The Transferor Company undertakes to:
  - i. issue notice convening the meeting to the equity shareholders and the secured creditors as per Form No. CAA.2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations)

*Signature:*



Rules, 2016 along with the requisite enclosures as per Section 232 of the Companies Act, 2013;

- ii. issue an explanatory statement containing all the particulars in accordance with Section 230 of the Companies Act, 2013;
  - iii. issue a 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 meetings as per Form No. CAA.2 (Rule 7) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
19. The undertakings recorded in paragraph 18 above are accepted.

**Issue of notice to the unsecured creditors**

20. The counsel for the Transferor Company submits that as the Scheme of Arrangement is only between the Transferor Company and the Transferee Company and their respective shareholders, there is no requirement for holding a meeting of the unsecured creditors of the Transferor Company. This Tribunal directs the Transferor Company to issue notices to its unsecured creditors (listed at Exhibit 'Y') who have outstanding balances of more than Rs.1,00,000/- as on 31<sup>st</sup> August, 2017 representing 98.91% in value of the total unsecured creditors of the Transferor Company, as required under Section 230(3) of the Companies Act, 2013 with a direction that such unsecured creditors may submit their representations, if any, to this Tribunal and a copy of such representations shall simultaneously be served upon the Transferor Company.
21. The Transferor Company to file an affidavit of service proving dispatch of the notices upon the unsecured creditors referred to in paragraph 20 above, within seven (7) days of the issue of such notices and to report to this Tribunal that the direction regarding the issue of notices have been duly complied with.



**Notice to authorities**

22. The Transferor Company is directed to serve notices along with a copy of the Scheme upon: (i) Central Government through Regional Director, Western Region, Mumbai (ii) Registrar of Companies, Mumbai, (iii) concerned Income-Tax Authorities, viz., the Office of the Commissioner of Income Tax, Ward 12(3), C.R. Building, Delhi (iv) Official Liquidator, Mumbai, and (v) The Reserve Bank of India, Regional Branch at Mumbai, pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, with an intimation that representations, if any, may be submitted to this Tribunal within a period of thirty (30) days from the date of receipt of the such notice with a copy of such representations to be simultaneously served to the Transferor Company failing which it shall be presumed that the such authorities have no representations to make on the proposed Scheme of Arrangement.
23. The Transferor Company to file an affidavit of service proving dispatch of the notices upon the authorities referred to in paragraph 22 above, within seven (7) days of the issue of such notices and to report to this Tribunal that the direction regarding the issue of notices have been duly complied with.
24. Accordingly, this Company Scheme Application is disposed of.

Sd/-

**BHASKARA PANTULA MOHAN**  
**MEMBER (JUDICIAL)**

Sd/-

**M. K. SHRAWAT**  
**MEMBER (JUDICIAL)**