

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH**

**COMPANY SCHEME APPLICATION NO. 626 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 Rules framed thereunder as in force from time to time;

AND

In the matter of Scheme of Arrangement between Reliance Capital Limited (“RCap” or “the “Demerged Company”) and Reliance Home Finance Limited (“RHFL” or “the Resulting Company”) and their respective shareholders and creditors;

**RELIANCE CAPITAL LIMITED, a )**  
company incorporated under the provisions of )  
Companies Act, 1956 with Corporate Identity )  
No. L65910MH1986PLC165645 and having its )  
registered office at H Block, 1<sup>st</sup> Floor, )  
Dhirubhai Ambani Knowledge City, Navi )  
Mumbai 400 710. )...Applicant Company.

**Called for Notice of Admission:**

Mr. Janak Dwarkadas, Senior Counsel, Ms. Alpana Ghone, Counsel, Rajesh Shah, Advocate with Ahmed M. Chunawala, Advocate; i/b Rajesh Shah & Co., Advocates for the Applicant.

Coram: Ms. Ina Malhotra, Hon'ble Member (J)

Date: 19<sup>th</sup> June, 2017

**MINUTES OF THE ORDER**

**UPON** the application of the Applicant Company above named by a Company Notice of Admission **AND UPON HEARING** Ms. Alpana Ghone, Counsel and Mr. Rajesh Shah instructed by Rajesh Shah & Co., Advocate for the Applicant Company, **AND UPON READING** the Application along with the Notice of Admission dated 4<sup>th</sup> day of May, 2017 of Atul Kumar Tandon, Company Secretary & Compliance Officer 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 Reliance Energy Management Institute, Jogeshwari-Vikhroli Link Road, Opposite SEEPZ, North Gate No. 3, Aarey Colony Road, Mumbai – 400065 on Monday, July 24, 2017 at 9.30 A.M., for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between Reliance Capital Limited (“the Demerged Company”) and Reliance Home Finance Limited (“Resulting Company”) and their respective Shareholders and creditors (“Scheme”).
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. Dr. Bidhubhusan Samal, failing whom, Ms. Chhaya Virani, failing whom Shri Rajendra P. Chitale, Directors of the Applicant Company is appointed as the Chairperson for the meeting of Equity Shareholders of the Applicant Company. The Scrutinizer for the meeting shall be Mr. Anil Lohia, Partner at M/s. Dayal & Lohia, Chartered Accountants or in his absence Mr. 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 of the Applicant Company 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 H Block, 1<sup>st</sup> Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai – 400710, 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 of the Applicant Company 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 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 since the scheme is an Arrangement between the Applicant Company and their respective shareholders and therefore, only meeting of the Equity 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 having outstanding balance of Rs.20,00,000 and above as on 31<sup>st</sup> March, 2017 representing 99.70% in value 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.
13. 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 the Equity 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 Unsecured Creditors having outstanding balance of Rs.20,00,000 and above as on 31<sup>st</sup> March, 2017 representing 99.88% in value 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 the notice upon the Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai Maharashtra, 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 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.

15. The Applicant Company to serve the notice upon the concerned Registrar of Company, 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 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.
16. 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 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.
17. The Applicant Company to serve the notice upon the Securities and Exchange Board of India, BSE Limited and the National Stock Exchange of India Limited 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 and the National Stock Exchange of India Limited within 30 days of the date of receipt of the notice it will be presumed that the Securities and Exchange Board of India, BSE Limited and the National Stock Exchange of India Limited 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 serve the notice upon the 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 Reserve Bank of India within 30 days of the date of receipt of the notice it will be

presumed that Reserve Bank of India has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

19. The Applicant Companies 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/-

Ina Malhotra, Member (J)