



**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**SPECIAL BENCH, BENGALURU**  
**(through web based video-conferencing platform)**

**CA (CAA) No.17/BB/2023**  
**U/s. 230 to 232 & Other applicable**  
**provisions of the Companies Act, 2013**  
**R/w the Companies (CAA) Rules, 2016**

**IN THE MATTER OF SCHEME**

Ujjivan Financial Services Limited  
Grape Garden, No.27, 3rd 'A' Cross 18th Main 6th Block,  
Koramangala Bangalore, 560095, Karnataka, India

... Applicant 1 /Transferor Company

**With**

Ujjivan Small Finance Bank Limited  
Grape Garden, No.27, 3rd 'A' Cross 18th Main 6th Block,  
Koramangala Bangalore, 560095, Karnataka, India

... Applicant 2 /Transferee Company

**Order delivered on: 08.09.2023**

**Coram:** 1. Hon'ble Justice (Retd.) T.Krishnavalli, Member (Judicial)  
2. Hon'ble Shri Manoj Kumar Dubey, Member (Technical)

**Present:**

For the Applicant Companies : Advocate Saji P John

**O R D E R**

**Per: Manoj Kumar Dubey, Member (Technical)**

1. The present first motion application in the Scheme of Amalgamation has been jointly filed on 05.04.2023 by the Applicant Companies **Ujjivan Financial Services Limited** (described in short as "Applicant Company No. 1/ Transferor Company), **Ujjivan Small Finance Bank Limited** (described in short as "Applicant Company No. 2/ Transferee Company) under section 230-232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013 *inter alia*, seeking for dispensation of the meetings of the preference shareholder, debenture holders, unsecured creditors and deposit holders of the applicant company No.2; and to convene the meeting of Equity shareholders of Applicant Companies. Since there is no creditor in the Applicant Company No.1 and no secured creditor in Applicant Company

No.2 there is nothing to convene their meeting. The Scheme of Amalgamation is placed on record at Annexure 12 of the Application.

2. The Applicant Company No.1/Transferor Company was incorporated as a private limited company on December 28, 2004, under the provisions of erstwhile Companies Act, 1956 with the name and style 'Ujjivan Financial Services Private Limited'. Pursuant to a certificate issued by the Reserve Bank of India ("RBI") on October 31, 2005, the Transferor Company was permitted to commence operations as a Non-Banking Financial Company ("NBFC") under section 45 IA of the Reserve Bank of India Act, 1934. On September 5, 2013, the Transferor Company was registered as NBFC-Microfinance Institution ("NBFC-MFI") by the RBI. The Transferor Company was subsequently converted into a public limited company pursuant to a special resolution passed by its shareholders at extraordinary general meeting held on November 3, 2015, and the name of the Transferor Company was changed to 'Ujjivan Financial Services Limited', bearing CIN: L65999KA2004PLC035329. Copies of the Certificate of Incorporation, and Fresh Certificate of Incorporation are found attached at Annexure 1 of the Application. Copy of RBI certificate dated October 31, 2005 and RBI's fresh certificate dated March 4, 2016 are found attached at Annexure 2 of the Application. The Registered Office of the Applicant Company No. 1/Transferor Company is situated at Grape Garden, No.27, 3rd 'A' Cross 18th Main 6th Block, Koramangala Bangalore, 560095, Karnataka, India, India. A copy of the Certificate of Incorporation and Articles of Association is found attached as Annexure – 4 of the application. As per the Memorandum of Association, the main objects of Transferor Company are as follows:

*"1. To carry on the business, whether in India or outside, of making investments in group companies in the form of shares, bonds, debentures, debt, loans or securities and providing guarantees, other forms of collateral, or taking on other contingent liabilities, on behalf of or for the benefit of, any group companies.*

*2. To carry on financial activities, whether in India or outside, in the nature of investment in bank deposits, money market instruments (including money market mutual funds and liquid mutual funds), government securities, and to carry on such other activities as may be permitted and prescribed by the relevant statutory authorities for core investment companies from time to time."*



3. The Authorized, issued, subscribed and paid-up share capital of the Transferor Company, as on the date of filing the Application was as under:

<b>Authorised Share Capital</b>	<b>Amount in Rs.</b>
125,000,000 equity shares of Rs 10/- each	1,250,000,000
<b>Total</b>	<b>1,250,000,000</b>
<b>Issued, Subscribed and Paid-up Equity Share Capital</b>	<b>Amount in Rs.</b>
121,678,094 equity shares of Rs 10/- each	1,216,780,940
<b>Total</b>	<b>1,216,780,940</b>

Certain Employee Stock Options (“**ESOPs**”) granted to the employees under Transferor Company Options Scheme (as defined in the Scheme) may get exercised before the Effective Date (*as defined in the Scheme*), which may result in an increase in the issued and paid-up share capital of the Transferor Company. As on February 28, 2023, there were 7,84,521 unexercised vested options.

4. The Applicant Company No.2/Transferee Company was incorporated as a public limited company on July 4, 2016 as a wholly owned subsidiary of the Transferor Company. Copy of Certificate of Incorporation of transferee Company is found attached at **Annexure 6** of the Application. Thereafter, on November 11, 2016, the Transferor Company was granted a final approval by the RBI and a license bearing license no. MUM: 123 dated November 11, 2016 was issued by the RBI to the Transferee Company to carry on business of small finance bank in India. A copy of the said license is found attached at **Annexure 7** of the Application. The registered office of the Transferee Company is situated at Grape Garden, No.27, 3rd 'A' Cross 18th Main 6th Block, Koramangala Bangalore, 560095, Karnataka, India. A copy of the Certificate of Incorporation and Articles of Association is found attached as Annexure – 8 of the application. As per the Memorandum of Association, the main objects of Transferee Company are as follows:-



“1 To establish and carry on the business of banking that is to say to accept, for the purpose of lending or investment of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise in any part of India or outside India.

2. To undertake basic banking activities of acceptance of deposits and lending to unserved and underserved sections including small business units, small and marginal farmers, micro and small industries and unorganised sector entities, and to undertake non-risk sharing simple financial services activities such as distribution of mutual fund units, insurance products, pension products, etc and carry on the business as authorised foreign exchange dealer by obtaining the applicable registration.

3. To carry on business of accepting deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise.”

5. The authorised, issued, subscribed and paid-up share capital of the Transferee Company, as on the date of filing of the Application was as under:

<b>Issued, Subscribed and Paid-up Share Capital</b>	<b>Amount in Rs.</b>
1,95,47,06,625 equity shares of Rs. 10/- each	
200,000,000 11% Preference Shares (Perpetual Non-Cumulative Non-Convertible) of Rs.10/- each	2,000,000,000
<b>Total</b>	<b>21,54,70,66,250</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
1,95,47,06,625 equity shares of Rs. 10/- each	19,54,70,66,250
200,000,000 11% Preference Shares (Perpetual Non-Cumulative Non-Convertible) of Rs.10/- each	2,000,000,000

Certain Employee Stock Options (“**ESOPs**”) granted to employees of the Transferee Company under the Transferee Company Options Scheme (as defined in the Scheme) may get exercised before the Effective Date (as defined In the Scheme), which may result in an increase in the issued and paid-up equity share capital of the Transferee Company. The details of

the outstanding ESOPs under the Transferee Company Options Scheme as on February 28, 2023 are set out below:

- a. Total vested Options : 1,53,32,404
- b. Total unvested Options : 7,42,75,239

6. The Preamble of the proposed Scheme is at Annexure 12 of this application and the same reads as under:-

*“This Scheme seeks to amalgamate Ujjivan Financial Services Limited (“**Transferor Company**”) into and with Ujjivan Small Finance Bank Limited (“**Transferee Company**”) and dissolution without winding up of the Transferor Company pursuant thereto, in terms of the provisions of Sections 230 - 232 of the Act (as defined hereinafter) and other applicable provisions of the Act, the SEBI Circulars (as defined hereinafter) and other Applicable Laws (as defined hereinafter).”*

7. The Board of Directors of the Transferor Company and Transferee Company have at their respective meetings held on October 14, 2022, approved the Scheme, subject to the directions and sanctions of this Hon’ble Tribunal and subject to such approval, consents and permission as may be applicable and required. The appointed date fixed under the Scheme is April 1, 2023. The certified true copies of the said Board Resolutions of the Transferor Company and Transferee Company are Annexed as **Annexure-11** to the Application.
8. The instant Application has been filed with prayer for dispensation of the meetings of the preference shareholder, debenture holders, unsecured creditors and deposit holders of the applicant company No.2; and to convene the meeting of Equity shareholders of Applicant Companies. Since there is no creditor in the Applicant Company No.1 and no secured creditor in Applicant Company no. 2 there is nothing to convene their meeting. The prayers are as under:

***In relation to the Transferor Company:***

- i. *pass appropriate orders/ directions for convening and holding the meeting of the equity shareholders (comprising of only public shareholders) of the Transferor Company through video conferencing (“**VC**”) as per the Ministry of Corporate Affairs Circular No. 14/2020 dated April 8, 2020 and extension circulars issued thereto from time to time (“**MCA Circulars**”) without the physical presence of the equity shareholders, to consider and, if thought fit, approve, with or without modification, the Scheme, at such time, date and venue as this*

Hon'ble Tribunal may deem fit; and direct/ allow voting by the equity shareholders through remote e-voting and e-voting during VC convened meeting;

- ii. direct that individual notices in relation to the aforesaid meeting of the equity shareholders may be sent by the Transferor Company through electronic mode;
- iii. direct the publication of the notices in relation to the aforesaid meeting of the equity shareholders of the Transferor Company in Financial Express in English language and in Hosadigantha in Kannada Language by way of an advertisement, as this Hon'ble Tribunal may deem fit;
- iv. direct the appointment of a Chairperson and a Scrutinizer and fix quorum for the aforesaid meeting of equity shareholders of the Transferor Company.

**In relation to the Transferee Company:**

- i. pass appropriate orders/ directions for convening, holding and conducting the meeting of the equity shareholders (including public shareholders) of the Transferee Company through video conferencing ("VC") as per the MCA Circular without the physical presence of the equity shareholders, to consider and, if thought fit, approve, with or without modification, the Scheme, at such time, date and venue as this Hon'ble Tribunal may deem fit; and direct/ allow voting by the equity shareholders through remote e-voting and e-voting during VC convened meeting;
- ii. direct that individual notices in relation to the aforesaid meeting of the equity shareholders may be sent by the Transferee Company through electronic mode;
- iii. pass appropriate orders/ directions for dispensing with the requirement of holding and convening the meeting of the preference shareholder of the Transferee Company, in view of the written consent by way affidavit given by the sole preference shareholder of the Transferee Company;
- iv. pass appropriate orders/ directions for dispensing with the requirement of holding and convening the meeting of the debenture holders of the Transferee Company, in view of the written consent by way affidavit given by the Debenture Trustee;
- v. pass appropriate orders/ directions for dispensing with the requirement of holding and convening the meeting of the unsecured creditors (other than deposit holders) of the Transferee Company, in view of the written consents by way affidavit given by the unsecured secured creditors (other than deposit holders) holding 90% in value;
- vi. pass appropriate orders/ directions for dispensing with the requirement of holding and convening the meeting of deposit holders of Transferee Company as the interest of deposit holders would not be affected owing to the reasons indicated under sub-para 17 of Para IV of the Application;
- vii. direct the publication of the notices in relation of the aforesaid meeting of the equity shareholders of Transferee Company in Financial Express in English language and Hosadigantha in Kannada Language, as this Hon'ble Tribunal may deem fit.




*As per Regulation 44A of the Banking Regulation Act, 1949 read with Master Direction – Amalgamation of Private Sector Banks, Directions 2016, the notice of meeting of shareholders called for approval on the scheme of amalgamation is required to be published at least once a week for three consecutive weeks in two newspapers (including in a vernacular language newspaper). Accordingly, upon receiving directions from Hon'ble Tribunal, the Transferee Company shall publish notice in aforesaid newspapers for three consecutive weeks;*

- viii. *direct the appointment of a Chairperson and a Scrutinizer and fix Quorum for the aforesaid meeting of the equity shareholders Transferee Company; and*

**In relation to both the Applicant Companies:**

- ix. *direct service of notice under Section 230(3) read with Section 230(5) of the Act along with all the documents in such form as may be prescribed to the Regional Director; Registrar of Companies, Bangalore; Official Liquidator; RBI; Income Tax Authorities, the Securities and Exchange Board of India as well as the National Stock Exchange of India Limited and the BSE Limited and such other sectoral regulators or authorities (if any) which are likely to be affected by the Scheme as per Section 230(5) of the Act;*
- x. *pass such further order(s) as may be deemed proper in the facts and circumstances on the instant case.”*


9. The Learned Counsel for the Applicant Companies has submitted that as per the Certificate dated 24.03.2023 (Annexure 17) of CA V. Sridhar, Chartered Accountant, there are 85,294 Equity Shareholders in the Transferor Company. Further, it is stated that there are no Preference shareholders, Secured and Unsecured creditors in the Transferor Company. The CA certificates dated 24.03.2023 for the Preference shareholders, Secured and Unsecured creditors in the Transferor Company are attached as Annexure 18 & 19 to the Application.
10. Moreover, as per the Certificate dated 24.03.2023 (Annexure 20) of CA V. Sridhar, Chartered Accountant, there are 280,431 Equity Shareholders in the Transferee Company. Further, as per the Certificate dated 24.03.2023 (Annexure 21) of CA V. Sridhar, Chartered Accountant, there is 1 Preference Shareholder in the Transferee Company who has given his consent by way of affidavit to the Scheme. The consent affidavit is attached as Annexure 22.
11. It is stated that as per the Certificate dated 24.03.2023 (Annexure 24) of CA V. Sridhar, Chartered Accountant, there are 2634 debenture holders in the Applicant Company No.1. The debenture holders have given their



consent for the dispensation for convening of meeting of the debenture holders as annexed as Annexure 26 to the application. The CA certificate dated 24.03.2023 of CA V. Sridhar, Chartered Accountant, for dispensation of meeting of debenture holders is attached as Annexure 26. It is stated that as per the Certificate dated 24.03.2023 (Annexure 28) of CA V. Sridhar, Chartered Accountant, there are no secured creditor in the Applicant Company No.2. As per CA certificate dated 28.03.2023 (Annexure 29) of CA V. Sridhar, Chartered Accountant, there are 162 unsecured creditors in the Applicant Company No.2 as on 28.02.2023. The unsecured creditors constituting more than 90% in total value have given their consent for the dispensation for convening of meeting of the unsecured creditors filed in diary no. 3207 dated 19.06.2023 to the Application.

- 12.** Further, as per CA certificate dated 24.03.2023 (Annexure 31) of CA V. Sridhar, Chartered Accountant, there are 79,97,105 deposit holders in the Applicant Company No.2 as on 19.03.2023. Out of the said 79,97,105 deposit holders, there were 98,810 deposit holders (comprising 1.24% of the total number of deposit holders by head count), who hold 90.01% in value of total deposits amount, and who individually hold deposit of Rs. 2.5 lac and above in the Transferee Company. Regarding meeting of deposit holders, the learned Counsel for Transferee Company has submitted that the meeting of its deposit holders may kindly be dispensed with (consequently issue of notice to deposit holders may not be not required), for the following reasons:
- i. The Scheme does not contemplate any arrangement or compromise between the Transferee Company and its deposit holders. No rights of the deposit holders of the Transferee Company are being affected pursuant to the Scheme. The liability towards the deposit holders of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished. Thus, the deposit holders of the Transferee Company would in no way be affected by the Scheme.
  - ii. Further, as per the financial position as on March 31, 2022, for both the Transferor Company and the Transferee Company, there is an excess of assets over liabilities, to the tune of Rs. 18,058,422,421 and Rs. 28,026,339,256.09 respectively. Thus, both the Transferor





Company and the Transferee Company have positive net worth and upon the Scheme becoming effective, the financial position of the Transferee Company shall enhance, its capital adequacy will increase and hence, Transferee Company would benefit from larger net worth and would continue to remain in a position to timely repay the deposit holders in its ordinary course of business.

- 13.** The applicant companies have filed the list of ongoing adjudications against the applicant companies is attached as Annexure 37 and 38 to the application. Further, an affidavit dated 28.03.2023 stating that are no investigation or proceedings pending against the companies under any other applicable laws.
- 14.** The applicant companies have filed affidavits stating that the Transferor Company, being a NBFC-ND-SI-CIC and the Transferee Company being a small finance bank, are respectively regulated by the RBI. Further, since equity shares of both Transferor Company and Transferee Company are listed with BSE and NSE and are thus regulated by SEBI. The RBI vide its letter dated February 1, 2023 (found attached at **Annexure 13** of the Application) has granted its 'no-objection' to the proposed amalgamation, and the BSE and NSE vide their respective letters dated March 9, 2023 (found attached at **Annexure 14** of the Application) have granted their no objection to the filing of the Scheme before this Hon'ble Tribunal. Further, notices may be issued to the Regional Director, South-eastern Region, Hyderabad, The Registrar of Companies, Ministry of Corporate Affairs, Bangalore, Income Tax Department, Official Liquidator and Reserve Bank of India. It is stated that applicant companies are not required to issue notice of Combination to Competition Commission of India due to the exemption provided under Schedule I to the Competition Commission of India (Procedure in regard to the Transaction of business relating to Combinations) Regulations, 2011 as amended from time to time.
- 15.** It is further stated that, applicant companies filed an affidavit dated March 28, 2023 (found attached at **Annexure 33** of the Application) stating that the Scheme of Amalgamation does not provide for any kind of arrangement with the creditors of Transferee Company, and thereby Corporate Debt restructuring is not applicable and not envisaged to/in the

Scheme. The Scheme contemplates for Capital Reduction, as provided under Chapter IV of the Scheme.


- 16.** The Learned Counsel for the applicant Companies further represented that the applicant companies have filed audited financials for the year ending on 31.03.2022, and unaudited financial statements for the period upto 31.12.2022 as Annexures 5 & 9 of the application.
- 17.** Clause 4.1.2 (n) of the Scheme stated that, all the staff and employees of the Transferor Company who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of the Transferee Company without any break or interruption in their services and on the same terms and conditions (and which are commercially not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date.
- 18.** It is represented that the rationale of the Scheme are as follows: -

*“2.1.1. As per the SFB Guidelines, the promoter of a small finance bank is required to reduce its equity shareholding stake in the small finance bank to 40% within a period of 5 years from the date of commencement of operations of small finance bank. Thereafter, the promoter’s equity stake in such small finance bank is required to be brought down to 30% and then to 26%, within a period of 10 years and 12 years, respectively, from the date of commencement of operations of the small finance bank. Subsequently, an internal working group (IWG) was constituted by the RBI on June 12, 2020 to review the extant guidelines on ownership and corporate structure for Indian private sector banks. The IWG submitted a report dated November 20, 2020 through which a few recommendations were made to the RBI which inter alia included dilution of promoter shareholding. The RBI vide its press release dated November 26, 2021 has inter alia accepted the dilution aspects of promoter shareholding in the private sector banks and clarified that the submission of a dilution schedule shall be mandatory.*

*2.1.2 As per the RBI clarifications, a promoter can exit or cease to be a promoter of small finance bank after completing lock-in of 5 (five) years depending upon the RBI’s regulatory and supervisory comfort and SEBI regulations. The RBI vide its letter dated July 9, 2021 issued to the ‘Association of Small Finance Banks of India’, has allowed filing of an application with the RBI for amalgamation of a holding company (being promoter company) into and with the small finance bank (being subsidiary of promoter company).*

*2.1.3 The Transferor Company, holding around 73.68% (seventy-three point six eight percent) of the total paid-up equity share capital of the Transferee Company, is the promoter of the Transferee Company.*

*2.1.4 Accordingly, the proposed amalgamation of the Transferor Company (being the holding and promoter of the Transferee Company) into and with the Transferee Company, would inter alia enable meeting the dilution requirements referred in Para 3(i) above, and is in line with the aforesaid*



*enabling RBI guidance. Consequent to the amalgamation as contemplated under the Scheme, and dissolution of the Transferor Company, the Transferor Company's shareholding in the Transferee Company would be reduced to NIL thereby resulting in compliance with the above-referred dilution requirements.*

*2.1.5 The proposed amalgamation would be in the best interest of the Transferor Company and the Transferee Company and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages as set out inter alia below:*

- i. the amalgamation would result in formation of a larger and stronger entity having greater capacity for conducting its operations more efficiently and competitively;*
- ii. the amalgamation would avoid operational inefficiency in the group by operating one listed entity and create synergies;*
- iii. the amalgamation would result in larger free public float for the combined listed entity as pursuant to coming into effect of the Scheme, the resultant listed entity would be entirely held by the public shareholders;*
- iv. the amalgamation would yield better administration and cost reduction, including reduction in administrative, legal and other costs associated with the Transferor Company;*
- v. create value for stakeholders including respective shareholders, customers, and employees as the combined entity would benefit from operational efficiencies, optimal utilization of resources, improvement in productivity, cost-reduction etc.;*
- vi. the Transferor Company currently carries on financial activity business in the nature of investments in bank deposits or other permissible securities and investment in shares of subsidiary and derives its value primarily from its investments in the Transferee Company, and therefore, pursuant to amalgamation the public shareholders of the Transferor Company would benefit by directly holding shares in the Transferee Company and derive value from the business of Transferee Company directly.”*

**19.** The Learned Counsel for the Applicant Companies also submitted that the certificate of the Statutory auditors for the Transferee Company has been filed stating that the accounting treatment contained in clause 4.9.1, Part IV of the Draft Scheme is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder, and all the applicable Accounting Standards notified by the Central Government under the Act.. The aforesaid certificate dated 14.10.2022 of M/s. Mukund M Chitale & Co, Chartered Accountants, are attached as Annexure 16 of the application.

**20.** It is submitted that the share exchange ratio dated 14.10.2022 issued by Registered Valuer is attached as Annexure 10 of the application.



**21.** We have heard the Learned Counsel for the Applicant Companies and have perused the records carefully.

**22.** In view of the aforesaid discussions, the meetings of the Preference Shareholder, unsecured creditors and debenture holders of the Transferee Company are dispensed with. With regard to deposit holders of the Transferee Company also, the convening of meeting; is dispensed with in view of the explanation given regarding their rights not being affected and positive net worth of the company as discussed above. Since there is no creditor in the Transferor Company and no secured creditor in the Transferee Company there is nothing to be convened. The applicant companies are directed to issue for paper notification one in English language “Financial Express” and one in vernacular language “Hosadigantha” about the convening and holding of the meeting of the Equity Shareholders of the Transferor Company and the Transferee Company by this Tribunal, with in a period of 10(Ten) days from the date of receipt of copy of this Order. In so far as the meetings to be convened are concerned, the following directions are issued:-

- a) Meeting of the 30 Equity Shareholders of the Transferor Company is to be convened on **03.11.2023** At **10:30 AM** through Video Conferencing or Other Audio Visual Means (OAVM) as per the guidelines issued by MCA subject to the notice of the meeting being issued through electronic mode.
- b) Meeting of the 30 Equity Shareholders of the Transferee Company is to be convened on **03.11.2023** At **11:30 AM** through Video Conferencing or Other Audio Visual Means (OAVM) as per the guidelines issued by MCA subject to the notice of the meeting being issued through electronic mode.

The quorum of the meeting of the equity shareholders to be complied with Section 103 of the Companies Act, 2013. In case the required quorum as noted above for the meetings of the Equity Shareholders of the Applicant Companies is not present at the commencement of the meetings, the respective meetings shall be adjourned by 30 minutes, and thereafter, the persons present and voting shall be deemed to constitute the quorum. For the purpose of completing the quorum, the valid proxies and Authorized Representatives shall also be considered,

if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting, is filed through email or otherwise at the respective registered office of the Applicant Companies. The Chairperson along with Scrutinizer shall ensure that the proxy register is properly maintained. The Scrutinizer is also duty bound to record all proceedings of the meeting conducted through Video Conference.


**Ms. Krutika Raghavan**, having address at 111, Raheja chambers, Museum Road, Bangalore - 560001 Email ID [krutika@krassociates.live](mailto:krutika@krassociates.live) Mobile No. 9972557098 is appointed as the Chairperson for the above meeting to be called for equity shareholders under this order. He shall be paid fee of Rs. 1,00,000/- for his services as the Chairperson.

**Mr.Sudhir V Hulyalkar**, Company Secretaries having address at 4<sup>th</sup> Floor, Prabhas Complex, #27/1, S. Kariyappa Road, Basavanagudi, Bangalore - 560004 Email ID [cssudhirvh@gmail.com](mailto:cssudhirvh@gmail.com) Mobile No.9844266159 is appointed as the Scrutinizer for the above meeting to be called for equity shareholders under this order. Shall be paid fee of Rs. 60,000/- for his services as the Scrutinizer.

- c) It is further directed that individual notices of the said meeting shall be sent by the Applicant Companies to the respective Equity Shareholders through registered post or speed post or through courier or through electronic mode, 30 days in advance before the scheduled date of meeting, indicating the day, date, time and link to the meeting if meeting is conducted through Video Conference as aforesaid, together with a copy of the Scheme, copy of explanatory statement required to be sent under the Companies Act, 2013 and the applicable Rules, along with the proxy forms and any other documents as may be prescribed under the Act shall also be duly sent with the notice.
- d) It is further directed that along with the notice the applicant companies shall also send statement explaining the effect of the Scheme on the Creditors, key managerial personnel, promoters and non-promoter members etc., along with effect of the arrangement for amalgamation on any material interests of the Directors of the Company as provided under sub-section 3 of the Section 230 of the Act.



- e) That the Transferor shall publish with a gap of at least 30 clear days before the aforesaid meetings, indicating the day, date, time and link of the meeting to be conducted through video Conference as aforesaid, to be published in “ Financial” (English) and “ Hosadigantha” (Kannada), both in Karnataka Edition. That the Transferee Company shall publish with a gap of at least 30 clear days before the meeting, indicating the day, date, time and link of the meeting to be conducted through VC as aforesaid, to be published in "Hosadigantha" in Kannada language in and "Financial Express" in English language. The Transferee Company shall publish the said notice at least once a week for three consecutive weeks in the said newspapers in accordance with Regulation 44A of the Banking Regulation Act, 1949 read with Master Direction – Amalgamation of Private Sector Banks, Directions 2016. It is to be stated in the advertisement that the copies of “Scheme”, the Explanatory Statement required to be published pursuant to Section 230 to 232 of the Act and the form of proxy shall be provided free of charge at the registered office of the Applicant Companies. The Transferee Company and Transferor Company shall also publish the notice on its respective websites, if any.
- f) The Authorized Representative of the Applicant Companies shall furnish affidavit of service of notice of meetings and publication of advertisement and compliance of all directions contained herein at least ten (10) days before the date of proposed meetings.
- g) Voting of the Equity Shareholders shall be allowed on the “Scheme” through electronic means as may be applicable to the Transferee Company and Transferor Company under the Act or there under.
- h) The Chairperson shall be responsible to report the result of the meeting to the Tribunal in Form No. CAA 4, as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within 07 (seven) days of the conclusion of the meetings. He would be fully assisted by the Authorized Representative/Company Secretary of the Applicant Companies and the Scrutinizer, who will assist the Chairperson and Alternate Chairperson in preparing and finalizing the reports.

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- i) The Applicant Companies shall individually and in compliance of sub-section (5) of section 230 and Rule 8 of the Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 send notices in Form No. CAA 3 along with a copy of the Scheme, the Explanatory Statement and the disclosures mentioned in Rule 6 of the “ Rules” to (i) the Central Government through the office of the Regional Director (South East Region); (ii) Concerned Registrar of Companies; (iii) Official Liquidator (iv) Principal Chief Commissioner of Income Tax Karnataka & Goa being the Nodal Officer, (v) Jurisdictional Assessing Officer, Income Tax Department, Bangalore by mentioning their respective PAN Number; (vi) Reserve Bank of India (vii) SEBI and other Sectoral Regulators/ Authorities, if any, stating that representations, if any, to be made by them shall be sent to the Tribunal within a period of 30 days from the date of receipt of such notice and copy of such representation shall simultaneously be sent to the concerned companies, failing which, it shall be presumed that they have no objection to the proposed Scheme.
- j) The Applicant Companies shall furnish copy of the Scheme free of charge within one day of any requisition for the “Scheme” made by any person entitled to attend the aforesaid meetings.
- k) It shall be the responsibility of the Applicant Companies to ensure that the notices are sent under the signature and supervision of the authorized representative of the Company on the basis of Board Resolutions.

**23.** All the aforesaid directions are to be complied with strictly in accordance with the applicable laws including forms and formats contained in the “Rules” as well as the provisions of the Companies Act, 2013, by the Transferee Company and Transferor Company.

**24.** In view of the above, the First Motion Application bearing CA (CAA) No. 17/BB/2023 stands allowed, giving liberty to the Applicant Companies to file Second Motion Petition with the direction that the Applicant Companies shall make specific prayer for sending notice to the (1) Central Government, (2) Registrar of Companies, (3) Reserve Bank of India (4) Official Liquidator, (5) Principal Chief Commissioner of Income Tax Karnataka & Goa being the



Nodal Officer, (6) Jurisdictional Income Tax Authorities, by disclosing the PAN numbers of the Applicant Companies (7) SEBI and Stock Exchanges and (8) other relevant statutory authorities/sectoral regulators as applicable in the title of the Second Motion Petition.

- 25.** A Copy of this order be supplied to the Learned Counsel for the Applicant Companies.

**-Sd/-**

**(MANOJ KUMAR DUBEY)**  
**MEMBER (TECHNICAL)**

**-Sd/-**

**(T.KRISHNAVALLI)**  
**MEMBER (JUDICIAL)**