

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT-III**

C.A. (CAA) No. 1113 of 2020

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 TribeTech Private Limited (“Transferor Company”) and Jain Sons Finlease Limited (“Transferee Company”) and their respective shareholders.

TRIBETECH PRIVATE LIMITED

a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at 13B, 6th Floor, Techniplex II, IT Park, off Veer Savarkar Flyover, Goregaon West, Mumbai – 400 062.

...Applicant Company No. 1/
Transferor Company

JAIN SONS FINLEASE LIMITED

a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 12B, 3rd Floor, Techniplex II, IT Park, off Veer Savarkar Flyover, Goregaon West, Mumbai – 400 062.

...Applicant Company No. 2/
Transferee Company

Order Delivered on 01.02.2021

CORAM:

Hon’ble Shri H.V Subba Rao, Member (Judicial)
Hon’ble Shri Shyam Babu Gautam, Member (Technical)

Appearance (through videoconferencing):

For the Petitioner : Mr. Shahezad Kazi along with Mr. Viral Mehta, Ms. Raveena Dhawan, and Mr. Gladwin Isaac, Advocates instructed by S&R Associates,

Per Shri Shyam Babu Gautam, Member (Technical)

ORDER

1. The Counsel for the Applicant Company states that the present Scheme of Arrangement between TribeTech Private Limited (“Transferor Company”) and Jain Sons Finlease Limited (“Transferee Company”) and their respective shareholders.
2. The Transferor Company is in the business of providing 'lending-as-a-service' to banks and non-banking financial companies with a focus on micro and small enterprise customers using technology as an enabler, division, activities and operations as well as the business of providing financial services and products other than lending as a service including their sourcing, marketing and promotion through events, activities and digital marketing efforts.
3. The Transferee Company is in the business of lending or advancing money either with or without security and arranging and negotiating loans, and carrying on the business of financiers, finance brokers, project consultants and factors, money lenders and bill brokers.
4. The Counsel for the Applicant Company further submits that the rationale of the Scheme is that:
 - a. This Scheme is intended to rationalize the business operations and activities of both, the Transferor Company and the Transferee Company, by bringing together the synergy between the technology platform and the distribution capabilities of the two Companies. Since the Transferor Company and the Transferee Company are both part of the Aavishkaar group, and the Transferee.
 - b. Company also forms a significant clientele of the business of the Transferor Company, the lending business of the Transferor Company servicing the Transferee Company is proposed to be demerged into the Transferee Company. This will provide more potential for growth and diversification. This will also lead to better synergy and optimization of costs and resources within the Aavishkaar group.The demerger of the Demerged Undertaking from the Transferor Company to the Transferee Company would benefit the respective businesses of the Transferor and Transferee Companies, including:
 - (i) providing synergy between the technology platforms and distribution networks;

- (ii) ensuring better operational management and cost optimization;
 - (iii) improving shareholder value for the companies; and
 - (iv) making the business proposition more lucrative for a new Investor.
5. A meeting of the equity shareholders of the Transferor Company be convened and held at its registered office at 13B, 6th Floor, Techniplex II, IT Park, off Veer Savarkar Flyover, Goregaon West, Mumbai – 400 062 on Friday, the 19th of March, 2021 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 TribeTech Private Limited (Transferor Company) and Jain Sons Finlease Limited (now, Ashv Finance Limited) (Transferee Company) and their respective shareholders.
6. At least thirty (30) clear days before the meeting of the 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 hand-delivery to each of the 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 shareholders, as per the records of the Transferor Company or can be obtained free of charge at the registered office of the Transferor Company.
7. 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.
8. A meeting of the equity shareholders of the Transferee Company be convened and held at its registered office at 12B, 3rd Floor, Techniplex II, IT Park, off Veer Savarkar Flyover, Goregaon West, Mumbai – 400 062 on Friday, the 19th of March, 2021 at 12:30 p.m. (12.30 hours), for the purpose of considering and if thought fit, approving with or without

modification(s), the proposed Scheme of Arrangement between TribeTech Private Limited (Transferor Company) and Jain Sons Finance Limited (now, Ashv Finance Limited) (Transferee Company) and their respective shareholders.

9. At least thirty (30) clear days before the meeting of the shareholders of the Transferee 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 shareholders of the Transferee Company at their respective registered offices or at their last known addresses or by e-mail to the registered e-mail address of the shareholders, as per the records of the Transferee Company or can be obtained free of charge at the registered office of the Transferee Company.
10. 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.
11. It has been stated in the Joint Application (at Exhibit 'U') that as on July 31, 2020 the Transferor Company has no secured creditors. The counsel for the Applicant Companies under instructions confirms that even as on December 31, 2020 the Transferor Company has no secured creditors.
12. The counsel for the Applicant Companies submits that the Scheme of Arrangement is only between the Transferor Company and the Transferee Company and their respective members/shareholders. The counsel for the Applicant Companies further submits that under the Scheme, no compromise is being sought from any of the creditors of either the Transferor Company or the Transferee Company and the liability to the creditors, either secured or unsecured, of the respective companies is not being reduced or affected in any manner. Therefore, counsel for the Applicant Companies submits that there is no requirement for holding a meeting of the creditors of the Applicant Companies. However, the

Transferee Company being a non-deposit taking non-banking financial company, wishes to hold a meeting of its secured creditors.

13. A meeting of the secured creditors of the Transferee Company be convened and held at its registered office at 13B, 6th Floor, Techniplex II, IT Park, Off Veer Savarkar Flyover, Goregaon West, Mumbai – 400 062 on Friday, the 19th of March, 2021 at 4 p.m. (1600 hours), for the purpose of considering and if thought fit approving with or without modification(s), the proposed Scheme of Arrangement between the TribeTech Private Limited (Transferor Company) and Jain Sons Finlease Limited (now, Ashv Finance Limited) (Transferee Company) and their respective shareholders.
14. At least thirty (30) clear days before the meeting of the secured creditors of the Transferee 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 'V') 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 Transferee Company or can be obtained free of charge at the registered office of the Transferee Company.
15. The quorum for the aforesaid meeting(s) of Equity Shareholders shall be as prescribed under Section 103 of the Companies Act, 2013.
16. That provision of Section 103 of the Companies Act, 2013 shall mutatis mutandis apply to the meeting of Secured Creditors of the Transferee Applicant Company.
17. 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 Transferee Company at its registered office not later than forty-eight (48) hours before the time fixed for the aforesaid meeting.

18. Mr. Atreya Rayaprolu, a director of the Transferor Company and in his absence, Mr. Vineet Chandra Rai, another director of the Transferor Company, is appointed as the Chairperson of the meeting of the shareholders of the Transferor Company, including for any adjournment or adjournments thereof.
19. The scrutinizer for the meeting of the shareholders of the Transferor Company, including for conducting the polls, shall be Mr. Aashish Bhatt of Aashish K. Bhatt & Associates, an independent practicing Company Secretary, at a remuneration of Rs. 17,500/- (Rupees Seventeen Thousand and Five Hundred only).
20. Mr. Nikesh Kumar Sinha, managing director of the Transferee Company and in his absence, Mr. Anurag Agrawal, director of the Transferee Company, is appointed as the Chairperson of the meeting of both the shareholders and secured creditors of the Transferee Company, including for any adjournment or adjournments thereof.
21. The scrutinizer for both the aforesaid meetings, *viz.* the meeting of the shareholders and the meeting of the secured creditors of the Transferee Company, including for conducting the polls, shall be Mr. Aashish Bhatt of Aashish K. Bhatt & Associates, an independent practicing Company Secretary, at a remuneration of Rs. 17,500 /- (Rupees Seventeen Thousand and Five Hundred only).
22. The Chairpersons appointed for the aforesaid meetings to issue instructions for the advertisements to be published, and also issue notices of the relevant meetings to the shareholders and secured creditors of the Transferor Company and Transferee Company, as applicable. The said Chairpersons 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).
23. The Chairperson and/or alternate Chairperson along with the Scrutinizer, as appointed above, shall ensure that the proxy registers for the meetings of the shareholders and secured creditors of the Transferor

Company and Transferee Company, as applicable, are properly maintained.

24. The number and value of a class shares for a class of shareholders or the value of the debts of the secured creditors, as the case may be, shall be in accordance with the records or registers of the Transferor Company and the Transferee Company, respectively and where the entries in the records or registers are disputed, the Chairman/Chairperson of the meetings shall determine the number or value, as the case may be, for the purposes of the meetings and his/her decision in that behalf shall be final.
25. 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 shareholders and secured creditors of the Transferor Company and Transferee Company, as applicable, 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.
26. The Chairperson to report to this Tribunal the result of the aforesaid meetings of the shareholders and secured creditors of the Transferor Company and Transferee Company, as applicable, within ten (10) 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.
27. The Applicant companies are directed to publish a notice of the meetings of Equity Shareholders and Secured Creditors of the Applicant Companies shall be advertised in two local newspapers viz. 'Business Standard' in English language and translation thereof in 'Global Times' in Marathi language, both having wide circulation in the State in which the Registered office of the Company is situated, not less than 30 days before the date fixed for the meetings.
28. The Transferor and Transferee Companies undertakes to:
 - i. issue notice convening the meeting to the shareholders as per Form No. CAA.2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) 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 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.

The undertakings are accepted.

29. The counsel for the Applicant Companies submits that the Scheme of Arrangement is only between the Transferor Company and the Transferee Company and their respective members/shareholders. The counsel for the Applicant Companies further submits that under the Scheme, no compromise is being sought from any of the creditors of either the Transferor Company or the Transferee Company and the liability to the creditors, either secured or unsecured, of the respective companies is not being reduced or affected in any manner.
30. This Tribunal therefore dispenses with the requirement of issuing separate notices to the unsecured creditors of the Transferor Company and Transferee Company. The publication in newspapers should be adequate to provide notice to the unsecured creditors.
31. The Applicant Companies are 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, (along with PAN number) *viz.* Aayakar Bhawan, Ward 13(3) (4), Mumbai for Transferor Company; and Circle 2(1), Signature Towers, Hyderabad Income Tax office for Transferee Company (iv) The Reserve Bank of India, Regional Branch at Mumbai, (v) The Securities and Exchange Board of India, Regional Branch at Mumbai (vi) the BSE Limited, where certain non-convertible debentures of Transferee Company are listed and (vii) Concerned GST Authorities, 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 Applicant

Companies, failing which it shall be presumed that the such authorities have no representations to make on the proposed Scheme of Arrangement.

32. The Applicant Companies to file an affidavit of service proving dispatch of the notices upon the authorities referred to in paragraph 30 above, within ten (10) 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.
33. Accordingly, this CA (CAA) No. 1113 of 2020 is hereby allowed and disposed of.

Sd/-
SHYAM BABU GAUTAM
MEMBER (TECHNICAL)

Sd/-
H. V. SUBBA RAO
MEMBER (JUDICIAL)