



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH - II, CHENNAI**

Under Sections 230 to 232 of the Companies Act, 2013

In the matter of *Scheme of Amalgamation*

CA(CAA)/2(CHE)/2024

IDFC FINANCIAL HOLDING COMPANY LIMITED

CIN:U65900TN2014PLC097942

4TH FLOOR, CAPITALE TOWER,

555 ANNA SALAI,

THIRU VI KA KUDIYIRUPPU,

TEYNAMPET, CHENNAI – 600 018

... 1st Applicant / Transferor Company

And

IDFC LIMITED

CIN: L65191TN1997PLC037415

4TH FLOOR, CAPITALE TOWER,

555 ANNA SALAI,

THIRU VI KA KUDIYIRUPPU,

TEYNAMPET, CHENNAI – 600 018

... 2nd Applicant/ Transferee Company / Amalgamating Company

And

IDFC FIRST BANK LIMITED

KRM TOWER, 7TH FLOOR,

NO.1, HARRINGTON ROAD,

CHETPET, CHENNAI – 600 031

... 3rd Applicant / Amalgamated Company

CORAM

**JYOTI KUMAR TRIPATHI, MEMBER (JUDICIAL)
RAVICHANDRAN RAMASAMY, MEMBER (TECHNICAL)**

For Applicant(s): R. Murari, Senior Advocate

For Preeti Mohan, Advocate

Order Pronounced on 22nd March 2024

ORDER

(Hearing conducted through VC)

This is a Joint Company Application viz., CA(CAA)/2 (CHE)/2024

filed by the Applicant Companies, namely IDFC FINANCIAL HOLDING



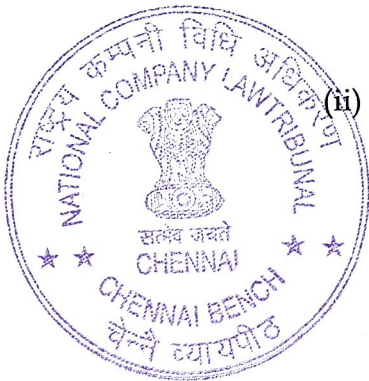


COMPANY LIMITED (for brevity "Transferor Company") and IDFC LIMITED (for brevity "Transferee Company / Amalgamating Company") and IDFC FIRST BANK LIMITED (for brevity "Amalgamated Company") under section 230-232 of Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the Composite Scheme of Amalgamation (hereinafter referred to as the "SCHEME") proposed by the Applicant Companies. The said Scheme is also appended as "Annexure 19" to the CA/CAA/2 (CHE) 2024.

2. The Composite Scheme of Amalgamation involves the following steps;

(i) Amalgamation of the Transferor Company with the Transferee Company, with effect from the Appointed Date 1 (as defined hereinafter) and the consequent dissolution of the Transferor Company without being wound up in consideration whereof there will be no issuance of equity shares as the Transferor Company is a wholly owned subsidiary of the Transferee Company;

(ii) Amalgamation of the Amalgamating Company with and into the Amalgamated Company, with effect from the Appointed Date 2 (as defined hereinafter), and the consequent dissolution of the Transferee Company without being wound up, and the issuance of the New Amalgamated Company Shares (as defined hereinafter) to the equity shareholders of





the Amalgamating Company in accordance with the Share Exchange Ratio (as defined hereinafter);

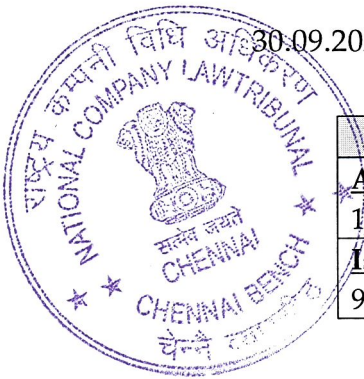
- (iii) Reduction of securities premium account of the Amalgamated Company, pursuant to Sections 230 to 232, and other relevant provisions of the Act, in the manner provided for in this Scheme and in compliance with the provisions of all Applicable Laws (as defined hereinafter)

3. The Applicant Companies in this Company Application has sought for the following reliefs;

	EQUITY SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
TRANSFEROR COMPANY	To dispense with	To dispense with	To dispense with
TRANSFeree / AMALGAMATING COMPANY	To hold meeting	To dispense with	To dispense with
AMALGAMATED COMPANY	To hold meeting	To dispense with	To dispense with. To hold meeting for NCD holders

4. The Transferor Company is a wholly owned subsidiary of the Transferee / Amalgamating Company and incorporated on 07.11.2014. The authorised and paid up share capital of the Transferor Company as on

30.09.2023 is as follows:-



Particulars	Rupees
Authorised share capital 10,00,00,00,000 Equity Shares of Rs.10/- each	1,00,00,00,00,000/-
Issued subscribed and paid up 9,02,92,40,000 Equity shares of Rs.10/-each	90,29,24,00,000/-



5. The Transferee / Amalgamating Company is a Public listed Company which was incorporated on 30.01.1997. The authorised and paid-up share capital of the Transferee / Amalgamating Company as on 30.09.2023 is as follows:-

Particulars	Rupees
Authorised share capital 4,36,71,00,000 Equity Shares of Rs.10/- each	43,67,10,00,000/-
10,00,00,00,000 preference shares of Rs.100/- each	10,00,00,00,000/-
Issued subscribed and paid up 1,59,99,84,436 Equity shares of Rs.10/-each	15,99,98,44,360/-

6. The Amalgamated Company is a Public listed company incorporated on 21.10.2014. The authorised and paid up share capital of the 3rd Resulting Company as on 30.09.2023 is as follows:-

Particulars	Rupees
Authorised share capital 7,50,00,00,000 Equity Shares of Rs.10/- each	75,00,00,00,000/-
38,00,00,00,000 preference shares of Rs.100 each	38,00,00,00,000/-
Issued subscribed and paid up 6,72,24,52,365 Equity shares of Rs.10/-each	67,22,45,23,650/-

7. The Applicant Companies has filed its Memorandum and Articles of Association *inter alia* delineating its object clauses as well as their last available Audited Annual Accounts for the year ended 31.03.2023 and Provisional/ Unaudited Financial Statements for the period ended on 30.09.2023.





8. The Board of Directors of the Applicant Companies vide meeting held on 03.07.2023 had unanimously approved the proposed Scheme as contemplated above and copies of resolutions passed thereon have been placed on record by the applicant companies.

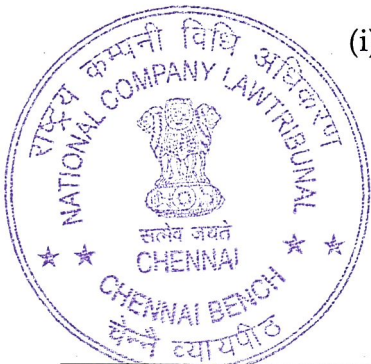
9. The Statutory Auditors of the Applicant Companies have examined the Scheme in terms of provisions of Sec. 232 of Companies Act, 2013 and the rules made thereunder and certified that the Accounting Standards are in compliance with Section 133 of the Companies Act, 2013. The said Certificates of the Statutory Auditors in this regard is placed at Page No. 756 to 768 of the Applicant Companies typed set of Documents filed along with the application.

10. Taking into consideration the application filed by the Applicant Company and the documents filed therewith as well as the position of law, this Tribunal propose to issue the following directions: -

**A. IN RELATION TO IDFC FINANCIAL HOLDING COMPANY LIMITED
(1ST APPLICANT/ TRANSFEROR COMPANY)**

I. EQUITY SHAREHOLDERS

- (i) There are **Seven (7)** Equity Shareholders, whose consent affidavits are placed as **Pgs.773 – 806** and the Certificate issued by the Chartered Accountant certifying the list of Equity Shareholders is placed as **Pgs.769 – 772** of the typed set





filed with the application. It has sought dispensation with holding of meeting.

- (ii) Since it is represented by the Transferor Company that there are **Seven (7)** Equity Shareholders in the Company whose consents by way of Affidavits have been obtained and are placed on record, the necessity of convening, holding and conducting the meeting is *dispensed with*.

II. SECURED / UNSECURED CREDITORS

- (i) There are **NIL** Secured / Unsecured Creditors in the Transferor Company and the Certificate issued by the Chartered Accountant to this effect is placed as **Pgs.807 – 808** of the typed set filed with the application. Hence the necessity for convening, conducting and holding of meeting *does not arise*.

B. IN RELATION TO IDFC LIMITED (TRANSFEREE/AMALGAMATING COMPANY)

I. EQUITY SHAREHOLDERS

- (i) There are **5,80,405** Equity Shareholders in the Transferee / Amalgamating Company and the Certificate issued by the Chartered Accountant certifying the list of Equity Shareholders is placed as **Pgs. 809 – 812** of the typed set filed with the application. It has sought direction for convening, conducting and holding of the meeting.

- (ii) Meeting of the Equity Shareholders of the Transferee / Amalgamating Company is directed to be held on **17th May**





2024 at 10:00 AM at the Registered Office address of the Transferee / Amalgamating Company or through video conferencing or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

II. SECURED / UNSECURED CREDITORS

- (i) There are NIL Secured / Unsecured Creditors in the Transferee / Amalgamating Company and the Certificate issued by the Chartered Accountant to this effect is placed as Pgs.813 – 814 of the typed set filed with the application. Hence the necessity for convening, conducting and holding of meeting *does not arise*.

C. IN RELATION TO IDFC FIRST BANK LIMITED (AMALGAMATED COMPANY)

I. EQUITY SHAREHOLDERS

- (i) There are 20,38,988 Equity Shareholders in the Amalgamated Company and the Certificate issued by the Chartered Accountant certifying the list of Equity Shareholders is placed as Pgs. 815 – 817 of the typed set filed with the application. It has sought direction for convening, conducting and holding of the meeting.

- (ii) Meeting of the Equity Shareholders of the Amalgamated Company is directed to be held on 17th May 2024 at 02:00 PM at the Registered Office address of the Amalgamated





Company or through video conferencing or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

II. SECURED CREDITORS

- (i) There are NIL Secured Creditors in the Amalgamated Company and the Certificate issued by the Chartered Accountant to this effect is placed as Pgs.818 – 820 of the typed set filed with the application. Hence the necessity for convening, conducting and holding of meeting *does not arise*.

III. UNSECURED CREDITORS

- (i) It is stated that the Amalgamated Company has Unsecured Creditors with an outstanding amount of Rs.53,466.91 Crores (Rupees Fifty Three Thousand Four Hundred and Sixty Six point Nine One Crores). A certificate of the Chartered Accountant to this effect is attached at Pgs.818 – 820. It is stated that the Scheme does not propose any compromise or arrangement with the creditors of the Amalgamated Company, in respect of their rights. The rights of the creditors of the Amalgamated Company are not affected since there will be no reduction in their claims, and the assets of the Amalgamated Company, post the Scheme, will be more than sufficient to discharge its liabilities in the ordinary course of business. Further, it is stated that since the Transferor Company, and the Transferee Company/Amalgamating





Company do not have any creditors, the ability of the Amalgamated Company, post the amalgamation, to discharge the debts/claims of their creditors in the normal course of business would not in any way be adversely impacted by the Scheme. It is stated that the Scheme neither proposes any restructuring of the debts due to the creditors of the Amalgamated Company, nor does it envisage any extinction or reduction of liability, or the alteration.

- (ii) Reliance was placed upon the Judgment of the Hon'ble High Court of Bombay in the matter of **ICICI Bank Limited 2002(4) Bom CR 403** to state that if the arrangement is purely between the Company and its members, not adversely affecting the creditors or any class of them, then the Court is not bound to convene the meeting of the Creditors.
- (iii) In view of the same, the meeting of the Unsecured Creditors of the Transferee / Amalgamating Company is *dispensed with*.

IV. NON – CONVERTIBLE DEBENTURE HOLDERS

- (iii) It is stated that the Amalgamated Company has issued 1,36,194 Non - convertible Debenture which represented a total amount of Rs.17,669.4 Crores and the Certificate issued by the Chartered Accountant to this effect is attached at **Pg. No. 821 – 864**. It has sought direction for convening, conducting and holding of the meeting.





- (iv) Meeting of the Non – convertible Debenture Holders of the Amalgamated Company is directed to be held on **17th May 2024 at 04:00 PM** at the Registered Office address of the Amalgamated Company or through video conferencing or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

11. The quorum for the meeting of the Applicant Companies shall be as follows;

S.No	NAME OF THE COMPANY	CLASS	QUORUM
1	TRANSFEEE / AMALGAMATING COMPANY	EQUITY SHAREHOLDERS	100
2	AMALGAMATED COMPANY	EQUITY SHAREHOLDERS	100
3	AMALGAMATED COMPANY	NON - CONVERTIBLE DEBENTURE HOLDERS	50

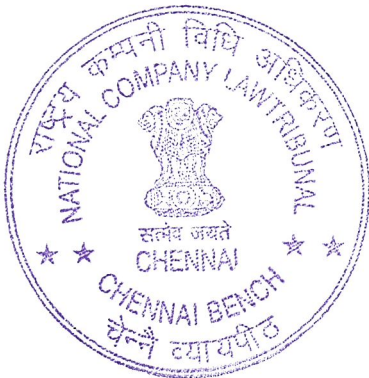
- i) The Chairperson appointed for the above said meetings shall be **Varadharajan (Mob:9444166699/9940406971)**. The Fee of the Chairperson for the aforesaid meeting shall be **Rs.2,00,000/-** in addition to meeting his incidental expenses. The Chairperson(s) will file the reports of the meeting within a week from the date of holding of the above said meetings

Ramesh Kumar Mallela, (Mob:9381931353) is appointed as a Scrutinizer and would be entitled to a fee of **Rs.75,000/-** for services in addition to meeting incidental expenses.





- iii) In case the quorum as noted above, for the above meeting of the Applicant Companies is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the person(s) present and voting shall be deemed to constitute the quorum. For the purpose of computing the quorum the valid proxies 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 with the registered office of the applicant companies at least 48 hours before the meeting. The Chairperson appointed herein along with Scrutinizer shall ensure that the proxy registers are properly maintained. However, every endeavour should be made by the applicant companies to attain at least the quorum fixed, if not more in relation to approval of the scheme.
- iv) The meetings shall be conducted as per applicable procedure prescribed under the MCA Circular MCA General Circular Nos. (i) 20/2020 dated 5th May, 2020 (AGM Circular), (ii) 14/2020, dated 08.04.2020 (EGM Circular-I) and (iii) 17/2020 dated 13.04.2020 (EGM Circular-II);
- v) That individual notices of the above said meetings shall be sent by the Applicant Company through registered post or speed post or through courier or e-mail, 30 days in advance before the scheduled date of the meeting, indicating the day, date, the place and the time as aforesaid, together with a copy of Scheme, copy of explanatory statement, required to be sent under the Companies Act, 2013 and the prescribed form of proxy shall also be sent along and in addition to the above any other documents





as may be prescribed under the Act or rules may also be duly sent with the notice.

- vi) That the Applicant Company shall publish advertisement with a gap of atleast 30 clear days before the aforesaid meetings, indicating the day, date and the place and time as aforesaid, to be published in the English Daily "*Business Line*" (*All India Edition*), and "*Makkal Kural*" (*Tamil Nadu Edition*) in vernacular stating the copies of Scheme, the Explanatory Statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and the form of proxy shall be provided free of charge at the registered office of the respective Applicant Companies.
- vii) The Chairperson shall as aforestated be responsible to report the result of the meeting within a period of 3 days of the conclusion of the meeting with details of voting on the proposed scheme.
- viii) Since it is represented by the Applicant Companies that No objection has been obtained from Reserve Bank of India, Competition Commission of India, SEBI, NSE and BSE, we direct the Applicant Companies to send notice to concerned Regional Director, MCA, Registrar of Companies Chennai, and the Income Tax Authorities as well as other Sectoral regulators who may have significant bearing on the operation of the applicant companies or the Scheme *per se* along with copy of required documents and disclosures required under the provisions of Companies Act, 2013 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016.



The applicant companies shall further furnish copy of the Scheme free of charge within 1 day of any requisition for the



Scheme made by every creditor or member of the applicant companies entitled to attend the meetings as aforesaid.

- x) The Authorized Representative of the Applicant Companies shall furnish an affidavit of service of notice of meetings and publication of advertisement and compliance of all directions contained herein at least a week before the proposed meetings.
- xi) All the aforesaid directions are to be complied with strictly in accordance with the applicable law including forms and formats contained in the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 as well as the provisions of the Companies Act, 2013 by the Applicants.

12. The Applications stand **allowed** on the aforesaid terms.

Sd/-

RAVICHANDRAN RAMASAMY
MEMBER (TECHNICAL)

Sd/-

JYOTI KUMAR TRIPATHI
MEMBER (JUDICIAL)



Certified to be True Copy

NATIONAL COMPANY LAW TRIBUNAL CHENNAI	
Order No. / Date :	CA/CAA/2/2024 date: 22/03/2024
Certified Copy made Available on :	26/03/2024
Applied for Certified Copy (Applicant / Respondent)	28/03/2024
Certified Copy issued on	01/04/2024

K. Narayan
DEPUTY REGISTRAR
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