

The Investment Trust of India Limited

(Erstwhile Fortune Financial Services (India) Limited)
Regd office: Naman Midtown, A Wing, Unit No. 2103, 21st Floor
Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013



Date: 8th December, 2020.

The Manager
BSE Limited
Listing Department
P.J. Tower, Dalal Street
Fort, Mumbai 400 001.

The Manager
National Stock Exchange of India Limited
Listing Department
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (East), Mumbai 400 051

Ref: BSE Scrip Code: 530023

NSE Symbol: THEINVEST

Dear Sir/Madam,

Sub.: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Update on the Scheme of Arrangement

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in continuation to the previous intimation letter dated December 03, 2020 which was uploaded on the website of the stock exchanges on December 04, 2020, we would like to inform you that a copy of the order passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") sanctioning the Scheme of Arrangement by and between United Petro Finance Limited ("Demerged Company") and Fortune Credit Capital Limited ("Resulting Company") and The Investment Trust of India Limited ("Holding Company of the Resulting Company") and their respective Shareholders ("NCLT Order") has been uploaded on the website of the NCLT on December 08, 2020 and the same is enclosed herewith for your records.

As mentioned earlier, the Scheme will become effective upon filing of the certified copy of the NCLT Order, sanctioning the Scheme with the Registrar of Companies, Mumbai. The same will be intimated to Stock exchanges in due course.

Kindly take the same on your records and acknowledge receipt.

Thanking you

Yours Faithfully,

For The Investment Trust of India Limited


Haroon Mansuri
Company Secretary



Encl.: As above

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

C. P. (CAA) No. 4143 of 2019
Connected with
C. A. (CAA) No. 2464 of 2019

In the matter of the Companies Act, 2013 And In the matter of Sections 230 read with Section 232 and other applicable provisions of the Companies Act, 2013 And In the matter of Scheme of Arrangement by and between United Petro Finance Limited ("Demerged Company"), Fortune Credit Capital Limited ("Resulting Company") and The Investment Trust of India Limited (erstwhile Fortune Financial Services (India) Limited) ("Holding Company of the Resulting Company") and their respective Shareholders.

United Petro Finance Limited

(CIN: U65923MH1996PLC310611)

registered office at 21st Floor, Unit No. 2103,

"A" Wing Naman Midtown, Senapati Bapat

Marg, Elphinstone Road, Mumbai-400013 ... Petitioner Company 1/
Applicant Demerged Company

Fortune Credit Capital Limited

(CIN: U67190MH2007PLC175180)

registered office at 21st Floor, Unit No. 2104,

"A" Wing Naman Midtown, Senapati Bapat

Marg, Elphinstone Road, Mumbai - 400 013 ... Petitioner Company 2/
Applicant Resulting Company

The Investment Trust of India Limited

(CIN: L65910MH1991PLC062067)

registered office at Naman Midtown,

A Wing Unit No. 2103, 21st Floor, Senapati

Bapat Marg, Elphinstone Road,

Mumbai - 400 013

.... Petitioner Company 3/
Holding Company of the
Resulting Company



Order delivered on 03.12.2020

Coram:

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

Appearance (through video conferencing):

For the Applicant: Mr. Darshan Ashar Advocate i/b. Sanjay Udeshi & Co.,
Advocate

For the Regional Director: Ms. Rupa Sutar, Deputy Director

Per Shri H. V. Subba Rao, Member (Judicial)

ORDER

1. Heard learned counsel for the Petitioner Companies. No objector has come before this Tribunal to oppose the Scheme nor has any party controverted any averments made in this Petition.
2. The sanction of this Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013, to a Scheme of Arrangement by and between United Petro Finance Limited ("Demerged Company") and Fortune Credit Capital Limited ("Resulting Company") and The Investment Trust of India Limited ("Holding Company of the Resulting Company") and their respective shareholders ("Scheme of Arrangement"/ "Scheme").
3. The Petitioner Companies had approved the said Scheme of Amalgamation and Arrangement by passing the respective Board Resolutions each dated 19th February 2019 which are annexed to the Company Scheme Petition.
4. The Hon'ble Tribunal had vide its order dated 25th July 2019 in CA (CAA) No. 2464/MB/2019 ordered meetings of Equity shareholders of all the Petitioner Companies and Preference shareholders of the Resulting Company and the Holding Company of the Resulting Company to be conducted. Pursuant thereto, the respective meetings of Equity shareholders of all the Petitioner Companies and the meeting of Preference shareholders of Resulting Company and the Holding Company of the Resulting



Company was held on Tuesday, 24th September, 2019 for the purpose of considering and if thought fit, approving with or without modifications(s) the proposed Scheme of Arrangement by and between United Petro Finance Limited ("Demerged Company") and Fortune Credit Capital Limited ("Resulting Company") and The Investment Trust of India Limited ("Holding Company of the Resulting Company") and their respective Shareholders ("Scheme of Amalgamation and Arrangement"/"Scheme"). In the said meetings, the Scheme was approved by the requisite majority of the Equity shareholders of the respective Petitioner Companies and Preference shareholders of the Resulting Company and the Holding Company of the Resulting Company respectively without any modifications. The report of the Chairpersons of the meetings stating the outcome of the meetings are annexed to the Company Petition as "Exhibits "F-1 to F-3" and "G-1 to G-2" respectively".

5. There are no secured creditors in the Resulting Company and the Holding Company of the Resulting Company.
6. Notices to all the secured creditors of the Demerged Company, as directed by the Hon'ble Tribunal, were ordered, sent and delivered. Notices to all the unsecured creditors of the Petitioner Companies, as directed by the Hon'ble Tribunal, were ordered, sent and delivered.
7. The Demerged Company is engaged in two key business verticals – Lending Business and Technology Business.
8. The Resulting Company is primarily engaged in the business of corporate financing and lending against security of shares, stocks, bonds, debentures or other similar instruments on short, medium and long term basis.
9. The Holding Company of the Resulting Company is primarily engaged in the financial services business including stock broking, underwriting, portfolio management, corporate advisory services, financial advisory, asset management, fund mobilization, lease financing and other financial services.



10. The Learned Advocates for the Petitioner Companies submits that in order to achieve better management and to have clear focus on business and operations, the management of the Demerged Company has decided to demerge the Lending Business thereby transferring the Lending Business of the Demerged Company into the Resulting Company, with a focus on extending and consolidating short term, unsecured business loans to MSMEs (medium, small and micro enterprises) such as Retail Businesses, Distributors, Traders and Services Businesses and which is in the interests of maximizing overall stakeholders value.
11. The authorised share capital of the Demerged Company is Rs. 55,00,00,000/- comprising of 5,50,00,000 equity shares of Rs. 10/- each. The issued, subscribed and paid-up share capital of the Transferor Company is Rs. 54,60,00,000/- comprising of 5,46,00,000 equity shares of Rs. 10/- each.
12. The authorised share capital of the Resulting Company is Rs. 120,00,00,000/- comprising of 7,80,00,000 equity shares of Rs. 10/- each and 3500 0.01% Unsecured Non-cumulative fully convertible Non-redeemable Preference Shares of Series I (CCPS) of Rs. 1,00,000/-each and 7,00,00,000 0.01% Non-convertible Non-cumulative Redeemable Preference Shares of Series II (CCPS) of Rs. 1/- each. The issued, subscribed and paid-up share capital of the Resulting Company is Rs. 90,00,30,100/- comprising of 5,00,00,000 equity shares of Rs. 10/- each and 3400 0.01% Unsecured Non-cumulative fully convertible Non-redeemable Preference Shares of Series I (CCPS) of Rs. 1,00,000/-each and 6,00,30,000 0.01% Non-convertible Non-cumulative Redeemable Preference Shares of Series II (CCPS) of Rs. 1/- each.
13. The authorised share capital of the Holding Company of the Resulting Company is Rs. 105,25,00,000/- comprising of 10,30,00,000 equity shares of Rs. 10/- each and 2,25,000 1% Redeemable Cumulative Preference shares of Rs. 100/- each. The issued, subscribed and paid-up share capital of the Transferee Company is Rs. 53,27,37,670/- comprising of 5,10,23,767 equity



shares of Rs. 10/- each and 2,25,000 1% Redeemable Cumulative Preference Shares of Rs. 100/- each.

14. Upon this Scheme coming into effect, the Holding Company of the Resulting Company (which is covered under the definition of Resulting Company u/s 2(41A) of the Income Tax Act, 1961), shall, without any further application or deed, issue and allot to the shareholders of the Demerged Company whose names appear in the Register of Members of the Demerged Company on the Record Date (except for the shareholding by the Holding Company of the Resulting Company itself and/or its wholly owned subsidiaries), the following shares in proportion of their holding in the Demerged Company :
- a. 496,500 (Four Lakhs Ninety-six Thousand Five Hundred) fully paid-up equity shares of face value INR 10/-; and
 - b. 732,000 (Seven Lakhs Thirty-two Thousand) Optionally Convertible Preference Shares ('OCPS') of face value INR 325/- each, convertible into equal number of equity shares of face value INR 10/- each. Further, the OCPS will carry a right for applying for additional 1.5 equity shares of face value INR 10/- each at a price of Rs. 325 per share including premium of INR 315/-.
15. The Regional Director, Western Region has filed his Report dated 14th February 2020. In Paragraph IV (a) to (c) of the said Report, the Regional Director has stated that:
- (a) *In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc.*
 - (b) *As per Definition of the Scheme,*
"Appointed Date" means March 31, 2017 (close of business hours) or such other date as may be approved by the National Company Law Tribunal at Mumbai;
"Effective Date" means the date on which the certified copy of the Order of the National Company Law Tribunal is filed with the Registrar of Companies;



Further, the Petitioners may be asked to comply with the requirements and clarified vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.

(c) ROC Mumbai Report dated 05.02.2020 has mentioned following observations:-

- 1. Holding Company of the Resulting Company is Investment Company hence NOC from RBI is required*
- 2. Holding Company of the Resulting Company is listed company hence notice to SEBI & Stock Exchange is required to be issued.*

16. In response to the above observations made by the Regional Director in its Report, the point wise response of the Petitioner Companies is as under:

- a) As far as the observation made in paragraph IV (a) of the Report of the Regional Director is concerned, it is hereby submitted that, in addition to compliance with AS-14 or IND AS-103, as may be applicable, the Petitioner Companies will pass such accounting entries which are necessary in connection with the Scheme to comply with other applicable Accounting Standards such as AS-5 or IND AS-8 etc., as may be applicable.
- b) As far as the observations made in paragraph IV (b) of the Report of the Regional Director is concerned, it is hereby submitted that, the Appointed date under the said Scheme is 31st March 2017. Further, I hereby submit that the arrangement as embodied in the Scheme shall take effect from the Appointed Date and shall be operative from the Effective Date as mentioned in Clause 6.1.7 of the Scheme.

Additionally, in respect of the requirements of the circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs ("MCA Circular"), it is hereby submitted that the following sequence of activities needs to be appreciated:

- a. The arrangement as embodied in the Scheme ("Original Scheme") was initially approved by the Board of Directors of the Holding Company of the Resulting Company, which



- is a listed company, in their meeting held on April 25, 2017. Therefore, at that point in time the Appointed Date of April 1, 2017 was a current date viz. it was not ante dated beyond a year.
- b. Thereafter, as the Holding Company of the Resulting Company is a listed company, it was required to file an application with the Stock Exchanges (viz. BSE Limited and National Stock Exchange of India Limited) for seeking their no-objection to the Scheme of Arrangement, in terms of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated 10th March 2017, as amended from time to time ("SEBI Circular"), prior to filing an application with Hon'ble NCLT. Therefore, the Holding Company of the Resulting Company submitted such an online application on July 18, 2017.
- c. Thereafter, in terms of SEBI Circular, Stock Exchanges sought certain clarifications from the Holding Company of the Resulting Company from time to time and finally, through their respective letters each dated August 13, 2018 returned the Scheme of Arrangement highlighting the observations of SEBI that the Scheme was not in compliance with clause (1) (A) (3) (b) of SEBI Circular, as amended at that point in time ("Stock Exchanges Initial Letter").
- d. Therefore, in order to address the observations of Stock Exchanges / SEBI as highlighted in the Stock Exchanges Initial Letter, the management of the Petitioner Companies carried out certain required changes in the Scheme of Arrangement to effectively address the aforesaid observations and thereafter, the board of directors of the Holding Company of the Resulting Company again approved the said Scheme of Arrangement, as modified, ("Revised Scheme of Arrangement") in their meeting held on February 19, 2019.
- e. Thereafter, as required under the said SEBI Circular, the Holding Company of the Resulting Company again submitted an online application with the Stock Exchanges on February 28, 2019 for seeking their no-objection to the Revised Scheme of Arrangement.



- f. Thereafter, in terms of SEBI Circular, Stock Exchanges again sought certain clarifications from the Holding Company of the Resulting Company from time to time and finally, through their respective letters each dated June 10, 2019 issued a "No adverse observation" letter for the said Revised Scheme of Arrangement ("Stock Exchanges No-objection Letter").
- g. Only on receipt of the Stock Exchanges No-objection Letter, the Petitioner Companies could initiate the process of filing application with Hon'ble NCLT, and which was filed on June 27, 2019.

In light of the aforesaid background, it is submitted that since significant amount of time was lapsed in seeking approval/ no objection of the Stock Exchanges/ SEBI and thus, the Appointed Date in the Revised Scheme of Arrangement falls beyond or is ante dated beyond a year from the date of filing the Application with the Hon'ble NCLT. However, it is hereby submitted that the Appointed Date is a specific calendar date which is in accordance with the clarifications as stated in the MCA Circular.

- c) As far as the observation made in Point 1 of paragraph IV (c) is concerned, it is hereby submitted that the Holding Company of the Resulting Company is not registered with the RBI as a Non-Banking Financial Company. It is further submitted that as per clause xvi. of Annexure A to the Independent Auditors' Report on the standalone financial statements of the Holding Company of the Resulting Company for the financial year ended 31st March 2020, the company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and hence, NOC from the Reserve Bank of India shall not be required.

Further in response to Point 2 of paragraph IV (c), it is submitted that, in response to the Revised Scheme of Arrangement submitted by the Holding Company of the Resulting Company on February 28, 2019 as stated above, the Stock Exchanges, namely BSE Limited and National Stock



Exchange of India Limited vide their respective letters each dated June 10, 2019 issued a "No adverse observation" letter for the said Revised Scheme of Arrangement which inter alia includes in it the comments / observations of the SEBI. Also, in the letters issued by the Stock Exchanges, it is specifically mentioned as follows:-

"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations."

Therefore, there are no further actions required on these points.

17. Learned counsel for the Petitioner Companies submits that the Petitioner Companies have complied with all requirements as per directions of the Tribunal and they have filed necessary Affidavits of compliance before this Tribunal. Moreover, the Petitioner Companies undertake to comply with all the statutory requirements, if any, as required under the Companies Act, 2013 and the Rules made thereunder, as may be applicable. The undertaking is accepted.
18. From the material on record, the Scheme of Amalgamation and Arrangement appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. Since all the requisite statutory compliance have been fulfilled, Company Scheme Petition No. 4143 of 2019 is made absolute in terms of prayers mentioned therein.

ORDER

- a. That the said Scheme of Arrangement is hereby sanctioned and declared the same to be binding on the Petitioner Company No.1, Petitioner Company No. 2 and Petitioner No. 3 and their respective Shareholders.



- b. The Scheme is sanctioned with the Appointed Date fixed as 31st March 2017.
- c. The Petitioner Companies are directed to lodge a copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, electronically in E-Form INC-28, within 30 days from the date of issue of certified order by the Registry, duly certified by the Deputy/ Assistant/ Joint Registrar of this Tribunal.
- d. The Petitioner Companies are directed to lodge a copy of this Order and the Scheme duly authenticated by the Deputy/ Assistant/ Joint Registrar of this Tribunal, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the certified Order by the Registry, duly certified by the Deputy/ Assistant/ Joint Registrar of this Tribunal.
- e. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Deputy Director/ Assistant Registrar/ Joint Registrar, National Company Law Tribunal, Mumbai.

Sd/-

SHYAM BABU GAUTAM
MEMBER (TECHNICAL)

Sd/-

H. V. SUBBA RAO
MEMBER (JUDICIAL)

