

IN THE NATIONAL COMPANY LAW TRIBUNAL
COURT NO. 5, MUMBAI BENCH

CA(CAA)/12/MB.V/2021

In the matter of

The Companies Act, 2013

and

Sections 230 to 232 and other applicable
provisions of the Companies Act, 2013

and

In the matter of

The Scheme of Arrangement

between

Reliance Industries Limited

and its shareholders and creditors

and

Reliance O2c Limited

and its shareholders and creditors

Reliance Industries Limited, a company)
incorporated under the provisions of)
the Companies Act, 1956, having CIN)
L17110MH1973PLC019786 and its)
registered office at 3rd Floor, Maker)
Chambers IV, 222, Nariman Point,)
Mumbai, Maharashtra 400 021, India)

...Applicant Company

Order Pronounced on: 11.02.2021

Coram:

Smt. Suchitra Kanuparthi, Hon'ble Member (J)

Shri. Chandra Bhan Singh, Hon'ble Member (T)

Appearances (via videoconferencing)

For Applicant Company: Senior Counsel Mr. Janak Dwarkadas, Senior
Counsel Mr. Gaurav Joshi along with Mr. Raj
Panchmatia, Mr. Mehul Shah, Mr. Peshwan
Jehangir, Mr. Aman Yagnik, Mr. Himanshu
Vidhani, Mr. Rushabh Gala, Mr. Jamsheed

Dadachanji, Ms. Roselin Alex i/b Khaitan & Co.

ORDER

Per: Suchitra Kanuparthi, Member (Judicial)

1. The Bench is convened by video conference on 11th February 2021.
2. Reliance Industries Limited (the "Applicant Company") & its shareholders and creditors And Reliance O2C Limited (the "Transferee Company") & its shareholders and creditors are entering into a scheme of arrangement ("Scheme").
3. The Scheme provides for: (a) transfer of the O2C Undertaking from the Applicant Company to the Transferee Company on a Slump Sale basis for a lump sum consideration; and (b) reduction of capital of the Applicant Company consequent to adjustment of capital reserve and securities premium against the debit to the statement of profit and loss arising on transfer of O2C Undertaking to the Transferee Company. The Scheme also provides for various other matters consequent and incidental thereto.
4. The Applicant Company was incorporated on 8th May 1973, under the provisions of the Companies Act, 1956 under the name 'Mynylon Limited'. This name of 'Mynylon Limited' was subsequently changed to 'Reliance Textile Industries Limited' on 11th March 1977. A certificate of incorporation consequent upon change of name has been issued by the Registrar of Companies, Karnataka, Bangalore. The registered office was changed from the State of Karnataka to the State of Maharashtra, and certificates of registration of the order of the Company Law Board confirming such transfer of registered office have been issued by the Registrar of Companies, Maharashtra, Bombay on 4th August 1977 and by the Registrar of Companies, Karnataka, Bangalore on 5th August 1977. The name 'Reliance Textiles Industries Limited' was subsequently changed to the present name, 'Reliance Industries Limited' on 27th June, 1985. A certificate of incorporation consequent upon change of name has been issued by the Registrar of Companies, Maharashtra, Mumbai. The Applicant Company has multiple undertakings including digital services, retail, financial services, E&P and O2C undertakings. The equity shares and non-convertible debentures of the Applicant Company are listed on BSE Limited and National Stock Exchange of India Limited.

The global depository receipts of Applicant Company are listed on Luxembourg Stock Exchange and are traded on the International Order Book (IOB) (London Stock Exchange) and amongst qualified institutional investors on the over-the-counter (OTC) market in the United States of America. The foreign currency bonds of Applicant Company are listed on the Singapore Stock Exchange and Luxembourg Stock Exchange.

5. The Transferee Company was incorporated under the provisions of the Companies Act, 2013 as "Reliance Navi Mumbai Infra Limited" on 24th January 2019. The name of the Transferee Company was changed to "Reliance O2C Limited" w.e.f. 11th September 2019. A certificate of incorporation consequent upon change of name has been issued by the Registrar of Companies, Maharashtra, Mumbai. The registered office of the Transferee Company was shifted from the State of Maharashtra to the State of Gujarat. A fresh certificate of registration consequent upon change of State is issued by the Registrar of Companies, Gujarat on 21st May 2020.
6. The Learned Counsel for the Applicant Company submits that as on 31st December 2020, the Applicant Company has 32,34,794 equity shareholders holding 633,94,40,720 fully paid-up equity shares of INR 10 each and 5,60,855 equity shareholders holding 42,26,26,894 partly paid-up equity shares of INR 2.5 each. A meeting of the Equity Shareholders (holding fully paid-up equity shares and partly paid-up equity shares) of the Applicant Company be convened and held for the purpose of considering, and, if thought fit, approving, with or without modification(s), the proposed Scheme. Out of 32,34,794 equity shareholders, about 8.25 lakh shareholders do not have email ids and have to be served with physical notices. These equity shareholders are spread throughout the length and breadth of the country. It is a mammoth task for the Applicant Company to print and dispatch these physical notices especially in view of the various restrictions imposed by Central Government as well as by various State Governments due to the COVID-19 pandemic. The Applicant Company has to engage many printing presses and many courier and other services for completing the dispatch of physical notices. The Applicant Company can commence work in this regard once we allow this Application. Accordingly, the Applicant Company will be able to determine the date of the meeting after taking into account the time required for completing the printing and dispatch of physical notices and the statutory notice period, etc.

once orders are passed on this Application. On this basis, we allow the Applicant Company to decide the exact date and time of the meeting in consultation with the Chairperson. Such meeting to be held, on any date, on or before 15th April 2021. The said meeting will be convened through video conferencing or other audio-visual means and not in physical presence of shareholders, as the same shall not be feasible and safe, due to the on-going COVID-19 pandemic and related social distancing norms. In addition to the above, the Applicant Company shall also provide facility of e-voting including remote e-voting to each of its equity shareholders to cast their vote.

7. The Learned Senior Counsel for the Applicant Company submits that there are no Preference Shareholders of the Applicant Company as on date of hearing of the present Company Scheme Application; and therefore, the question of convening and holding the meeting of the Preference Shareholders of the Applicant Company does not arise.
8. The Learned Senior Counsel for the Applicant Company submit that on 30th November 2020, there are 283 secured creditors of the Applicant Company having an outstanding amount of Rs 21141,34,54,904. A meeting of the secured creditors be convened and held, for the purpose of considering, and, if thought fit, approving, with or without modification(s) the proposed Scheme, on or around the same date as the date of meeting of the equity shareholders to be decided by the Applicant Company in consultation with the Chairperson. The said meeting will be convened through video conferencing or other audio-visual means and not in physical presence of the secured creditors, as the same shall not be feasible and safe, due to the on-going COVID-19 pandemic and related social distancing norms. In addition to the above, the Applicant Company shall also provide facility of e-voting including remote e-voting to each of its secured creditors to cast their vote.
9. The Learned Counsel for the Applicant Company submits that as on 30th November 2020, there are 15,667 unsecured creditors of the Applicant Company having an outstanding amount of Rs. 312292,59,90,266. A meeting of the unsecured creditors be convened and held, for the purpose of considering, and, if thought fit, approving, with or without modification(s) the proposed Scheme, on or around the same date as the date of meeting of the equity shareholders to be decided by the Applicant Company in consultation with the Chairperson. The said

meeting will be convened through video conferencing or other audio-visual means and not in physical presence of unsecured creditors, as the same shall not be feasible and safe, due to the on-going COVID-19 pandemic and related social distancing norms. In addition to the above, the Applicant Company will provide facility for e-voting including remote e-voting to each of its unsecured creditors to cast their vote.

10. In terms of the meetings to be convened of equity shareholders and creditors, it is hereby directed as under:

i. At least one month before the said meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Company to be held as aforesaid, a notice convening the said meeting at the day, date and time as fixed in accordance with para nos. (6), (8) and (9) above, together with a copy of the Scheme, a copy of the Explanatory Statement required to be sent under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, shall be sent to the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Company by electronic mail to their registered e-mail address or registered post or by air mail or by courier or by speed post or by hand delivery, as per the records of the Applicant Company.

ii. At least 30 (Thirty) days before the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Company to be held as aforesaid, a notice convening the said meeting, at the date and time fixed in accordance with para nos. (6), (8) and (9) above be published each in 'Business Standard' in English having nation-wide circulation, and 'Loksatta' in Marathi having circulation in Maharashtra, stating that copies of the Scheme and the said statement required to be furnished pursuant to Section 230(3) of the Companies Act, 2013 can be obtained free of charge by emailing the Applicant Company at investor.relations@ril.com.

11. The Applicant Company undertakes to:

i. Issue notice convening meeting of the Equity Shareholders, Secured Creditors and Unsecured Creditors 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; and
- iii. Advertise the notice convening meetings as per Form No. CAA.2 (Rule 7) of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016.

The undertaking is accepted.

12. Justice (Retd.) B. N. Srikrishna, Former Judge, Supreme Court of India, failing whom, Justice (Retd.) K. S. Radhakrishnan, Former Judge, Supreme Court of India, is hereby appointed as the Chairperson for the respective meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Company.
13. Mr. Mehul Modi, Chartered Accountant (Membership No.: 48940) and failing him, Mr. Vishal Agarwal, Chartered Accountant (Membership No.: 119930) of M/s. Deloitte Haskins & Sells LLP, Chartered Accountant is hereby appointed as a Scrutinizer for the respective meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Company.
14. The Chairperson appointed for the aforesaid meetings of the Applicant Company to issue notice of the respective meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors referred above. The Chairperson shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as may be applicable for meeting of Equity Shareholders, Secured Creditors and Unsecured Creditors convened and held through video conferencing or other audio-visual mode, in relation to the conduct of the meetings including for deciding procedural questions that may arise at the meetings or at any adjournment thereof or any other matter including, an amendment to the Scheme or resolution, if any, proposed at the meetings by any Equity Shareholder(s), Secured Creditors and Unsecured Creditors.
15. 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.
16. The value and number of the equity shares of each equity shareholder 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.

17. The quorum for the aforesaid meeting of the Secured Creditors will be 30 Secured Creditors (in number), and of the Unsecured Creditors will be 30 Unsecured Creditors (in number) of the Applicant Company attending the meeting.
18. The value and number of the Secured Creditors and Unsecured Creditors shall be in accordance with the books/ records maintained by the Applicant Company and where the entries in the books/ records are disputed, the Chairperson of the Meeting shall determine the value and number for the purpose of the aforesaid meeting and his decision in that behalf would be final.
19. The Chairperson shall file a compliance report not less than 7 (Seven) days before the date fixed for holding of the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Company and report to this Tribunal that the directions regarding the issue of notices and advertisements have been duly complied with, as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
20. The voting for the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Company on the proposed Scheme shall be allowed by mechanism of e-voting (including remote e-voting) by shareholders, secured creditors and unsecured creditors, as the case may be, or by their respective authorized representative(s). The voting by authorized representative, in case of a body corporate be permitted, provided that the authorization duly signed by the person entitled to attend and vote at the meeting is filed with the Applicant Company, in physical or electronic mode, at its registered office, at least 48 (Forty Eight) hours before the aforesaid meetings, as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
21. The Chairperson shall report to this Tribunal, the result of the aforesaid meetings within 30 (Thirty) days of the conclusion of the said Meeting of

the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Company, and the said report shall be verified by his undertaking as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

22. The Applicant Company to serve notices upon Central Government through the Regional Director, jurisdictional Registrar of Companies, Income Tax Authority concerned addressed to the Deputy Commissioner of Income Tax Circle 3(4), Mumbai (Applicant Company having PAN No. AAACR5055K), Goods & Services Tax Authority at the Commissioner of Central Goods & Services Tax, Belapur Commissionerate, 1st Floor, CGO Complex, CBD Belapur, Navi Mumbai – 400 614, BSE Limited and any sectoral regulator, as applicable, pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from such authorities within 30 (Thirty) days of the date of receipt of the notice, it will be presumed that they have no objection to the Scheme as per Rule 8 of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016.
23. The Applicant Company shall file a compliance report with the Registry with regard to the directions given in this Order in lieu of the customary affidavit of service, due to the current COVID-19 pandemic situation prevailing now.

Sd/-

Chandra Bhan Singh
Member (Technical)

Sd/-

Suchitra Kanuparthi
Member (Judicial)