

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**JAIPUR BENCH**

(through web-based video conferencing platform)

**Coram: SHRI AJAY KUMAR VATSAVAYI,**  
**HON'BLE JUDICIAL MEMBER**  
**SHRI RAGHU NAYYAR,**  
**HON'BLE TECHNICAL MEMBER**

**CA(CAA) No. 110/230-232/JPR/2020**

**Under Sections 230-232 of the Companies Act, 2013**

**IN THE MATTER OF SCHEME OF AMALGAMATION**  
**OF**  
**ISAGRO (ASIA) AGROCHEMICALS PRIVATE LIMITED**  
**(Transferor Company)**

**WITH**

**PI INDUSTRIES LIMITED**  
**(Applicant/Transferee Company)**

**MEMO OF PARTIES**

**ISAGRO (Asia) Agrochemicals Private Limited**  
Kalpataru Square, Unit No. 32, 3<sup>rd</sup> Floor Kondivita,  
Land R K Mandir Rd, Off Andheri Kurla Rd,  
Andheri East, Mumbai – 400059, Maharashtra

**...Transferor Company**

**WITH**

**PI Industries Limited**  
Udaisagar Road, Udaipur,  
Rajasthan – 313001

**...Applicant /Transferee Company**

**Counsel for the Applicant: Prakesh Khurana, Adv.**

**Order Pronounced on: 18.12.2020****ORDER**

Per: Shri Raghu Nayyar, Technical Member

1. This Application is filed by PI Industries ('Transferee Company' / 'Applicant Company') under Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the Scheme of Amalgamation ('Scheme') proposed between ISAGRO (Asia) Agrochemicals Private Limited ('Transferor Company') with the Applicant / Transferee Company. The said Scheme is also submitted along with the Application as Annexure 1. The Applicant above named has preferred the instant Application in effect for the following purposes as evident inter alia from the reliefs sought for namely:

- I. *Pass appropriate orders / directions for convening the requirement of meeting of the members of the Applicant Company through e-voting and the requirement to give individual notices to the members whose email ids are registered with Applicant Company or any other directions which this Hon'ble Tribunal deem fit;*
- II. *Pass appropriate order / directions for dispensing the meeting of the Secured Creditors of the Transferee Company / Applicant Company and the requirement to give individual notices to the secured creditors;*
- III. *Pass appropriate order / directions for dispensing the meeting of unsecured creditors of the Transferee / Applicant Company and the requirement to give individual notices to the unsecured creditors or in the alternative, issue necessary directions / orders as the Hon'ble Tribunal may deem fit, for the purpose of*

*permitting Applicant Company to serve notice of the meeting of unsecured creditor via email or speed post or courier or hand delivery to only those unsecured creditors having an outstanding of more than or equal to Rs 10,00,000 ( Rupees Ten Lacs only) as at (June 30, 2020) and further dispensing with the requirement of issuance and publication of separate notices to such other unsecured creditors.*

- IV. *Pass appropriate orders / directions for permitting Applicant Company to file the petition for sanctioning the Scheme of Amalgamation between Transferor Company and Applicant Company in accordance with Rule 15 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.*
- V. *Pass appropriate directions for Publication of notice of the meeting or meetings to be held in two local newspapers – one English newspaper namely 'Times of India' and one vernacular newspaper namely 'Rajasthan Patrika'.*
- VI. *Pass appropriate directions for Appointment of Chairperson and Scrutinizer for the meeting or meetings to be held and terms of appointment and remuneration of the Chairperson and Scrutinizer;*
- VII. *Pass appropriate directions for Fixing the time period within which the Chairperson shall report the result of the meeting to the Hon'ble Tribunal;*
- VIII. *Pass appropriate direction for sending notices to (a) the Central Government through Regional Director (Western Region), Ministry of Corporate Affairs, (b) Jurisdictional Registrar of Companies, (c) Income Tax Department, (d) SEBI, (e) National Stock Exchange, (f) Bombay Stock Exchange seeking their representation, if any, on the Scheme of Amalgamation.*
- IX. *Pass appropriate directions for convening meeting by VC/OAVM as per directions/relaxations provided by the Ministry of Corporate Affairs vide its Circular No. 14 dated 08.04.2020 and Circular No. 17 dated 13.04.2020*
- X. *Pass any other appropriate order/directions which the Hon'ble NCLT may deem fit.*

2. An affidavit in support of the Application sworn for and on behalf of the Applicant Company by one Mr. Naresh Kapoor has been filed. being the

Company Secretary and authorised representative of the Applicant Company, along with this Application. Counsel for the Applicant Company has drawn the attention of the Tribunal to the averments made in the Application as well as the typed set of documents annexed therewith. It is further represented that the Application filed by the Applicant Company is maintainable in view of applicable rules of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and it is also represented that the Registered Office of the Applicant Company is situated within the territorial jurisdiction of Jaipur Bench of this Tribunal and falling within the purview of Registrar of Companies, Jaipur.

3. The Counsel of the Applicant has submitted that at the time of the hearing, a similar Application has been made before the NCLT, Mumbai Bench. since the Registered Office of the Transferor Company is situated in Mumbai, Maharashtra. The NCLT, Mumbai Bench on 10.11.2020 passed an order dispensing with the meeting of Equity Shareholders and Secured Creditors of the Transferor Company and with respect to Unsecured Creditors a direction has been passed to submit their representation within 30 days of the said order. No action needs to be taken by this bench in respect thereof.
4. We have perused the Application and the connected documents / papers filed therewith including the Scheme of Amalgamation.

5. From the certificate of incorporation filed, it is evident that the Transferor Company was incorporated as a Private Limited Company under the provisions of Companies Act, 1956 on 21.08.2001 with the Registrar of Companies, Mumbai with CIN: U2499MH2001PTC133128 under the name and style of 'ISAGRO (Asia) Agrochemicals Private Limited'.
6. The Authorized share capital of the Transferor Company is Rs. 16,50,00,000/- divided into 1,65,00,000 equity shares of Rs. 10/- each and issued, subscribed and paid-up share capital of the Transferor Company is Rs. 14,86,29,030/- divided into 1,48,62,903/- equity shares of Rs. 10/- each.
7. From the certificate of incorporation filed, it is evident that the Applicant Company is incorporated as a company limited by shares under the provisions of Companies Act, 1956 on 31.12.1946 with the Registrar of Companies, Jaipur with CIN: L24211RJ1946PLC000469 under the name and style of 'The Mewar Oil and General Mills Limited'. Subsequently, the name of the Company was changed to 'PI Industries Limited' and consequent thereto, the RoC issued a fresh certificate of incorporation on 13.10.1992 copy of which is annexed as Annexure 6.
8. The Authorized share capital of the Applicant Company is Rs. 72,30,00,000 divided into 72,30,00,000 equity shares of Rs. 1/- each and issued, subscribed and paid-up share capital of the Applicant Company is Rs. 13,81,07,993/- divided into Rs. 13,81,07,993/- equity shares of Rs. 1/- each.

9. The Applicant company has filed the Memorandum and Articles of Association of both the companies inter alia delineating their object clauses. The last available audited financial statements for the year ended 31.03.2020 of both the Companies are also filed by the Applicant Company.
10. The Applicant has furnished the details of the Shareholders, Secured Creditors and Unsecured Creditors in the Scheme of both the companies as on date which are as follows:

Sr. No.	Name of the Company	No. of Shareholders	No. of Secured Creditors	No. of Unsecured Creditors
1.	ISAGRO (Asia) Agrochemicals Private Limited (Transferor Company)	2	1	264
2	PI Industries Limited (Transferee Company)	67697	7	1235

The Applicant Company contends that all the Secured Creditors of the Applicant Company have given their consent through affidavits taken on record. In the circumstances, the Applicant seeks dispensing with the convening and conducting of the meetings of the Secured Creditors.

11. This Tribunal has perused the Application and the connected documents papers filed therewith including the Scheme of Amalgamation contemplated between both the Companies.
12. The Board of Directors of the Transferor Company and Transferee company vide separate meetings held on 12.02.2020 have unanimously

- approved the proposed Scheme of Amalgamation as contemplated and copies of resolutions passed thereon have been placed on record by the Applicant Company. The appointed date as per the Scheme is stated to be 27.12.2019.
13. An affidavit sworn on behalf of the Applicant Company by Mr. Naresh Kapoor has been filed, being the Company Secretary and Authorised Representative of the Applicant /Transferee Company, stating that no investigation proceedings are pending against Applicant Company.
  14. The Applicant / Transferee Company has complied with the proviso to Section 230 (7) and Section 232 (3) by filing the certificate of the Company's Auditor in relation to compliance with the Accounting Standards under section 133 of the Companies Act, 2013. Copy of the statutory auditor's certificate is annexed as Annexure 16.
  15. The Applicant submitted that the Transferor Company is a wholly owned subsidiary of the Applicant Company. Therefore, as per Regulation 37 (6) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, vide letter dated 24.06.2020 the Applicant has filed the Scheme of Amalgamation with the Stock Exchange for the purpose of disclosure only. Copy of the said letter is annexed as Annexure 21.
  16. The Applicant Company submits that as per Circular No. CFD/DIL3/CIR/2017/21 dated 10.03.2017 issued by Securities Exchange Board of India ('SEBI'), "Valuation Report from an Independent Chartered

Accountant is not required in cases where there is no change in the shareholding pattern of the listed company / resulting company on effectiveness of Scheme of Arrangement". In the copy of certificate of the Chartered Accountant annexed as Annexure 10, it is stated that there shall be no change in shareholding of the resulting company; accordingly valuation report is not required.

17. Taking into consideration the Application filed by the Applicant/ Transferee Company and the documents filed therewith, this Tribunal proposes to issue the following directions with respect to calling, convening and holding of the meetings of the Equity Shareholders, Secured and Unsecured Creditors or dispensing with the same as well as issue of notices including by way of paper publication:

**(A) In relation to Applicant / Transferee Company:**

**(i) With respect to Equity Shareholders:**

Since it is represented by the Applicant / Transferee Company that there are 67697 Equity Shareholders in the Applicant / Transferee Company and it is seen that their consent affidavits have not been placed on record; therefore, this Tribunal is of the view that a meeting of the Equity Shareholders of the Transferee Company is required to be held on 06.02.2021 through Video Conference and other Audio Visual means ('VC & OAVM') subject to notice of the meeting being issued through post, courier or email ids registered with the Transferee Company.



**(ii) With respect to Secured Creditors:**

Since it is represented by the Applicant / Transferee Company that there are 7 Secured Creditors in the Applicant / Transferee Company and it is seen that all 7 Secured Creditors have given their consents, which are placed on record, therefore, the necessity of convening and holding a meeting, to consider and if thought fit the approval of the scheme, is dispensed with.

**(iii) With respect to Unsecured Creditors:**

Since it is contented that the Scheme of Amalgamation is not an arrangement under Section 230(a) of the Act as it does not involve any compromise or arrangement with the Unsecured Creditors, therefore the meeting of Unsecured Creditors of Applicant Company be dispensed with. It is also submitted that the scheme is in no way detrimental to the interest of the Unsecured Creditors as there will be no diminution in the asset value of the Transferee Company. Also, after implementation of the scheme the asset block of the Transferee company would increase substantially. Thus, the Applicant Company is directed to give notices to all its unsecured creditors having an outstanding of more than or equal to Rs. 10,00,000/- as per the list of unsecured creditors annexed as Annexure 18, by Courier / Registered Post / Speed Post / Hand Delivery at their last known address as per the records of the Applicant Company.

or through e-mail (to those creditors whose email addresses are duly registered with their Applicant Company for the purpose of receiving such notices by email), with a direction that they may submit their representations, if any, to the Tribunal within 30 days and copy of such representations shall simultaneously be served upon the Applicant Company.

**18. Directions for Meeting to be held are issued as under: -**

Considering the Covid-19 situation, the meeting of the Equity shareholders of the Applicant / Transferee Company shall be called, convened and conducted through VC & OAVM subject to the notice of the meeting being issued through post / courier / e-mail as specified below:

- (i) Holding of the meeting and conclusion of the voting of the Equity shareholders of the Applicant / Transferee Company shall be done through VC & OAVM on 06.02.2021 at 11.00 a.m. in accordance with the Companies Act, 2013, and applicable Rules & guidelines. The quorum of the meeting of the Equity Shareholders shall be 30 in number and 25% in value either present personally, including authorised representative, or through proxy.
- (ii) In case the quorum as noted above for the aforesaid meeting of the Equity shareholders of the Applicant / Transferee Company is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the persons present and voting, including

authorised representatives, 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 through email or otherwise at the registered office of the Applicant / Transferee Company at least 48 hours before the meeting. The Company Secretary of the Applicant Company shall keep the Chairperson, the Alternate Chairperson and the Scrutinizer updated with respect to the proxy register. The Scrutinizer is duty bound to record all proceedings of the meeting conducted through VC & OAVM. However, every endeavour shall be made by the Applicant / Transferee Company to attain at least the quorum fixed, if not more, in relation to approval of the Scheme.

- (iii) Mrs. Sudha Sharma, (I.R.S. Retd.), Ex-Chairperson C.B.D.T., Chandigarh (Mobile No. 9877672524, e-mail id: [sudha\\_irs@yahoo.co.in](mailto:sudha_irs@yahoo.co.in)), is appointed as the Chairperson. Mr. Saurabh Kalia, Advocate, New Delhi (Mobile No. 981979440, email id: [saurabhkalia@hotmail.com](mailto:saurabhkalia@hotmail.com)) is appointed as Alternate Chairperson and Mr. Sushil Daga, Advocate and Company Secretary (Mobile No.9829689999, e-mail id: [sushil@anicuslegal.in](mailto:sushil@anicuslegal.in)) is appointed as the Scrutinizer for the meeting of Equity shareholders of the Applicant / Transferee

Company through VC & OAVM, which is directed by this Tribunal to be called, convened, conducted and concluded.

- (iv) The honorarium of the Chairperson and Alternate Chairperson for the aforesaid meeting of the Equity Shareholders of the Applicant / Transferee Company shall be Rs. 1,50,000/- & Rs. 1,25,000/- respectively and the honorarium of the Scrutinizer shall be Rs. 1,00,000/-, in addition to re-imbusement of their incidental and out of pocket expenses. The Chairperson / Alternate Chairperson and Scrutinizer will file their report within a week of conclusion of the meeting. They would be fully assisted by the authorized representative / Company Secretary of the Applicant Company.
- (v) Individual notice(s) of the above said meeting shall be sent by the Applicant / Transferee Company to the Equity Shareholders on record of the company through registered post or speed post or courier or e-mail, 30 days in advance before the scheduled date of meeting, indicating the day, date, time and link to meeting through VC & OAVM as aforesaid, together with a copy of the Scheme, copy of explanatory statement required to be sent under the Companies Act, 2013, and applicable Rules and guidelines, along with the proxy forms and any other documents as may be prescribed under the Act, which shall also be duly sent with the notice.
- (vi) It is further directed that along with the notice, Applicant

Company 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 Section 230 of the Act. Further, the Applicant Company shall prepare provisional statement of accounts as on 31.12.2020 and ensure that the same is presented in the meeting and at least a summary thereof is circulated in advance.

- (vii) The Applicant / Transferee Company shall publish advertisement, indicating the day, date, time and link of the meeting to be conducted through VC & OAVM as aforesaid, with a gap of at least 30 clear days before the holding of the meeting through VC & OAVM (i.e. 06.02.2021), to be published in two leading daily Newspapers with large circulation, in English and in vernacular, stating that the copies of Scheme of Amalgamation and 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 Applicant Company. The Applicant Company shall also publish the notice on its website, if any.

(viii).The Applicant / Transferee Company shall send notice individually and in compliance of sub-section (5) of Section 230 and Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) 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 the Income Tax Authorities (indicating the respective PAN Nos.), ROC concerned, Official Liquidator and Regional Director (North Western Region), RBI, SEBI, National Stock Exchange, Bombay Stock Exchange as well as other sectoral regulators or authorities, if applicable, as an advance notice for their representation / observation, if any. The Applicant Company shall file affidavit regarding sectoral regulators that may be concerned and include a specific prayer with respect to notices to relevant regulators and authorities also at the stage of second motion. In case the Scheme is exempted under the Competition Act, 2002, an affidavit to this effect shall be given. Otherwise, notice to Competition Commission of India may also be issued.

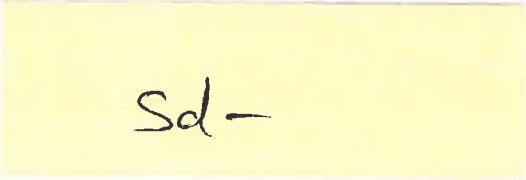
(ix) The Applicant / Transferee Company shall further furnish copy of the Scheme free of charge within 1 day of any requisition for the Scheme made by any Equity Shareholder of the Applicant Company entitled to vote as aforesaid.

(x) The authorized representative of the Applicant / Transferee Company shall furnish an affidavit of service of notice of meeting and publication of advertisement and compliance of all directions contained herein at least a week before the proposed meeting.

(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 (Companies, Arrangements, Amalgamations) Rules, 2016, as well as the provisions of the Companies Act, 2013.


19. The Applicant / Transferee Company shall file petition for the approval of the Scheme in due course along with copies of the orders in the proceedings at other NCLT benches also exercising jurisdiction in respect of the Scheme, particularly the orders at significant intermediate stages of the case i.e. holding or dispensing with meetings for approvals of Shareholders / Creditors, notice to / approval of Statutory or Regulatory Authorities and Approval of the Scheme. The Applicant / Transferee Company is further directed to file copies of the orders of this Bench before the other NCLT benches exercising jurisdiction, particularly at the above said significant stages of the case. This is an integral part of this order and directions given herein, should be complied and affirmed / confirmed in the course of the proceedings before this Tribunal.

20. This Application bearing CA (CAA) No. 110/230-232/JPR/2020 stands allowed on the foregoing terms.
21. Copy of this order be provided to the Applicant Company and the designated Chairperson, Alternate Chairperson and Scrutinizer.



Sd-

**(Raghu Nayyar)**  
**Member (Technical)**



Sd-

**(Ajay Kumar Vatsavayi)**  
**Member (Judicial)**