

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH**

C.A.(CAA)/771/MB/2018

Under Sections 230 to 232  
of the Companies Act,  
2013

In the matter of Scheme of Arrangement involving Demerger of R L Chemical Industries Private Limited ('Demerged Company') and LCG Eximchem Private Limited ('Resulting Company') and their respective shareholders

**R.L. Chemical Industries Private Limited**

.... First Applicant Company / Demerged Company

**LCG Eximchem Private Limited**

... Second Applicant Company / Resulting Company

The First Applicant Company and the Second Applicant Company are collectively referred to as the "Applicant Companies"

Order delivered on 6<sup>th</sup> Day of September, 2018

**Coram:**

Hon'ble Bhaskara Pantula Mohan, Member (J)

Hon'ble V. Nallasenapathy, Member (T)

**For the Applicant(s):** Mr. Ajit Singh Tawar i/b Ajit Singh Tawar & Co., Advocates for Applicant Companies.

**Per:** *Hon'ble Bhaskara Pantula Mohan, Member (J)*

**Order**

**UPON** the application of the Applicant Companies above named by a Company Notice of Admission **AND UPON HEARING** Mr.

Ajit Singh Tawar i/b Ajit Singh Tawar & Co., Advocates for the Applicant Companies **AND UPON READING** the Application along with the Notice of Admission dated 18<sup>th</sup> Day of July, 2018 of Jaypal Gupta, Authorized Representative of the Applicant Companies, in support of Notice of Admission along with Application and Exhibits therein referred to, **IT IS ORDERED THAT:**

1. The meeting of the Equity Shareholders of the First Applicant Company, be convened and held at registered office of the First Applicant Company situated at 22 Abhishek, 303 Samuel Street, Vadgade, Mumbai, Maharashtra – 400003, Maharashtra, India on Wednesday, on 12<sup>th</sup> Day of October, 2018 at 11 AM for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement involving Demerger of the agro-chemical division (“the demerged undertaking”) from R. L. Chemical Industries Private Limited (‘Demerged Company’) into LCG EximChem Private Limited (‘Resulting Company’).
2. The meeting of the Equity shareholders of the Second Applicant Company, be convened and held at registered office of the Second Applicant Company situated at 22, Fl. 2, Plot - 303/307, Abhishek Bldg, Hazrat Abbas Road, Samuel Street, Mandvi, Mumbai, Mumbai City, Maharashtra, India, 400003 on 12<sup>th</sup> Day of October, 2018 at 12 PM for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement involving Demerger of the demerged undertaking of R. L. Chemical Industries Private Limited (‘Demerged Company’) into LCG Exim Chem Private Limited (‘Resulting Company’).
3. At least thirty (30) clear days before the said meeting(s) of the Equity shareholders of the Applicant Companies to be held as aforesaid, a notice convening the said meeting(s) at the place, day, date and time aforesaid, together with a copy of the Scheme, a copy of the Explanatory Statement required to be

sent under Section 230(3) read with section 102 of the Companies Act, 2013 and the prescribed Form of Proxy, shall be sent by Registered Post/ Courier / speed post / hand delivery / E-Mail (to those shareholders whose email addresses are duly registered with their respective Applicant Companies for the purpose of receiving such notices by email), to each of the Equity shareholders of the Applicant Companies, at their last known address or email addresses as per the records of the respective Applicant Companies.

4. That at least thirty (30) clear days before the meeting(s) of the Equity Shareholders of the respective Applicant Company to be held as aforesaid, a notice convening the said meeting, indicating the place, date and time of meeting as aforesaid be published stating that the copies of the Scheme and the statement required to be furnished pursuant to Section 230(3) read with section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the Form of Proxy can be obtained free of charge at the Registered Office of the respective Applicant Companies, as aforesaid and / or at the office of its Advocates, Ajit Singh Tawar & Co., 14, Rajabahadur Building, Ambalal Doshi Marg, Opp. Bombay Mutual Chambers, Fort, Mumbai – 400 023.
5. That a composite notice of the meetings shall be published, for the Applicant Companies in two local newspapers viz. 'Free Press Journal' (Mumbai edition) in English language and a translation thereof in 'Navshakti' (Mumbai edition) in Marathi language, both circulated in Mumbai, Maharashtra not less than 30 days before the date fixed for the meetings.
6. The Applicant Companies undertake to:
  - i. issue Notice convening meeting(s) of the Equity shareholders in Form No. CAA.2 as per Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;
  - ii. issue Statement containing all the particulars as per Section 230(3) read with section 102 of the Companies Act, 2013;

- iii. issue Form of Proxy in Form No. MGT-11 as per Rule 19 of the Companies (Management and Administration) Rules, 2014; and
- iv. publish the Notice convening meeting(s) in Form No. CAA.2 as per Rule 7 the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

The undertaking is accepted.

- 7. Mr Jaypal Gupta, Director of the Applicant Companies failing him, Mr. Satyapal Gupta, Director of the Applicant Companies, shall be the Chairperson of the meeting(s) of the Equity Shareholders to be held as aforesaid or any adjournments thereof.
- 8. The Scrutinizer for the aforesaid meeting(s) shall be Mr. Jaypal Gupta, shareholder of the Applicant Companies and failing him, Mr. Satyapal Gupta, shareholder of the Applicant Companies.
- 9. The Chairperson appointed for the aforesaid meeting(s) to send out the notices of the meeting(s) and publish the advertisement referred to above. The said Chairperson shall have all powers as per Articles of Association and also under the Companies Act, 2013 in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise at the meeting(s) or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting(s) by any person(s).
- 10. The quorum of the aforesaid meeting(s) of the Equity Shareholders of the respective Applicant Company shall be as prescribed under Section 103 of the Companies Act, 2013.
- 11. The voting by proxy or authorized representative shall be permitted, provided that a proxy in the prescribed form / authorization duly signed by the person entitled to attend and vote at the meeting(s), is filed with the respective Applicant Company at its Registered Office, not later than, 48 hours before the aforesaid meeting(s).

12. The value and number of the shares of each member shall be in accordance with the books / register of the respective Applicant Company and where the entries in the books / register / depository records are disputed, the Chairperson for the respective meeting(s) shall determine the value for the purpose of the aforesaid meeting(s) and his decision in that behalf would be final.
13. The Chairperson for the respective meeting(s) to file an affidavit, not less than seven days, before the date fixed for the holding of the respective meeting(s) of Equity shareholders and do report to this Tribunal that the direction regarding the issue and publication of notices have been duly complied with.
14. The Chairperson for the respective meeting(s) to report to this Tribunal, the result of the aforesaid meeting(s) of Equity shareholders within 30 days after the conclusion of the meeting(s).
15. The Counsel for the Applicant Companies submit that since there are no Secured Creditors in the respective Applicant Company, the question of holding the meeting or sending of notices to Secured Creditors of the Applicant Companies does not arise.
16. The Counsel for the First Applicant Company submits that since the Scheme is an arrangement between the First Applicant Company involved in the Scheme and its respective shareholders and only meeting(s) of the Equity shareholders of the Applicant Companies are proposed to be held in accordance with the provisions of Section 230(1)(b) of the Companies Act, 2013. This bench hereby directs the First Applicant Company to issue notices to all its Unsecured Creditors as required under section 230(3) of the Companies Act 2013, by Courier / Registered Post / Speed Post / Hand Delivery or through Email with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the First Applicant Company.

17. The Counsel for the Second Applicant Company further submits that since there are no Unsecured Creditors in the Second Applicant Company, the question of sending of notices to Unsecured Creditors of the Second Applicant Company does not arise.
18. The Applicant Companies are directed to serve notices upon the following authorities pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 along with copy of Proposed Scheme of Arrangement:- (i) the Central Government through the office of Regional Director, Western Region, Mumbai (ii) the Registrar of Companies, Mumbai and (iii) concerned Income tax authority within whose jurisdiction the respective Applicant Companies' assessments are made; with a direction that they may submit their representations, if any, within a period of thirty days from the date of receipt of such notice to the Tribunal with copy of such representations shall simultaneously be served upon the respective Applicant Companies, failing which, it shall be presumed that the authorities have no representations to make on the proposals.
19. The Applicant Companies to file an Affidavit of Service and publication for compliance with the directions given by the Tribunal not less than seven days before the date fixed for holding of the meeting(s) and do report to this tribunal that the direction regarding the issue of notices have been duly complied with.

SD/-

**V. Nallasenapathy**  
**Member (T)**

SD/-

**Bhaskara Pantula Mohan**  
**Member (J)**