

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

CA (CAA)/ 44 (CHE)/ 2025

(Under Sections 230 to 232 of the Companies Act, 2013)

*In the matter of the Scheme of Amalgamation of Vaighai Agro Products Limited
(Transferor Company) with Vaighai Chemical Industries Limited (Transferee
Company) and their respective shareholders*

VAIGHAI AGRO PRODUCTS LIMITED

(CIN: U15132TN2010PLC074539)

Having its Registered Office at

"Vaighai House", No. 39 B,

Anna Nagar, Madurai - 625 020,

Represented by its Director, Mr. K. Pounraj

... Applicant / Transferor Company

With

VAIGHAI CHEMICAL INDUSTRIES LIMITED

(CIN: U24111TN1980PLC008156)

Having its Registered Office at

"Vaighai House", No. 39 B,

Anna Nagar, Madurai - 625 020,

Represented by its Director, Mr. V. Neethi Mohan

... Applicant / Transferee Company

Order Pronounced on 27.06.2025

CORAM

Shri. JYOTI KUMAR TRIPATHI, MEMBER (JUDICIAL)

Shri. RAVICHANDRAN RAMASAMY, MEMBER (TECHNICAL)

Present:

For Applicants: Mr.A.R.Ramanathan and Mr. S. Sriraman, Advocates

ORDER
(Heard through hybrid mode)

The above Company Petitions have been filed by **VAIGHAI AGRO PRODUCTS LIMITED** (*hereinafter referred as Transferor Company*) with **VAIGHAI CHEMICAL INDUSTRIES LIMITED** (*hereinafter referred as Transferee Company*), under section 230-232 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (for brevity 'the Rules') for approval of the Scheme of Amalgamation (hereinafter referred to as the 'SCHEME') proposed between the Applicant Companies which is filed along with their respective Petitions and marked as **ANNEXURE A1**.

2. An affidavit has been filed in support of the above petitions sworn by **Mr. K. Pounraj** for the Transferor Company and **Mr. V. Neethi Mohan** for the Transferee Company, in the capacity of Authorised Signatories and the corresponding Extracts of Board Resolutions dated 30.12.2024 are placed on record and the same is annexed along with their applications as *Annexure 6a* and *6b*.

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

| | EQUITY SHAREHOLDERS | PREFERENCE SHAREHOLDERS | SECURED CREDITORS | UNSECURED CREDITORS |
|--------------------|------------------------|----------------------------|----------------------|------------------------|
| TRANSFEROR COMPANY | Convene | NA | Dispense | Convene |
| TRANSFEE COMPANY | Convene | NA | Dispense | Convene |

4. It is submitted that the Transferor Company is an Unlisted Public Limited Company, incorporated under the provisions of Companies Act, 1956 on 09.02.2010 with name **VAIGHAI AGRO PRODUCTS LIMITED**. The Share Capital of the Transferor Company as on 01.04.2024 is as follows:

| Share Capital | Rs. |
|--|---------------|
| Authorised Share Capital | |
| 55,00,000 equity shares of Rs. 10/- each | 5,50,00,000/- |
| Issued, Subscribed and Paid up | |
| 31,00,883 equity shares of Rs. 10/- each | 3,10,08,830/- |

MAIN OBJECTS OF THE TRANSFEROR COMPANY IN BRIEF:

“The Main Objects of the Applicant Company are set out in Clause III of its Memorandum of Association and marked as Annexure A2:

- (i) To Manufacture, produce, buy, sell, import, export. dispose of stock and to carry on the business of all kinds of oil extraction in its entire ramification including Extraction, Processing, Refining, Storing, Packing, Purchasing, Processing and selling of Rice Bran, Rice Bran Oil, Oil cakes, Agro Products, all kinds of Vegetable oils and edible oils of all types.*
- (ii) (To manufacture, produce, sell, import, export, stock and deal in all kinds of Animal feed and Aqua feed and similar other items.)*
- (iii) To purchase, sell, import, export, stock and deal in all kinds Of Rice, Starch Products like Com Starch, Tapioca Starch and Potato Starch, Coir Products like Coir Fibre, Coir Peat and Coir Geotextiles, Agro Products like Yellow Maize, Palm Kernel Cake and Copra Expeller cake.*
- (iv) To engage in the business of collecting, purchasing, selling, using, consuming exporting, of or otherwise dealing in all types and varieties of biomass products such as bio-mass pellets/ fuel pellets, briquettes, juliflora hey, and arable crop residues such as straw or husks.”*

5. It is submitted that the Transferee Company is a Public Limited Company in Bombay Stock Exchange, incorporated under the provisions of the Companies Act, 2013 on 03.03.1980 with name **VAIGHAI CHEMICAL INDUSTRIES LIMITED**. The Share Capital of the Transferee Company as on 01.04.2024 is as follows:

| Share Capital | Rs. |
|--|---------------|
| Authorised Share Capital | |
| 3,25,000 equity shares of Rs. 100/- each | 3,25,00,000/- |
| Issued, Subscribed and Paid up | |
| 1,67,762 equity shares of Rs. 100/- each | 1,67,76,200/- |

MAIN OBJECTS OF THE TRANSFeree COMPANY IN BRIEF:

“The Object for which the Transferee Company are set out in Clause III of its Memorandum of Association and marked as Annexure 1;

- (i) To manufacture, produce, buy, sell, import, export, dispose of stock and deal in Sodium chlorate, Sodium Per chlorate, Sodium Hypo Chloride, Potassium Chloride, Graphite anode, Hypo Chloric Acid Potassium Di Chromate, potassium per chlorate, Potassium Hypo Chloric, Sodium Chloride and metal anode.*
- (ii) Subject to Restrictions provide in law, to manufacture, produce, buy, sell, import, export, stock and in explosives, deal fireworks, matches and gunpowder of every kind and all kinds of ammunition, cartridges, cartridges cases, fuses and other substance required therefore.*
- (iii) To buy, sell, stock, produce, import, export, dispose of and deal in all kinds of bye products produced manufacturing the above and generally carry on the operations pertaining and relating to the aforesaid objects.*
- (iv) To manufacture, produce, buy, sell, import, export, stock and deal in all kinds of Chemicals and chemicals and Chemical products, organic and inorganic.”*

6. Applicant companies have filed their respective Memorandum and Articles of Association inter alia delineating their object clauses. The Applicant Companies have filed their audited financial Statements as on 31.03.2024 and is placed as **Annexure A5**.

7. The Present Scheme provides for Amalgamation of Applicant companies and the rationale of the scheme is as follows:

“1.1. RATIONALE FOR THE AMALGAMATION

- (i) Both the companies are under the same management, By and large, both the companies have common shareholders, and the proposed amalgamation will enable both the companies to complement each other in the various areas of expertise connected with the conduct of business at large in a more meaningful manner, through effective market positioning including areas of costs efficiency issues.*
- (ii) The combine entity by virtue of having a Strong financial and managerial resource base and being capable of investing in expansion of business with a view to optimally utilise the capacity created over a period with a view to be an integrated position to achieve the objectives of the amalgamation.*
- (iii) The proposed amalgamation will bring-in economy in the scale of operation in order to fully explore the brand loyalty created over a period*

of time by both the entities with a view to optimise the overall profitability of the operations.

- (iv) The Transferor Company is interalia engaged in the business of manufacturing and sale of Rice Bran Oil; Edible Oil extraction; De-oiled Bran and Agro Products and Transferee Company is interalia engaged in the business of manufacturing and sale of chemicals including Potassium chlorate. Both companies in view of common management and pooling of infrastructure would be able to explore new avenues of interest in the said businesses.*
- (v) It would only be advantageous and in the interest of both the companies that the amalgamated business would create a strong marketing base and pave ways for future expansion and growth in the areas of said business.*
- (vi) By proposed amalgamation, better and efficient infrastructure, amenities and facilities could be provided to the ever-changing needs of chemical and oil industries. The options to grow and expand are more for both the businesses under one umbrella entity.*
- (vii) The assets including business goodwill owned hitherto by the Transferor Company by virtue of this amalgamation would vest with the Transferee Company, thereby inuring to the benefits of Transferee Company with no adverse effect at all in the overall financial condition of the Transferee Company.*
- (viii) The scheme thus will not be prejudicial to the interest of the creditors of both the companies, since, no compromise is entered into between them and all the existing liabilities of the Transferor Company would stand vested in the Transferee Company without any financial or otherwise compromise.*
- (ix) The proposed amalgamation would lead to better operational planning and financial management including reduction in the expenditure in running the entity, thereby, making hope for maximising the synergies associated with the amalgamation."*

8. The Board of Directors of the Transferor Company and the Transferee Company in the meeting held on 30.12.2024, has approved the proposed Scheme as contemplated above. Certified Copies of the Board resolutions passed thereon have been placed on record by the companies as **Annexure 6a and 6b** of the application.

9. The Statutory Auditors of both the Applicant Companies have certified that the Accounting Standards are in compliance with Section 133 of the Companies Act, 2013.

10. With respect to **Vaighai Agro Products Limited (Transferor Company)**, it is submitted as under:

I. EQUITY SHAREHOLDERS:

- (i) There are **144 (One hundred and forty four)** Equity Shareholders and the List of equity shareholders to this effect as on 20.02.2025 is placed on record as a certificate issued by the Chartered Accountant at Pg.No.373 - 379 as Annexure A9.
- (ii) Since it is represented that there are **144 (One hundred and forty four)** Equity Shareholders in the Company, who have sought for direction to convene the meeting, hence, this tribunal directs to convene the meeting of Equity Shareholders on 16.08.2025 at 10.A.M at the Registered office address of the Transferor Company or through video conferencing or if not convenient at any other suitable place for which 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 **2 (Two)** Secured Creditors. Certificate has been issued by the Chartered Accountant to this effect as on 20.02.2025 is placed along with the application at Pg.No.385 as Annexure A11. Consent by way of Affidavits was given by two Secured creditors amounting to 100% is also placed on record at Pg.No.386 - 392 as Annexure A12 of the application and the transferor company has sought to *dispense with the meeting*.
- (ii) Since it is represented by the Transferor Company that that there are **2 (Two)** Secured Creditors whose consent affidavit amounting to 100% of the total value have been placed on

record, the necessity of convening, holding and conducting the meeting is *dispensed with*.

III. UNSECURED CREDITORS:

- (i) There are **95 (Ninety five)** Unsecured Creditors. Certificate has been issued by the Chartered Accountant to this effect as on 20.02.2025 is placed along with the application at Pg.No.401 - 404 as Annexure A15.
- (ii) Since it is represented that there are **95 (Ninety five)** Unsecured Creditors in the Company, who have sought for direction to convene the meeting, hence, this tribunal directs to convene the meeting of unsecured creditors on 16.08.2025 at 12.A.M at the Registered office address of the Transferor Company or through video conferencing or if not convenient at any other suitable place for which 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. With respect to **Vaighai Chemical Industries Limited (Transferee Company)**, it is submitted as under:

I. EQUITY SHAREHOLDERS:

- (i) There are **111 (One hundred and eleven)** Equity Shareholders and the List of equity shareholders to this effect as on 19.02.2025 is placed on record as a certificate issued by the Chartered Accountant at Pg.No.380 - 384 as Annexure A10.
- (ii) Since it is represented that there are **111 (One hundred and eleven)** Equity Shareholders in the Company, who have sought for direction to convene the meeting, hence, this tribunal directs to convene the meeting of Equity Shareholders on 16.08.2025 at 02.P.M at the Registered office address of the Transferee Company or through video

conferencing or if not convenient at any other suitable place for which 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 **3 (Three)** Secured Creditors. Certificate has been issued by the Chartered Accountant to this effect as on 19.02.2025 is placed along with the application at Pg.No.393 as Annexure A13. Consent by way of Affidavits was given by two Secured creditors amounting to 100% is also placed on record at Pg.No.394 - 400 as Annexure A14 of the application and the transferor company has sought to *dispense with the meeting*.
- (ii) Since it is represented by the Transferor Company that that there are **3 (Three)** Secured Creditors whose consent affidavit amounting to 100% of the total value have been placed on record, the necessity of convening, holding and conducting the meeting is *dispensed with*.

III. UNSECURED CREDITORS:

- (i) There is **36 (Thirty six)** unsecured Creditors. Certificate has been issued by the Chartered Accountant to this effect as on 19.02.2025 is placed along with the application at Pg.No.405 - 406 as Annexure A16.
- (ii) Since it is represented that there are **36 (Thirty six)** Unsecured Creditors in the Company, who have sought for direction to convene the meeting, hence, this tribunal directs to convene the meeting of unsecured creditors on 16.08.2025 at 04.A.M at the Registered office address of the Transferee Company or through video conferencing or if not convenient at any other

suitable place for which 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.

12. The quorum for the meeting of the Applicant Company shall be as follows:

(a) Transferor Company

| S.No. | Class | Quorum |
|-------|---------------------|--------|
| 1 | Equity Shareholders | 144 |
| 2 | Unsecured Creditors | 95 |

(b) Transferee Company

| S.No. | Class | Quorum |
|-------|---------------------|--------|
| 1 | Equity Shareholders | 111 |
| 2 | Unsecured Creditors | 36 |

- (i) The Chairperson appointed for the aforesaid meeting shall be Mr. Mohan Raj (Mobile no: 9841508735). The Fee of the Chairperson for the said meeting shall be Rs.1,20,000/- (Rupees One Lakh Twenty Thousand only) 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.
- (ii) Mr. Sriram Ananth V (Mobile No.8056279887) is appointed as a Scrutinizer and would be entitled to a fee of Rs. 65,000/- (Rupees sixty five thousand only) for services in addition to meeting his 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 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 at least 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 Standard" (All India Edition), and "Makkal Kural" Tamil (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 aforesaid 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) The company shall individually send notice to the Regional Director concerned, MCA, Registrar of Companies, Official Liquidator 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.
- (ix) The applicant company shall further copy of the Scheme free of charge within 1 days 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 Company 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.

13. Accordingly, the Application stand **allowed** on the aforesaid terms and is **disposed of**.

-Sd-

RAVICHANDRAN RAMASAMY
MEMBER (TECHNICAL)

-Sd-

JYOTI KUMAR TRIPATHI
MEMBER (JUDICIAL)