

**THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH, PRAYAGRAJ**

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**CA (CAA) NO. 10/ALD/2023  
(First Motion)**

*Under Section 230 to 232 and other  
Applicable Provisions of the  
Companies Act, 2013 read with  
Companies (Compromises,  
Arrangements & Amalgamations)  
Rules, 2016*

**IN THE MATTER OF SCHEME OF AMALGAMATION OF:**

**GOYAL MILL PRIVATE LIMITED**

CIN: U15549UP2019PTC122451

PAN: AAICG0393D

A Company incorporated under the provisions of the companies Act, 2013, and having its Registered Office at:  
204, Ismailpur, Gorakhpur, Gorakhpur, Uttar Pradesh-273005  
E-mail: goyalmills@gmail.com

**...Transferor Company/Applicant Company No.1**

***With***

**GOYAL MILLS PRIVATE LIMITED**

CIN: U74999UP2017PTC098836

PAN: AAHCG0861H

A Company incorporated under the provisions of the companies Act, 2013, and having its Registered Office at:  
Buliding No. 204A, Ismailpur, Gorakhpur, Gorakhpur, Uttar Pradesh-273005, E-mail: goyalmills@gmail.com

**...Transferee Company/ Applicant Company No.2**

Order pronounced on 19<sup>th</sup> April, 2024

**Coram:**

Mr. Praveen Gupta. : Member (Judicial)  
Mr. Ashish Verma : Member (Technical)

**Appearances:**

Sh. Anurup Dutta with : *For Applicant Companies*  
Sh. Rahul Goel, Adv.

**ORDER**

1. This is a joint first motion application filed by the applicant companies namely **Goyal Mill Private Limited**-(Transferor Company/Applicant Company No.1); With **Goyal Mills Private Limited**-(Transferee Company/Applicant Company No.2) under Sections 230 & 232 of the Companies Act, 2013 (the Act), the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any, in relation to the Scheme of Amalgamation of **Goyal Mill Private Limited with Goyal Mills Private Limited**. The said Scheme is attached as **Annexure No. A-7** of the Application.
2. The Applicant Companies have prayed for dispensation of the requirement of the convening meetings of the Equity

Shareholders, Preference shareholders, Secured Creditors and Unsecured Creditors of the Applicant Companies.

- 3.** The Applicant Company No. 1 is engaged in:
- i.** To carry on the business of manufacture, produce, process, trade and deal in all types of foodgrains including wheat & wheat products, rice & rice products and all kinds of cereals.
  - ii.** To carry on the business of flour mill, rice mill or any other mill to manufacture, produce, sell and trade in wheat & wheat products i. e. atta, maida, suji & allied products and food products including tea, dryfruits, pulses, rice, wheat, gram, sugar, oil whether edible or inedible, cereals, kirana items, dal, besan and other allied products & by products and all kind of products therefore & to manufacture, produce, sell and trade animal fodder, seeds and foods.
  - iii.** To carry on the business of commission agents and grain merchants in India & abroad as importer, exporter, trader, agent, dealer of agro-indentors, commodities and food products of items referred to in clauses 1 and 2 above.

- iv.** To manufacture, produce, process, prepare, buy, sell and deal in bakery products, confectionery items, sweets, milk and milk products, jams, pickles, ketchups, juices, squashes, ice creams, soya and soya products and all kinds of tinned food.
- v.** To carry on the business of manufacture, produce, process, prepare, buy, sell and deal in beverages including wine, beer, gin, whiskey, fruit beer or vinegar, malt, glucose, and in all kinds of drinking products such as alcohol, mineral water, soft drinks, aerated water, fruit drinks, artificial flavoured drinks, condensed milk and drinking products of all kinds and other consumables provisions of any description for human consumption.
- vi.** To carry on in India or elsewhere the business to manufacture, produce, import, export, buy, sell, process, prepare, crush, refine, blend, filter, deodorize, disintegrate, clean, recover, amalgamate, mix, convert, purify, commercialize, grade, compound, disinfect, derive, excavate, explore & extract all kinds of vegetable oils, crude oils, refined oils, bleached and deodorized

oils, hydrogenated oils, rice bran oils, deoiled cakes, poultry feeds, vegetable ghee, its derivatives, by products, substances, ingredients, solvent extractions & residues from all types of oil seeds such as cotton seeds, soyabeans, ground nuts, castors, linseeds, sunflower, coconut, rapeseed, almond, sesamam, mustard, sea seed, grapeseed, mahuha, sal, ricebran ghani, etc., and to act as agent, broker, adatia, ware houser, stockist, distributor, marketing man, job worker, importer, exporter, buyer, seller, franchiser, C & F agent, concessionaire, transporter, supplier, consigner or dealer in all types of oils, oilseeds, deoiled cakes, organise solvents, solvent extracted products, gums, wax, slodge, oleaginous & saponacious substances, soap stock, chemical furfural & its derivatives, husks and other allied materials of whatsoever nature.

**4.** The Applicant Company No. 2 is engaged in:

- i.** To carry on the business of manufacture, produce, process, trade and deal in all types of foodgrains

including wheat & wheat products, rice & rice products and all kinds of cereals.

- ii.** To carry on the business of flour mill, rice mill or any other mill to manufacture, produce, sell and trade in wheat & wheat products i. e. atta, maida, suji& allied products and food products including tea, dryfruits, pulses, rice, wheat, gram, sugar, oil whether edible or inedible, cereals, kirana items, dal, besan and other allied products & by products and all kind of products therefrom & to manufacture, produce, sell and trade animal fodder, seeds and foods.
- iii.** To carry on the business of commission agents and grain merchants in India & abroad as importer, exporter, trader, agent, dealer of agro-indentors, commodities and food products of items referred to in clauses 1 and 2 above.
- iv.** To manufacture, produce, process, prepare, buy, sell and deal in bakery products, confectionery items, sweets, milk and milk products, jams, pickles, ketchups, juices, squashes, icecreams, soya and soya products and all kinds of tinned food.

- v.** To carry on the business of manufacture, produce, process, prepare, buy, sell and deal in beverages including wine, beer, gin, whiskey, fruit beer or vinegar, malt, glucose, and in all kinds of drinking products such as alcohol, mineral water, soft drinks, aerated water, fruit drinks, artificial flavoured drinks, condensed milk and drinking products of all kinds and other consumables provisions of any description for human consumption.
- vi.** To carry on in India or elsewhere the business to manufacture, produce, import, export, buy, sell, process, prepare, crush, refine, blend, filter, deodorize, disintegrate, clean, recover, amalgamate, mix, convert, purify, commercialize, grade, compound, disinfect, derive, excavate, explore & extract all kinds of vegetable oils, crude oils, refined oils, bleached and deodorized oils, hydrogenated oils, rice bran oils, deoiled cakes, poultry feeds, vegetable ghee, its derivatives, by-products, substances, ingredients, solvent extractions & residues from all types of oil seeds such as cotton seeds, soyabeans, ground nuts, castors, linseeds,

sunflower, coconut, rapeseed, almond, sesamam, mustard, sea seed, grapeseed, mahuha, sal, ricebranghani, etc., and to act as agent, broker, adatia, ware houser, stockist, distributor, marketing man, job worker, importer, exporter, buyer, seller, franchiser, C & F agent, concessionaire, transporter, supplier, consigner or dealer in all types of oils, oilseeds, deoiled cakes, organise solvents, solvent extracted products, gums, wax, slodge, oleaginous & saponacious substances, soap stock, chemical furfural & its derivatives, husks and other allied materials of whatsoever nature.

5. It is submitted that the registered offices of all the applicant companies are situated in the State of Uttar Pradesh. Hence, the jurisdiction of applicant companies lies with this Hon'ble Bench.
6. The rationale of the Scheme is given below:
  - a) The transferor Company is engaged in the business relating to food-grains products. Pursuant to the strategic review, the Board of Directors of the respective



Company have decided to merge with the transferee company to achieve greater integration and greater strength and flexibility, to maximize overall shareholder value.

- b)** Consolidation of business will help in reflecting true and fair net worth of the group, which will facilitate better negotiation of lending terms and conditions with banks, financial institutions, etc., improved alignment of debt and enhancement earnings and cash flow.
- c)** Attracting private equity investments to accomplish future extension plans through a single consolidated entity rather than separate entities for different business functions.
- d)** The amalgamation is in line with the transferee company's strategy to achieve cost savings from more focused operational efforts, rationalization, standardization and simplification of business processes, productivity improvements and rationalization of administrative expenses.
- e)** The consolidation of activities of the transferor Company and the transferee company by way of

amalgamation will lead to operational synergies (procurement, manufacturing, trading, distribution), greater productivity and economical operations for future growth of the transferee company.

- f)** The amalgamation will provide for pooling of the managerial, technical and financial resources of the transferor Company and the transferee Company which will help in increasing the competitiveness of the transferee company.
- g)** The amalgamation will result in economics of scale, reduction in overheads including administrative, managerial and other expenditure, operational rationalization, organizational efficiency and optimal utilization of resources.
- h)** The amalgamation will result in elimination of inter-company transactions, which will reduce working capital needs, savings in finance Cost, multiplicity of tax incidence, etc.
- i)** The amalgamation will entitle the transferee company to utilize the intangible assets, including but not limited to

patents, trademarks, brands etc. of the transferors Company, in holistic manner.

- j)** The amalgamation will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the transferor Company and the Transferee Company.
  - k)** The increased assets base of the transferee company would have better financial viability and clearer focus, which would be in the interest of all creditors, including the creditors of the transferor Company, if any.
  - l)** The bank, creditors and financial institutions, if any are not adversely affected by the proposed Amalgamation as their security and asset cover will be maintained.
  - m)** Greater access by the transferee company to different market Segments in the conduct of its business.
- 7.** It is stated that the Board of Directors of the Applicant Companies in their respective meetings held on 25.04.2023 have considered and unanimously approved the proposed Scheme of Amalgamation subject to sanctioning of the same by this Tribunal. The copy of resolution passed by the Board of Directors of the Applicant Companies are all annexed with

the Application as **Annexure No. A-4/5 and Annexure No. A-5/5 respectively**, with the application

8. The appointed date of the Scheme is 01.04.2022 as mentioned in the Para. 1.3, under the definitions of the Scheme of Amalgamation in **Annexure A-7** annexed with the application.
9. It is stated that both the Applicant Companies have filed their Audited Financial Statements as on 31.03.2022 and have also filed their Un-Audited Financial Statements (provisional) as on 31.12.2022 and the same are annexed together as **Annexure No. A-4/2 & A-4/3 and Annexure No. A-5/2 & A-5/3** respectively, with the Application.
10. It has been stated that in terms of the provisions of Section 230(7) and Section 232(3) of the Act the Applicant Companies have filed Certificates dated 27.02.2023 which are issued by their respective Statutory Auditors, certifying that the Scheme is in compliance with the Accounting Standards prescribed under Section 133 of the Act and the same are annexed as **Annexure No. A-8** with Application.

**11.** It is having been further stated that the Report on Valuation of Shares and Share Exchange Ratio for the proposed Scheme of Amalgamation has been issued by Mr. Hitesh Jhamb, Registered Valuer in respect of Securities or Financial Assets with the Insolvency and Bankruptcy Board of India (IBBI) vide registration No. IBBI/RV/11/2019/12355 and the same is annexed as **Annexure No. A-6** with the Application. The following Exchange Ratio has been proposed in the aforesaid Report:

**The Transferee Company will issue 41 (Forty-One) Equity Shares of ₹10 each, credited as fully paid-up, to the Shareholders of the Transferor Company for every 100 (One Hundred) Equity Shares of ₹10 each held in the Transferor Company.**

**12.** It is stated that the Scheme also takes care of the interests of the workmen and staff (employees) of the Companies, by virtue of Paragraph 9 of the Scheme (Annexure No. A-7) of this application.

**13.** It is also submitted and deposed that there are no legal proceedings, inquiry, inspection, investigation, prosecution,

litigation pending before any court of law or Tribunal against any of the Applicant Companies. Further it is also submitted that no winding up application has been filed against any of the Applicant Companies and there are no liquidation proceedings against any of the Applicant Companies and none of the Applicant Companies are facing any CIRP process nor any of Applicant Companies have been struck off from Registrar of Companies.

**14.** The applicant companies have furnished the following documents:

- a)** Audited Financial Statements as on 31.03.2022 of Applicant companies 1 and 2 and the same are annexed together as Annexure No. A-4/2/Vol.1 and Annexure No. A-5/2/Vol.1 respectively, with the Application.
- b)** Un-Audited Financial Statements (provisional) as on 31.12.2022 of Applicant companies 1 and 2 and the same is annexed as Annexure No. A-4/3/Vol.1 and Annexure No. A-5/3/Vol.1, with the Application.
- c)** List of Equity Shareholders of applicant companies duly certified by the Chartered Accountant along with

respective consent affidavits of equity shareholders approving the Scheme and dispensing with the requirement to convene the meeting. (Annexure No. A-4/6/Vol.1, Annexure No. A-5/6/Vol. 2 respectively, with the Application).

- d)** List of Secured Creditors and Unsecured Creditors of the applicant companies duly certified by the Chartered Accountant (Annexure No. A-4/7 & A-4/8/Vol. 1 and Annexure No. A-5/7 & A-5/8/Vol. 2 with the Application).
- e)** Certified true copy of extract of the minutes of the board resolution of the applicant companies approving the Scheme (Annexure No. A-4/5/Vol. 1; and Annexure No. A-5/5/Vol. 2 respectively, with the application).
- f)** Valuation Report specifying the proposed Share Exchange Ratio and indicating the fair value of equity share (Annexure No. A-6/Vol. 2 with the Application).
- g)** Proposed Scheme of Amalgamation (Annexure No. A-7/Vol. 2 with the Application).

**h)** Certificates of Statutory Auditors to the effect that accounting treatment proposed in the Scheme is in conformity with Section 133 of Companies Act, 2013 (Annexure No. A-8/Vol. 2 with the Application).

**15.** That the Applicant Companies have furnished the details of the Equity and preference Shareholders, Secured Creditors and Unsecured Creditors along with their consent affidavits, as the case may be, as per the following detail:

**16.** The Ld. Counsel of the applicant companies thus prayed that this Tribunal may be pleased to dispense with convening and holding of the meeting of the equity shareholders, the Preference Shareholder, the Secured and unsecured creditors of both the Applicant Companies.

Company	No. of Equity Share holders	Consent Given	No. of Preference Share holders	Consent Given	No. of Secured Creditors	Consent Given	No. of Unsecured Creditors	Consent Given
<i>Transferor Company/ Applicant Company No.1</i>	02	02 (100%)	NIL	N.A.	NIL	N.A.	01	01 (100%)
<i>Transferee Company/ Applicant Company No.2</i>	03	03 (100%)	01	01 (100%)	NIL	N.A.	NIL	N.A.



**17.** Heard the arguments of the Learned Counsel for the Applicant Companies and perused the documents annexed to the application.

**18.** Accordingly, the directions of this Bench in the present case are as under:

**i. In relation to the Transferor Company/Applicant Company No.1:**

**a)** The meeting of the Equity Shareholders of Transferor Company/Applicant Company No. 1 is dispensed herewith, keeping in view that all Equity Shareholders have given their consents by way of affidavits.

**b)** Since, there are no Preference Shareholders in the Transferor Company/Applicant Company No. 1, the requirement of convening the meeting of Preference Shareholders does not arise.

**c)** Since, there are no Secured Creditors in the Transferor Company/Applicant Company No. 1, the requirement of convening the meeting of Secured Creditors does not arise.

**d)** The meeting of the Unsecured Creditor of Transferor Company/ Applicant Company No. 1 is dispensed herewith, keeping in view that the Unsecured Creditor has given its consent by way of an affidavit.

**ii. In relation to the Transferee Company/Applicant Company No. 2:**

**a)** The meeting of the Equity Shareholders of Transferee Company/ Applicant Company No. 2 is dispensed herewith, keeping in view that all Equity Shareholders have given their consents by way of affidavits.

**b)** The meeting of the Preference Shareholder in the Transferee Company/Applicant Company No. 2 is dispensed herewith, keeping in view that the Preference Shareholder has given his consent by way of an affidavit.

**c)** Since, there are no Secured Creditors in the Transferee Company/Applicant Company No. 2, the requirement of convening the meeting of Secured Creditors does not arise.

- d)** Since, there are no Unsecured Creditors in the Transferee Company/Applicant Company No. 2, the requirement of convening the meeting of Unsecured Creditors does not arise.
- 19.** In view of the above, the First Motion Application stands allowed by giving liberty to the Applicant Companies to file Second Motion Petition as per law, with a direction that the Applicant Company shall make specific prayer for sending notices to the (a) the Central Government through the office of the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi; (b) the Registrar of Companies, Uttar Pradesh, Ministry of Corporate Affairs, Kanpur; (c) The Official Liquidator, Uttar Pradesh, Allahabad; and (d) the Income Tax Department by disclosing the PAN numbers of the Applicant Companies as mentioned in the Memo of Parties of the Second Motion Petition.
- 20.** The Company Petition for confirmation of the Scheme is to be filed within the time period prescribed under the provisions of the Act and corresponding rules made thereunder.
- 21.** That appropriate prayer would also be made in the second motion petition for publication in newspaper.

- 22.** With the aforesaid directions, the First Motion Application bearing CA (CAA) No.10/ALD/2023 is disposed of accordingly.
- 23.** Certified copy of this order, if applied or, be supplied to the parties, subject to compliance with all requisite formalities.

*-Sd-*

**(Ashish Verma)**  
**Member (Technical)**

*-Sd-*

**(Praveen Gupta)**  
**Member (Judicial)**

**Dated:- 19<sup>th</sup> April, 2024**