

IN THE HIGH COURT OF JUDICATURE OF ANDHRA PRADESH
AT HYDERABAD
(ORDINARY ORIGINAL/CIVIL JURISDICTION)

WEDNESDAY, THE SIXTEENTH DAY OF APRIL
TWO THOUSAND AND FOURTEEN

:PRESENT:
THE HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY

COMPANY PETITION Nos.39 AND 40 OF 2014

C.P.No.39 OF 2014:

IN THE MATTER OF THE COMPANIES ACT (1 OF 1956)
AND

IN THE MATTER OF SCHEME OF ARRANGEMENT
BETWEEN GULF OIL CORPORATION LIMITED
AND

GULF OIL LUBRICANTS INDIA LIMITED

Gulf Oil Corporation Limited
A company incorporated under
the provisions of the Companies Act, 1956,
having its registered office at Kukatpally,
Post Bag No.1, Sanathnagar (IE) PO,
Hyderabad-500018
represented by its Managing Director,
Mr S.Pramanik, S/o. Late Sri Sudhamaya Pramanik
Resident of Hyderabad

..... Petitioner Company/Demerged Company

Petition to sanction Scheme of Arrangement under Sections 391
to 394 of the Companies Act, 1956 r/w Sections 78, 100 to 104 r/w Rule 79 of
the Company Court Rules, 1959, praying that this High Court may be pleased
to order that

a) The Scheme of Arrangement as consented by the shareholders
and creditors (as applicable) of the Petitioner Company and Resulting
Company, a copy of which is filed hereto as Annexure-P1, be sanctioned and
confirmed by this Hon'ble High Court so as to be binding on all the members,
creditors and employees of the Petitioner Company and all concerned;

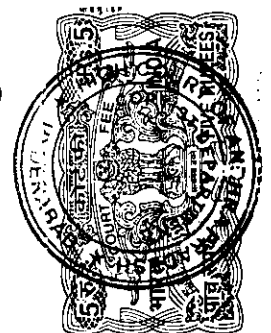
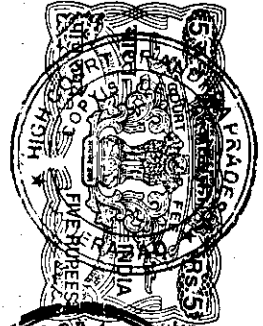
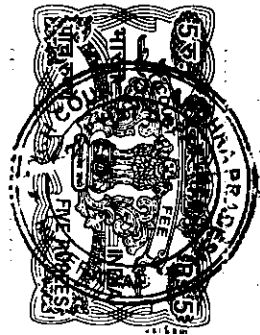
b) That the parties of the Scheme or other persons interested
shall be at liberty to apply to this Hon'ble Court for any direction that may be
necessary in regard to the carrying out of the Scheme of Arrangement;

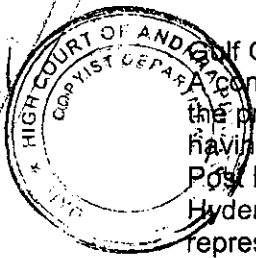
C.P.No.40 OF 2014:

IN THE MATTER OF THE COMPANIES ACT (1 OF 1956)
AND

IN THE MATTER OF SCHEME OF ARRANGEMENT
BETWEEN GULF OIL CORPORATION LIMITED
AND

GULF OIL LUBRICANTS INDIA LIMITED





Oil Lubricants India Limited
Company incorporated under
the provisions of the Companies Act, 1956,
having its registered office at Kukatpally,
Post Bag No.1, Sanathnagar (IE) PO,
Hyderabad-500018
represented by its Director, Mr. T.T.Das,
S/o. Sri Sudhanshu Bhushan Das,
Hyderabad

..... **Petitioner Company/Resulting Company**

Petition to sanction Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956 r/w Sections 78, 100 to 104 r/w Rule 79 of the Company Court Rules, 1959, praying that this High Court may be pleased to order that

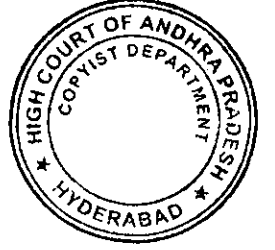
a) The Scheme of Arrangement as consented by the shareholders and creditors (as applicable) of the Petitioner Company and Resulting Company, a copy of which is filed hereto as Annexure-P1, be sanctioned and confirmed by this Hon'ble High Court so as to be binding on all the members, creditors and employees of the Petitioner Company and all concerned;

b) That the parties of the Scheme or other persons interested shall be at liberty to apply to this Hon'ble Court for any direction that may be necessary in regard to the carrying out of the Scheme of Arrangement;

These Petitions coming on for orders upon reading the Judge's Summons and the affidavit(s) dated 10-02-2014 and filed by Mr. S.Pramanik, Managing Director of the Petitioner/Demerged Company in Company Petition No.39 of 2014, and affidavit filed by Sri T.T.Das, Director of Petitioner/Resulting Company in Company Petition No.40 of 2014 in support of these petitions and upon hearing the arguments of Sri S.Ravi, Senior Counsel appearing for Sri Ch.Pushyam Kiran, Advocate for the petitioner and of Sri P.Vishnuvardhan Reddy, Assistant Solicitor General appearing for the Central Government.

The Court made the following Common Order:

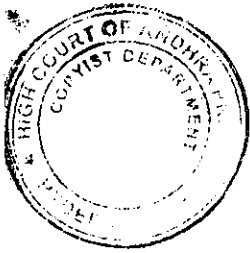
HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY
COMPANY PETITION Nos.39 and 40 of 2014



COMMON ORDER.

Company Petition Nos.39 and 40 of 2014 are filed by M/s Gulf Oil Corporation Limited (Demerged Company) and M/s Gulf Oil Lubricants India Limited (Resulting Company), respectively for approving the proposed scheme of arrangement involving transfer to and vesting of all the lubricant Undertakings of the Demerged Company in the Resulting Company.

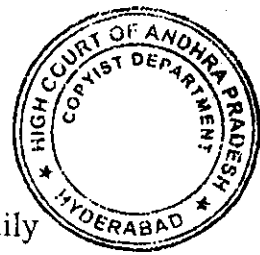
The petitioner in Company Petition No.39 of 2014 (Demerged Company) pleaded that it was incorporated on 20.04.1961 as 'Indian Detonators Limited' and it was changed to IDL Chemicals on 14.05.1974 and to IDL Industries Limited on 31.10.1995 and to M/s Gulf Oil Corporation Limited on 22.08.2002; that its main objects are to manufacture, produce, prepare, import, export, buy, sell, fabricate, install, survey, estimate and install for installation of site and generally carry on business in Detonators of all types, explosives, etc; that its authorized share capital is Rs.25 crores divided into 12,50,000 equity shares of Rs.2/- each; that its issued, subscribed and paid-up share capital is Rs.19,82,89,960/- divided into 9,91,44,980



equity shares of Rs.2/- each; that the appointed date is 01.04.2014; and that its Board of Directors in the meeting held on 07.08.2013 has approved the proposed scheme of arrangement, filed as Annexure-P10.

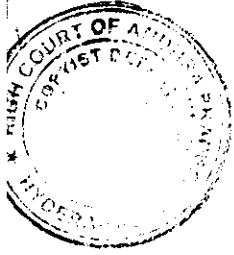
The petitioner in Company Petition No.39 of 2014 (Demerged Company) has filed Company Application No.1284 of 2013 for permission to hold the meetings of its unsecured creditors and shareholders and to dispense with the meeting of its secured creditors.

This Court by order, dated 24.12.2013, has dispensed with the meeting of its secured creditors, subject to its filing their consent letters at the time of filing of the Company Petition and appointed two Chairpersons for holding the meeting of the unsecured creditors, to whom the applicant-company owes an amount in excess of Rs.1.5 lakhs, and also the meeting of its equity shareholders on 30.01.2014, at 11 am and 3 pm respectively. Accordingly, the meetings were held and the two Chairpersons, who held the meetings of the unsecured creditors and the equity share holders of the applicant-company, have submitted separate reports. In the report submitted by Sri G.Rama Chandra Rao, the Chairperson appointed for holding the meeting of the equity shareholders, it is *inter alia* stated that



in pursuance of the advertisement published in two daily newspapers, 278 equity shareholders, either personally or through proxy, of face value of Rs.2/- each aggregating to Rs.15,00,25,684/-, have attended the meeting; that the number of shareholders who attended in person were 234 holding 10,17,610 equity shares of a face value of Rs.2/- each; and that 39 shareholders who have attended through proxy were holding 7,39,95,232/- equity shares of face value of Rs.2/- each. The Chairperson has also indicated the percentage of the shareholders, either personally or through proxy, who have approved the resolution relating to the proposed scheme of arrangement as 99.99 and that who voted against as 0.01.

In the report filed by Ms Ammaji Nettem, the Chairperson appointed for holding the meeting of the unsecured creditors of the Demerged Company, it is *inter alia* stated that in pursuance of the advertisement published in two daily newspapers, 36 unsecured creditors, either personally or by proxy, to whom the applicant-company owes an aggregate amount of Rs.29,78,43,632/-, attended the meeting, out of whom 5 unsecured creditors have attended the meeting in person, to whom the company owes an aggregate amount of Rs.21,62,11,335/- and 31 unsecured creditors have attended

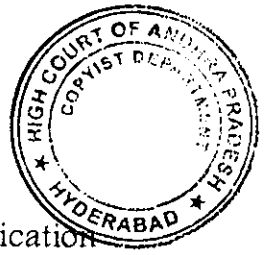


the meeting through proxy, to whom the applicant-company owes an aggregate amount of Rs.8,16,32,297/-; and that all the unsecured creditors have unanimously voted in favour of the proposed scheme of arrangement.

The petitioner in Company Petition No.40 of 2014, which is the Resulting Company, is a subsidiary of the Demerged Company i.e., the petitioner in Company Petition No.39 of 2014.

In Company Petition No.40 of 2014, the Resulting Company pleaded that it was incorporated on 17.07.2008 as Hinduja Infrastructure Limited and its name was changed as Gulf Oil Lubricants India Limited on 12.09.2013; that its main objects are to carry on all or any of the business as manufacturers or dealers in organic and inorganic chemicals, petrochemicals, fertilizers, etc; that its authorized share capital is Rs.5 lakhs divided into 50,000 equity shares of Rs.10/- each; that its issued, subscribed and paid-up share capital is Rs.5 lakhs divided into 50,000 equity shares of Rs.10/- each; that the appointed date is 01.04.2014; and that it has no secured or unsecured creditors

It is further pleaded that the proposed scheme of arrangement was considered by its Board of Directors in their meeting held on 08.08.2013 and the same was approved, filed



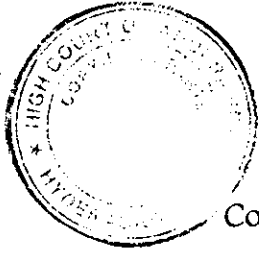
as Annexure-P8. The petitioner has filed Company Application No.1285 of 2013 for dispensing with the meeting of its shareholders, who are seven in number, who are the Demerged-Company and its nominees. As each of its shareholders has filed separate affidavits consenting to the proposed scheme of arrangement, this Court by order, dated 24.12.2013, has dispensed with the holding of the meeting of the shareholders of the Resulting Company.

In both these Company Petitions, this Court has issued notices to the Regional Director, South Eastern Region, Ministry of Corporate Affairs, Hyderabad and the Registrar of Companies, Hyderabad.

The petitioners were also directed to carry out the publications in two daily newspapers, *namely*, Business Standard (English) and Andhra Bhoomi (Telugu) of Hyderabad editions. The petitioners have filed proof of the publications.

Sri S.Ravi, the learned senior counsel appearing for the petitioners, stated that he has not received any objections or claims to the proposed scheme of arrangement.

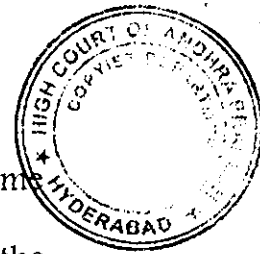
The Regional Director in his common report, dated 27.03.2014, stated that in pursuance of General Circular No.1/2014, dated 15.01.2014, issued by the Ministry of



Corporate Affairs, New Delhi, comments of the Income Tax Department were sought and that no comments/remarks of the Income Tax Department were received in response to the notice issued by him. He has further stated that the Registrar of Companies, Andhra Pradesh, Hyderabad, has reported that the Demerged and the Resulting Companies involved in the proposed scheme of arrangement are regular in filing the statutory returns and that no complaints, no investigations and no inspections are pending against both the companies.

In Company Petition No.39 of 2014, the Demerged Company filed letters, dated 07.04.2014 of the State Bank of India, 17.02.2014, of the State Bank of Hyderabad, 10.02.2014 of the IDBI Bank, 17.02.2014 of ICICI Bank, 27.01.2014 of State Bank of Mauritius Limited and 08.02.2014 of Karur Vysya Bank Limited, wherein they have, in principle, agreed to the proposed scheme of arrangement, subject to certain conditions stipulated in each of their letters.

Sri S.Ravi, the learned senior counsel appearing for the petitioners, stated that in pursuance of the proposed scheme of arrangement, the share capital of the Demerged company i.e., the petitioner in Company Petition No.39 of 2014 will get reduced from Rs.19,82,89,960/- to Rs.9,91,44,980/- divided

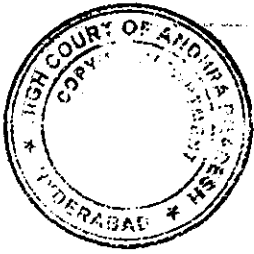


into 9,91,44,980 equity shares of Re.1/- each and that the same has been reduced into writing in the form of a Minute of the Demerged Company, which is filed as Annexure-P-8 in Company Petition No.39 of 2014. He, therefore, requested that the Demerged Company may be permitted to issue an advertisement in this regard under Rule-64 of the Companies (Court) Rules, 1959 (for short 'the Rules').

Considering the facts of the case, as noted above, and the common report, 27.03.2014, of the Regional Director, South Eastern Region, Ministry of Corporate Affairs, Hyderabad, this Court is of the view that there can be no valid objection for not sanctioning the scheme of arrangement as proposed by the petitioners.

Accordingly, the proposed scheme of arrangement is sanctioned subject to the following terms:

- (1) the petitioners shall comply with the conditions stipulated by the secured creditors of the Demerged Company; and
- (2) the Demerged Company shall, within 30 days from the date of receipt of a copy of this order, issue advertisement with regard to its capital reduction under Rule-64 of the Rules in two




daily newspapers, *namely*, Business Standard (English) and Andhra Bhoomi (Telugu) of Hyderabad editions.

The Company Petitions, accordingly, stand disposed of.

Sd/- S.T.VENUGOPALA CHARI
JOINT REGISTRAR

// TRUE COPY //


SECTION OFFICER

To

1. Sri S.Pramanik, S/o. Late Sudhamaya Pramanik, Managing Director, Gulf Oil Corporation Limited, Regd. Office at Kukatpally, Post Bag No.1, Sanathnagar (IE) P.O. Hyderabad-500 018.
2. Sri T.T.Das, Director, Gulf Oil Lubricants India Limited, Regd. Office at C/o Gulf Oil Corporation Limited, Kukatpally, Sanathnagar (IE) P.O. Hyderabad-500 018.
3. The Official Liquidator, High Court of A.P.: Hyderabad, Office at 5-4-400, II Floor, East Wing, Gagan Vihar Building; Opp: Gandhi Bhavan, Nampally, Hyderabad.
4. The Registrar of Companies, 3-5-398, C.P.W.D. Building, Kendriya Sadan, Sultan Bazar, Koti, Hyderabad.
5. The Regional Director, South Eastern Region, Ministry of Corporate Affairs, Hyderabad, Office at II Floor, Kendriya Sadan, Sultan Bazar, Koti, Hyderabad.
6. The Section Officer, O.S. Section, High Court of A.P. Hyderabad.
7. One CC to Sri Ch.Pushyam Kiran, Advocate (o.p.u.c)
8. Two C.D. Copies.

MRC



8/8/19
INTENDENT
COPYIST DEPARTMENT
High Court of A. P
Hyderabad.

HIGH COURT.
DT: 16-04-2014

CA-335/14
CP-39/14
Ch. Pushyam Kiran
106-0024
40-005

COMMON ORDER

C.P. Nos.39 & 40 OF 2014

DISPOSING OF THE COMPANY PETITIONS.

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8/5/2014

THE HIGH COURT OF ANDHRA PRADESH HYDERABAD.	
CA No.....	335..... 2014
Application made.....	17-4-..... 2014
Application received..... 2014
Application represented..... 2014
Stamps called for.....	8-5-..... 2014
Stamps deposited.....	8-5-..... 2014
Ad. Stamps called for..... 2014
Ad. Stamps deposited..... 2014
Copy ready.....	8-5-..... 2014

[Signature]
Section Officer