

24/3/2021-सीएल-III

भारत सरकार
कारपोरेट कार्य मंत्रालय

शास्त्री भवन, "ए" विंग, 5^{वाँ} तल,
डा. राजेन्द्र प्रसाद रोड़,
नई दिल्ली-110001
दिनांक : 29.09.2021

To,

- ✓ 1) M/s ONGC Mangalore Petrochemicals Limited,
Mangalore Special Economic Zone,
Permude, Mangalore - 574 509
- 2) M/s Mangalore Refinery And Petrochemicals Limited
Mudapadav, Kuthethur, P.O. Via Katipalla,
Mangalore - 575 030

Subject: Application under Section 230-232 of the Companies Act, 2013 for the approval of Scheme of Amalgamation between ONGC Mangalore Petrochemicals Limited (Transferor Company) and Mangalore Refinery And Petrochemicals Limited (Transferee Company)

Sir,

I am to forward herewith a certified copy of this Ministry's Order dated 27.09.2021 on the above subject for information and necessary action.

भवदीय,



(संजय वर्मा)

उप निदेशक

सूचना एवं आवश्यक कार्यवाही हेतु प्रतिलिपि :-

Shri Anirudh Das, Shardul Amarchand Mangaldas & Co. address Amarchand Towers, 216, Okhla Industrial Estate, Phase 3, New Delhi 110020

24/3/2021-CL-III

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

In the matter of Sections 230-232 of the Companies Act, 2013

AND

In the matter of Scheme of Amalgamation between

M/s ONGC Mangalore Petrochemicals Limited (OMPL)

And

M/s Mangalore Refinery and Petrochemicals Limited (MRPL)

1. M/s. ONGC Mangalore Petrochemicals Limited having its registered office at Mangalore Special Economic Zone, Permude, Mangalore, Karnataka - 574509.
Applicant/Transferor Company

2. M/s. Mangalore Refinery and Petrochemicals Limited having its registered office at Mudapadav, Kuthethoor P.O, Via Katipalla, Mangalore, Karnataka 575030.
Applicant/Transferee Company

Virtual Presence:-

1. Mr. Anirudh Das, Advocate for MRPL and OMPL
2. Mr. Alind Chopra, Advocate for MRPL and OMPL
3. Ms. Satya Jha, Advocate for MRPL and OMPL
4. Shri M Venkatesh, Managing Director, MRPL
5. Smt. Pomila Jaspal, Director - Finance, MRPL
6. Shri K B Shyam Company Secretary, MRPL
7. Shri PP Chainulu, Chief Executive Officer, OMPL
8. Shri Sanjay Verma, Director , MRPL

.....for Transferor and Transferee Company

ORDER

(Hearing held on 15/09/2021)

Joint petition dated 07.07.2021 has been filed by the applicant companies with respect to proposed Scheme of Amalgamation between M/s ONGC

Mangalore Petrochemicals Limited (OMPL/Transferor Company) and M/s Mangalore Refinery and Petrochemicals Limited (MRPL/Transferee Company) u/s 230-232 of the Companies Act, 2013 read with Government of India, Notification NO.GSR.582 (E) dated 13.06.2017.

2. The application is supported by the Affidavits of Shri P P Chainulu, Chief Executive Officer and authorized representative of the Transferor Company, who is duly authorized to file the same on behalf of the Transferor Company, in terms of the Board of Directors resolution dated 10.06.2021.

3. The application is supported by the Affidavits of Ms. Pomila Jaspal, Director Finance and authorized representative of the Transferee Company, who is duly authorized to file the same on behalf of the Transferee Company, in terms of the Board of Directors resolution dated 10.06.2021.

4. The Transferor Company M/s ONGC Mangalore Petrochemicals Limited and Transferee Company M/s Mangalore Refinery and Petrochemicals Limited have broadly prayed for the following relief (s):-

- (i) To dispense with the requirement of convening the meeting of the Equity Shareholders of the Transferor Company;
- (ii) To give directions for holding, convening and conducting the meeting of Equity Shareholders of the Transferee Company through video conferencing or other audio-visual means;
- (iii) To give directions for holding, convening and conducting the separate meetings of Secured Creditors of the Transferor and Transferee Company through video conferencing or other audio-visual means;
- (iv) To give directions for holding, convening and conducting the separate meetings of Unsecured Creditors of the Transferor and Transferee Company through video conferencing or other audio-visual means and dispatch of notice of the meetings by way of email to unsecured creditors to whom the amount owed is greater than INR 5,00,00,000;

(v) To give directions for publications of notice of the meeting of equity shareholders of the Transferee Company, separate meeting of the secured creditors of the Transferor & Transferee Company and separate meetings of unsecured creditors of Transferor & Transferee Company in the "Business Standard" (English Daily-Mangalore Edition) and "Hosadigantha" (Kannada Daily - Mangalore Edition)

5. After considering the prayers and submissions made by the Transferor Company, it is directed that the meeting of equity shareholders of Transferor Company is dispensed with since the Transferor Company has furnished the consent affidavit(s) of all the equity shareholders.

6. It is directed that the meeting of the Equity Shareholders of the Transferee Company shall be convened for considering, and if thought fit, approving with or without modifications the Scheme of Amalgamation. Shri Rohit Mathur, Joint Secretary (General) in the Ministry of Petroleum and Natural Gas, Government of India being the administrative in-charge of the applicant companies shall be the Chairperson of the Equity Shareholders meeting and he will fix the date and time of the meeting. Individual notice of the said meeting to be given to all equity shareholders. The notice and other documents shall also be placed on the website of the Transferee Company. While conducting the meeting of Equity Shareholders provisions of Companies Act, 2013 & Rules made there under will be complied with.

7. It is directed that the separate meeting of the secured creditors of the Transferor and Transferee Company whose debt is of a value more than rupees 10 Lakhs as on 31.05.2021 respectively shall be convened for considering, and if thought fit, approving with or without modifications the Scheme of Amalgamation. Shri Rohit Mathur, Joint Secretary (General), Joint Secretary in the Ministry of Petroleum and Natural Gas, Government of India being the administrative in-charge of the applicant companies shall be the Chairperson of

the secured creditors meeting and he/she will fix the date and time of each meeting. Individual notice of the said meeting to be given to all secured creditors whose debt is of a value more than rupees 10 Lakhs. The notice and other documents shall also be placed on the website of the Transferor & Transferee Company.

8. It is directed that the separate meetings of the unsecured creditors of the Transferor and Transferee Company whose debt is of a value more than rupees 10 Lakhs as on 31.05.2021 respectively shall be convened for considering, and if thought fit, approving with or without modifications the Scheme of Amalgamation. Shri Rohit Mathur, Joint Secretary (General), in the Ministry of Petroleum and Natural Gas, Government of India being the administrative in-charge of the applicant companies shall be the Chairperson of the unsecured creditors meeting and he will fix the date and time of each meeting. Individual notice of the said meeting to be given to all unsecured creditors whose debt is of a value more than rupees 10 Lakhs. The notice and other documents shall also be placed on the website of the Transferor & Transferee Company.

9. If due to unforeseen circumstances or due to want of Quorum the meeting(s) of the equity shareholders, secured and unsecured creditors cannot be held on the date specified as aforesaid, the Chairperson appointed for the purpose shall also be empowered to defer or adjourn such meeting (s) and to hold such further meeting on any subsequent date, if so required and considered appropriate by the Chairperson, after giving further notice to the equity shareholders, secured and unsecured creditors as deemed appropriate by him/them.

10. The quorum for the meeting of the secured and unsecured creditors of the Transferor & Transferee Company would be one-third of share in terms of value, present in person or by proxy through Video Conferencing (VC).

11. After considering the prayers and submissions in the joint petition of the Transferor Company and Transferee Company and considering the Covid-19 Pandemic situation prevailing in the country & considering the public interest, the Transferor and Transferee Company is allowed:-

- i. To convene and hold the meeting of secured and unsecured creditors through video conferencing (VC).
- ii. To ascertain necessary quorum for the meeting, the secured & unsecured creditors participating in the meeting through VC may be considered for the quorum.
- iii. To adopt e-voting system and appoint Scrutinizers for the purpose of conducting poll during secured and unsecured creditors meeting conducted through VC.

12. The Transferor & Transferee Company shall comply Rule 20 of Companies (Management and Administration) Rules, 2014, which include using system of 'agency' polling by remote e-voting before meeting and provision of facility of e-voting during the meeting.

13. The notice convening the meeting of the equity shareholders of the Transferee Company and secured & unsecured creditors of the Transferor and Transferee Company will be published in at least two prominent newspapers, one in English and the other in Vernacular language of the State in which Transferor and Transferee Company is registered. In addition to the above, notice for the meeting along with the Scheme of Amalgamation, proxy form and explanatory statement under Section 230 of the Companies Act, 2013 shall be dispatched to all the equity shareholders of Transferee Company and secured and unsecured creditors (whose debt is of a value more than rupees 10 lakhs as on 31.05.2021 of the Transferor & Transferee Company at least one month before the day appointed for the said meetings by Registered post/Speed Post/e-mail. The notices to be published and dispatched shall be duly approved by the Chairperson appointed for the meetings.

14. And it is further ordered that the Chairperson nominated for the aforesaid meeting shall report to the Central Government the result of the said meeting or adjourned meeting, as the case may be, within 7 days after the conclusion of the meeting duly verified by his affidavit.

15. It is observed from the administrative approval dated 18.04.2018 given by the parent ministry i.e. Ministry of Petroleum and Natural Gas of the petitioner companies that the administrative ministry has given "in principle" approval for amalgamation of OMPL and MRPL subject to fresh valuation of shares of both the companies with a view to establish an updated share swap ratio. However, as per scheme of amalgamation no shares to be issued by the Transferee Company as Transferor Company is 100% subsidiary of Transferee Company. Upon this scheme becoming effective, in the balance sheet of the Transferee Company, investments of the Transferee Company being equity shares held in the Transferor Company, whether held in its own name or through nominee shareholders, shall stand cancelled in entirety without any consideration and without any further act or deed and without any liability towards capital gains tax under the Income Tax Act, 1961. In view of this petitioner companies are directed to furnish a fresh administrative approval from their parent ministry.

16. Further, it is observed from para 4.2.2 part IV of the scheme that the Compulsory Convertible Debentures (CCDs) issued by the Transferor Company are presently held by Federal bank, Kotak Mahindra Prime Ltd and Tata AIG General Insurance Company Ltd shall stand extinguished and cancelled in entirety without any consideration and without any further act or deed. However, it is not specified in the scheme or petition that how the Compulsory Convertible Debentures (CCDs) which are held by outside parties and not by holding/Transferee company shall be cancelled without any consideration. In this regard, it is directed that the Transferor Company shall file an affidavit

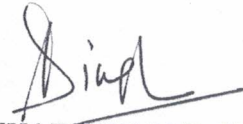
stating how the CCDs will be extinguished or cancelled without any further act, or deed.

17. It is observed from the Secretariat Audit Report of Transferor Company for the financial year ended 31.03.2020 that the company has not complied with the provisions of section 149, section 135, section 177, and section 178 of the Companies Act, 2013. The petitioner Transferor Company is directed to clarify the present status of said violations, compounding application, if any, filed for the compounding of the said offences.

18. It is further ordered that the applicant companies shall issue notices in accordance with Rule 8(2) of Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 to the following authorities to send their report as per section 230(5) of the Companies Act, 2013 failing which matter will be considered further in the absence of their report on the proposed scheme of arrangement.

- I Regional Director (South East Region), 3rd Floor, Corporate Bhavan, Bandlaguda, Nagole, Tattiannaram Village, Hayat Nagar Mandal, Ranga Reddy District, Hyderabad-500068, Telangana.
- II Registrar of Companies, "E" Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bangalore - 560034, Karnataka.
- III Official Liquidator, Ministry of Corporate Affairs (Attached to High Court of Karnataka), Corporate Bhavan, No. 26-27, 12th Floor, Raheja Towers, M.G.Road, Bangalore, Karnataka - 560001.
- IV The Development Commissioner, Mangalore Special Economic Zone, Ministry of Commerce and Industry, Government of India, Jokatte, 62-Thokur Village, Baikampady Post, Mangalore - 575011, Karnataka. (In respect of Transferor Company)
- V Ministry of Petroleum and Natural Gas, Government of India.
- VI Jurisdictional Income Tax Authorities
- VII Other Statutory Authorities as mentioned in the scheme.

19. The Transferor and Transferee Companies shall file a Confirmation Petition after compliance with directions contained in this Order.



(GYANESHWAR KUMAR SINGH)
Joint Secretary to the Government of India

Dated: 27th September 2021
Place: New Delhi