

S.No.12

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH – 1  
VC AND PHYSICAL (HYBRID) MODE  
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON  
08-05-2024 AT 10:30 AM**

**CA (CAA) No. 11/230/HDB/2024**  
u/s. 230 of Companies Act, 2013

**IN THE MATTER OF:**

M/s. Energon Petro Products Pvt Ltd & M/s. Energon Containers Pvt Ltd & M/s.  
Energon Gas Pvt Ltd **...Petitioner**

**C O R A M:-**

DR. VENKATA RAMAKRISHNA BADARINATH NANDULA, HON'BLE MEMBER (JUDICIAL)  
SH. CHARAN SINGH, HON'BLE MEMBER (TECHNICAL)

**ORDER**

Orders pronounced. In the result, **CA (CAA) No. 11/230/HDB/2024 is allowed**,  
subject to the directions mentioned in the order.

**Sd/-**  
**MEMBER (T)**

**Sd/-**  
**MEMBER (J)**

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH, HYDERABAD-1**

CA (CAA) NO.11/230/HDB/2024  
U/s 230 to 232 of the Companies Act, 2013

**IN THE MATTER OF  
ENERGON PETROPRODUCTS PRIVATE LIMITED  
(CIN U23203TG2012PTC084745)  
(Demerged Company)**

**AND**

**ENERGON CONTAINERS PRIVATE LIMITED  
(CIN U63030TG2020PTC144336)  
(Resulting Company 1)**

**AND**

**ENERGON GAS PRIVATE LIMITED  
(CIN U40200TG2020PTC143951)  
(Resulting Company 2)**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

1. Energon Petroproducts Private Limited, Registered office at 701, 7th Floor, Solitaire Plaza, 8-3-948/949, Behind Image Hospital, Ameerpet Hyderabad - 500073, Telangana, represented by its director Mr. Molugu Sripal Reddy.

.... Applicant No. 1/ Demerged Company

2. Energon Containers Private Limited, Registered office at '8-3-948, 949, Nagarjuna Nagar, Y R

Guda, Hyderabad - 500073,  
Telangana, represented by its  
director Mr. Molugu Sripal Reddy

.... Applicant No. 2/ Resulting Company 1

3. Energon Gas Private Limited,  
Registered office at '8-3-948, 949,  
Nagarjuna Nagar, Y R Guda,  
Hyderabad - 500073, Telangana,  
represented by its director Mr.  
Molugu Sripal Reddy

.... Applicant No. 3/ Resulting Company 2

**DATE OF ORDER: 08.05.2024**

**CORAM: -**

**DR. VENKATA RAMAKRISHNA BADARINATH NANDULA,  
HON'BLE MEMBER (JUDICIAL)  
SHRI. CHARAN SINGH, HON'BLE MEMBER (TECHNICAL)**

**Counsels / Parties Present**

For the Applicants: Mr. Naresh Kumar Sangam, Counsel

**PER BENCH**

1. This is an Application filed by the Applicant Companies under Sections 230 to 232 read with Companies (Compromises, Arrangements and Amalgamations), Rules 2016 by inter-alia seeking

to dispense with the requirement of holding the meeting of the equity shareholders and Secured Creditors of Applicant No.1 to 3 Companies, dispensing with the meetings of Unsecured Creditors of the of the Applicant No.2 and 3 Companies and convening of the meeting of the Unsecured Creditors of the Applicant No.1 Company.

2. The averments made in the application are briefly described as under:
  - a. The Applicant No.1/ Demerged Company viz., **Energion Petroproducts Private Limited** (CIN U23203TG2012PTC084745) is a Company incorporated under the provisions of the Companies Act, 1956.
  - b. The main objects of the Applicant No.1/Demerged Company are:
    - i. To carry on business of manufacture, produce, design, develop, pack, trade, market, buy, sell, import, export, preserve, retail, wholesale, stock, supply or otherwise deal with and to act as dealers or distributors of all kinds of petroleum products such as bitumen, base oils, lubricants, greases, gasoline, kerosene, diesel, gas, naphtha, petroleum coke and other related petroleum products.

- ii. To act as advisors or consultants in the field of establishing or setting up of industry in petroleum and to carry on the business of research and development activities on all kinds of petroleum products and to do all related activities.
- iii. To establish, maintain, run, take on lease or hire, develop, construct and manage blood banks, medical and allied training research centres, laboratories, pharmacies, libraries and Para medical centres and train the medical practitioners, Para medical personnel and allied medical service providers and to hold, organize and run, medical camps, health awakening programs, exhibitions, stalls, for the welfare of the society.

A copy of the Certificate of Incorporation, Memorandum and Articles of Association of the Applicant No.1/Demerged Company are annexed as **Annexure 1 at page 42 to 68** to the application.

- c. The Authorised Share Capital of the Applicant No.1/Demerged Company is Rs.3,50,00,000/- (Rupees Three Crores Fifty Lakhs only) divided into 35,00,000 (Thirty Five) Equity Shares of Rs.10/- (Rupees Ten only) each. The Present issued, subscribed

and paid-up share capital of the Applicant No.1/Demerged Company is Rs. 3,37,36,900/- (Rupees Three Crores Thirty Seven Lakhs Thirty Six Thousand Nine Hundred only) divided into 33,73,690 (Thirty Three Lakhs Seventy Three thousand Six Hundred and Ninety) Equity Shares of Rs.10/- (Rupees Ten only) each fully paid-up.

- d. The financial summary of the Applicant No.1/Demerged as on 31.03.2023 is given below:

<b>Particulars</b>	<b>Amount Rs.</b>
<b>EQUITY AND LIABILITIES:</b>	
Share Capital	3,37,36,900
Reserves and Surplus	1,31,24,492
<b>Non-Current Liabilities</b>	
Long Term Borrowings	5,35,57,775
<b>Current Liabilities</b>	
Short Term borrowings	9,42,71,179
Trade Payables	5,94,69,376
Other Current liabilities	1,56,60,825
Short-Term Provisions	27,28,593
<b>TOTAL</b>	<b>27,25,49,140</b>
<b>ASSETS:</b>	
<b>Non-Current Assets</b>	

Tangible Assets	7,01,50,169
Non-Current investments	1,87,000
Deferred Tax Asset	27,09,658
Long Term loans and advances	7,47,518
<b>Current Assets</b>	
Inventories	8,52,53,030
Trade receivables	3,26,48,894
Cash and Cash Equivalents	3,92,48,894
Short term loans and advances	1,07,23,252
Other Current Assets	3,08,38,012
<b>TOTAL</b>	<b>27,25,49,140</b>

Copy of the Audited Balance Sheet as at 31.03.2023 of the Applicant No.1/Demerged Company is annexed as **Annexure 2 at page 69 to 88** of the Application and Un-audited Financial Statements as at 31.12.2023 of the Applicant No.1/Demerged Company is annexed as **Annexure 3 at page 89 to 111** of the Application.

- e. The Applicant No.2/Resulting Company 1 viz., **Energion Containers Private Limited** (CIN U63030TG2020PTC144336) is a Company incorporated under the provisions of the Companies Act, 2013.

- f. The main objects of the Applicant No.2/Resulting Company 1 are:
- i. To carry on business of providing logistics services through road lines, railways, sea ways and to carry on business of providing supporting and auxiliary services relating to logistics including packaging, casing, filling, storing in containers, boxes, card boards, paper boards, storage units, cylinders, boilers, tanks for the purpose of transportation or movement from one place to another in various transportation means in India or outside India.
  - ii. To provide complete supply chain logistics including bulk or packed transportation of the products or goods, to provide ancillary services in relation to the transport or logistics including providing facility for storage, handling of various products or goods such as receipt, storing, loading, unloading and dispatching, container handling for transport and delivery etc.,



A copy of the Certificate of Incorporation, Memorandum and Articles of Association of the Applicant No.2/Resulting Company 1 is annexed as **Annexure 4 at 112 to 129** of the Application.

- g. The Authorised Share Capital of the Applicant No.2/Resulting Company 1 is Rs.1,00,000/- (Rupees One Lakh only) divided into 10,000 (Ten Thousand) Equity Shares of Rs.10/- (Rupees Ten only) each. The Present issued, subscribed and paid-up share capital of the Applicant No.2/Resulting Company 1 is Rs1,00,000 /- (Rupees One Lakh Only) divided into 10,000 (Ten Thousand) Equity Shares of Rs.10/- (Rupees Ten only) each fully paid-up.
- h. The financial summary of the Applicant No.2/Resulting Company 1 as on 31.03.2023 is given below:

<b>Particulars</b>	<b>Amount Rs.</b>
<b>EQUITY AND LIABILITIES:</b>	
Share Capital	1,00,000
Reserves and Surplus	(1,20,535)
<b>Current Liabilities</b>	
Short term borrowings	97,700

Other Current liabilities	25,000
<b>TOTAL</b>	<b>1,02,165</b>
<b>ASSETS:</b>	
<b>Current Assets</b>	
Cash and Cash Equivalents	82,165
Other Current Assets	20,000
<b>TOTAL</b>	<b>1,02,165</b>

Copy of the audited financial statements of the Applicant No.2/Resulting Company 1 as on 31.03.2023 is annexed as **Annexure 5 at page 130 to 143** to the Application and unaudited financial statements as on 31.12.2023 of Applicant No.2/Resulting Company 1 is annexed as **Annexure 6 at page 144 to 152** to the Application.

- i. The Applicant No.3/ Resulting Company 2 viz., **Energion Gas Private Limited** (CIN U40200TG2020PTC143951) is a Company incorporated under the provisions of the Companies Act, 2013.
- j. The main objects of the Applicant No.3/ Resulting Company 2 are:

- i. To carry on business of manufacture, process, convert, produce, mixture, compress, import, supply, stock, distribute, sell, buy or otherwise to deal in all kinds of industrial and medical gases and gaseous substances or any compounds thereof, there products and by products without prejudice to the generality in the aforesaid, oxygen, nitrogen, liquid oxygen, dissolved acetylene, compressed air, argon, ammonia, Freon, carbon dioxide, helium, methane, chlorine, dry ice, nitrous oxide, special gases and gas mixtures, carbonic acid, hydrogen, or any compound thereof by any process required or used in industries, agriculture, laboratories, clinics, hospitals, refrigeration, aviation, transport vehicles, aircraft, space rockets, communication, power plants, domestic and public lighting, cooling and cooking purpose, water works, defense, of welfare establishments, horticulture, forest or plants protection and for other allied purpose.
- ii. To carry on business as manufacturers, producers, processors, makers, inventors, converters, importers,

exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockists, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in gas, coke, tar and all other residual products resulting from the manufacture of gas or the extraction of natural gas, and to carry on all the business which may conveniently be carried on in conjunction with any such activity, to supply gas for lighting, heating, motive power or any other purpose, to acquire, construct, erect, lay, maintain, enlarge, and use all such lands, buildings, easements, gas and other works, machinery, plants, pipes, motors, meters, apparatus, materials and things, and to supply all such materials, products and things as may be convenient in conjunction with the production, use, storage, measurement, supply and distribution of any of the products of the company etc.,

A copy of the Certificate of Incorporation, Memorandum and Articles of Association of the Applicant No.2/Resulting

Company 2 are annexed as **Annexure 7 at page 153 to 170** to the application.

k. The Authorised Share Capital of the Applicant No.3/Resulting Company 2 is Rs.1,00,000/- (Rupees One Lakh only) divided into 10,000 (Ten Thousand) Equity Shares of Rs.10/- (Rupees Ten only) each. The Present issued, subscribed and paid-up share capital of the Applicant No.3/Resulting Company 2 is Rs1,00,000 /- (Rupees One Lakh Only) divided into 10,000 (Ten Thousand) Equity Shares of Rs.10/- (Rupees Ten only) each fully paid-up.

l. The financial summary of the Applicant No.3/Resulting Company 2 as on 31.03.2023 is given below:

<b>Particulars</b>	<b>Amount Rs.</b>
<b>EQUITY AND LIABILITIES:</b>	
Share Capital	1,00,000
Reserves and Surplus	(1,02,840)
<b>Current Liabilities</b>	
Trade Payables	64,700
Other current liabilities	25,000
<b>TOTAL</b>	<b>86,870</b>
<b>ASSETS:</b>	

<b>Current Assets</b>	
Cash and Cash Equivalentents	66,870
Other Current Assets	20,000
<b>TOTAL</b>	<b>86,870</b>

Copy of the audited financial statements of the Applicant No.3/Resulting Company 2 as on 31.03.2023 is annexed as **Annexure 8 at page 171 to 178** and unaudited financial statements as on 31.12.2023 of the Applicant No.3/Resulting Company 2 is annexed as **Annexure 9 at page 179 to 187** to the Application.

3. The Board of Directors of the Applicant Companies at their meeting held on 25.01.2024 have approved the Scheme of Arrangement, subject to the approval/directions of this Hon'ble National Company Law Tribunal, Hyderabad Bench, and such other approvals as may be required.

Copy of the Scheme of Amalgamation is annexed as **Annexure -10 at page 188 to 216** to the Application. Certified copy of the Board

Resolution of Applicant Companies are annexed at **page numbers 217 to 225.**

**4. BENEFITS OF THE SCHEME OF AMALGAMATION:**

- i) The Demerged Business and Remaining Business carried on by Demerged Company have significant potential for growth. The nature of risk and competition involved in each of these units are distinct from other and consequently Demerged Business and Remaining Business is capable of attracting a different set of business leaders, employees, investors, strategic partners, lenders and other stakeholders. The Board of Directors of the Demerged Company felt that the Demerged Business and Remaining Business should be bifurcated and should have independent entities for each undertaking.
  
- ii) That each of the Energon Petroleum, Container Division and Gas Division have huge potential and needs a focused management and hence it is felt necessary to carry on the business of Energon Petroleum, Container Division and Gas Division in separate entities.

- iii) In order to have greater and complete focus to the operations of each of Demerged Business and Remaining Business and evolve strategies for growth and expansion of activities of Demerged Business and Remaining Business separately, apart from attracting investors into each of the Demerged Business and Remaining Business, Demerged Company proposes to re-organize and segregate, by way of de-merger, its business.
- iv) Demerged Business and Remaining Business has tremendous growth and profitability potential, each of the Energon Division, Containers Division and Gas Division are at a stage where they require focused leadership and management attention, hence this Scheme of Arrangement.
- v) It is believed that the proposed segregation will create enhanced value for all stakeholders and allow a focused strategy in operations, which would be in the best interest of Demerged Company, its all stakeholders, creditors and all persons connected with Demerged Company.
- vi) The De-merger will also provide scope for independent collaboration and expansion without committing the existing organization in its entirety.



- vii) With aforesaid objective, it is proposed to De-merge Demerged Company's Container division from the Demerged Company to Resulting Company 1 and to De-merge Demerged Company's Gas division of the Demerged Company to Resulting Company 2.
  
- viii) The Board of Directors of the Demerged Company and Resulting Companies are of the opinion that the de-merger would benefit the shareholders, employees and other stakeholders of the Demerged Company, Resulting Company 1 and Resulting Company 2.

### **SHARE HOLDERS OF THE APPLICANT COMPANIES**

5. It is averred that the Applicant No.1/Demerged Company has Six shareholders. Resulting Company 1 has five shareholders and Resulting Company 2 also has five shareholders. All the shareholders of the Applicant Companies have given their consents. Certificate of Chartered Accountant, M/s. Nandyala & Associates certifying the list of equity shareholders of the Applicant Companies and copies of the Affidavits of shareholders of Applicant Companies are annexed at **Annexure 15,16,20,21,25,26** to the Application.

## **SECURED AND UNSECURED CREDITORS**

6. It is averred that the Applicant No.1/Demerged Company has only one Secured Creditor to the tune of Rs.6,89,77,554.92 paise. Applicant No.2/Resulting Company 1 and Resulting Company 2 does not have any Secured Creditors. The only Secured Creditor of the Applicant No.1/Demerged Company has given its consent to the Scheme. Certificate of Chartered Accountant, M/s. Nandyala & Associates certifying the list of Secured Creditors of Applicant companies and copy of affidavit of Secured Creditor of Applicant No.1/Demerged Company are annexed as **Annexure 17,18,22,27** to the Application.
7. It is averred that the Applicant No.1/Demerged Company has Fifty Eight Unsecured Creditor to the tune of Rs.19,57,45,532.92 paise. Applicant No.2/Resulting Company 1 has One Unsecured Creditor to the tune of Rs.1,67,700/-. Applicant No.3/Resulting Company has only One Unsecured Creditor to the tune of Rs. 1,49,700/-. Copy of Certificate of Chartered Accountant, M/s. Nandyala & Associates certifying the list of unsecured creditors of Applicant companies and the consent affidavits filed by unsecured creditors of the Resulting Company 1 and Resulting Company 2 are annexed as **19, 23, 24, 28,**

29 to the Application. Further it is submitted that Applicant No. 1/Demerged Company seeks to convene the meeting of the Unsecured Creditors.

## **8. COMPLIANCE OF ACCOUNTING STANDARD**

It is averred that the Accounting Treatment proposed in the Scheme of Amalgamation is in conformity with the accounting standards prescribed under Section 133. Certificates under Section 133 of the Companies Act, 2013 issued by Statutory Auditors of the Applicant Companies are annexed as **Annexure-30**.

## **9. CONSIDERATION**

- a. In consideration for the de-merger of Container Division of the Demerged Business of the Demerged Company, including the transfer and vesting thereof in the Resulting Company 1 pursuant to Part II of the Scheme, the Resulting Company 1 shall, without any further payment, issue and allot 7206 Equity shares of Rs. 10/- each for every 10,000 equity shares of Rs. 10/- each held by the members of the Demerged Company whose name is recorded in the register of members of the Demerged Company on the Record Date.
- b. In consideration for the de-merger of Gas Division of the Demerged Business of the Demerged Company, including the transfer and vesting thereof in the Resulting Company 2 pursuant to Part II of the Scheme, the Resulting Company 2 shall, without any further

payment, issue and allot 120 Equity shares of Rs. 10/- each for every 1,000 equity shares of Rs. 10/- each held by the members of the Demerged Company whose name is recorded in the register of members of the Demerged Company on the Record Date.

Copy of the Valuation Reports is annexed as **Annexure 14 at page 226 to 240** to the Application.

#### **10.DECLARATION BY THE APPLICANT COMPANIES**

- a. No petition under Sections 397 or 398 of the Companies Act, 1956 or Section 241 to 244 of the Companies Act, 2013 has been filed against the Applicants and there has been no material change in the affairs of the Applicants, except for what was done in the normal course of business.
- b. There are no proceedings pending under Section 235 to 251 of the Companies Act, 1956 or under Section 210 to 227 of the Companies Act, 2013 against the Applicants.
- c. The Directors of the Applicants have no material interest in the proposed Scheme of Amalgamation except as shareholders in general.

**11.**We have heard the Learned Counsel for Applicant Companies and perused the documents filed. This is the first stage joint Application seeking for dispensation of meetings of Shareholders and Secured

Creditors of Applicant Companies, dispensation of meetings of Unsecured Creditors of the Applicant No.2 and Applicant No.3 and convening of the meeting of the Unsecured Creditors of Applicant No.1/Demerged for the Scheme of Amalgamation.

*Section 230 (i) of Companies Act, 2013 contemplates holding of meeting unless 90% of the Creditors gave consent by way of Affidavits to dispense with meetings. In this case, the shareholders, secured creditors and un secured creditors of the Applicant Company have not given consent by way of Affidavits to dispense with meetings Applicant Companies. Section 230(9) of Companies Act, 2013 provides that 90% of the Creditors to give consent for dispensing with convening of meeting.*

Therefore, at request of the Applicant Companies the following order is passed.

### **ORDER**

After hearing the Learned Counsel and after perusing the documents filed, we here by pass the following orders:

1. Dispense with convening the meeting of the Shareholders of the Demerged Company, Resulting Company 1 and Resulting Company 2.
2. Dispense with the meetings of Secured Creditors of Demerged Company, Resulting Company 1 and Resulting Company 2.
3. Dispense with convening the meeting of the Unsecured Creditors of Resulting Company 1 and Resulting Company 2.

4. Dispense with the publication of the notice in newspapers calling the meeting of Shareholders of Demerged Company, Resulting Company 1 and Resulting Company 2.
5. Dispense with the publication of the notice in newspapers calling the meeting of Secured Creditors of Demerged Company, Resulting Company 1 and Resulting Company 2.
6. Dispense with the publication of notice in newspapers calling the meetings of Unsecured Creditor of Resulting Company 1 and Resulting Company 2.
7. The Meeting of Unsecured Creditors of Applicant No.1/Demerged Company will be held on Saturday 22<sup>th</sup> June, 2024 at 11.30 A.M. at 701, 7th Floor, Solitaire Plaza, 8-3-948/949, Behind Image Hospital, Ameerpet, Hyderabad - 500073, Telangana and appoint Mr.T.V.Narasimham, Advocate (Mobile No.91214 98238) as Chairperson and Mr.K.V.Raman, Advocate (Mobile No.99631 01017) as Scrutinizer of the aforesaid meetings. The remuneration of Chairperson is fixed at Rs. 1,50,000/- and that of the scrutinizer is fixed at Rs.1,00,000/- for above meeting.
8. The quorum be fixed as per Section 103 of Companies Act, 2013.

9. The Advertisement of notice of meeting of Unsecured Creditors of Applicant No.1/Demerged Company in accordance with rule 7 shall be published in “Business Standard”, English Daily, Hyderabad Edition and one in “Nava Telangana” Telugu Daily, Hyderabad Edition.
10. The Unsecured Creditors whose meetings are convened can exercise their votes at their respective meetings either person or by proxy or by authorized representative.
11. The Applicant No.1/Demerged Company or its authorized Signatory is directed to issue notices (s) to its Unsecured Creditors whose meeting is convened, by Registered Post/ Courier/Ordinary Post/ Registered email to their last known address 30 days before the said meetings as per Form No. CAA2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ensuring convening the said meeting of the Unsecured Creditors of Applicant No.1/Demerged Company. Further directed to intimate day, date and time, a copy of Explanatory Statement, pursuant to be sent under Section 230 of the Companies Act, 2013 and Proxy as per Form No. MGT-11 (Rule 19) of the Companies (Management and Administration) Rules, 2014.
12. The Applicant Companies to serve notices upon the Statutory Authorities and Sectoral Regulators pursuant to Section 230 (5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 if no response is

received by the Tribunal from Statutory Authorities or Sectoral Regulators within 30 days of the date of receipt of the notice, it will be presumed that the Statutory Authorities or Sectoral Regulators has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.

13. The Chairman shall have all powers under the Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 in relation to the conduct of the meetings (s) including for deciding procedural questions that may arise before or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person (s).
14. The voting shall be in person or by proxy or authorized representative in case be permitted, provided that the proxy in the Form No. MGT-11 authorization duly signed by the person entitled to attend and vote at the meeting, is to be filed with the Applicant Company at its Registered office, not later than, forty eight hours before the aforesaid meeting in accordance with Rule 10 of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016.
15. The Chairman to file affidavit within 7 days before the date of the said meetings to this Tribunal that the direction regarding convening and issuance of notice (s) to all the necessary parties have been duly complied with in conformity with the relevant provisions of the Companies Act, 2013 R/w Companies (Compromise, Arrangement and



Amalgamation) Rules, 2016. The Chairman shall report the conclusion of the aforesaid meetings within 10 days from the date of such meetings as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

16. Accordingly, the Company Application C.A. (CAA) No. 11/230/HDB/2024 is allowed and the same is disposed.

SD

Charan Singh  
Hon'ble Member Technical

SD

Dr. Venkata Ramakrishna Badarinath Nandula  
Hon'ble Member Judicial

pavani