

S.No.1

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
16-07-2024 AT 10:30 AM**

CA (CAA) No. 19/230/HDB/2024
u/s. 230 of Companies Act, 2013

IN THE MATTER OF:

M/s. Belair Logistics Pvt Ltd (Transferor Co. 1), M/s. Kakinada Infrastructure Holdings Pvt Ltd., (Transferor Co., 2) with M/s. United Port Services Pvt Ltd., (Transferee Co.,) **...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. 19/230/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 -I

C.A. (CAA)No.19/230/HDB/2024

U/s. 230 to 232 of the Companies Act, 2013

IN THE MATTER OF SCHEME OF AMALGAMATION

BETWEEN

BELAIR LOGISTICS PRIVATE LIMITED

(TRANSFEROR COMPANY NO. 1)

AND

KAKINADA INFRASTRUCTURE HOLDINGS PRIVATE LIMITED

(TRANSFEROR COMPANY NO. 2)

WITH

UNITED PORT SERVICES PRIVATE LIMITED

(TRANSFeree COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

M/s. Belair Logistics Private Limited

Registered Office at H No.8-2-418,

3rd Floor, Meenakshi House,

Road No.7, Banjara Hills,

Hyderabad, Telangana, India, 500034,

...Applicant No.1 /Transferor Company-1

M/s.Kakinada Infrastructure Holdings Private Limited

Registered Office at 8-2-418, 3rd Floor,

Meenakshi House, Road No.7, Banjara Hills,

Hyderabad, Telangana, India, 500034

...Applicant No.2 / Transferor Company-2

AND**M/s.United Port Services Private Limited**

Registered Office at 8-2-418, 3rd Floor,
Meenakshi House Road No-7, Banjara Hills,
Hyderabad, Telangana, India, 500034.

.... **Applicant No.3 / Transferee Company**

Date of Order: 16.07.2024

Coram

Dr. Venkata Ramakrishna Badarinath Nandula, Hon'ble Member (Judicial)
Shri Charan Singh, Hon'ble Member (Technical)

Parties/counsels present:

For the Applicants: Mr. V. Venkata Rami Reddy
Mr. M. Parameswara Reddy (Advocates)

PER-BENCH

1. This is the Company Application filed by Applicant Companies under Sections 230 to 232 of the Companies Act, 2013, inter-alia seeking an order to dispense with the requirement of holding the meeting of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Companies and to dispense with the requirement of holding the meeting of the Debenture Holders, for consideration of Scheme of Amalgamation.

2. The averments made in the application are briefly described as under:

- a. **M/s. Belair Logistics Private Limited** (Hereinafter referred to as the “**Transferor CompanyNo.1**”) is a private limited company, was originally incorporated under the name and style “Belair Investment Limited” on 27th October 1994. Later-on 22.09.2000, the name of the Company has been changed to “Belair Logistics Limited”. Again, the name of the Company has been changed to “United Port Services (India) Limited” on 24.10.2008. Later, on 03.03.2011, the name of the Company has been changed to “Belair Logistics Limited”.
- b. The registered office of the Company is situated at H No.8-2-418, 3rd Floor, Meenakshi House, Road No.7, Banjara Hills, Hyderabad, Telangana, India, 500034 same as mentioned in the Application.
- c. The main objects of the Transferor Company No.1 are to carry on the business of integrated Logistics in the transportation sector for facilitation of both Cargo and passengers at various locations in India including seaports and airports. A copy of the certificate of Incorporation and Memorandum and Articles of Association of the Transferor Company No.1 is annexed as **Annexure-A** to the Application.
- d. The authorized, issued, subscribed and paid-up share capital of the Transferor Company No.1 as on 31.03.2023 is as follows:

Share Capital	Amount in Rs.
Authorized Capital	
20,00,000 Equity shares of INR 10 each	2,00,00,000
Total	2,00,00,000
Issued, Subscribed and Paid-up	
6,31,090 Equity shares of INR 10 each	63,10,900
Total	63,10,900

Subsequent to 31.03.2023 and till the date of approving of the resolution for the Scheme of amalgamation by the Board of Directors of the Transferor Company I, there has been no change in the Capital Structure of the Transferor Company I.

A copy of the audited financial statements as at 31st March, 2023 of the Transferor Company No. 1 is annexed as **Annexure-B** to the Application.

- e. **M/s. Kakinada Infrastructure Holdings Private Limited** (hereinafter referred to as the “**Transferor Company No. 2**”) is a private limited company, incorporated under the provisions of the Companies Act, 2013 on 31.07.2006 vide Corporate Identification Number: (CIN) U67120TG2006PTC050760.

- f. The registered office of the Transferor Company No.2 is situated at 8-2-418, 3rd Floor, Meenakshi House, Road No.7, Banjara Hills, Hyderabad, Telangana, India, 500034.
- g. The main objects of the Transferor Company No.2 are to carry on the business as an investment company specifically to invest in shares of any kind, stocks including debentures, secured, unsecured and any other kind of securities whether marketable or otherwise, bonds, bills, hundis, corporate deposits, of any infrastructure projects as defined under Companies Act, 1956. A copy of the certificate of Incorporation and Memorandum and Articles of Association of the Transferor Company No.2 is annexed as **Annexure-C** to the Application.
- h. The authorized, issued, subscribed and paid-up share capital of the Transferor Company No.2 as on 31.03.2023 is as under:

Share Capital	Amount in Rs.
3,75,00,000 Equity shares of INR 10 each	37,50,00,000
Total	37,50,00,000
Issued, Subscribed and Paid-up	
1,23,41,000 Equity shares of INR 10 each	12,34,10,000
Total	12,34,10,000

Subsequent to 31.03.2023 and till the date of approving of the resolution for the Scheme of amalgamation by the Board of Directors of the Transferor Company No.2, there has been no change in the Capital Structure of the Transferor Company No.2.

A copy of the audited financial statements as at 31st March, 2023 of the Transferor Company No.2 is annexed as **Annexure-D** to the Application.

- i. **M/s. United Port Services Private Limited** (Hereinafter referred to as the “**Transferee Company**”) was originally incorporated under the name and style “TCI Industries Limited” on 18.03.1991 under the provisions of Companies Act, 1956, vide Corporate Identity Number U51909TG1991PTC152684.
- j. The registered office of the Transferee Company is situated at 8-2-418, 03rd Floor Meenakshi House Road No-7, Banjara Hills, Hyderabad, Telangana, India, 500034.
- k. The main objects of the Transferee Company is to carry on the business of providing warehousing facilities, to provide open storage yard to port users, to facilities bunkering facilities for all, to provide terminal storage facilities, custodian facilities to port users, to manage and supply spares, consumables, potable water, essential items to all inbound and outbound vessels, oil and gas companies, to provide office and guest house facilities, to supply infrastructure and logistics facilities to all port users including waste management. A copy of the

certificate of Incorporation and Memorandum and Articles of Association of the Transferee Company is annexed as **Annexure-E** to the Application.

- The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on 31.03.2023 is as under:

Share Capital	Amount in Rs.
Authorized Capital	
5,00,000 Equity shares of INR 10 each	50,00,000
Total:	50,00,000
Issued, Subscribed and Paid-up	
5,00,000 Equity shares of INR 2 each	50,00,000
Total:	50,00,000

Subsequent to 31.03.2023 and till the date of approving of the resolution for the Scheme of amalgamation by the Board of Directors of the Transferee Company, there has been no change in the Capital Structure of the Transferee Company.

A copy of the audited financial statements as at 31st March, 2023 of the Transferee Company is annexed as **Annexure- F** to the Application.

3. The Board of Directors of the Applicant Companies at their respective meetings held on 24.04.2024, approved the Scheme of Amalgamation between M/s. Belair Logistics Private Limited (Transferor Company No.1) and M/s. Kakinada Infrastructure Holdings Private Limited (Transferor Company No.2) with M/s. United Port Services Private Limited (Transferee Company) and their respective Shareholders and Creditors. The certified true copy of the Board Resolutions passed by the Board of Directors of the Applicant Companies are annexed as **Annexure – H** to the Application.

4. The scheme of Amalgamation between Transferee Company and Transferor Companies and their respective Shareholders and Creditors, was approved by the Board of Directors of the Applicant Companies with the following benefits:
 - a. The amalgamation will enable pooling resources of the companies involved in amalgamation to their common advantage, resulting in more productive utilization of the said resources and achieving economies of scale resulting into cost and operational efficiencies, which would be beneficial for all the stakeholders.
 - b. The amalgamation would bring synergies in procurement, technology, administration and marketing operations.
 - c. The amalgamation would help to achieve consolidation, greater integration and flexibility which will maximize overall shareholder value and improve the competitive position of the Transferee Company.

- d. The amalgamation would help combine the administrative and marketing functions of the entities involved and consequently result into more efficient functioning of the Transferee Company in a cost-effective manner.
- e. The amalgamation is expected to increase the financial strength thereby enabling further growth and development of the Transferee Company.
- f. The amalgamation would result into simplification of the entity structure of different entities and the shareholding in the group.
- g. The amalgamation would bring greater management focus and would help in achieving uniform corporate policies and faster / effective decision making and its implementation.
- h. Cost reduction as a result of focused operational efforts, elimination of duplication of administrative expenses, optimum utilization of available resources and integrating management focus which will make the internal control systems more efficient and effective.
- i. Business synergies in the operations of the Transferee Company and the Transferor Companies will provide operational flexibility and a stronger and wider capital and financial base for future growth/ expansion of the Transferee Company.
- j. The amalgamation would help avoiding duplication of regulatory and procedural compliances and consequently result into saving of time, resources and cost involved in such compliances.

- k. The amalgamation shall be beneficial and in the best interests of the shareholders, creditors, employees of the companies involved, and all concerned.

The Scheme is in the interest of the shareholders, creditors and all other stakeholders of the companies and is not prejudicial to the interests of concerned shareholders, creditors or the public at large.

5. ISSUE OF SHARES

Upon the sanction of this Scheme by the Tribunal and in consideration of transfer and vesting of the Amalgamating Undertaking of the Transferor Companies to the Transferee Company in terms of provisions of the Scheme, the Transferee Company shall, without any further application or deed, issue and allot Equity Shares(s) to the members of the each of the Transferor Companies whose names appear in the Register of Members as on Record Date , is the following ratio:

“1 (One) equity share of face value of Rs 10/-each (Rupees Ten Only) fully paid up, of the Transferee Company for every 1 (One) equity shares of Rs 10/- each (Rupees Ten Only) of the Transferor Company 1”

“1 (One) equity share of face value of Rs 10/-each (Rupees Ten Only) fully paid up, of the Transferee Company for every 1 (One) equity shares of Rs 10/- each (Rupees Ten Only) of the Transferor Company 2”

6. COMPLIANCE OF ACCOUNTING STANDARDS

The accounting treatment proposed at clause 13 of Scheme of Amalgamation between M/s. Belair Logistics Private Limited (Transferor Company No.1") and M/s. Kakinada Infrastructure Holdings Private Limited (Transferor Company No.2") With M/s. United Port Services Private Limited (Transferee Company) and their respective Shareholders and Creditors, is in conformity with the accounting standards as prescribed under the provisions of Section 133 of the Companies Act, 2013.

(A certificate issued by the Chartered Accountant confirming the Accounting Treatment proposed in the Scheme, is annexed to the Application as “**Annexure- X**”).

7. 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 Applicant Companies and there has been no material change in the affairs of the Applicant Companies, 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 Applicant Companies.
- c) The Accounting Treatment proposed in the Scheme of Amalgamation is in conformity with the Accounting Standards prescribed under Section 133.

8. SHAREHOLDERS OF THE APPLICANT COMPANIES.

It is averred that Transferor Company No.1 has four (4) equity shareholders as on 31.03.2023. All the shareholders had given their consent by way of individual affidavits. The Copy of the certificates issued by Chartered Accountant certifying the number of shareholders of the Transferor Company No.1 are annexed as **Annexure - J** to the Application.

It is averred that Transferor Company No.2 has five (5) equity shareholders as on 31.03.2023. All the shareholders had given their consent by way of individual affidavits. The Copy of the certificates issued by Chartered Accountant certifying the number of shareholders of the Transferor Company No.2 are annexed as **Annexure N** to the Application.

It is averred that Transferee Company has three (3) equity shareholders as on 31.03.2023. All the shareholders had given their consent by way of individual affidavits. The Copy of the certificates issued by Chartered Accountant certifying the number of shareholders of the Transferee Company are annexed as **Annexure –T** to the Application.

9. CREDITORS OF THE APPLICANT COMPANIES

- a. It is averred that Transferor Company No.1, does not have any Secured Creditors as on 31.03.2023.
- b. Further, Transferor Company 1 has a Sole Unsecured Creditor having an outstanding amount of Rs.3,00,00,000/- due as on

31.03.2023. The sole unsecured creditor of the Transferor Company No.1 has given its consent by way of individual affidavit to the Scheme. Certificate issued by the Chartered Accountant, certifying that the Transferor Company No.1 does not have any Secured and certifying the list of Unsecured Creditors of Transferor Company No.1 along with the outstanding amount as on 31.03.2023 is annexed to the Application and marked as **“Annexure-M”**.

- c. It is averred that the Transferor Company No.2 has two (2) Debenture Holders having an amount of Rs.26,94,00,000/- due as on 31.03.2023. Both the Debenture Holders had given its consent by way of individual affidavits to the Scheme. Certificate issued by the Chartered Accountant, certifying the list of Debenture Holders of Transferor Company No.2 along with the outstanding amount as on 31.03.2023 is annexed to the Application and marked as **“Annexure-Q”**.
- d. It is averred that Transferor Company No.2, does not have any Secured Creditors as on 31.03.2023.
- e. Further, Transferor Company No.2 has three (3) Unsecured Creditor having an outstanding amount of Rs.14,68,22,951/- due as on 31.03.2023. All the unsecured creditors of the Transferor Company No.2 had given their consent by way of individual affidavits to the Scheme. Certificate issued by the Chartered Accountant, certifying that the Transferor Company No.2 does not have any Secured and certifying the list of Unsecured Creditors of

Transferor Company No.2 along with the outstanding amount as on 31.03.2023 is annexed to the Application and marked as “**Annexure-S**”.

- f. It is averred that Transferee Company, does not have any Secured Creditors as on 31.03.2023.
- g. It is further submitted that the Transferee Company has three (3) Unsecured Creditors having an outstanding amount of Rs.53,38,62,848/- due as on 30.09.2023. All the unsecured creditors of the Transferee Company had given their consent by way of individual affidavits to the Scheme. Certificate issued by the Chartered Accountant, certifying that the Transferor Company No.2 does not have any Secured and certifying the list of Unsecured Creditors of Transferee Company along with the outstanding amount as on 31.03.2023 is annexed to the Application and marked as “**Annexure-W**”.

10. We have heard the learned Counsel for Applicant Companies and perused the documents filed. This is the first stage Application seeking dispensation of convening meetings of Equity Shareholders, Secured and Unsecured Creditors of the Applicant Companies and dispensation of convening meeting of Debenture Holders of Applicant No.2 Company. The proposed scheme in question prima facie satisfy fundamental requirements for its sanction, subject to approval of this Tribunal. The Applicant Companies stated to be following all provisions of Companies Act, 2013, and rules made thereunder.

11. After hearing the Learned Counsel for Applicant Companies and after perusing the documents filed, the above rulings are applicable to the present case on hand as rights of the equity shareholders of the Transferee Company are not effected at all. We therefore pass the following order:-

- a) Hereby dispensed with convening the meeting of equity Shareholders, secured creditors and unsecured creditors of the Applicant Companies.
- b) Hereby dispensed with convening the meeting of Debenture Holders of the Applicant No.2 Company.
- c) Notwithstanding the above, when the Applicant Companies approach this Tribunal seeking approval of the Scheme, it would be open for any person who is interested in the Scheme of Amalgamation to put forth their contentions before this Tribunal.
- d) Accordingly, the Company Application C.A. (CAA) No.19/230/HDB/2024 is allowed and the same is disposed.

Sd/-

Charan Singh
Member Technical

Sd/-

Dr. Venkata Ramakrishna Badarinath Nandula
Member Judicial

Pavani