MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (Department of Company Affairs)

(Company Law Board)

ORDER

New Delhi, the 9th May, 1978

S.O. 312(E).—Whereas Caltex Oil Refining (India) Limited is a company incorporated under the Companies Act, 1956 (1 of 1956), and has its registered office at 'Caltex House', Fort, Bombay, and carries on the business of manufacturing and marketing petroleum products and operates an oil refinery at Vizagapatnam in Andhra Pradesh (India);

And whereas Hindustan Petroleum Corporation Limited is also a company incorporated under the Companies Act, 1956 (1 of 1956), and has its registered office at 'Petroleum House', 17, Jasmshedji Tata Road, Bombay 400 020, and carries on the business of manufacturing and marketing petroleum products and operates oil refineries;

And whereas all the shares of both the companies are held by the Central Government, in the name of the President of India;

And whereas the Company Law Board is satisfied that it is essential in the public interest that Caltex Oil Refining (India) Limited should be amalgamated with Hindustan Petroleum Corporation Limited, so that the production, marketing and other activities of both the companies may be carried on more efficiently and economically by a single company;

And whereas a copy of the proposed Order has been sent in draft to both the companies, namely, Caltex Oil Refining (India) Limited and Hindustan Petroleum Corporation Limited, and the suggestions received from them having been duly considered by the Company Law Board and no objections having been received from anyone;

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (2) of section 396 of the Companies Act, 1956 (1 of 1956), read with the notification of the Government of India in the Department of Company Affairs No. G.S.R. 443(E), dated the 18th October, 1972, the Company Law Board hereby makes the following Order, namely:—

- 1. Short title.—This Order may be called Caltex Oil Refining (India) Limited and Hindustan Petroleum Corporation Limited Amalgamation Order, 1978.
- 2. Definitions.—In this Order, unless the context otherwise requires,
 - (a) "appointed day" means the date on which this Order is notified in the Official Gazette;
 - (b) CORIL means Caltex Oil Refining (India) 'Limited;
 - (c) HPCL means Hindustan Petroleum Corporation Limited.
- 3. Amalgamation of the Companies.—On the appointed day, the undertaking of CORIL shall stand transferred to, and vested in, HPCL, which Company shall, immediately on such transfer, be deemed to be the company resulting from the amalgamation.

Explanation.—The undertaking of CORIL referred to above shall be deemed to include all assets, rights, leases, tenancies, powers, authorities and privileges, trade marks, trade names, patent rights and licences for the use of patents and all property, movable and immovable, tangible or intangible (including cash and bank balances), reserve funds, book debts, outstandings, reserves, balances on revenue accounts, investments and all other rights and interests in, or arising out of, such property and rights as were, immediately before the appointed day, in the ownership, possession, power or control of CORIL in relation to its undertaking and all books, accounts, registers, records and all other documents of whatever nature relating thereto, and shall also be deemed to include all borrowings, debts and other liabilities (including the liability for the payment of any pension, and other pensionary benefits to the persons employed in relation to its undertaking) and obligations of whatever kind then subsisting of CORIL in relation to its undertaking.

- 4. Transfer of certain teems of property.—For the purposes of this Order, all the profits and losses and reserves of CORIL, as on the day immediately preceding the appointed day, shall be transferred to HPCL as follows, namely:—
 - (a) Profits or losses shall be transferred to the profits or losses respectively of HPCL;
 - (b) Development rebate reserve shall be transferred to the Development Rebate Reserve of HPCL;
 - (c) Revenue and Capital Reserves shall be transferred to the Revenue and Capital Reserves of HPCL.
- 5. Saving of contracts, etc.—Subject to the other provisions contained in this Order and without prejudice to the powers conferred on Central Government under Section 15 of the Caltex [Acquisition of Shares of Caltex Oil Refining (India) Limited and of the Undertakings in India of Caltex (India) Limited] Act, 1977, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which CORIL is a party, subsisting or having effect immediately before the appointed day, shall, as from that day, be of as full force and effect against, or in favour of, HPCL, as the case may be, and may be enforced as fully and effectually as if, instead of CORIL, HPCL has been a party thereto or as if they had been executed in favour of HPCL.
- 6. Saving of legal proceedings.—If, on the appointed day, there is pending any suit, arbitration, appeal or other revenue or legal proceeding of whatever nature by or against CORIL, the same shall not abate, be discontinued or be in any way projudicially affected by reason of the transfer to HPCL of the undertaking of CORIL or of anything contained in this Order, but the suit, arbitration, appeal or other proceeding may be continued, prosecuted and enforced by or against HPCL in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against CORIL if this Order had not been made.
- 7. Capital structure of HPCL.—(1) As from the appointed day the authorised share capital of HPCL shall stand increased from Rs. 10,75,00,000 (Rupees ten crores seventy-five lakhs) to Rs. 20,75,00,000 (Rupees twenty crores seventy-five lakhs) divided as follows:—
 - (a) Cumulative Redeemable Preference Shares of Rs. 100 each

Rs. 75,00,000

(b) Equity Shares of Rs. 1,000 each

Rs. 20,00,00,000

Total Rs. 20,75,00,000

- (2) HPCL shall issue 52,000 fully paid up equity shares of the aggregate value of Rs. 5,20,00,000 (Rupees five crores twenty lakhs) which shall be allotted to the President of India.
- 8. Rights of equity shareholders.—(1) As soon as may be after the appointed day, the Board of Directors of HPCL shall prepare new share certificates representing 52,000 equity shares of HPCL of Rs. 1,000 each.
- (2) HPCL shall send by post to the Central Government represented by the Secretary to the Government of India in the Ministry of Petroleum, Chemicals and Fertilizers, a notice giving particulars of the share certificates to be issued in terms of their entitlement under subclause (2) of clause 7.
- 9. Provision with respect of taxation.—All taxes in respect of the profits and gains of the business carried on by CORIL before the appointed day shall be payable by HPCL to the same extent as they would have been payable by CORIL, if this Order had not been made.
- 10. Provisions respecting existing officers and other employees.—(1) Every whole-time officer or other employee (not including directors) employed immediately before the appointed day in CORIL shall, as from the appointed

- y, become an officer or other employee, as the case ay be, of HPCL and shall hold his officer or service trein by the same tenure and upon the same terms of conditions and with the same rights and privileges as pension, provident fund or gratuity as would have been emissible to him under CORIL if this Order had not ten made, and shall continue to do so unless and until a employment in HPCL is duly terminated and until a remuneration and conditions of service are duly altered HPCL.
- (2) The persons holding office, immediately before the prointed day, as the auditors of CORIL, shall be the undersor of HPCL in respect of the undertaking of CORIL of amalgamated and shall hold office until the conclusion of the next annual general meeting after the appointed by, provided that the audit procedure shall, as from the prointed day, be governed by the provisions of subsection (3), (4) and (5) of section 619 of the Companies let, 1956 (1 of 1956).
- 11. Provident, superannuation, welfare and other funds.—(1) Where CORIL had established a provident, perannuation, welfare or any other fund for the benefit of its officers and other employees and constituted a trust in respect thereof (hereinafter in this clause referred to the an existing trust), the moneys standing to the credit of such funds on the appointed day, together with other issets belonging to such funds, shall stand transferred to, and vested in, HPCL on the appointed day free from any such trust.
- (2) HPCL shall, as soon as may be, after the appointed day, constitute in respect of moneys and other assets which are transferred to, and vested in it, under subclause (1), one or more trusts having objects, terms and conditions similar to those of the existing trust as in the circumstances may be practicable, so, however, that the rights and interests of the beneficiaries of the existing trust shall not in any way be diminished or prejudiced.
- (3) Where all the moneys and other assets belonging to an existing trust are transferred to, and vested in HPCL under this clause, the trustees of such trust shall, as from the appointed day, stand discharged from the trust, except as respects things done or omitted to be done before the appointed day.
- 12. Board of Director of HPCL— Every director of CORIL holding office as such immediately before the appointed day shall cease to be a director of CORIL on the appointed day.
- 13. Dissolution of CORIL.—Subject to the other provisions of this Order, as from the appointed day, CORIL shall be dissolved, and no person shall make, assert or take any claims, demands or proceedings against CORIL or against any director or officer thereof in his capacity as such director or officer, except insofar as may be necessary for enforcing the provisions of this Order.
- 14. Registration of the Order by the Registrar of Companies.—The Company Law Board shall, as soon as may be, after the issue of this Order, send to the Registrar of Companies, Maharashtra, a copy of this Order together with the printed copy of the Memorandum and Articles of Association of HPCL. as amended by this Order, on receipt of which the Registrar of Companies, Maharashtra shall:—
 - (a) register the Order on payment of the prescribed fees by HPCL inclusive of the prescribed fees for increase in its authorised share capital as provided herein and shall certify under his hand the registration thereof, within one month from the receipt of the copy of the Order by him;

- (b) make necessary alterations in the Memorandum and Articles of Association of HPCL.
- 15. Memorandum and Articles of Association of HPCL.—
 The Memorandum and Articles of Association of HPCL, as they stood immediately before the appointed day, shall as from that day, be the Memorandum and Articles of Association of HPCL, subject to the amendments specified in the Schedule attached hereto.

THE SCHEDULE

(See clause 15)

- Part I-Amendmen's to the Memorandum of Association of HPCL
- (1) In clause III, after sub-clause (a), the following clauses shall be inserted, namely :-
 - "(a-i) To carry on the business of compressing, bottling and distributing liquified petroleum and other gases for lighting, heating, motive power or for use as industrial fuel or domestic fuel.
 - (a-ii) To act as agonts, dealers, transporters, carriers, distributors, representatives of any company, government or statutory body or autonomous body manufacturing liquified petroleum gas, ammonia and other gases of any nature whatsoever."
- (ii) after clause (u), the following clauses shall be inserted, namely:—
 - "(u-i) To lay out and prepare any lands for any kind of athletic sports and for the playing of such sports or other kind of amusement or entertainment and to construct stands and other buildings and conveniences for use in connection therewith;
 - (u-ii) To carry out in any part of the world all or any part of the foregoing objects as principals, agents, factors, trustees, contractors, or otherwise, either alone or in conjunction with any other person, firm, association, corporate body, municipality, province, state, body, politic or government or colony or dependency thereof."
- (2) In clause V, for the first paragraph, the following paragraph shall be substituted, namely:—
 - "The authorised share capital of the company is Rs. 20,75,00,000 (Rupees twenty crores and seventy-five lakhs), divided into 75,000 (seventy-five thousand) preference shares of Rs. 100 each and 2,00,000 (two lakhs) equity shares of Rs. 1,000 each, and there shall be attached to the said perference and equity shares respectively the rights, privileges and conditions in that behalf stated in the accompanying Articles of Association."

Part II-Amendments to the Articles of Association

In Article 3, for sub-article (1), the following sub-article shall be substituted, namely:—

"(1) The authorised share capital of the Company consists of Rs. 20,75,00,000 (Rupees twenty crores and seventy-five lakhs) divided into 75,000 (seventy-five thousand) preference shares of Rs. 100 each and 2,00,000 (two lakhs) equity shares of Rs. 1,000 each."

No. 24/2/78-CL III
By Order of the Company Law Board
A. NEELAKANTAN, Member,
Company Law Board