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December 23, 2021

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400001.

National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400051.

SUB: Intimation of receipt of order of the Hon'ble National Company Law Tribunal, Mumbai Bench approving the Composite Scheme of Arrangement amongst GMR Power Infra Limited ("GPIL"), GMR Infrastructure Limited ("GIL") and GMR Power And Urban Infra Limited ("GPUIL") and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013.

REF: SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Dear Sir/Madam,

With reference to the above cited subject and in continuation of our letter dated March 08, 2021 please take note that the Hon'ble National Company Law Tribunal, Mumbai Bench ("Tribunal") has, by its order pronounced on December 22, 2021 approved the Composite Scheme of Arrangement amongst GMR Power Infra Limited ("GPIL"), GMR Infrastructure Limited ("GIL") and GMR Power And Urban Infra Limited ("GPUIL") and their respective shareholders ("Scheme"), with appointed date of April 01, 2021.

We enclose herewith copy of the order as available on the website of NCLT. Also enclosed is a copy of the media released proposed to be made in this regard.

We request you to take the above disclosure on record.

Thanking you,

for **GMR Infrastructure Limited**



T. Venkat Ramana
Company Secretary &
Compliance Officer

Encl: As above

Registered Office:

701, Plot No. C-31, G Block
Bandra Kurla Complex (Opp. Dena Bank)
Bandra (East), Mumbai – 400 051

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH - IV**

C.P.(CAA) No. 152/MB/2021

Connected with

C.A. (CAA) No. 109/MB/2021

In the matter of

The Companies Act, 2013;

AND

In the matter of

*Petition under Sections 230 - 232 and other relevant
provisions of the Companies Act, 2013;*

AND

In the matter of

*Composite Scheme of Amalgamation and Arrangement
amongst*

GMR Power Infra Limited
("Amalgamating Company")

and

GMR Infrastructure Limited
("Amalgamated Company"/ "Demerged Company")

and

GMR Power and Urban Infra Limited
("Resulting Company")

and their respective shareholders.

GMR Power Infra Limited

CIN: U40102MH2011PLC291663

...Petitioner Company 1/
Amalgamating Company

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GMR Infrastructure Limited

CIN: L45203MH1996PLC281138

...Petitioner Company 2/
Amalgamated Company/
Demerged Company

GMR Power and Urban Infra Limited

CIN: U45400MH2019PLC325541

...Petitioner Company 3/
Resulting Company

IA-34/2021 in CP(CAA)152/MB-IV/2021

IDFC First Bank

.... Applicant/Objector

Coram:

Mr. Rajesh Sharma
Hon'ble Member (Technical)

Mrs. Suchitra Kanuparthi
Hon'ble Member (Judicial)

Order pronounced on 22.12.2021

Appearances (via videoconferencing):

For the Petitioner Companies:

Mr. Janak Dwarkadas, Senior Advocate, Mr. Ashish Kamat, Advocate, Mr. Anando Mukherjee, Advocate with Mr. Tapan Deshpande, Advocate, Ms. Arushi Poddar, Advocate– i/b. Cyril Amarchand Mangaldas.

For objector

Mr. Sharan Jagtiani, Sr. Advocate a/w Ms. Mahi Mehta, Advocate

For Regional Director (WR):

Ms. Rupa Sutar, Deputy Director, Office of the Regional Director, Mumbai

ORDER

Per: Suchitra Kanuparthi, Member (Judicial) and Rajesh Sharma, Member (Technical)

1. The Court is convened through videoconference today.

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2. Heard Learned Senior Advocate appearing for the Petitioner Companies and Officer of the Regional Director, Western Region, Mumbai. The Petitioner Companies have not received any objection in relation to the Company Petition, pursuant to public notice issued on 18th November, 2021.
3. Learned Senior Advocate for the Petitioner Company states that the Petitioner Company has filed the present Company Scheme Petition, under Sections 230-232 of the Companies Act, 2013 (hereinafter referred to as, the “Act”) and other relevant provisions of the Act, seeking sanction from this Tribunal to the Composite Scheme of Amalgamation and Arrangement amongst GMR Power Infra Limited (hereinafter referred to as “**Petitioner Company 1**” / “**Amalgamating Company**”/ “**GPIL**”), GMR Infrastructure Limited (hereinafter referred to as “**Petitioner Company 2**” / “**Amalgamated Company**”/ “**Demerged Company**”/ “**GIL**”) and GMR Power and Urban Infra Limited (hereinafter referred to as “**Petitioner Company 3**” / “**Resulting Company**”/ “**GPUIL**”) (Petitioner Company 1, 2, and 3 above are hereinafter collectively referred to as “**Petitioner Companies**”) and their respective shareholders (hereinafter referred to as the “**Scheme**” or the “**Scheme of Arrangement**”). The Senior Advocate for the Petitioner Companies further states that the Petitioner Companies have their registered office in the State of Maharashtra and the subject matter of the Company Petition is within the jurisdiction of this Tribunal.
4. The Boards of Directors of Petitioner Company 1, Petitioner Company 2 and Petitioner Company 3 in their respective Board meetings, all held on 27th August, 2020, have approved the Scheme. The resolutions of the Boards of Directors of the respective Petitioner, all dated 27th August, 2020, are annexed to the Company Petition.

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5. Petitioner no.1 company is a public limited company incorporated on 25.02.2011 and primarily in engaged in the business of setting up, maintaining, operating all types of power plant etc. The Authorized, issued, subscribed and paid-up share capital of petitioner Company 1 as of 30th June, 2021 is as under :

Particulars	Amount (INR)
Authorized Capital	
50,00,000 equity shares of Rs.10 each	5,00,00,000
Total	5,00,00,000
Issued, Subscribed	
16,99,660 equity shares of Rs.10 each	1,69,96,600
Total	1,69,96,600

6. As on date of filing this Company Petition, the issued and paid-up capital of Petitioner Company 1 is held by Petitioner Company 2 and its nominees, GME Energy Projects (Mauritius) Limited (“GEPML”) and GMR Generation Assets Limited (“GGAL”) 49.98% of the issued share capital of Petitioner Company 1 is held by petitioner Company 2 and its nominees, 49.99% of the issued share capital of Petitioner Company 1 is held by GEPML and the remaining 0.03% of the issued share capital of petitioner Company 1 is held by GGAL. Both GEPML and GGAL are, directly or indirectly, subsidiaries of GIL. The equity shares of Petitioner No.1 is not listed on any stock exchange.
7. The Petitioner No.2 is a Public Limited Company incorporated on 10.05.1996 in the name of Varalakshmi Vasvi Power Projects Limited, However, the name was change to GMR Vasvi Infrastructure Limited and subsequently the name was again changed to GMR Infrastructure Limited and a fresh incorporation certificate was granted on 24.07.2000. The Petitioner No.2 company engaged in Infrastructure business and

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primarily to undertakes of business of handling engineering, procurement and construction solutions and also operates in airports, energy, transportation and urban infrastructure business. The Authorised, issued, subscribed and paid-up share capital of the Petitioner Company 2 as on 30th June, 2021 is as under:

Particulars	Amount (INR)
Authorized Capital	
1350,00,00,000 equity shares of Rs.1 each	1350,00,00,000
60,00,000 preference shares of Rs.1,000 each	1950,00,00,000
Total	
603,59,45,275 equity shares of Rs.1 each fully paid up	603,59,45,275
Total	603,59,45,275

8. The Petition No.3 is Public Limited Company incorporated on 17.05.2019 and is engaged in the business of inter alia acquiring of interest, right, title, furnishing etc. The Authorised, issued, subscribed and paid-up share capital of petitioner Company 2 as at 30th June, 2021 is as under:

Particulars	Amount (INR)
Authorized Capital	
5,00,00,000 equity shares of Rs.10 each	50,00,00,000
Total	50,00,00,000
Issued, Subscribed and Paid-Up	
1,00,000 Equity share of Rs.10 each	10,00,000
Total	10,00,000

The entire issued and paid-up capital of Petitioner Company 3 as on date of filing this Application is held by Petitioner Company 2 and its nominee shareholders. The Equity shares of Petitioner Company 3 are not listed on any stock exchange.

9. The Learned Senior Advocate appearing on behalf of the Petitioner Companies states that the Petition has been filed in consonance with the order dated 25th August, 2021 passed in the Company Application C.A.(CAA) No. 109/MB-IV/2021 by this Tribunal (“**CSA order**”), and also states that in paragraph 5 of the CSA order it is stated that the reduction in the securities premium reserve account of Petitioner Company 2 and the reduction in the share capital of Petitioner Company 3 shall be effected as an integral part of the Scheme in accordance with the provisions of Sections 230 to 232 of the Act and the orders of this Tribunal, sanctioning the Scheme. Further, as stated in Explanation to Section 230 of the Act, the provisions of Section 66 of the Act shall not apply to the aforesaid reduction effected in pursuance of the order of this Tribunal under Sections 230-232 of the Act.
10. The Learned Senior Advocate appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all requirements as per the directions of this Tribunal and have filed necessary affidavits of compliance in this Tribunal. Moreover, the Petitioner Companies undertake to comply with all the statutory requirements, if any, as required under the Act and the Rules made thereunder. The said undertaking given by the Petitioner Companies, is accepted.
11. Learned Senior Advocate appearing on behalf of the Petitioner Companies states that the equity shares of Petitioner Company 2 are listed on the BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”). BSE by its letter dated 18th December, 2020 and NSE by its letter dated 21st December, 2020, have respectively given

their “no adverse observation/no-objection” letters to Petitioner Company 2, to file the Scheme before this Hon’ble Tribunal.

12. The Scheme of Arrangement provides *inter alia* for:

(i) the amalgamation of the Amalgamating Company with the Amalgamated Company without winding up and the cancellation of the equity shares of the Amalgamating Company held by the Amalgamated Company, its nominees, GGAL and GEPML (“**Amalgamation**”);

(ii) the transfer by way of a demerger of the Demerged Undertaking (*as defined in the Scheme*) of the Demerged Company to the Resulting Company, the cancellation of equity shares of the Resulting Company held by the Demerged Company (directly and/or through nominees) and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company in accordance with the Share Entitlement Ratio (*as defined in the Scheme*) (“**Demerger**”); and

(iii) various other matters consequential or integrally connected therewith, including the re-organization of the share capital of the Resulting Company;

pursuant to Sections 230 – 232 and other applicable provisions of the Act, including Section 66 (to the extent applicable), in the manner provided for in this Scheme and in compliance with the provisions of the Income Tax Act, 1961, including Sections 2(1B) and 2(19AA) thereof.

13. The rationale and benefits of the Scheme are as follows:

- a. *Presently, GIL, directly and/or indirectly through subsidiaries and joint ventures, houses various infrastructure development and operations activities of the group across different verticals i.e., airports, EPC, energy, transportation and urban infrastructure. The Airport Business (as defined in the Scheme) has a distinct operating model from that of the Urban Infrastructure Business (as defined in the Scheme) and the EPC Business (as defined in the Scheme) of GIL, and each of these provide a strong growth opportunity in the foreseeable future. These businesses have, since their inception, attained a significant size and scale in their respective segments.*
- b. *As these businesses approach their next phase of growth, it would be strategically apt to segregate the Urban Infrastructure Business and EPC Business from the Airport Business, to enable them to move forward independently, with greater focus and specialization, building further on their respective capabilities and their strong brand presence.*
- c. *The Scheme would benefit these businesses on account of the potential synergies and incremental operational efficiencies from combining the similar and related businesses under GIL (in case of the Airport Business) and under GPUIL (in case of Urban Infrastructure Business and EPC Business) respectively, enabling these businesses to create further value and allowing investors to allocate their portfolio into separate entities, focused on the distinct business of airport (under GIL) and urban infrastructure and EPC (under GPUIL), which aims to unlock shareholder value.*
- d. *The reorganization would lead to a simplified organization structure assisting shareholders and investors to better understand and evaluate both businesses*

independently as investment options and potentially lead to a higher value illumination of each of these businesses including by way of attracting long term sectoral / thematic and marquee investors and sovereign wealth funds particularly in the airports, energy and transportation sectors.

- e. *Given that the infrastructure business has attained significant maturity, the Scheme will enable GIL and its shareholders to achieve its ultimate objective of segregation of the Airport Business from the remaining businesses and to achieve clear bifurcation of these businesses for unlocking the value of each vertical and pave way for focused growth with a view to create significant stakeholder value. It is expected that the combined Airport Business resulting out of such restructuring will have better prospects of growth and will enable management to vigorously pursue a focused growth strategy.*
- f. *The Scheme will also help to streamline the entire management structure and channelize resources to focus on the growing businesses. A lean management structure will also lead to focused administration and prospectively a reduction in costs for accounting, compliance, auditing, board meetings, secretarial procedures and administration, etc.*
- g. *The Scheme will allow an exhaustive review of the group holding structure and operations at all levels within the Company (as defined in the Scheme) with a view to reduce duplicity of costs and resources which can be more efficiently utilized elsewhere. This measure will also help in rationalising and optimising manpower costs which will lead to sustainable growth in future. The Scheme will facilitate an integrated approach to internal policies, including those*

pertaining to manning norms, remuneration, employee benefits, workplace rules and policies.

- h. The Scheme will also stabilize the operating cost of entities and result in synergies, efficient utilization of capabilities and resources.*
- i. Accordingly, the Scheme is expected to be in the best interests of the Petitioner Companies and their respective shareholders, employees and creditors.*

14. The consideration clause for the Amalgamation has been set out in clause 19 of the Scheme and the consideration clause for the Demerger has been set out in clause 30 of the Scheme which are as follows:

“ 19. CONSIDERATION

19.1 As the entire share capital of Amalgamating Company is held by Amalgamated Company (directly and/ or indirectly through subsidiaries and nominees), no consideration shall be payable pursuant to the Amalgamation. Shares held by GIL, its subsidiaries and nominees in Amalgamating Company shall stand cancelled without any further act, application or deed.”

30. CONSIDERATION FOR DEMERGER

30.1 Upon this Scheme becoming effective and in consideration of vesting of the Demerged Undertaking of Demerged Company in Resulting Company in terms of this Scheme, Resulting Company shall, without any further application, act or deed, issue and allot equity shares, credited as fully paid-up, to the members of Demerged Company, holding fully paid up equity shares in Demerged Company and whose names appear in the register of members of Demerged Company on the Record Date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as on the Record Date in the following manner:

“1 (one) fully paid up equity share of Rs. 5 (Rupees Five only) each of GPUIL shall be issued and allotted for every 10 (ten) fully paid up equity shares of Re. 1 (Rupee One only) each held in GIL (“Share Entitlement Ratio”).”

15. The Regional Director, Western Region, Mumbai (“RD”) has filed its observations by

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the Report dated 22nd November, 2021 (“Report”) before this Tribunal *inter alia* raising certain observations to the Scheme in paragraph IV therein. The observations made by the Regional Director have been dealt with by the Petitioner Companies in its Affidavit in Reply, dated 30th November, 2021 and a copy of the said Affidavit was served upon the RD on 30th November, 2021. For the sake of ready reference, the observations made by the Regional Director and the responses of the Petitioner Companies to the observations made in the RD’s Report in the said Affidavit are mentioned hereinbelow;

S. No.	Observations in RD Report dated 22.11.2021 (Para IV)	Petitioners’ Reply dated 30.11.2021
a)	<i>In addition to compliance of AS-14 (IND AS-103) the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5(IND AS- 8) etc.;</i>	<i>So far as the observation in paragraph IV (a) of the Report is concerned, the Petitioner Companies submit that in addition to compliance of AS 14 (IND AS – 103), the Petitioner Companies undertake to pass such accounting entries as may be necessary in connection with the Scheme, so as to comply with all other applicable accounting standards.</i>

<p>b)</p>	<p><i>As per Part-B-Definitions Clause 6(6.7), 6(6.14) & 6(6.25) of the Scheme.</i></p> <p><i>“Appointed Date” for the purposes of the Scheme means April 1, 2021 or such other date as may be agreed between the Boards of the respective Amalgamating Company/ Demerged Company, the Amalgamated Company and the Resulting Company and as the NCLT may direct/ allow;</i></p> <p><i>“Effective Date” means the last of the dates on which all the conditions and matters referred to in Clause 40 of the Scheme occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme. References in this Scheme to date of ‘coming into effect of the Scheme’ or ‘effectiveness of the Scheme’ shall be construed accordingly;</i></p> <p><i>“Record Date” means, in connection with the Demerger, the date to be</i></p>	<p><i>So far as the observation in paragraph IV (b) of the Report is concerned, the Petitioner Companies submit that in accordance with Section 232(6) of the Companies Act, 2013 (“Act”), the Scheme clearly indicates/specifies:</i></p> <p><i>(a) that the Appointed Date i.e. April 1, 2021 has been clearly indicated in clause 6.7 of the Scheme and that the Scheme shall take effect from the Appointed Date; and</i></p> <p><i>(b) in clause 6.14 of the Scheme, the Effective Date, means the last of the dates on which all the conditions and matters referred to in Clause 40 of the Scheme occur or have been fulfilled or waived in accordance with this Scheme.</i></p> <p><i>The Petitioner Companies submit that the Scheme will be operative from the Effective Date, but shall be given effect from the Appointed Date, i.e., April 1 2021. The Petitioner Companies further submit that they have already complied with the requirements and clarification of Circular No. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs by clearly specifying the Appointed Date in the Scheme and accordingly, the requirements of the said circular have already been completed.</i></p>
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fixed by the respective Board of the Demerged Company and the Resulting Company for the purpose of determining the shareholders of the Demerged Company to whom equity shares of the Resulting Company shall be allotted pursuant to the Demerger under this Scheme;

In this regard, it is submitted that Section 232 (6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.

Further, the Petitioners may be asked to comply with the requirements and clarified vide circular no. F. No. 7/12/2019/CL-1 dated 21.08.2019 issued by the

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	<i>Ministry of Corporate Affairs.</i>	
c)	<i>The Hon'ble Tribunal may kindly seek the undertaking that this Scheme is approved by the requisite majority of members and creditors as per Section 230(6) of the Act in meetings duly held in terms of Section 230(1) read with subsection (3) to (5) of Section 230 of the Act and the Minutes thereof are duly placed before the Tribunal.</i>	<i>So far as the observation in paragraph IV (c) of the Report is concerned, the Petitioner Companies submit that the Scheme has been approved by the respective equity shareholders of the Petitioner Company 1 and 3 vide their respective Affidavits of consent which have been submitted before this Hon'ble Tribunal. Further the Scheme has been approved with the requisite majority by the equity shareholders and secured creditors of the Petitioner Company 2 as per Section 230 (6) of the Act at the respective meetings duly held on Wednesday</i>

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		<p><i>September 29, 2021 pursuant to the directions of this Hon'ble Tribunal vide its order dated August 25, 2021 passed in the above Company Application C.A. (CAA) 109/MB.IV/2021 ("CSA Order") and in terms of Section 230 (1) read with Section 230 (3) to (5) of the Act. The reports of the respective Chairpersons appointed by this Hon'ble Tribunal for the respective equity shareholders meeting and secured creditors meeting on the proceedings and results of the meetings, along with the Affidavits in support thereof, have been filed with this Hon'ble Tribunal on September 29, 2021, and are also annexed to the above Company Petition as Annexures "Z" and "AA" respectively. The convening and holding of meetings of the unsecured creditors of the Petitioner Companies were dispensed with by this Hon'ble Tribunal vide the CSA Order. There were no secured creditors in Petitioner Company 1 and Petitioner Company 3, hence holding of meeting of secured creditors for Petitioner Company 1 and Petitioner Company 3 was not required.</i></p>
d)	<p><i>Hon'ble NCLT may kindly direct the petitioners to file an affidavit to the extent that the Scheme enclosed to Company Application & Company Petition, are one and same and there is no discrepancy/any</i></p>	<p><i>So far as the observation in paragraph IV (d) of the Report is concerned, the Petitioner Companies undertake to this Hon'ble Tribunal that the Scheme annexed as Annexure "A" to the Company Application C.A. (CAA) No. 109/MB.IV/2021 and the Scheme annexed as Annexure "A" to the Company Petition C.P</i></p>

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	<i>change/changes are made, for changes if any, liberty be given to Central Government file further report if any required;</i>	<i>(CAA) No. 152/MB.IV/2021 is one and the same and that there is no discrepancy/any change/changes made therein.</i>
e)	<i>The Petitioners under provisions of section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Amalgamation. Further, the approval of the scheme by this Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such Authorities is binding on the Petitioner Company(s).</i>	<i>So far as the observation in paragraph IV (e) of the Report is concerned, the Petitioner Companies submit that, the Petitioner Companies have pursuant to the CSA Order passed by this Hon'ble Tribunal in the Company Application, served notices under Section 230 (5) of the Companies Act, 2013 to the concerned authorities, whom the said notices were directed to be given by this Hon'ble Tribunal. The Petitioner Companies acknowledge that the approval of the Scheme by this Hon'ble Tribunal will not deter any such authorities to deal with any of the issues arising after giving effect to the Scheme. The issues, if any, arising out of the Scheme shall, in any event, be subject to the final decision of such authorities and the final orders, if any, in any appeals that may be preferred therein. We submit that the Petitioner Companies undertake to this Hon'ble Tribunal that the decision of such authorities, if any, will be binding on the Petitioner Companies.</i>
f)	<i>Petitioner Company have to undertake to comply with section 232(3)(i) of Companies Act, 2013, where</i>	<i>So far as the observation in paragraph IV (f) of the Report is concerned, the Petitioner Companies undertake to this Hon'ble Tribunal that it would comply with the provisions set out</i>

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	<p><i>the Amalgamating/ Transferor company is dissolved, the fee, if any, paid by the transferor company on its authorised capital shall be set-off against any fees payable by the transferee company on its authorised capital subsequent to the amalgamation and therefore, petitioners to affirm that they comply the provisions of the section.</i></p>	<p><i>in Section 232 (3) (i) of the Act and that the fee, if any, paid by the Petitioner Company 1 on its authorized share capital shall be set off against any fees payable by the Petitioner Company 2 on its authorized share capital subsequent to the amalgamation, if applicable.</i></p>
g)	<p><i>The Petitioner Company may be directed to submit undertaking that the petitioner company shall ensure compliance of the all provisions of the Income Tax Act, 1961 including provisions of section 2(1B) of the Income Tax Act.</i></p>	<p><i>So far as the observation in paragraph IV (g) of the Report is concerned, the Petitioner Companies submit that the Scheme in clause 5.1, specifically provides that Part C of the Scheme dealing with Amalgamation has been drawn up to comply with the conditions relating to “Amalgamation” as specified under Section 2(1B) of the Income Tax Act, 1961. In this regard, the Petitioner Companies undertake to this Hon’ble Tribunal, to ensure compliance of the provisions of Income Tax Act, 1961, as applicable, including Section 2(1B) of the Income Tax Act, 1961.</i></p>
h)	<p><i>As per Part-C(Amalgamation) Clouse-20(20.1 to 20.9) of the Scheme. (Accounting Treatment in the Books of the Amalgamated Company), On</i></p>	<p><i>So far as the observation in paragraph IV (h) of the Report is concerned, the Petitioner Companies submit that in clause 20.9 of the Scheme it is stated that the difference between the value of assets over the value of liabilities and reserves of the Petitioner Company 1</i></p>

<p><i>the Scheme becoming effective, the Amalgamated Company shall account for Amalgamation in accordance with “Pooling of interest method” laid down by Appendix C of Ind AS 103 (Business combinations of entities under common control) notified under, the provisions of the Act.</i></p> <p><i>In this regards it is stated that in Indian Accounting Standard (Ind AS) 103 - prescribes application of pooling of Interest Method to account for common control business combinations. Under this method: ... Any difference, whether positive or negative, shall be adjusted against the capital reserves (or “Amalgamation Adjustment Deficit Account” in some cases). In view of the above it is submitted that the difference so credited to “Capital Reserve arising out of Amalgamation” shall not be available for distribution</i></p>	<p><i>transferred to the Petitioner Company 2 pursuant to the Scheme, after adjusting any differences arising on the cancellation of investment in equity share capital of the Petitioner Company 1 as per Clause 19.1 of the Scheme and inter-company balances as per Clause 12.3 of the Scheme, will be transferred to the capital reserve of the Petitioner Company 2 and presented separately from other Capital Reserve in the books of Petitioner Company 2 with disclosure of its nature and purpose in the notes to the financial statements of Petitioner Company 2. Petitioner Companies further submit that “Capital Reserve arising out of Amalgamation” shall not be available for distribution of dividend and other similar purposes.</i></p>
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	<i>of dividend and other similar purposes.</i>										
i)	<p><i>As per Part A Clause 5(5.2) of the Scheme (Treatment of The Scheme for the purpose of Income Tax Act, 1961). Part D of the Scheme dealing with Demerger has been comply with the conditions relating to “Demerger” under Section 2(19AA) of the Income Tax Act, 1961.</i></p> <p><i>The Petitioner Companies be directed to place on record as to how the Scheme is in compliance of the Section 2(19AA) of the Income Tax Act, 1961. The Hon’ble Tribunal may consider the same and decide matter on merit.</i></p>	<p>12. <i>So far as the observation in paragraph IV (i) of the Report is concerned, the Petitioner Companies submit that the Scheme in clause 5.2 specifically provides that Part D of the Scheme dealing with Demerger has been drawn up to comply with the conditions relating to “Demerger” as specified under Section 2(19AA) of the Income Tax Act, 1961, which inter-alia include the following:</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Sr No</th> <th style="text-align: center;">Condition as per section 2 (19AA)</th> <th style="text-align: center;">Submission as to how the present scheme is in compliance with section 2(19AA) of the Income tax Act</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">(i)</td> <td>all the property of the undertaking, being transferred by the demerged company, immediately before the demerger, becomes the property of the resulting company by virtue of the demerger;</td> <td>All the property (i.e. immovable and movable) of the Demerged Undertaking, upon the coming into effect of this Scheme and with effect from the Appointed Date shall become the property of the resulting company i.e. Petitioner No 3, as specified in Clause 22 of the Scheme.</td> </tr> <tr> <td style="text-align: center;">(ii)</td> <td>all the liabilities relating to the undertaking, being transferred by the demerged</td> <td>All the liabilities relating to the Demerged Undertaking, upon the coming into effect of this Scheme and with</td> </tr> </tbody> </table>	Sr No	Condition as per section 2 (19AA)	Submission as to how the present scheme is in compliance with section 2(19AA) of the Income tax Act	(i)	all the property of the undertaking, being transferred by the demerged company, immediately before the demerger, becomes the property of the resulting company by virtue of the demerger;	All the property (i.e. immovable and movable) of the Demerged Undertaking, upon the coming into effect of this Scheme and with effect from the Appointed Date shall become the property of the resulting company i.e. Petitioner No 3, as specified in Clause 22 of the Scheme.	(ii)	all the liabilities relating to the undertaking, being transferred by the demerged	All the liabilities relating to the Demerged Undertaking, upon the coming into effect of this Scheme and with
Sr No	Condition as per section 2 (19AA)	Submission as to how the present scheme is in compliance with section 2(19AA) of the Income tax Act									
(i)	all the property of the undertaking, being transferred by the demerged company, immediately before the demerger, becomes the property of the resulting company by virtue of the demerger;	All the property (i.e. immovable and movable) of the Demerged Undertaking, upon the coming into effect of this Scheme and with effect from the Appointed Date shall become the property of the resulting company i.e. Petitioner No 3, as specified in Clause 22 of the Scheme.									
(ii)	all the liabilities relating to the undertaking, being transferred by the demerged	All the liabilities relating to the Demerged Undertaking, upon the coming into effect of this Scheme and with									

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			company, immediately before the demerger, become the liabilities of the resulting company by virtue of the demerger;	effect from the Appointed Date shall become the liabilities of the resulting company i.e. Petitioner No 3, as specified in Clause 23.1 of the Scheme.
		(iii)	the property and the liabilities of the undertaking or undertakings, being transferred by the demerged company are transferred at values appearing in its books of account immediately before the demerger: Provided that the provisions of this sub-clause shall not apply where the resulting company records the value of the property and the liabilities of the undertaking or undertakings at a value different from the value appearing in the books of account of the demerged	As specified in Clause 31.2 of the Scheme, upon the Scheme becoming effective, all the assets and liabilities pertaining to Demerged Undertaking (difference between the assets and liabilities hereinafter referred to as "Net assets"), shall cease to be the assets and liabilities of the Demerged Company and shall be transferred to the Resulting Company at the carrying value in accordance with the Scheme. On the Scheme becoming effective, the Resulting Company shall be accounting for the Demerger as common control business combination in accordance with the "Pooling of Interest method", as per Appendix C of Ind-

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		<p>company, immediately before the demerger, in compliance to the Indian Accounting Standards specified in Annexure to the Companies (Indian Accounting Standards) Rules, 2015;</p>	<p>AS 103 ‘Business combinations’ notified under the provisions of the Act read with relevant rules framed thereunder and other applicable accounting standards prescribed under the Act.</p> <p>The assets and liabilities pertaining to Demerged Undertaking, transferred to the Resulting Company under the Scheme shall be recorded in the books of the Resulting Company at the values and in the same form as recorded in the books of Demerged Company subject to consistent accounting policies, as specified in Clause 31.2 of the Scheme.</p>
		<p>(iv) the resulting company issues, in consideration of the demerger, its shares to the shareholders of the demerged company on a proportionate basis;</p>	<p>Upon this Scheme becoming effective and in consideration of vesting of the Demerged Undertaking of Demerged Company in Resulting Company in terms of this Scheme, Resulting Company shall, without any further application, act or deed, issue and allot</p>

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			<p>equity shares, credited as fully paid-up, to the members of Demerged Company, holding fully paid up equity shares in Demerged Company and whose names appear in the register of members of Demerged Company on the Record Date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as on the Record Date in the following manner:</p> <p><i>“1 (one) fully paid up equity share of Rs. 5 (Rupees Five only) each of GPUIL shall be issued and allotted for every 10 (ten) fully paid up equity shares of Re. 1 (Rupee One only) each held in GIL (“Share Entitlement Ratio”)”.</i></p> <p>The abovementioned ratio has also been provided in Clause 30.1 of the Scheme.</p>
		(v) the shareholders	The present Demerger scheme is

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		<p>holding not less than three-fourths in value of shares in the demerged company (other than shares already held therein immediately before the demerger, or by a nominee for, the resulting company or, its subsidiary) become shareholders of the resulting company or companies by virtue of the demerger; otherwise than as a result of the acquisition of the property or assets of the demerged or any undertaking thereof by the resulting company;</p>	<p>a mirror image demerger and thus all the shareholders of Petitioner Company 2 will become the shareholder of the Petitioner Company 3 by virtue of the demerger, as specified in Clause 30.1 of the Scheme.</p>
	(vi)	<p>the transfer of the undertaking is on a going concern basis; and</p>	<p>As specified in Clause 22.1 of the Scheme, the transfer of demerged undertaking is effected on a going concern basis so as to become, as and from the Appointed Date, of the Resulting Company.</p>

		<p>(vii) the demerger is in accordance with the conditions, if any, notified under sub-section (5) of section 72A by the Central Government in this behalf.</p>	<p>The present demerger is for genuine business purposes as stated in Clause 3 of the scheme and thus is in accordance with the compliance of the section 72A (5) of the Income tax Act</p>
<p><i>The Petitioner Companies further submit that the Scheme in clause 5.3 specifically provides that if any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 2(1B) or Section 2(19AA) of the Income Tax Act, 1961, at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(1B) and Section 2(19AA) of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the provisions of Section 2(1B) and Section 2(19AA) of the Income Tax Act, 1961.</i></p> <p><i>In this regard, the Petitioner Companies submit to this Hon'ble Tribunal, the all the conditions stipulated in section 2(19AA) of the Income Tax Act, 1961 as aforesaid, has been complied with and the present Scheme is drawn up in accordance with compliance</i></p>			

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		<i>of the provisions of Income Tax Act, 1961, as applicable, including Section 2(19AA) of the Income Tax Act, 1961.</i>
j)	<i>The Petitioner Companies be directed to place on record of this Tribunal the list of assets and liabilities to be demerged with complete details and its respective valuation.</i>	<i>So far as the observation in paragraph IV (j) of the Report is concerned, the Petitioner Companies submit that, the indicative list of assets and liabilities of the Petitioner Company 2 to be demerged into Petitioner Company 3, along with the details of the assets and their value, is annexed as Annexure C to the Affidavit in reply dated 30th November, 2021. Further, in terms of clause 43.2 of the Scheme, in case of any question that may arise as to whether a specific asset or liability pertains to the demerged undertaking, the same shall be decided by mutual agreement between the boards of Petitioner Company 2 and Petitioner Company 3.</i>
k)	<i>As per Part-D (Demerger) Clause 29(29.1)) of the Scheme (Cancellation). Upon the Scheme coming into effect, all equity shares of the Resulting Company held by the Demerged Company (directly and/ or through nominees) shall stand cancelled without any further application, act or deed. It is</i>	<i>So far as the observation in paragraph IV (k) of the Report is concerned, the Petitioner Companies submit that Section 230(2)(b) of the Act contemplates that the application for a compromise or arrangement made under Section 230(1) of the Act may include a reduction of share capital. The Petitioner Companies submits that the issued, subscribed and paid-up equity share capital of the Petitioner Company 3 held by Petitioner Company 2 shall, upon the Scheme coming into</i>

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<p><i>clarified that no new shares shall be issued or payment made in cash or in kind whatsoever by the Resulting Company to the Demerged Company in lieu of such shares of the Resulting Company. For avoidance of doubt, it is clarified that the reduction in the share capital of the Resulting Company, pursuant to such cancellation shall be effected as an integral part of this Scheme and Section 66 of the Act shall not apply to the Resulting Company to effectuate such reduction of capital.</i></p> <p><i>In this regard it is submitted that the Petitioner Company shall comply the provisions of Section 66 and other relevant provisions of the Companies Act, 2013.</i></p>	<p><i>effect, stand cancelled without any further application, act or deed. It has also been clarified in clause 29 of the Scheme that no new shares shall be issued or payment made in cash or in kind whatsoever by the Petitioner Company 3 to Petitioner Company 2 in lieu of such shares of the Petitioner Company 3. For avoidance of doubt, it is clarified that the reduction in the share capital of the Petitioner Company 3, pursuant to such cancellation shall be effected as an integral part of the Scheme. As per the Explanation to Section 230 of the Act, the provisions of Section 66 shall not apply to a reduction of share capital effected in pursuance of an order of the Tribunal under Section 230 of the Act. Thus, the provisions of Section 66 of the Act are not applicable to the reduction of share capital of Petitioner Company 3 as envisaged in the present Scheme and are not required to be complied with. In any event the Petitioner Company undertakes to comply with provisions of the Act, as applicable.</i></p>
<p>1) <i>As per Part-D (Demerged) Clause 30 (30.1 to 30.12 of the Scheme (Consideration for Demerge); In this it is submitted that the fee payable by the Resulting Company shall be in accordance with</i></p>	<p><i>So far as the observation in paragraph IV (l) of the Report is concerned, the Petitioner Companies submit that:</i></p> <p>(i) <i>in clause 30.10 of the Scheme it is clarified that approval of the Scheme by the shareholders of the Petitioner</i></p>

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	<p><i>the provisions of Section 13, Section 14, Section 42, Section 62 and Section 232(3)(i) of the Companies Act, 2013 further if any stamp duty is payable the same should be paid in accordance with applicable laws of the State;</i></p>	<p><i>Company 3 shall be deemed to be the due compliance of the provisions of Section, 13, Section 14, Section 42, Section 62, and other relevant and applicable provisions of the Act, and rules made thereunder for the issue and allotment of the equity shares by Petitioner Company 3 to the equity shareholders of Petitioner Company 2 as on Record Date, as provided in the Scheme;</i></p> <p><i>(ii.) the Petitioner Companies undertake that the stamp duty, if any, payable on the shares issued by the Petitioner Company 3 to the shareholders of the Petitioner Company 2, in accordance with Clause 30.1 of the Scheme, shall be paid in accordance with the applicable stamp duty laws;</i></p> <p><i>(iii.) further it is clarified that the stamp duties and/ or fees (including registration fee) paid on the authorised share capital of the Petitioner Company 1 shall be dealt with in compliance of Section 232 (3)(i) of the Act.</i></p>
<p>m)</p>	<p><i>As per Part-D(Demerger) Clause 31(31.1 & 31.2 (a to d) of the Scheme (Accounting Treatment) (In the books of the Demerged Company). In accordance with the</i></p>	<p><i>So far as the observation in paragraph IV (m) of the Report is concerned, the Petitioner Companies submit that on the Scheme becoming effective, the Resulting Company shall account for the Demerger as common control business combination in accordance</i></p>

<p><i>applicable accounting standards, the Act and generally accepted accounting principles in India, the Resulting Company shall provide the following accounting treatment in its books of accounts</i></p> <p><i>On the Scheme becoming effective, the Resulting Company shall account for the Demerger as common control business combination in accordance with the "Pooling of Interest method", as per Appendix C of Ind-AS 103 'Business combinations' notified under the provisions of the Act read with relevant rules framed thereunder and other applicable accounting standards prescribed under the Act.</i></p> <p><i>In this regards it is stated that in Indian Accounting Standard (Ind AS) 103 - prescribes application of pooling of Interest Method to account for common control business combinations. Under this method: Any</i></p>	<p><i>with the "Pooling of Interest method", as per Appendix C of Ind-AS 103 'Business combinations' notified under the provisions of the Act read with relevant rules framed thereunder and other applicable accounting standards prescribed under the Act. In this regards it is stated that in Indian Accounting Standard (Ind AS) 103 - prescribes application of pooling of Interest Method to account for common control business combinations. Under this method: Any difference, whether positive or negative, shall be adjusted against the capital reserves (or "Amalgamation Adjustment Deficit Account" in some cases). Petitioner Companies further submit that difference so credited to "Capital Reserve shall not be available for distribution of dividend and other similar purpose.</i></p>
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	<p><i>difference, whether positive or negative, shall be adjusted against the capital reserves (or “Amalgamation Adjustment Deficit Account” in some cases).</i></p> <p><i>In view of the above it is submitted that the difference so credited to “Capital Reserve” shall not be available for distribution of dividend and other similar purpose.</i></p>	
<p>n)</p>	<p><i>As per Part-E-(General Terms and Conditions) Clause 34(34.1 & 34.2) of the Scheme (Amendment to Memorandum of Association of GIL (Amalgamated/Demerged Company) GPUIL (Resulting Company); In this regard it is submitted that Hon’ble Tribunal may kindly direct the petitioner to comply with provisions of Section 13, 14,42,61 62,64 and Section 232(3)(i) of the Companies Act, 2013 further if any stamp duty is payable the same should be paid in accordance</i></p>	<p><i>So far as the observation in paragraph IV (n) of the Report is concerned, the Petitioner Companies submit that:</i></p> <p>(i.) <i>in clause 34.2 of the Scheme it is clarified that for the purposes of this clause the consent of the shareholders of Petitioner Company 2 to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment in the authorised share capital of Petitioner Company 2, and no further resolution under Sections 13, 14, 42, 61, 62 and 64 of the Act or any other applicable provisions of the Act, would be required to be separately passed.</i></p> <p>(ii.) <i>in clause 34.2 of the Scheme it is further clarified that the stamp duties and fees</i></p>

	<p><i>with applicable laws of the State;</i></p>	<p><i>(including registration fee) paid on the authorised share capital of the Petitioner Company 1, if any, shall be utilized and applied to the altered authorised share capital of the Petitioner Company 2 and there would be no requirement for any further payment of stamp duty and/or fee by the Petitioner Company 2 for the alteration in the authorised share capital to that extent. Thus the stamp duties and/or fees (including registration fee) shall be in compliance of Section 232 (3)(i) of the Act and applicable laws.</i></p> <p><i>(iii.) Petitioner Companies undertakes to this Hon'ble Tribunal, that the Petitioner Companies would comply with the provisions of the Act as applicable and also the pay stamp duty, if any, in accordance with applicable laws of the State.</i></p>
<p>o)</p>	<p><i>As regards the complaints indicated at para 31 above, under the head - Status of Complaint as per MCA-e Service - Screen Shot, it is submitted that the petitioners be directed to mention all the facts in this regard about complaint explain about the allegations made therein and</i></p>	<p><i>So far as the observation in paragraph IV (o) of the Report is concerned, the Petitioner Companies submit that on Point No. 31 of paragraph 3 the Report, from the extract of the said complaint mentioned in the Report, Petitioner Company 2 submits that it appears to be not a complaint but a query from Mr. Randhir Singh, a shareholder of the Company, inquiring about further steps after filing of Form IPEF-5 i.e. claim of shares and dividend</i></p>

	<p><i>resolve complaints before approval of the scheme.</i></p>	<p><i>transferred to the IPEF Authority. In this regard the Petitioner Company 2 submits that the Company after the receipt of the Form IPEF-5 along with the requisite documents, in the normal course, had submitted the verification report approving the transfer of shares and dividend to the concern shareholder, within the prescribed time limit. From perusal of the website of the IPEF Authority, we understand that now the matter is pending before the IPEF Authority.</i></p>
<p>p)</p>	<p><i>Since the Amalgamated/Demerged Company i.e.(GMR Infrastructure Limited) limited by shares, is listed on the Bombay Stock Exchange and the National Stock Exchange, the Petitioner Companies be directed to place on record whether necessary approval from SEBI and the concerned Stock Exchange have been obtained and whether the meeting of the Shareholders/class of shareholders have been convened as per the listing/SEBI guidelines.</i></p>	<p><i>So far as the observation in paragraph IV (p) of the Report is concerned, the Petitioner Companies submit that:</i></p> <p>(i) <i>the equity shares of Petitioner Company 2 are listed on the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE). NSE has provided its in-principle approval to Petitioner Company 2 by its letter dated December, 21, 2020. The said in-principle approval of NSE was submitted to the office of the Regional Director.</i></p> <p>(ii) <i>BSE has also provided its in-principle approval to the Petitioner Company 2 by its letter dated 18th December, 2020 and the in-principle approval of BSE has been submitted to the office of the Regional Director.</i></p>

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		<p>(iii) <i>as per the requirements of the SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, SEBI's comments on the Scheme have been incorporated in the BSE and NSE letters dated December 18, 2020 and December 21, 2020 respectively and that SEBI does not provide for any separate approval; and</i></p> <p>(iv) <i>the meeting of the equity shareholders of the Petitioner Company 2, held on September 29, 2021 has been conducted in accordance with the applicable listing/ SEBI guidelines and also the Companies Act 2013, and rules made thereunder. The report of the Chairperson appointed by this Hon'ble Tribunal for the equity shareholders meeting on the proceedings and results of the meeting of Petitioner Company 2, along with the Affidavit in support thereof, have been filed with this Hon'ble Tribunal on September 29, 2021, and was also annexed to the above Company Petition as Annexure "Z".</i></p>
q)	<p><i>Since the Amalgamating/Transferor Company and Amalgamated/ Demerged Company have</i></p>	<p><i>So far as the observation in paragraph IV (q) of the Report is concerned, the Petitioner Companies submit that they undertake to comply with the applicable guidelines of</i></p>

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	<i>foreign/nonresident shareholders, therefore, it is subject to the compliance of section 55 of the Companies Act, 2013 the FEMA Regulations/RBI Guidelines by the Transferee Company.</i>	<i>Foreign Exchange Management Act, 1999/ Reserve Bank of India Act as applicable and to the extent required.</i>
r)	<i>The Petitioner Company be directed to place on record whether necessary NOC/ approval from Competition Commission of India (CCI) have been obtained or not, if applicable.</i>	<i>So far as the observation in paragraph IV (r) of the Report is concerned, the Petitioner Companies submit that NOC/approval from Competition Commission of India is not required. It may be noted that the Hon'ble Tribunal vide its CSA Order directed that "66. In view based on the averments made in paragraph 41 of the Company Application and given the factual matrix that the demerger of the Demerged undertaking of the Petitioner Company 2 into Petitioner Company 3, involves entities belonging to the same group, the demerger can avail of Item 8 Exemption. Consequently the Scheme can avail Item 8 & 9 Exemption of Schedule I of Combination Regulation and notice for approval of Competition Commission of India (CCI) is not required." Thus it is submitted that no NOC/approval from Competition Commission of India is required, as directed by this Hon'ble Tribunal.</i>
s)	<i>The Petitioner Companies to place on record and to provide details regarding</i>	<i>So far as the observation in paragraph IV (s) of the Report is concerned, the Petitioner Company 2 submits that pursuant to the CSA</i>

<p><i>meeting of Shareholders other than Promoters, has been convened or not, if required.</i></p>	<p><i>Order, the meeting of equity shareholders of Petitioner Company 2 was held on Wednesday, September 29, 2021 at 2:30 p.m. (IST) to seek their approval to the Scheme. The resolution proposed for the Scheme was passed with requisite majority of the equity shareholders (which also included the public shareholders of the Company). The Petitioner Company 2 further clarifies that the provisions of paragraph 9(b) of Annexure I of the Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI as amended from time to time (“SEBI Schemes Circular”) require a listed company to seek approval of majority of public shareholders to the Scheme only if it falls within any of the cases mentioned therein. The Petitioner Companies state that in the context of the present matter, the approval of majority of public shareholders of the Petitioner Company 2 is not applicable in terms of paragraph I (A) 9(b) of Annexure I of SEBI Schemes Circular as none of the cases mentioned therein are applicable in the context of the present Scheme. An Certificate by the statutory auditors of Petitioner Company 2, clearly stating the reasons for non-applicability of paragraph I (A) 9(b) of Annexure I of SEBI Schemes Circular to the present Scheme, accompanying with the undertaking from Managing Director confirming the non-applicability of paragraph I (A) 9(b) of Annexure I of SEBI Schemes Circular to the</i></p>
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		<i>present Scheme which undertaking was subsequently approved by the board of directors of the Petitioner Company 2, has been submitted to the BSE and NSE.</i>
t)	<i>It is observed that in the Auditors report of the Amalgamated/ Demerged Company (GMR Infrastructure Limited) is qualified for last three years (2018, 2019 & 2020). As per the Auditors qualified opinion which stated that “The Company’s internal control system towards estimating the fair value of its investment in certain subsidiaries, joint ventures and associates as more fully explained in note 5(4) to the accompanying standalone financial statements were not operating effectively due to uncertainties in the judgments and assumptions made by the Company in such estimations, which could result in the Company not providing for adjustment, if any that may be required to the carrying values of investments and further</i>	<i>So far as the observation in paragraph IV (t) of the Report is concerned, the Petitioner Companies submit that the Petitioner Company 2 has a well-defined system in place to assess the appropriateness of the carrying value of its investments, including testing for impairments. The independence and process followed in conducting the exercise also is being reviewed and approved by Internal Auditors, Management Assurance Group (MAG) function who perform procedures on valuation models to evaluate the valuation method used and accuracy of inputs used in model to determine the recoverable value. Petitioner Company 2 also have involved valuation specialists to assist in the evaluation of management’s valuation models and impairment analyses, specifically in testing key assumptions, accuracy of inputs used in the model to determine the recoverable value.</i>

	<p><i>provisions, if any, required to be made for the obligations on behalf of those entities, and its Consequential impact on the accompanying standalone financial statements”.</i></p> <p><i>In this regard Amalgamated/Demerged Company (GMR Infrastructure Limited) may be directed to submit that how the Petitioner Company will effectively operative financial Control as per Ind AS financial Statements as qualified by the auditors in the auditor’s report for the financial Statement 2018-19, 2019-20 & 2020-21. Petitioner Company may be directed to submit full facts before approval of the Scheme and the Hon’ble NCLT may pass appropriate orders/ orders as deem fit;</i></p>	
<p>u)</p>	<p><i>In view of the observation raised by the ROC Mumbai, mentioned at para 32 above Hon’ble NCLT may pass</i></p>	<p><i>So far as the observation in paragraph IV (u) of the Report is concerned i.e. observations of ROC in point No, 32 of paragraph 3 of the Report, the Petitioner Companies submit that:</i></p>

<p><i>appropriate orders/ orders as deem fit</i></p>	<p>1) <i>the financial Statement of the Petitioner Company 1 for the Financial Year ended March 31, 2020, shows two Inter Corporate Deposits (ICD) of Rs. 5,81,93,020 and Rs. 12, 26,50,000 each availed from GMR Generation Assets Limited. While the Individual amounts and total of these two ICDs has been accurately mentioned in the schedule 15 of the said Financial Statement and appropriately reflected in the Balance Sheet as well, however in the note below Schedule 15 the word “crore” was inadvertently mentioned after the ICD amount of Rs. 12,26,50,000. This typographical error in the note below the Schedule 15 has no impact on the overall Financial Statement of the Petitioner Company 1.</i></p> <p>2) <i>the open Charges as mentioned in the Report pertains to Petitioner Company 2 and the same shall be dealt in accordance with clause 23.11 of the Scheme. Further, the Petitioner Companies submits that security interest of secured creditors of Petitioner Company 2 will not be impacted on the effectiveness of the Scheme.</i></p> <p>3) <i>BSE Limited (“BSE”) and NSE India Limited (“NSE”) vide their letters dated December 18, 2020 and December 21, 2020 respectively, have given NOC/observations on the Scheme and</i></p>
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		<p><i>prescribed the time limit of six months from the date of the aforesaid letters for filing the Scheme with the Hon'ble NCLT. The Petitioner Companies had filed the Scheme with the NCLT on March 05, 2021, which was within the timeline mentioned i.e. June 17, 2021.</i></p> <p>4) <i>Petitioner Companies have enclosed the unaudited Financial Statements for the period ended December 31, 2020 along with the auditors' review report thereon, while filing the Scheme with the Hon'ble Tribunal, which was not older than six month at the date of filing of the Scheme i.e. on March 05, 2021.</i></p> <p>5) <i>the respective meetings of the equity shareholders and secured creditors of the Petitioner Company 2, was held on September 29, 2021. The copies of the reports of the respective Chairpersons appointed by this Hon'ble Tribunal for the respective equity shareholders meetings and secured creditors meetings on the proceedings and results of the meetings along with the Scrutinizer' Reports are annexed and marked as Annexures "A" and "B" to this Affidavit in Reply..</i></p> <p>6) <i>interest of the creditors of the Petitioner Companies shall not be affected on the effectiveness of the Scheme.</i></p>
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16. Upon perusal of the Affidavit dated 30th November, 2021 of the Petitioner Companies, as stated hereinabove, the Regional Director has filed a Supplementary Report dated 2nd December, 2021 with this Tribunal. The Supplementary Report, *inter alia*, records that the replies submitted by way of the Affidavit to paragraphs (IV)(a) to (u) be taken on record and the matter be decided on merits.
17. The observations made by the Regional Director have been explained by the Petitioner Companies in paragraph 15 above. The Representative of the RD has submitted that the explanation and clarifications given by the Petitioner Companies are found satisfactory and they have no objection to the Scheme. The Affidavit dated 30th November, 2021 filed by the Petitioner Companies, the clarifications and undertakings given by the Petitioner Companies are accepted by this Tribunal, and the Petitioner Companies are directed to comply with the same.
18. The Official Liquidator, High Court, Bombay (OL) has filed his Report dated 27th September, 2021 stating that the affairs of the Petitioner Company 1 have been conducted in a proper manner.
19. From the material on record and after perusing the clarifications and submissions of the Petitioner Companies to the Report and the Report of the OL, the Scheme appears to be fair and reasonable and does not violate any provisions of law and is not contrary to public policy.
20. Since all the requisite statutory compliances have been fulfilled, the Company Petition CP (CAA) No. 152/ MB/ 2021 filed by the Petitioner Companies is made absolute in terms of prayer clauses (a), (b) and (c) of the Company Petition. Thus, the Scheme is sanctioned with the Appointed Date fixed as 1st April, 2021.

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21. Petitioner Company 1 to be dissolved without winding up.
22. The Petitioner Companies are directed to lodge a certified copy of this order along with the sanctioned Scheme duly certified by Deputy/ Assistant/ Joint Registrar of this Tribunal, attached thereto, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, within 60 days from the date of receipt of the certified copy of this order along with the sanctioned Scheme attached thereto.
23. The Petitioner Companies are directed to file copy of the certified copy of this order along with a copy of the sanctioned Scheme attached thereto with the concerned Registrar of Companies, electronically, along with e-form INC 28 within 30 days of receipt of certified copy of this order along with the sanctioned Scheme from the registry, duly certified by the Deputy/Assistant/Joint Registrar of this Tribunal.
24. All concerned authorities to act on a copy of this order along with the sanctioned Scheme, duly certified by Deputy/Assistant/ Joint Registrar of this Tribunal.
25. The Petitioner Companies shall be at liberty to apply to this Tribunal for any directions that may be necessary with regard to the implementation of the Scheme.
26. Ordered accordingly.
27. The Intervenor in **IA-34/2021** has filed present application objecting to the sanction of the said scheme. However, the Learned Senior Counsel appearing for the Objector/Intervenor has during the course of hearing mentioned that he is not pressing for his objection and that the matter is resolved amicably.
28. The Learned Senior Counsel has forwarded his written consent for not pressing the said objection, the content of the mail is reproduced below:

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH-IV

CP(CAA) 152/MB-IV/2021
IN
CA(CAA) 109/MB-IV/2021

“We are concerned for the Objector in the captioned matter.

The captioned matter was listed at Serial No. 46 today i.e. 6 December 2021.

As directed by the Hon’ble Members, the present email places on record the statements made on instructions by Mr. Sharan Jagtiani, Senior Counsel for the Objector:

1. The Applicant No.2 (GMR Infrastructure Ltd./Amalgamated Company/Demerged Company) has shared draft consent terms with the Objector bank.

2. While some points of discussion remain open between the parties, the parties are working towards amicably resolving their disputes.

3. In view of the ongoing settlement discussions between the parties and without prejudice to the Objector’s rights and remedy as raised in Comm. Arbitration Petition (L) No. 25792 of 2021 filed under Section 9 of the Arbitration & Conciliation Act 1996 (“Section 9 Petition”) and pending in the Bombay High Court; the Objector is not pressing its Objection (i.e. IA. No. 34/2021) and accordingly withdrawing the same.

4. It may be expressly clarified that the Objector will seek its remedies in the Section 9 Petition if the parties are unable to resolve their disputes. The said Section 9 Petition is appended at Annexure C, Page No. 11 of the captioned Objection Application.

We have copied the Applicants’ Advocates to this email.

*Yours sincerely,
Juhi Mathur
Advocate for the Objector – IDFC FIRST Bank”*

29. In view of the submission of the Learned Senior Counsel for the objector the
IA-34/2021 is dismissed as not pressed.

Sd/-
Rajesh Sharma
Member (Technical)

Sd/-
Suchitra Kanuparthi
Member (Judicial)

MEDIA RELEASE

Hon'ble NCLT Mumbai Bench approves the Composite Scheme of Arrangement including the demerger of the non-airport business of GIL

New Delhi and Mumbai, December 23, 2021: The Hon'ble National Company Law Tribunal, Mumbai Bench ("**Tribunal**") has sanctioned the Composite Scheme of Arrangement amongst GMR Power Infra Limited (GPIL), GMR Infrastructure Limited (GIL) and GMR Power and Urban Infra Limited (GPUIL) and their respective shareholders ("**Scheme**") under Sections 230 to 232 of the Companies Act, 2013.

The Tribunal after hearing the Company Petition filed in this regard has, by its order pronounced on December 22, 2021 sanctioned the Scheme, wherein the Appointed Date is April 01, 2021.

For further details, please contact:

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About GMR Infrastructure Limited:

GMR Group is a leading global infrastructure conglomerate with unparalleled expertise in designing, building and operating Airports. It also has significant presence in areas of Energy, Transportation and Urban Infrastructure.

GMR is the largest private airport operator in Asia and fourth largest globally, handling passengers in excess of 172 million annually (pre-Covid). It operates the iconic Delhi Airport, which is the largest and fastest growing airport in India. It also runs Hyderabad Airport, a pioneering greenfield airport known for several technological innovations. The company is also operating the architecturally renowned Mactan-Cebu International Airport in Cebu, Philippines, in partnership with Megawide.

The Group is currently developing three major greenfield airport projects across India and Greece. Goa and Visakhapatnam airports in India are poised to transform the economy and landscape of the surrounding areas when ready. Crete airport in Greece will similarly play a significant role in the local economy of the region.

The Group's Energy business has a diversified portfolio of around 4,995 MW. Transportation and Urban Infrastructure division of the Group has six operating roads and highway projects spanning over 2,400 lane kilometres. GMR is also developing multi-focus Special Investment Regions at various locations in India.

GMR Group's underlying philosophy is to work closely with and support the local communities wherever it is present. Towards this, GMR Varalakshmi Foundation (GMRVF), the CSR arm of the group, focuses on improving the quality of life of people by enhancing skills, providing education and developing healthcare infrastructure and services.

For further information, please contact:

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