

National Stock Exchange Of India Limited

Ref: NSE/LIST/24872_II

March 12, 2021

The Company Secretary
Gateway Distriparks Limited
Sector 6, Dronagiri, Uran,
Raigad, Navi Mumbai - 400707

Kind Attn.: Ms. Veena Nair

Dear Madam,

Sub: Observation letter for Draft Composite Scheme of Amalgamation amongst Gateway Distriparks Limited and Gateway East India Private Limited and Gateway Rail Freight Limited and their respective shareholders

We are in receipt of the Draft Composite Scheme of Amalgamation amongst Gateway Distriparks Limited (“GDL”) and Gateway East India Private Limited and Gateway Rail Freight Limited (“GRFL”) and their respective shareholders vide application dated September 29, 2020. Based on our letter reference no Ref: NSE/LIST/24872 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (‘Circular’), kindly find following comments on the draft scheme:

- a. *The Companies involved in the scheme shall ensure to separately and prominently disclose to the shareholders and NCLT via the draft scheme of arrangement documents the following information/facts:*
 - i. *GRFL will issue equity share to the shareholders of GDL in the ratio 4:1 and will seek listing on NSE and BSE where the shares of GDL are listed. In regard, it has observed that for valuation of GDL and GRFL market approach and income approach methods have been used whereas asset approach method has not been used.*
 - ii. *Disclose the rationale for rights issue, the purpose of raising funds and the immediate need for restructuring to all the shareholders of GDL.*
- b. *On perusal of the scheme documents, it is noted that GRFL will seek listing at NSE and BSE, where the shares of GDL are listed. Accordingly the company shall ensure that the appropriate regulatory provision are compiled by GRFL.*
- c. *The company shall ensure that suitable disclosure about the latest financials of the companies involved in the scheme being not more than 6 months old is done before filing the same with the Hon’ble National Company Law Tribunal.*

- d. *The Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.*
- e. *The Company shall ensure that additional information, if any submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company.*
- f. *The Company shall duly comply with various provisions of the Circular.*
- g. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*
- h. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/ representations.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the Scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No-objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the listing of equity shares of Gateway Rail Freight Limited on the National Stock Exchange India Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957. Further, Gateway Rail Freight Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authorities and Rules, Byelaws and Regulations of the Exchange.

The Company should also fulfill the Exchange’s criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of Gateway Rail Freight Limited is at the discretion of the Exchange.

The listing of Gateway Rail Freight Limited pursuant to the Composite Scheme of Amalgamation shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Gateway Rail Freight Limited and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited for making the same available to the public through website of the companies.
2. To publish an advertisement in the newspapers containing all the information about Gateway Rail Freight Limited in line with the details required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about Gateway Rail Freight Limited to National Stock Exchange of India Limited on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the scheme:
 - (a) “The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.”
 - (b) “There shall be no change in the shareholding pattern or control in Gateway Rail Freight Limited between the record date and the listing which may affect the status of this approval.”

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from March 12, 2021 within which the scheme shall be submitted to NCLT.

Yours faithfully,
For National Stock Exchange of India Limited

Jiten Patel
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm