

CIL/SE/2024-25/10
May 22, 2024

BSE Limited

P.J. Towers
Dalal Street
Mumbai- 400 001

Scrip code: 540710

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051

Symbol: CAPACITE

Sub: Hon'ble National Company Law Tribunal order for Amalgamation of CIPL- PPSL- Yongnam Joint Venture Constructions Private Limited

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

This is in reference to our earlier intimations dated November 03, 2018, November 11, 2020 and December 05, 2020, regarding ongoing Amalgamation of CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited ("CIL-PPSL"), Transferor, a wholly-owned subsidiary of Capacit'e Infraprojects Limited ("the Company"), Transferee, with the Company.

In this regard, we wish to inform that the Scheme of Amalgamation of CIL-PPSL with the Company is sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench-V ("NCLT") on May 21, 2024.

The copy of said NCLT order was received by the Company on May 21, 2024 at 06.42 pm (IST) and is enclosed as Annexure.

Please take same on record.

This disclosure will also be hosted on Company's website viz. www.capacite.in.

For any correspondence/ queries/ clarifications, please write to cs@capacite.in.

Thanking you

Yours faithfully,

For Capacit'e Infraprojects Limited

Rahul Kapur
Company Secretary & Compliance Officer

Encl: a/a

Mumbai (Head office):

605-607, Shrikant Chambers, Phase - 1, 6th Floor, Adjacent to R.K. Studios, Sion - Trombay Road, Chembur,
Mumbai - 400 071. Maharashtra, India. Tel.: 022 7173 3717 • Fax : 022 7173 3733 • E-mail : info@capacite.in

IN THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH -V

C.P.(CAA)/109/MB-V/2021

Connected with

C.A.(CAA)/26/MB-V/2021

C.A. 192/MB-V/2021

In the matter of

Companies Act, 2013

AND

In the matter of

Section 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

In the matter of

Scheme of Amalgamation of CIPL- PPSL- YONGNAM JOINT VENTURE CONSTRUCTIONS PRIVATE LIMITED, the Transferor Company with CAPACIT'E INFRAPROJECTS LIMITED, the Transferee Company and their respective shareholders.

CIPL- PPSL- YONGNAM JOINT VENTURE CONSTRUCTIONS
PRIVATE LIMITED

CIN: U45400MH2013PTC243496

... Petitioner Company No. 1 /

Transferor Company





CAPACIT'E INFRAPROJECTS LIMITED

CIN: L45400MH2012PLC234318

... Petitioner Company No. 2/

Transferee Company

Order dated:21.05.2024

Coram:

SHRI. K. R. SAJI KUMAR

MADHU SINHA

MEMBER (JUDICIAL)

MEMBER (TECHNICAL)

Appearances: Hybrid

For the Applicants

: Mr. Ahmed M. Chunawala, i/b
Rajesh Shah & Co, Advocates

ORDER

1. Heard the Learned Counsel for the Petitioner Companies.
2. Sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 (Act) and other relevant provisions of the Act and the rules made thereunder for the Scheme of Amalgamation of CIPL-PPSL- YONGNAM JOINT VENTURE CONSTRUCTIONS PRIVATE LIMITED, the Transferor Company with CAPACIT'E



INFRAPROJECTS LIMITED, the Transferee Company and their respective shareholders.

3. The Petitioner Companies have approved the Scheme of Amalgamation by passing respective Board Resolutions dated 11th November, 2020, which are annexed to the Company Scheme Petitions.
4. The Learned Advocate appearing on behalf of the Petitioners states that the Petitions have been filed in consonance with the Order passed in the Company Scheme Application No. 26 of 2021 of this Tribunal.
5. The Learned Advocate further states that the Petitioner Companies have complied with all requirements as per directions of this Bench and they have filed necessary affidavits of compliance.
6. He further states that the Petitioner Company No. 1 is carrying on designing, construction and development of a housing project and detailed engineering works, all types of civil works, Structural steel component works, erection and supervision works and that the Petitioner Company No. 2 is presently carrying on the business as contractors to construct residential and commercial buildings, high and super high rise buildings, building for gated communities, commercial and office complexes,



hospitals, factories and other public utilities facilities like multi-layer car parks etc.

7. Consideration:

Since the entire equity share capital of the Transferor Company is held by The Transferee Company and its nominee, upon amalgamation, the Transferee Company would not be required to issue and allot any shares to the shareholders of the Transferor Company. The shares so held by the Transferee Company shall stand cancelled and extinguished pursuant to the implementation of the Scheme of Amalgamation.

8. The rationale for the Scheme of Amalgamation of the Petitioner Companies is in the interest of the stakeholders of these companies and shall result in the following benefits:

The Transferor company was incorporated as and is a Special Purpose Vehicle (SPV) formed to carry out designing, construction and development of the project “One Altamount” at Altamount Road, at Mumbai *vide* Letter of Intent having reference FCPPL/CIVIL/LOA-02/2013-14 dated April 10, 2013, received from Future Tech Constructions and Precast Private Limited; with the main and only object forming part of



the Memorandum of Association of the Transferor Company, which is read as follows:

“To act as special purpose project specific Company to carry on business of design, construction and development of a housing project known as “One Altamount, Mumbai” in the State of Maharashtra and to carry out business of design and detailed engineering works, all types of civil works, Structural steel component works, erection and supervision works”.

- (i) The Transferor Company has carried out designing, construction and development of the project “One Altamount” at Mumbai and has obtained substantial completion certificate from Client dated 15th June 2018 and, thus, the main object / purpose for which the said SPV was formed stands substantially completed / served.
- (ii) It would be advantageous to combine the activities and operations of both the Companies into a single Company for leveraging financial and operational resources including technical qualification of completion of the project “One Altamount Road” at Mumbai in prospective bidding for various projects and reflecting stronger financial position



and for the benefit of lesser compliance issues as the Companies are in similar businesses.

- (iii) With a view to maintain a simple corporate structure and eliminate duplicate corporate procedures it is desirable to merge and amalgamate all the undertakings of Transferor Company with Transferee Company. The amalgamation of all undertaking of Transferor Company into the Transferee Company shall facilitate consolidation of all the undertakings in order to enable effective management and unified control of operations. This would enable streamlining the activities and consequently reducing managerial overlaps by reducing the number of companies under the same Management and thus lead to reduction in administration efforts.
- (iv) Further, the amalgamation would create economies in administrative and managerial costs by consolidating operations and would substantially reduce duplication of administrative responsibilities and multiplicity of records and legal and regulatory compliances. The Scheme of amalgamation will result in cost saving for both the Companies and is expected to result in administrative



efficiency and higher profitability levels for the Transferee Company.

9. The Regional Director has filed his Report dated 3rd July, 2023, *inter- - alia*, and the RoC making the following observations in paragraphs 2 (a) to (l) which are reproduced hereunder:

Para	Observation by the Regional Director/RoC	Undertaking of the Petitioner Company / Rejoinder
2(a)	<p><i>That on examination of the report of the Registrar of Companies, Mumbai dated 02.08.2021 for Petitioner Companies falls within the jurisdiction of ROC, Mumbai (copy enclosed as Annexure A-1). It is submitted that no representation regarding the proposed scheme of Amalgamation has been received against the Petitioner Companies. Further, the Petitioner Company has filed Financial Statements up to 31.03.2020.</i></p> <p><i>The ROC has further submitted that in his</i></p>	<p>The interests of creditors will be protected.</p>



	<p><i>report dated 02/08/2021 which are as under:</i></p> <p>-</p> <p>i. <i>That the ROC Mumbai in his report dated 02.08.2021 has also stated that No Inquiry, Inspection, Investigation Prosecutions and complaint under CA, 2013 have been pending against the Petitioner Companies.</i></p> <p>ii. <i>Interest of creditors should be protected.</i></p> <p><i>May be decided on its merit.</i></p>	
2(b)	<p><i>Transferee company should undertake to comply with the provisions of section 232(3)(i) of the Companies Act, 2013 through appropriate affirmation in respect of fees payable by Transferee Company for increase of share capital on account of merger of transfer of companies.</i></p>	<p>The setting off of fees paid by the Transferor Company on its Authorised Share Capital shall be in accordance with provisions of section 232(3)(i) of the Companies Act, 2013.</p>
2(c)	<p><i>In compliance of Accounting Standard-14 or</i></p>	<p>The Transferee Company</p>



	<i>IND-AS 103, as may be applicable, the resultant company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards including AS 5 or IND AS-8 etc.</i>	undertakes that in addition to compliance of IND-AS - 103 for accounting treatment, the Transferee Company shall pass such accounting entries as may be necessary in connection with the Scheme to comply with other applicable accounting standards such as IND-AS - 8 as applicable.
2(d)	<i>The Hon'ble Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.</i>	The Petitioner Companies undertake that the Scheme enclosed to Company Application & Company Petition are one and same and there is no discrepancy / any change / changes are made.
2(e)	<i>The Petitioner Companies under provisions of</i>	The scheme may not deter any



	<p><i>section 230(5) of the Companies Act 2013 have to serve notices to concerned authorities which are likely to be affected by the Amalgamation or arrangement. Further, the approval of the scheme by the 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 shall be such binding on the petitioner companies concerned.</i></p>	<p>authorities to deal with any of the issues arising after giving effect to the scheme and that the decision of authorities is binding on the Petitioner Company (s).</p>
2(f)	<p><i>As per the Definition of the Scheme.</i></p> <p><i>"The Appointed Date" means 01st April, 2020 or such other date as the National Company Law Tribunal (Tribunal) or other competent authority may otherwise direct / fix.</i></p> <p><i>"The Effective Date" or "coming into effect of this Scheme" means the date on which certified copies of the Order(s) of the National Company Law Tribunal (Tribunal)</i></p>	<p>The Appointed Date is 1st April, 2020. The Petitioner has filed the Company Application on 8th February, 2021 and that they will comply with the requirements as to Appointed Date as clarified vide Circular No. F. No.7/12/2019/CL-1 dated 21.08.2019 issued by the</p>



<p><i>vesting the assets, properties, liabilities, rights, duties, obligations and the like of all the Transferor Company in the Transferee Company are filed with the Registrar of Companies, Mumbai Maharashtra. After obtaining the necessary consents, approvals, permissions, resolutions, agreements, sanctions and orders in this regard.</i></p> <p><i>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.</i></p> <p><i>However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.</i></p> <p><i>Further the Appointed Date is 01.04.2020</i></p>	<p>Ministry.</p>
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	<p><i>which is ante date more than 2 years which needs to be changed.</i></p> <p><i>The Petitioners may be asked to comply with the requirements as clarified vide circular no. F. No, 7/12/2019/CL-I dated 27.08.2019 issued by the Ministry of Corporate Affairs.</i></p>	
2(g)	<p><i>Petitioner Companies shall undertake to comply with the directions of the concerned sectoral Regulatory, if so required</i></p>	<p>There are no sectorial regulatory authorities and if there is any sectorial authorities they would comply with the direction.</p>
2(h)	<p><i>Petitioner Companies shall undertake to comply with the directions of Income tax department, if any.</i></p>	<p>The Petitioner Company shall ensure compliance of all the provisions of Income Tax Act and Rules thereunder.</p>
2(i)	<p><i>Petitioner Companies may satisfy the Hon'ble NCLT that the interest of creditors shall be protected on implementation of the scheme.</i></p>	<p>The interest of creditors will be protected.</p>



2(j)	<i>Petitioner company may be directed to submit an undertaking stating the name of Sectorial regulator of the petitioner company and also undertake that prior notice has been served to sectoral regulator and all requirements of the concern regulator, if any has been complied with.</i>	There are no sectorial authorities as far as the Petitioner Companies are concerned.
2(k)	<i>It is observed that the Transferee company is a listed company therefore, petitioner company may be directed to place on record the prior notice issued to NSE, BSE and SEBI and obtain NOC from NSE, BSE Commodity Exchange and SEBI. Therefore, public interest may be protected in this matter.</i>	Notice was served on NSE; BSE and SEBI and that obtaining No Objection was required as the merger is between the wholly owned subsidiary and hence no prior approval is required.
2(l)	<i>It is observed from Audit Report of Transferee Company namely Capacit'e Infracproject Limited for 2021-2022 (Copy enclosed) that Auditor have reported as under: - (i) As disclosed in note 16 to the financial</i>	The Transferee Company has taken a loans from Banks and financial institute and that they would be paid in ordinary course of business and that the



statements, the Company has been sanctioned working capital limits in excess of INR five crores in aggregate from banks and /or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns / statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company to the extent given below:-

Transferee Company will not be dissolved.

<i>Quarter ending</i>	<i>Value per books of account*</i>	<i>Value per quarterly return/statement*</i>	<i>Discrepancy</i>
<i>Inventory</i>			
<i>June 30, 2021</i>	<i>6,045.37</i>	<i>5,922.69</i>	<i>122.68</i>
<i>September 30, 2021</i>	<i>5,703.12</i>	<i>5,399.82</i>	<i>303.30</i>

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	<i>December 31, 2022</i>	<i>4,729.22</i>	<i>4,726.10</i>	<i>3.12</i>	
	<i>March 31, 2022</i>	<i>4,986.06</i>	<i>4,973.39</i>	<i>12.67</i>	
	<i>Quarter ending</i>	<i>Value per books of account*</i>	<i>Value per quarterly return/statement*</i>	<i>Discrepancy</i>	
	<i>Trade receivables + WIP (unbilled revenue)</i>				
	<i>June 30, 2021</i>	<i>62,525.43</i>	<i>69,851.93</i>	<i>(7,326.50)</i>	
	<i>September 30, 2021</i>	<i>76,307.56</i>	<i>65,811.61</i>	<i>10,495.95</i>	
	<i>December 31, 2022</i>	<i>70,574.52</i>	<i>66,240.25</i>	<i>4,334.27</i>	
	<i>March 31,</i>	<i>71,197.95</i>	<i>78,877.40</i>	<i>(7,679.45)</i>	



2022			
<i>Quarter ending</i>	<i>Value per books of account*</i>	<i>Value per quarterly return/statement*</i>	<i>Discrepancy</i>
<i>Trade payable</i>			
<i>June 30, 2021</i>	<i>17,770.22</i>	<i>15,607.05</i>	<i>2,163.17</i>
<i>September 30, 2021</i>	<i>23,514.67</i>	<i>18,895.78</i>	<i>4,617.89</i>
<i>December 31, 2022</i>	<i>20,215.65</i>	<i>23,649.40</i>	<i>(3,433.75)</i>
<i>March 31, 2022</i>	<i>21,894.73</i>	<i>25,510.25</i>	<i>(3,615.52)</i>
<p>(ii) <i>The Company has quarterly renewed inter corporate deposits of INR 1300 lakhs during the year without receipt of interest from the parties.</i></p>			

(iii) The interest of INR 371.68 Lakhs is overdue for more than ninety day on inter corporate deposits. The reasonable steps have been taken by the Company for recovery of the overdue interest.

<i>Number of Cases</i>	<i>Principal Amount</i>	<i>Interest Overdue</i>	<i>Total</i>
2	INR 1300 Lakhs	INR 371.68 Lakhs	INR 1671.68 Lakhs

(iv) During the year, up to August 2021, The Company has delayed in repayment of dues to financial institutions and banks as stated below:

<i>Nature of borrowing</i>	<i>Lenders</i>	<i>Principal (INR in Lakhs)</i>	<i>Interest (INR in Lakhs)</i>	<i>No. of days delay or unpaid</i>	<i>remarks</i>

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<i>Term loan from Banks</i>					
	<i>HDF C Bank</i>	<i>617.4 7</i>	<i>55.57</i>	<i>Less than 30 days</i>	<i>As communicated by the banks / Fis to the management, delays are technical in nature and has not been considered as default by them</i>
	<i>Axis Bank</i>	<i>371.8 8</i>	<i>37.19</i>	<i>Less than 30 days</i>	
	<i>Janak alyan Saha kari Bank Ltd</i>	<i>81.85</i>	<i>8.19</i>	<i>Less than 30 days</i>	
	<i>ICICI Bank</i>	<i>64.26</i>	<i>6.43</i>	<i>Less than 30 days</i>	

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	<i>Suryo day Small Finan ce Bank Ltd</i>	<i>56.31</i>	<i>6.19</i>	<i>Less than 30 days</i>	
	<i>Yes Bank</i>	<i>30.39</i>	<i>2.74</i>	<i>Less than 30 days</i>	
	<i>Unio n Bank of India</i>	<i>18.72</i>	<i>2.12</i>	<i>Less than 30 days</i>	
	<i>Kotak Mahi ndra Bank</i>	<i>5.68</i>	<i>0.57</i>	<i>Less than 30 days</i>	
<i>Term Loans from Financial Institutions</i>					
	<i>HDB Finan cial Servi</i>	<i>112.1 2</i>	<i>12.89</i>	<i>Less than 30 days</i>	

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		<i>ces Ltd</i>				
		<i>Mahi ndra & Mahi ndra Finan cial Servi ces Ltd</i>	<i>59.06</i>	<i>7.38</i>	<i>Less than 30 days</i>	
		<i>SREI</i>	<i>44.95</i>	<i>4.50</i>	<i>Less than 30 days</i>	
		<i>Tata Capit al Finan ce Servi ces Ltd</i>	<i>43.96</i>	<i>5.06</i>	<i>Less than 30 days</i>	
		<i>PNB Housi ng</i>	<i>2.69</i>	<i>0.29</i>	<i>Less than 30</i>	



		<i>Finan ce Ltd</i>			<i>days</i>		
		<i>Total</i>	<i>1,509. 34</i>	<i>149.1 1</i>			

10. The observations made by the Regional Director have been explained by the Petitioner Companies in Para 10 above.
11. The Official Liquidator has filed his report on 28th June, 2023 in the Company Scheme Petition No. 109 of 2021, *inter alia*, stating that the affairs of the Transferor Company have been conducted in a proper manner not prejudicial to the interest of its shareholders and that the Transferor Company may be ordered to be dissolved by this Tribunal.
12. There was an objection in CA 192 of 2021 filed by an unsecured creditor of the transferee company who has objected to this Scheme stating that there are outstanding dues pending towards them to be paid by the transferee company. The said objection has been considered by this Bench, and the same has been rejected as in the present Scheme, the transferor Company has undertaken to protect the interests of its creditors. The Bench also takes note that the dispute between the two parties has been settled *vide* order dated 03.10.2022 by NCLT Mumbai, Bench IV in IA-2924/2021



in C.P. (IB)780(MB)/2021. Further the Bench has also taken note of the orders submitted by the Applicants.

13. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
14. All the assets and liabilities including taxes, duties and charges, if any, of the Transferor Company, shall pursuant to Sections 230 to 232 of the Companies Act, 2013, be transferred to and become the assets and liabilities of the Transferee Company. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 109 of 2021 is made absolute in terms of clauses (a) to (c) of the said Company Scheme Petition.
15. The Scheme of Amalgamation is hereby sanctioned, and the appointed date of the Scheme is fixed as 1st April, 2020.
16. The Petitioner Company No.1 ('Transferor Company') be dissolved without winding up.
17. Petitioner Companies are directed to file a copy of this Order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically along with E-Form INC-28, in addition to



physical copy within 30 days from the date of receipt of the Order from the Registry.

18. The Petitioner Companies to submit a copy of this Order and the Scheme duly authenticated by the Deputy Registrar or Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable within 60 days from the date of receipt of the Order, if any.
19. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai.
20. The Appointed Date is 1st April, 2020.
21. Ordered Accordingly.

SD/-

MADHU SINHA
MEMBER (TECHNICAL)

/Aakansha/

SD/-

SHRI. K. R. SAJI KUMAR
MEMBER (JUDICIAL)