GATEWAY DISTRIPARKS LTD.

September 28, 2020

BSE Limited	**National Stock Exchange of India Ltd.**
Phiroze Jeejeebjoy Towers	**Exchange Plaza, C-1, Block G,**
Dalal Street	**Bandra Kurla Complex, Bandra (East)**
Mumbai 400 001	**Mumbai – 400 051**
Scrip Code: 532622	**Trading Symbol: GDL**

Deb Scrip code: 958703/ 958704/ 958705/ 958706/ 958707/ 958708/ 958709/ 958710/ 958711/958712/958713 / 958714 /958715

Dear Sir / Madam,

SUB: Outcome of the meeting of the Board of Directors of Gateway Distriparks Limited ("Company") held on 28 September 2020 and disclosures under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended

Pursuant to Regulation 30 read with Part A of Schedule III of the Listing Regulations, we wish to inform the BSE Limited and National Stock Exchange of India Limited (collectively, "**Stock Exchanges**") that the Board of Directors of the Company ("**Board**") at its meeting held on 28 September 2020 have approved the proposed composite scheme of amalgamation for: (i) amalgamation (merger by absorption) of Gateway East India Private Limited ("**GEIPL**") with Gateway Distriparks Limited ("**Company**"); and (ii) amalgamation (merger by absorption) of the Company (post amalgamation of GEIPL with the Company) with Gateway Rail Freight Limited ("**GRFL**") and their respective shareholders ("**Scheme**") under Sections 230 to 232 read with other applicable provisions of the Companies Act 2013 ("**Companies Act**") and rules framed thereunder. The Board of Directors of GEIPL and GRFL has also in their respective Board meeting held today approved the said Scheme

The Scheme shall be subject to the approvals of the Stock Exchanges, Securities and Exchange Board of India, the respective shareholders, creditors, debenture holders and any other stakeholders (if required) of the companies, approval / sanction of the Scheme by the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**"), and such other regulatory authority, as may be necessary.

For amalgamation of GEIPL with the Company, no consideration will be discharged to the shareholders of GEIPL and no shares will be allotted to the Company since the entire paid-up equity share capital of GEIPL is held directly by the Company. In consideration for amalgamation of the Company with GRFL, the shareholders of the Company shall receive equity shares of GRFL as per the share exchange ratio set out in the Scheme.

The Scheme shall be effective from opening of business hours on April 1, 2020 (for all the Parts as mentioned in the Scheme) or from such other date as may be approved by the NCLT.

Further, post the Scheme becomes effective, the equity shares of GRFL issued as consideration for the proposed Scheme shall be listed on the Stock Exchanges. Also, as part of the Scheme, all non-convertible debentures of face value of INR 10,00,000 issued by the Company ("**NCDs**") shall stand transferred to and vested in GRFL. Further, post the Scheme becomes effective, the outstanding NCDs issued by the Company as of the date of effectiveness of the Scheme, which shall stand transferred to GRFL pursuant to the Scheme shall be listed and admitted to trading on the Wholesale Debt Market Segment of BSE Limited, where the NCDs are currently listed.

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CIN : L74899MH1994PLC164024

The Scheme as approved by the Board would be available on the website of the Company post submitting the same to the Stock Exchanges.

Pursuant to Regulation 30 and Part A of Schedule III of the Listing Regulations read with SEBI Circular No. CFD/D1L3/CIR/2017/21 dated 10 March 2017 and as amended from time to time ("**SEBI Circular**"), we are furnishing herewith the details of the Scheme as **Annexure I**.

The meeting of Board of Directors commenced at 9.30 am. and was adjourned for a short time for considering other items on the agenda. The meeting was reconvened at 12.10 p.m. and concluded at 1.15 p.m.

Thanking you,

Yours faithfully,

For **Gateway Distriparks Limited**

VEENA NAIR
COMPANY SECRETARY

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Annexure I – Amalgamation/ Merger

a)	Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as size, turnover etc.	1. **Gateway Distriparks Limited** Total assets – INR crores 1,373.05 crores Net worth – INR 715.63 crores Turnover – INR 426.36 crores as on 31 March 2020 2. **Gateway East India Private Limited** Total assets – INR 71.99 crores Net worth – INR 42.23 crores Turnover – INR 33.26 crores as on 31 March 2020 3. **Gateway Rail Freight Limited** Total assets – INR 1091.08 crores Net worth – INR 702.41 crores Turnover – INR 879.72 crores as on 31 March 2020
b)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms' length"	The Company, GEIPL and GRFL are all group companies. Approximately 99.93% of the paid-up equity share capital of GRFL is held by the Company and GEIPL is a wholly owned subsidiary of the Company. Hence the proposed transaction falls within related party transactions and is on arm's length basis. Further, the Ministry of Corporate Affairs ("**MCA**") vide its general circular bearing number 30/2014 dated 17 July 2014 ("**MCA Circular**") has clarified that transactions arising, *inter alia,* out of amalgamation will not attract the requirement of Section 188 of Companies Act. Since the Scheme is being undertaken in terms of Sections 230 to 232 of the Companies Act, the provisions of Section 188 of the Companies Act and related disclosures/approvals required thereunder, would not be attracted as per the MCA Circular. The share exchange ratio for the Scheme has been recommended pursuant to the valuation report issued by SSPA & Co., independent Chartered Accountants ("**Valuer**"). Corporate Professionals

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		Capital Private Limited, SEBI registered Category I Merchant Banker has provided a fairness opinion on the share exchange ratio recommended by the Valuer.
c)	Area of business of the entity(ies)	The Company is, *inter alia*, engaged in the business of integrated inter-modal logistics in India and operates two Container Freight Stations at Navi Mumbai, one at Chennai and one at Krishnapatnam. GEIPL operates a Container Freight Station at Visakhapatanam. GRFL is a private container train operator. It provides intermodal rail transportation service for EXIM containers between its rail-linked inland container depots at Gurugram, Ludhiana, Faridabad and Viramgam and maritime ports at Nhava Sheva, Mundra and Pipavav.
d)	Rationale for amalgamation/ merger	The rationale of the Scheme *inter alia* includes the following: (a) Enable better realization of potential of the businesses of the Company, GEIPL and GRFL in the form of amalgamated GRFL which will yield beneficial results and enhanced value creation for their respective shareholders and better security and protection for their lenders and employees; (b) Consolidation of businesses presently being carried on by the Company, GEIPL and GRFL, which shall create greater operational synergies and efficiencies at multiple levels of business operations and shall provide significant impetus to their growth; (c) Improved earnings, cash flow and debt servicing abilities of the amalgamated GRFL; (d) The arrangement and amalgamation would result in financial resources of the companies being efficiently pooled, leading to centralized and more efficient management of funds, greater economies of scale and a bigger and stronger resource base for future growth, which are presently divided amongst multiple corporate entities within the group; (e) Creation of value for shareholders of the companies and other stakeholders, by way of creation of a large asset base, facilitating access to better financial resources, stronger consolidated revenue and profitability, diversification in product portfolio and thereby reducing business risks;

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(f) Pooling of assets, proprietary information, personnel, financial, managerial and technical resources of the companies, thereby contributing to the future growth of the merged entity;

(g) Consolidating and improving the internal systems, procedures and controls but will also bring greater management and operational efficiency due to integration of various similar functions presently being carried out in each individual entity within the group such as information technology, human resources, finance, legal and general management, and this will lead to the organization becoming more efficient and capable of responding swiftly to volatile and rapidly changing market scenarios;

(h) Simplicity in working, reducing various statutory and regulatory compliances and related costs, which presently have to be duplicated in different entities, reduction in operational and administrative expenses and overheads, better cost and operational efficiencies and it would also result in coordinated optimum utilization of resources;

(i) The Company, GEIPL and GRFL operate businesses that complement each other and therefore, can be conveniently combined for mutual benefit of the shareholders of the companies; and

(j) The Scheme is in beneficial interest of all the stakeholders and the shareholders of the companies.

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e) In case of cash consideration – amount or otherwise share exchange ratio

For the amalgamation of GEIPL with the Company

For amalgamation of GEIPL with the Company, no consideration will be discharged to the shareholders of GEIPL and no shares will be allotted to the Company since the entire paid-up equity share capital of GEIPL is held directly by the Company.

For the amalgamation of the Company with GRFL (post amalgamation of GEIPL with the Company)

4(four) fully paid up equity shares of GRFL of INR 10 (Rupees 10) each, for every 1 (one) fully paid up equity shares of INR 10 (Rupees Ten) each, held by the equity shareholders of the Company whose names appear in the register of members or register of beneficial owners maintained by the registrar and transfer agent as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be.

f) Brief details of change in shareholding pattern (if any) of the companies

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Particulars	Pre-amalgamation		Post-Amalgamation
(Shareholders)	**No of shares**	**%**	
Promoters	40123283	32.14	The Company will cease to exist
Public	84712625	67.86	
Total	124835908	**100%**	

Gateway East India Private Limited

Particulars	Pre-amalgamation		Post-Amalgamation
(Shareholders)	**No of shares**	**%**	
Gateway Distriparks Limited	7,999,990	100%	GEIPL will cease to exist
Prem Kishan Dass Gupta	10	0%	
Total	**8,000,000**	**100%**	

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Gateway Rail Freight Limited

	Pre-Amalgamation		Post-Amalgamation	
Particulars (Shareholders)	**No. of Shares (FV Rs.10)**	**% of holding**	**No. of Shares (FV Rs.10)**	**% of holding**
Promoters*	201199800	99.85	160493136	32.12
Public	300200	0.15	339150700	67.88
Total	**201500000**	**100**	**499643836**	**100**

*Gateway Distriparks Ltd., (Transferor Company-2/ Transferee Company-1) one of the Promoters of Gateway Rail Freight Ltd., holds :

1. 20,11,99,796 Equity Shares of Rs.10 each,
2. entire 100 Equity Shares of Rs.25 each and
3. entire 12,00,00,000 CCPS of Rs. 24.65 each

in Gateway Rail Freight Limited (Transferee Company-2), which will be cancelled pursuant to para 24.12 of the Scheme.

Further Post Scheme Paid up Equity Shares Capital of GRFL will be Rs. 499.64 Crores divided into 49,96,43,836 Equity Shares of Rs.10 each.

Post listing of the equity shares of GRFL on the Stock Exchanges, it shall comply with the requirements of minimum public shareholding of at least 25% (twenty-five percent) in GRFL in accordance with the extant applicable law or any amendments that may be effective on the effective date of the Scheme.

g) Whether listing would be sought for the transferee company

GRFL shall apply for listing and trading of its equity shares on the Stock Exchanges where the equity shares of the Company are listed and admitted for trading. The shares issued by GRFL pursuant to the Scheme, shall remain frozen in the depository system until the receipt of trading permission from the relevant stock exchanges(s). Further, post the Scheme becomes effective, the outstanding NCDs issued by the Company as of the date of effectiveness of the Scheme, which shall stand transferred to GRFL pursuant to the Scheme shall be listed and admitted to trading on the Wholesale Debt Market Segment of BSE Limited, where the NCDs are currently listed.

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