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Ref-113

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH
COMPANY PETITION NO. OF 2024

IL & FS Transportation Networks Limited.

Petitioner

V/s

Union of India, Ministry of Corporate Affairs,
Through Regional Director (Western Region)

Respondent

To,
The Registrar,
National Company Law Tribunal,
Mumbai,

Respected Sir,

Be pleased to take on file the accompanying Company Petition on behalf of
the Petitioner in two sets one original and one duplicate in the above matter.

Dated this 4th day of January, 2024

Yours faithfully,
M/s Cyril Amarchand Mangaldas

Advocates for the Petitioner.

Cyril Amarchand Mangaldas
Advocates & Solicitors

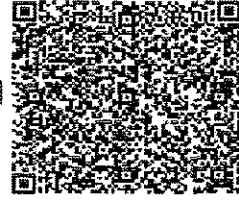
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National Company Law Tribunal

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Case Title : IL&FS TRANSPORTATION NETWORKS LIMITED Vs. Union of India
Case Type : Company Petition
Payee Name : IL&FS TRANSPORTATION NETWORKS LIMITED
Transaction Id : 0911020007802024
Transaction Date : 04-01-2024
Filing No : 2709138/ 00134/ 2024

S. No.	DD No./Bharatkosh ID	Amount	Rs.	Bank Name	Branch Name	State	District	Pin Code
1	0301240030271	5000		Bharatkosh	Bharatkosh	Maharashtra	MUMBAI	400051

* In case of DD submission, payment will be accepted as complete only when actual demand draft is submitted at NCLT Office. In case of Bharatkosh offline payment, it will be accepted as complete only after confirmation from concerned authorities.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH

COMPANY PETITION NO. OF 2024

(Petition under Section 131 of the Companies Act, 2013)

IL&FS Transportation Networks Limited ... Petitioner

Versus

Union of India, Ministry of Corporate Affairs,
through Regional Director (Western Region) ... Respondent

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THROUGH

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PLACE: MUMBAI

DATE: 4th January 2024

A

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH**

COMPANY PETITION NO. OF 2024

(Petition under Section 131 of the Companies Act, 2013)

IL&FS Transportation Networks Limited ... Petitioner

Versus

Union of India, Ministry of Corporate Affairs,
through Regional Director (Western Region) ... Respondent

SYNOPSIS

- (a) The Petitioner company has filed the present Company Petition under Section 131 of the Companies Act, 2013 (“**Companies Act**”) read with Rule 77 of the National Company Law Tribunal Rules, 2016 (“**Rules**”) *inter alia* seeking voluntary revision of the financial statements of the Petitioner Company for the financial years 2018-2019 and 2019-2020.
- (b) The Petitioner company is a subsidiary of Infrastructure Leasing and Financial Services Limited (“**IL&FS**”) and is a part of the IL&FS group of companies (“**IL&FS Group**”).
- (c) The Respondent filed Company Petition No. 3638 of 2018 (“**CP 3638**”) under Sections 241 - 242 of the Companies Act before this Tribunal on account of defaults and debt burdent of approximately Rs. 94,264 Crores across the IL&FS Group. Thereafter, this Hon’ble Tribunal passed an order (“**October 1 Order**”) (i) suspending the then existing directors of IL&FS; and (ii) appointing 6 new directors to the Board of the IL&FS in place and stead thereof. Additionally, the Respondent’ filed Company Petition No. 4506 of 2018 under Section 130 of the Companies Act before this Hon’ble Tribunal, seeking reopening and recasting of the books of accounts and financial statements of *inter alia* the Petitioner under Section 130(1) of the Companies Act (“**Section 130 Petition**”).
- (d) Subsequently, vide an Order dated January 1, 2019 (“**January 1 Order**”), this Hon’ble Tribunal permitted reopening and recasting of the books of accounts and financial statements of *inter alia* the Petitioner, IL&FS and IL&FS

Financial Services Limited (“IFIN”) for five years i.e. from financial years 2013-14 to F.Y. 2017-18.

- (e) Thereafter, the Petitioner company’s financial statements for the financial year 2018-2019 were prepared and the same were audited by the independent auditors. Furthermore, Petitioner Company submits that the aforementioned financial statements contained disclaimers by the said independent auditors for not including any possible adjustments that could potentially arise or require for the re-opening and recasting of the financial statements of the Petitioner pursuant to the January 1 Order. Similar disclaimers are also there in the financial statements and audit reports for the financial years 2019-2020.
- (f) These financial statements for FY 2018-19 were approved by the Board of Directors of the Petitioner company as well and were adopted along with the report of the independent auditors and the report of the Board of Directors in the Annual General Meeting (“AGM”). The financial statements for FY 2019-2020 are yet to be adopted at an AGM.
- (g) It is submitted that the financial statements for FY 2018-19 and FY 2019-2020 will need to be revised based on the re-casting of the financial statements, given that the same do not comply with the provisions of Section 129 of the Companies Act hence the Petitioner Company ought to be permitted to prepare revised financial statements for the financial years 2019-2020 and 2020-2021. It is also submitted that the said financial statements shall be confined only to making the necessary alterations/ corrections to give effect to the re-cast accounts of previous financial years which is being done pursuant to the January 1 Order and, by doing so, make the said financial statements compliant with Section 129 of the Companies Act. Lastly, given that the Petitioner has not filed the financial statements for the financial year 2019-2020 with the ROC Mumbai or placed before the shareholders of the Petitioner in an AGM, necessary alterations and corrections required to re-cast the accounts of previous financial years can be carried out by M/s CNK Associates LLP, Chartered Accountants (Firm Registration No. 101961W/ W-100036) as Auditors of the Petitioner Company for auditing the revised financials for the financial years 2018-19 and 2019-20 pursuant to Section 131 of the Companies Act.

- C
- (h) Thereafter, in view of the same the Board of Directors of the Petitioner company vide resolution dated December 22, 2023 decided to voluntarily revise the financial statements of the Petitioner company for the financial years 2018-2019 and 2019-2020 and has brought the present Petition before this Hon'ble Tribunal.

LIST OF DATES AND EVENTS

Sr. No.	Date	Particulars
1.	October 1, 2018	This Hon'ble Tribunal passed an order to (i) suspend the then existing directors of IL&FS; and (ii) appoint 6 new directors to the Board of the IL&FS in place and stead thereof.
2.	October 15, 2018	Order passed by Hon'ble NCLAT to grant interim stay on <i>inter alia</i> coercive creditors and other action against the IL&FS Group in larger public interest.
3.	January 1, 2019	This Hon'ble Tribunal passed an Order (January 1 Order) to allow reopening and recasting of the books of accounts and financial statements of <i>inter alia</i> ITNL, IL&FS and IL&FS Financial Services Limited for five years i.e. from FY 2013-14 to F.Y. 2017-18.
4.	January 31, 2019	The January 1 Order was upheld by the Hon'ble NCLAT.
5.	June 4, 2019	The January 1 Order was upheld by the Hon'ble Supreme Court of India.
6.	August 9, 2019	Hon'ble NCLT allowed Miscellaneous Application No. 2699 of 2019 and appointed the chartered accountant firms and auditors suggested by the Respondent for re-opening and re-casting the financial statements of the Petitioner Company, IL&FS and IFIN.
7.	March 12, 2020	Hon'ble NCLAT affirmed its order dated October 15, 2018.
8.	June 4, 2020	The financial statements of the Petitioner for financial year 2018-2019 were approved by the Board of Directors of the Petitioner company on the said date.
9.	June 30, 2020	The financial statements of the Petitioner for FY 2018-2019 were adopted at the Annual General Meeting ("AGM") along-with the report of the independent auditors and the report of the Board of Directors.
10.	July 30, 2020	The financial statements of the Petitioner company for the FY 2018-2019 had been filed with the ROC Mumbai.

D

11.	December 7, 2020	The Board of Directors of the Petitioner approved the financial statements of the Petitioner for FY 2019-2020.
12.	December 31, 2020	The AGM of the Petitioner was held for the FY 2019-2020.
13.	March 9, 2023	The Audit Committee and Board of Directors of the Petitioner took note of the re-opened and re-casted financial statements.
14.	December 22, 2023	The Board of Directors of the Petitioner Company decided to file the present Company Petition
15.		Hence this present petition

THROUGH

Roma

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PLACE: MUMBAI

DATE : 4th January, 2024

E

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH

COMPANY PETITION NO. OF 2024

(Petition under Section 131 of the Companies Act, 2013)

IL&FS Transportation Networks Limited ... Petitioner

Versus

Union of India, Ministry of Corporate Affairs,
through Regional Director (Western Region) ... Respondent

MEMO OF PARTIES

IL&FS Transportation Networks Limited (CIN:)
L45203MH2000PLC129790), having its)
registered address at IL&FS Financial Centre,)
Plot No. C-22, G Block, Bandra Kurla)
Complex, Bandra East, Mumbai – 400 051) ...Petitioner

Versus

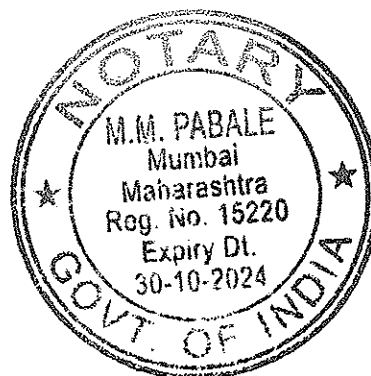
Union of India, Ministry of Corporate Affairs,)
through Regional Director (Western Region))
having its address at 5th Floor, Everest Building,)
100 Marine Lines, Mumbai – 400 001) ...Respondent

Date: 04th January, 2024

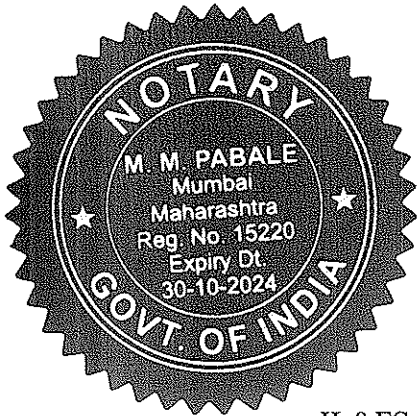
Place: Mumbai

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH

COMPANY PETITION NO. OF 2024

(Petition under Section 131 of the Companies Act, 2013)

IL&FS Transportation Networks Limited (CIN:)
L45203MH2000PLC129790), having its)
registered address at IL&FS Financial Centre,)
Plot No. C-22, G Block, Bandra Kurla Complex,)
Bandra East, Mumbai – 400 051) ...Petitioner

Versus


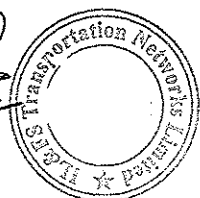
Union of India, Ministry of Corporate Affairs,)
through Regional Director (Western Region))
having its address at 5th Floor, Everest Building,)
100 Marine Lines, Mumbai – 400 001) ...Respondent

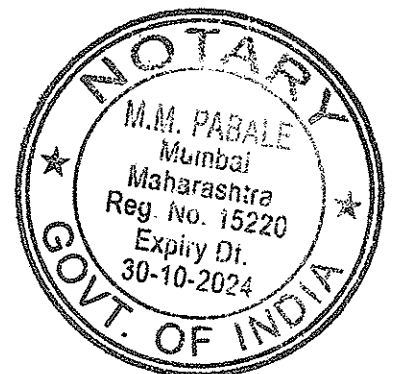
I. DETAILS OF THE PARTIES

1. The Petitioner is a public listed company having CIN L45203MH2000PLC129790. It is classified as a non-government company and *inter alia* operates in the field of surface transport infrastructure through special purpose vehicles and subsidiary entities. A copy of the Memorandum and Articles of Association of the Petitioner company is hereto annexed and marked as Annexure 1.
2. The Respondent in the present Petition is the Union of India, Ministry of Corporate Affairs with its office at the address specified in the cause title above.

II. DETAILS OF THE COMPANY PETITION

3. The present Company Petition is being filed under Section 131 of the Companies Act, 2013 (hereinafter referred to as the “Companies Act”) read



with Rule 77 of the National Company Law Tribunal Rules, 2016 (hereinafter referred to as the “**Rules**”) *inter alia* seeking voluntary revision of the financial statements of the Petitioner for the financial years 2018-2019 and 2019-2020.

III. JURISDICTION OF THE BENCH

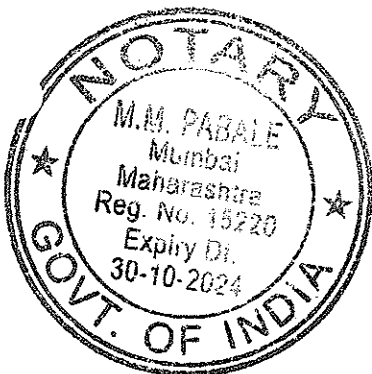
4. The registered office of the Petitioner is in Mumbai. Accordingly, the subject matter of the present Company Petition is within the jurisdiction of this Hon’ble Tribunal.

IV. LIMITATION

5. The Petitioner states that the present Company Petition is within limitation. The Board of Directors of the Petitioner has taken the decision to file the present Company Petition on December 22, 2023. The present Company Petition has been filed within 14 (fourteen) days of the said decision as mentioned in Rule 77(1) of the Rules. A certified true copy of the board resolution dated December 22, 2023 is hereto annexed and marked as Annexure 2.

V. FACTS

6. The facts leading up to the filing of the present Petition are as follows:
- (a) The Petitioner is a subsidiary of Infrastructure Leasing and Financial Services Limited (hereinafter referred to as “**IL&FS**”). IL&FS is a systematically important non-banking finance company and a core investment company, registered with the Reserve Bank of India (the “**RBI**”), engaged in the business of giving loans and advances to its group companies and holding investments in its group companies operating in various sectors including *inter alia* transportation,



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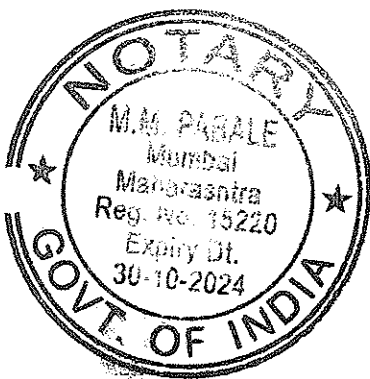




technology services, financial services, energy, maritime services, education, etc.

- (b) The Petitioner is a part of the IL&FS group of companies (hereinafter referred to as the “**IL&FS Group**”). As set out above, the Petitioner operates in the field of surface transport infrastructure through special purpose vehicles and subsidiary entities.

Intervention of Ministry of Corporate Affairs

- (c) During the period June-September, 2018, a series of defaults in repayment obligations by the IL&FS Group led to an aggregate debt burden of approximately Rs. 94,264 Crores across the IL&FS Group, of which Rs. 57,000 Crores were borrowed from public sector banks. This failure of the IL&FS Group was largely attributable to mismanagement and mis-governance by the then existing board of directors of IL&FS (and directors on the board of group companies) and a critical lapse in corporate governance in relation to the IL&FS Group.
- (d) On the recommendations contained in the office memorandum and note dated September 30, 2018 issued by the Department of Economic Affairs (hereinafter referred to the “**DoEA**”), which was closely monitoring the situation pertaining to the IL&FS Group and pursuant to a report by the Registrar of Companies, the Respondent filed Company Petition No. 3638 of 2018 (“**CP 3638**”) under Sections 241 - 242 of the Companies Act before this Tribunal on the basis that the affairs of IL&FS and the IL&FS Group including the Petitioner were being conducted in a manner prejudicial to public interest. CP 3638 significantly set forth that the downfall of the IL&FS Group would rattle the money markets of the country and its impact on the



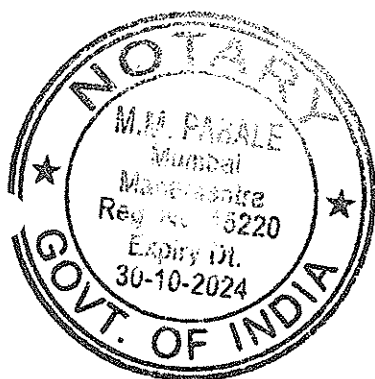



financial stability of the economy would be catastrophic. Accordingly, the Respondent sought the suspension of the then existing board of directors of IL&FS and appointment of a new board of directors for IL&FS who would manage the affairs of IL&FS and the IL&FS Group (through their nominees). Given the systemically important nature of the IL&FS Group, CP 3638 was filed in larger public interest so as to secure the affairs of IL&FS and the IL&FS Group. The Petitioner craves leave to refer to and rely upon copies of the DoEA's office memorandum and note, the report of the Registrar of Companies and copy of CP 3638 if and when required/produced.

- (e) After considering the Respondent's arguments, this Tribunal was pleased to pass an order dated October 1, 2018 ("**October 1 Order**"): (i) suspending the then existing directors of IL&FS; and (ii) appointing 6 new directors to the Board of the IL&FS in place and stead thereof. By the October 1 Order, these newly appointed directors were *inter alia* directed to take over the affairs of the IL&FS immediately; conduct its business as per its Memorandum and Articles of Association and the provisions of the Companies Act, and thereafter, report the roadmap to this Tribunal before October 31, 2018. Thereafter, more directors were appointed to the Board of IL&FS by subsequent orders of this Tribunal dated October 3, 2018, December 21, 2018 and October 3, 2022. For the sake of brevity, the directors so appointed on the Board of Directors of IL&FS by this Tribunal are hereinafter referred to as the "**New Board**".

Stay on creditor action by the Hon'ble NCLAT

- (f) On October 15, 2018, the Hon'ble National Company Law Appellate Tribunal ("**Hon'ble NCLAT**") (pursuant to appeals, being Company



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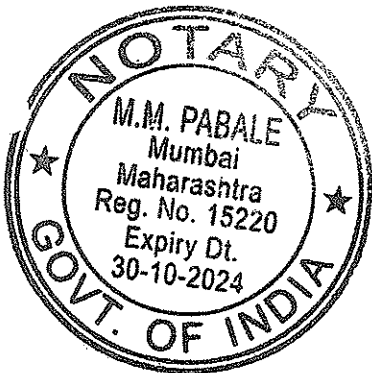


Appeal (AT) Nos. 346-347 of 2018, filed by the Respondent and IL&FS from the order dated October 12, 2018 passed by this Tribunal (the “**IL&FS NCLAT Proceedings**”)) was pleased to grant interim stay on, amongst others, coercive creditor and other action against the IL&FS Group in larger public interest (“**October 15 Order**”). It is pertinent to note that the basis of this prayer for the stay on coercive creditor action against IL&FS made before the Hon’ble NCLAT was *inter alia* to ensure an orderly resolution of the IL&FS Group with value maximization for all stakeholders. A copy of the October 15 Order is annexed hereto and marked as **Annexure 3**.

- (g) The October 15 Order has been subsequently confirmed *vide* a detailed order dated March 12, 2020 (the “**March 12 Order**”) passed by the Hon’ble NCLAT in the IL&FS NCLAT Proceedings. A copy of the March 12 Order is annexed hereto and marked as **Annexure 4**.

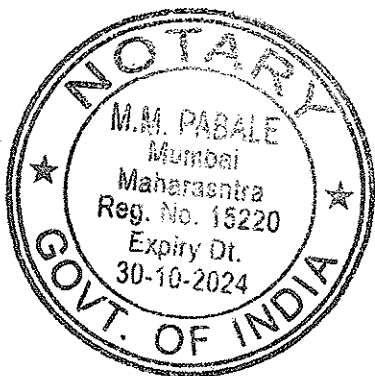
Reopening and Recasting of the books of Accounts

- (h) Thereafter, the Respondent filed Company Petition No. 4506 of 2018 under Section 130 of the Companies Act before the NCLT *inter alia* seeking reopening and recasting of the books of accounts and financial statements of *inter alia* the Petitioner under Section 130(1) of the Companies Act (“**Section 130 Petition**”).
- (i) In the Section 130 Petition, the Respondent submitted that basis the report of the Serious Fraud Investigation Office dated November 30, 2018, CP 3638 and the Order dated October 1, 2018 passed therein, and the prima facie opinions of the Institute of Chartered Accountants of India dated December 3, 2018, the accounts of the Petitioner for the F.Y. 2013-14 to F.Y. 2017-18 should be reopened under Section 130 of the Companies Act.



- (j) By an order dated January 1, 2019 (“**January 1 Order**”), this Tribunal has allowed reopening and recasting of the books of accounts and financial statements of *inter alia* ITNL, IL&FS and IL&FS Financial Services Limited for five years i.e. from financial years 2013-14 to F.Y. 2017-18. The January 1 Order was upheld on appeal before the Hon’ble NCLAT (*vide* an order dated January 31, 2019 in Company Appeal (AT) No. 29 of 2019) and by the Hon’ble Supreme Court (*vide* an order dated June 4, 2019 in Civil Appeal No. 3747 of 2019). Copies of the aforesaid orders are annexed hereto and marked as **Annexure 5**, **Annexure 6** and **Annexure 7** respectively. The Petitioner craves leave to refer to and rely upon the papers and proceedings in Company Petition No. 4506 of 2018, Company Appeal (AT) No. 29 of 2019 and Civil Appeal No. 3747 of 2019, when produced.
- (k) Pursuant to and in compliance with the January 1 Order, the Respondent filed Miscellaneous Application No. 2699 of 2019 seeking:
- i. appointment of two chartered account firms namely (a) M/s. Borkar & Mazumdar & Co (*for IL&FS and IFIN*) and (b) M/s. G M Kapadia & Co (*for the Petitioner*), suggested by IL&FS from the panel of chartered accountants of the Comptroller and Auditor General, to re-open and re-cast the financial statements of IL&FS, IFIN and the Petitioner.
 - ii. Appointment of two firms namely (a) M/s. M. M. Chitale & Co (*for the Petitioner*) and (b) M/s. CNK Associates LLP (*for IL&FS and IFIN*) for the purposes of auditing the reopened and recasted accounts of IL&FS, IFIN and the Petitioner.



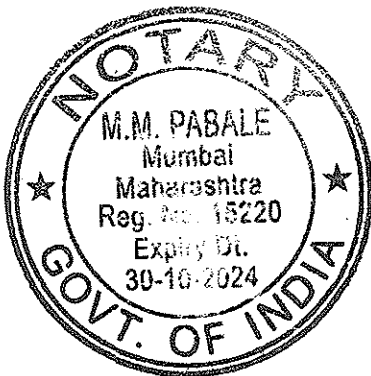
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- (l) This Hon'ble Tribunal *vide* order dated August 9, ~~2023~~²⁰¹⁹ allowed Miscellaneous Application No. 2699 of 2019 and appointed the aforementioned chartered accountant firms and auditors suggested by the Respondent for re-opening and re-casting the financial statements of the Petitioner, IL&FS and IFIN.
- (m) The exercise of re-opening the books of accounts of the Petitioner, re-casting the financial statements of the Petitioner and thereafter auditing the re-opened and re-casted books of accounts and re-casted financial statements was concluded by M/s. M. M. Chitale & Co. Such accounts were taken note of in the meeting of the Audit Committee and Board of Directors of the Petitioner on March 9, 2023.

7. The Petitioner is now filing the present Company Petition under Section 131 of the Companies Act in the following circumstances:

- (a) The financial statements of the Petitioner company for the financial year 2018-2019 were prepared and the same were audited by the independent auditors namely SRBC & Co. LLP having ICAI Firm Registration No. 324982E/E300003. Copies of the audited financial statements (standalone) of the Petitioner company for financial years 2018-2019 are hereto annexed and marked as **Annexure 8**.
- (b) The financial statements of the Petitioner company for financial year 2018-2019 included disclaimers by SRBC & Co. LLP stating that the said financial statements do not include any possible adjustments arising from the re-opening and recasting of the financial statements of the Petitioner pursuant to the January 1 Order. Copy of the independent auditor's reports on the standalone financial statements of the Petitioner company for financial year 2018-2019 are hereto annexed and marked



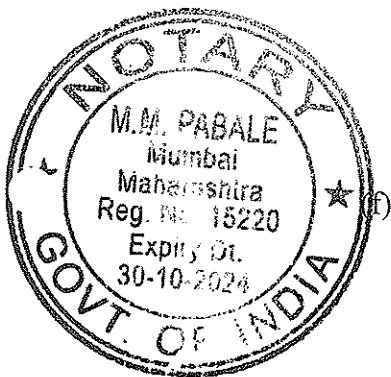
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as Annexure 9.

- (c) The financial statements of the Petitioner company for financial year 2018-2019 (along with the aforementioned disclaimers of opinion by the independent auditors) were approved by the Board of Directors of the Petitioner company on June 4, 2020. The report of the Board of Directors for the Petitioner company also mentioned that the Petitioner will be required to make the required adjustments to the financial statements for the financial year 2018-2019 once the reopening and recasting process is completed. A copy of the report of the Board of Directors of the Petitioner company for financial year 2018-2019 is hereto annexed and marked as Annexure 10.
- (d) The financial statements of the Petitioner company for financial year 2018-2019 together with the report of the independent auditors and the report of the Board of Directors were adopted at the Annual General Meeting (hereinafter referred to as "AGM") of the Petitioner company held on June 30, 2020. A certified true copy of the said resolution passed at the AGM held on June 30, 2020 is hereto annexed and marked as Annexure 11.
- (e) The financial statements of the Petitioner company for the financial year 2018-2019 have been filed with the ROC Mumbai on July 30, 2020. A copy of the relevant Form AOC-4 is hereto annexed and marked as Annexure 12.

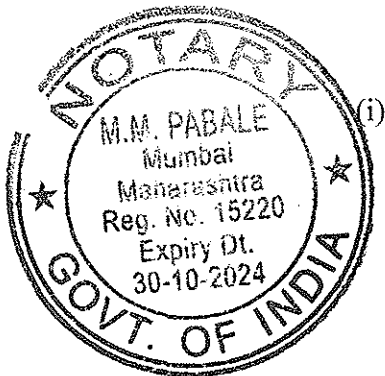
The financial statements of the Petitioner company for financial year 2019-2020 were prepared and the same were audited by the independent auditors namely SRBC & Co. LLP having ICAI Firm Registration No. 324982E/E300003. Copies of the audited financial statements (standalone) of the Petitioner company for financial years



2019-2020 are hereto annexed and marked as Annexure 13.

- (g) The financial statements of the Petitioner company for financial year 2019-2020 included disclaimers by SRBC & Co. LLP stating that the said financial statements do not include any possible adjustments arising from the re-opening and recasting of the financial statements of the Petitioner pursuant to the January 1 Order. Copies of the independent auditor's reports on the standalone financial statements of the Petitioner company for financial year 2019-2020 are hereto annexed and marked as Annexure 14.
- (h) The financial statements of the Petitioner company for the financial year 2019-2020 (along with the aforementioned disclaimers of opinion by the independent auditors) were approved by the Board of Directors of the Petitioner company on December 7, 2020. The report of the Board of Directors for the Petitioner company also mentioned that the Petitioner will be required to make the required adjustments to the financial statements for the financial year 2019-2020 once the reopening and recasting process is completed and that the financial statements as at March 31, 2020 are subject to the adjustments and qualifications if any arising from the said exercise. A copy of the report of the Board of Directors of the Petitioner company for financial year 2019-2020 is hereto annexed and marked as Annexure 15.

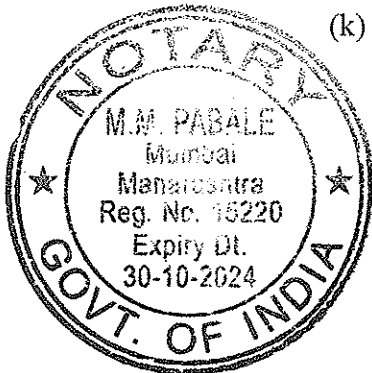


It is submitted that the AGM for the financial year 2019-2020 was held on December 31, 2020. It is further submitted that the financial statements of the Petitioner company for financial year 2019-2020 together with the report of the independent auditors and the report of the Board of Directors were not adopted by the shareholders of the



Petitioner due to the ongoing re-opening and recasting exercise.

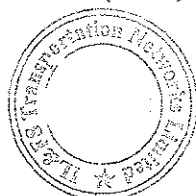
- (j) It is also submitted that the decision to defer the agenda for adopting the financial statements for the financial year 2019-2020 was taken in view of: (i) the affidavit dated December 4, 2020 filed by the Respondent stating its no objection to the grant of extension of time to IL&FS to present its consolidated financial statements to its members and (ii) the legal advice received by the Petitioner company to defer the agenda and to consider the same as and when the Petitioner company is able to provide its standalone and consolidated financials taking into consideration the re-casted financial statements for FY 2013-14 to 2017-18 in the financials of the FY 2018-19 and 2019-20.



- (k) In view of the above as the reopening and recasting exercise is completed, the Board of Directors of the Petitioner company, at its meeting held on December 22, 2023, decided to voluntarily revise the financial statements of the Petitioner company for financial years 2018-2019 and 2019-2020.

8. The names and contact details of the Managing Director, Chief Financial Officer, directors, Company Secretary and other officers of the Petitioner company responsible for making and maintaining the books of accounts of the Petitioner in financial years 2018-2019 and 2019-2020 are hereto annexed and marked as Annexure 16.

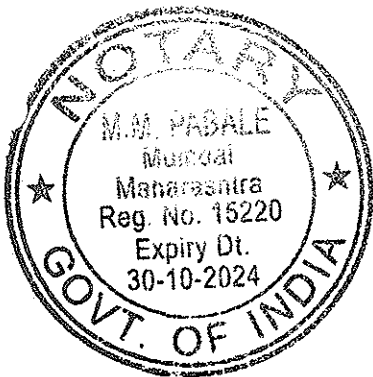
9. The accounts of the Petitioner company for financial years 2018-19 and 2019-2020 were audited by SRBC & Co. LLP, ICAI Firm Registration No. 324982E/E300003, having its office at 12th Floor, The Ruby, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400 028 (Email address:



Suresh.Yadav@srb.in).

10. In light of the above facts, the Petitioner company is seeking revision of its financial statements for the financial years 2018-2019 and 2019-2020 on the following grounds:

- (a) The independent auditors of the Petitioner company i.e., SRBC & Co. LLP have included a disclaimer in the financial statements/ results for financial years 2018-2019 and 2019-2020 that the said financial statements are subject to the re-casting of the financial statements of the Petitioner company for financial years 2013-2014 to 2017-2018 pursuant to the January 1 Order. The Board of Directors of the Petitioner company has approved the said financial statements/ results (along with the aforementioned disclaimers of opinion by the independent auditors) and agreed that the said financial statements/ will need to be revised based on the re-casting of the financial statements. Accordingly, the said financial statements/ results do not comply with the provisions of Section 129 of the Companies Act and the Petitioner company ought to be permitted to prepare revised financial statements for the financial years 2018-2019 and 2019-2020.
- (b) The financial statements of the Petitioner company for financial year 2018-2019 have been placed before the AGM of the Petitioner company held on June 30, 2020 and filed with the ROC Mumbai on July 30, 2020. Accordingly, revision of the said financial statements shall be confined only to making the necessary alterations/ corrections to give effect to the re-cast accounts of previous financial years which is being done pursuant to the January 1 Order and, by doing so, make the said financial statements compliant with Section 129 of the Companies Act. By the resolution dated December 22, 2023, the

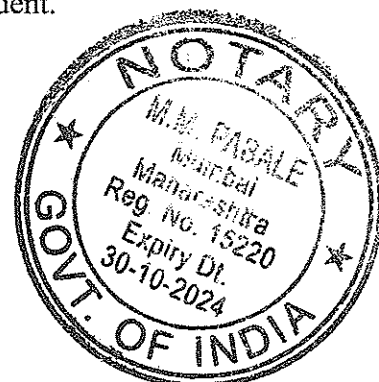


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board of directors of the Petitioner company (*set out at Annexure 2 hereto*) have appointed M/s CNK Associates LLP, Chartered Accountants, (Firm Registration No. 101961W/ W-100036) as auditors of the Company for auditing the revised financials for the financial years 2018-19 and 2019-20 pursuant to Section 131 of the Companies Act.

- (c) The financial statements of the Petitioner company for financial year 2019-2020 have not been filed with the ROC Mumbai or placed before the shareholders of the Petitioner in a general meeting. Accordingly, the necessary alterations/ corrections required to give effect to the re-cast accounts of previous financial years can be carried out by M/s CNK Associates LLP, Chartered Accountants (Firm Registration No. 101961W/ W-100036) as auditors of the Petitioner Company for auditing the revised financials for the financial years 2018-19 and 2019-20 pursuant to Section 131 of the Companies Act, such that the same can be placed before the shareholders of the Petitioner company at the next AGM.
11. It is submitted that the aforementioned grounds for seeking revision of the financial statements of the Petitioner company for financial years 2018-2019 and 2019-2020 are entirely because of the re-opening of accounts and re-casting of financial statements for previous financial years, i.e. 2013-2014 to 2017-2018.
12. The Petitioner company is a listed public entity and is part of the IL&FS Group. The resolution process of the IL&FS Group including the Petitioner is being carried out by the New Board under the aegis of the Hon'ble NCLAT and this Hon'ble Tribunal and at behest of the Respondent.

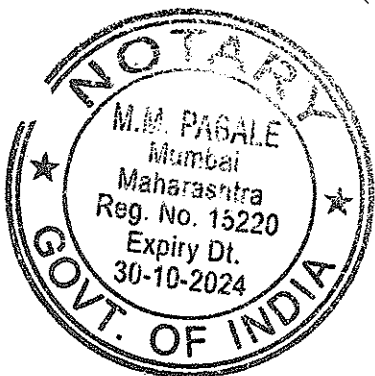


13. In light of the facts and circumstances stated hereinabove, the Petitioner submits that this is a fit case for permitting the Petitioner company to voluntarily revise its financial statements for the financial years 2018-2019 and 2019-2020. The present Petition is *bona fide* and in the interests of justice, equity and good conscience.
14. As set out above, the financial statements for the financial year 2019-2020 have not yet been placed before the shareholders of the Petitioner company at a general meeting. If the exercise of revising the financial statements for financial year 2018-2019 is completed expeditiously, then the financial statements for financial year 2019-2020 can be revised by the independent auditors and the revised financial statements can be placed before the shareholders of the Petitioner company at the next AGM itself instead of the shareholders first having to adopt financial statements which contain disclaimers by independent auditors and subsequently adopt the revised financial statements. In view thereof, there is an urgent need to hear and decide the present Company Petition.

VI. RELIEFS

In light of the aforesaid, the Petitioner humbly prays:

- (a) That this Hon'ble Tribunal be pleased to permit the Petitioner company to revise its standalone financial statements for the financial years 2018-2019 and 2019-2020 based on the re-opened and re-casted financial statements of the Petitioner for financial years 2013-2014 to 2017-2018 by appointing such firm(s) of Chartered Accountants as the Petitioner company considers suitable for the purpose; and




(b) For such other and further reliefs as this Hon'ble Tribunal deems fit and proper in the facts and circumstances.

Dated this 04th day of January, 2024

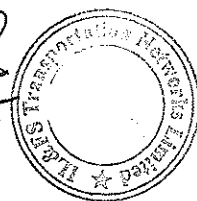
Place: Mumbai

M/s.Cyril Amarchand Mangaldas

IL&FS Transportation Networks Limited

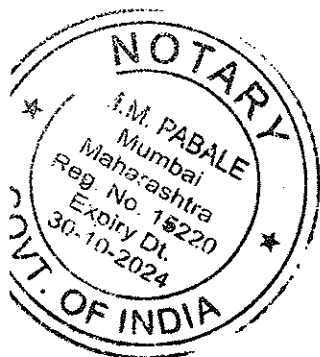
[Signature]
Advocates for the Petitioner

[Signature]
Petitioner



VERIFICATION

I, Milind Gandhi, aged 50 years, working as the Chief Financial Officer of the Petitioner abovenamed, having my office at IL&FS Financial Centre, Plot No. C-22, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, do hereby solemnly declare that the contents of the Company Petition are derived from official records of the Petitioner and/ or advice and are believed to be true.

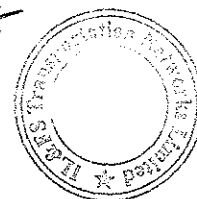


Solemnly declared at Mumbai)

This 04th day of January, 2024)

[Signature]

Before me,



M/s. Cyril Amarchand Mangaldas

IL&FS Transportation Networks Limited

[Signature]
Advocates for the Petitioner

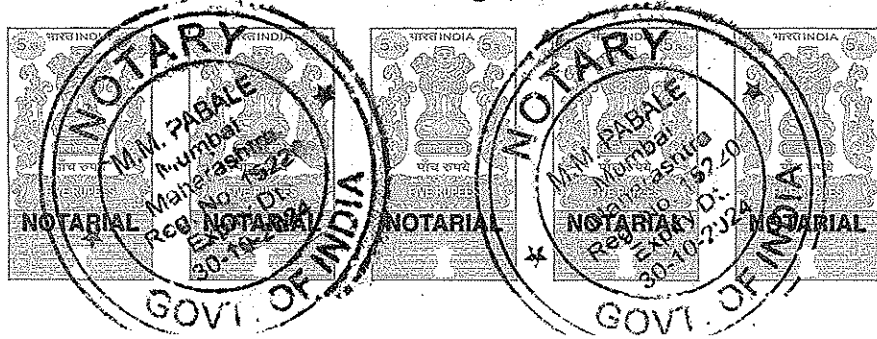
Petitioner

Peninsula Chambers, 5th Floor,
Peninsula Corporate Park,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai 400013.
Ph: +91 9167258161 Ph: +91 22 22650500
Emails: animesh.bisht@cyrilshroff.com;
drishti.das@cyrilshroff.com;
roma.bhojani@cyrilshroff.com

BEFORE ME

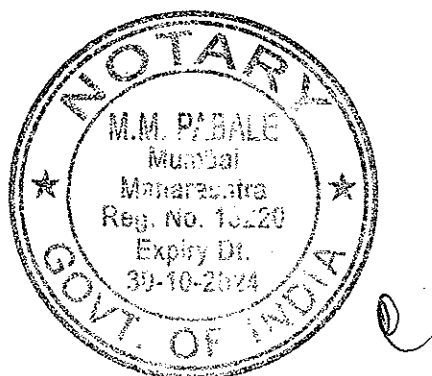
[Signature]
MANISH M. PABALE
B.Sc. LL.M.
ADVOCATE & NOTARY (GOVT. OF INDIA)
04, Natwar Chambers,
94 Nagindas Master Road,
Fort, Mumbai - 400 001


NOTED & REGISTERED
Page No. 11/67 Sr. No. 114
Date 4 JAN 2024



ANNEXURE - 1

MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION
OF
IL&FS TRANSPORTATION NETWORKS LIMITED





प्राच्य. आई. आर.
Form I.R.
निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

U 45203 MH 2000 PTC 129790

ता. _____ की सं.

No. _____ of Date _____

मैं एतद्वारा प्रमाणित करता हूँ कि आज _____


कम्पनी अधिनियम (1956 का सं. 1) के अधीन निगमित की गई है और कम्पनी परिसीमित है।


I hereby certify that CONSOLIDATED TOLL NETWORK INDIA PRIVATE
LIMITED

is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is limited.

मेरे हस्ताक्षर से आज ता. _____ को दिया गया।

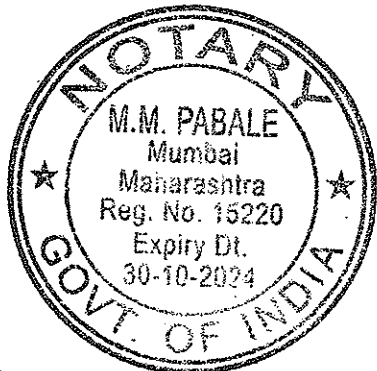
Given under my hand at MUMBAI this TWENTYNINETH
day of NOVEMBER Two Thousand





(D. VIJAYA BHASKAR)
कम्पनियों का रजिस्ट्रार
Registrar of Companies
ASSTT Maharashtra, Mumbai

U.P. No. 1
J.S.C. 1
119, एच. एच. एच. / विमान / अणु / 119
119/एच.एच.एच./विमान/अणु/119



No. 11 : 129790

**CERTIFICATE OF CHANGE OF NAME
UNDER THE COMPANIES ACT, 1956.**

CONSOLIDATED TOLL NETWORK INDIA
In the matter of PRIVATE LIMITED

I do hereby certify that pursuant to the provisions of section 23 of Companies Act, 1956 and the Special Resolution passed under Sec. 31/44 of the Companies Act by the Company at its ~~Annual~~ Extra-Ordinary General Meeting held on 28th MARCH 2002

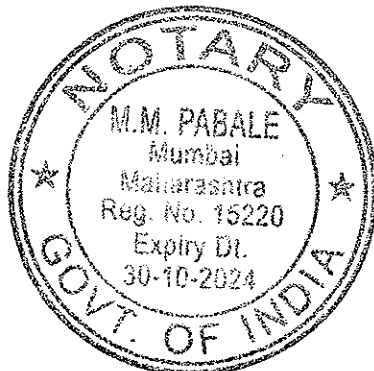
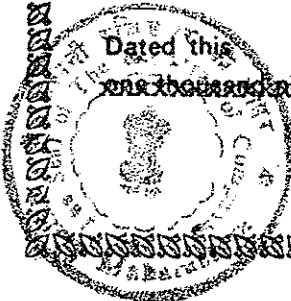
the name of " CONSOLIDATED TOLL NETWORK INDIA
PRIVATE LIMITED

has this day been changed to " CONSOLIDATED TOLL
NETWORK INDIA LIMITED

and that the said company has been duly incorporated as a company under the provisions of the said Act.

Dated this 22nd day of JULY
~~one thousand nine hundred and ninety~~ 2002

B. Chandra
Asstt/Addl/Registrar of Companies
Maharashtra, Mumbai.



U 45203 MH 2000 PTC 129790

No.11 - 129790

**FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME**

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
MUMBAI

In the matter of CONSOLIDATED TOLL NETWORK INDIA LIMITED

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India. Ministry of Company Affairs. Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the Company.

from CONSOLIDATED TOLL NETWORK INDIA LIMITED

to Consolidated Transportation Networks Limited

and I hereby certify that CONSOLIDATED TOLL NETWORK INDIA LIMITED

which was originally incorporated on 29th day of November 2000 under the Companies Act 1956 and under the name CONSOLIDATED TOLL NETWORK INDIA PRIVATE LIMITED

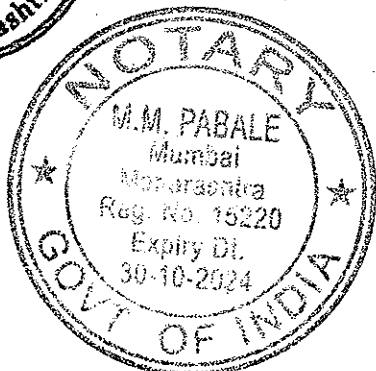
duly passed the necessary resolution in terms of section 21/22(1) (a)/22(1)(b) of the Companies Act, 1956 the name of the said Company is this day changed to Consolidated Transportation Networks Limited

and this certificate is issued pursuant to Section 23(1) of the said Act/ Given under my hand at MUMBAI this 24th

day of SEPTEMBER 2004



(Signature)
24/9/04
(A.S. SINGH)
Asst. Registrar of Companies
Maharashtra, Mumbai



No. 11- 129790

FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
MUMBAI.

In the matter of Consolidated Transportation
Networks Limited
I hereby approve and signify in writing under Section 21
of the Companies Act, 1956 (Act of 1956) read with the
Government of India, Department of Company Affairs,
Notification No. G.S.R. 507E dated the 24th June 1985 the
change of name of the Company.

from Consolidated Transportation Networks
Limited

to IL&FS Transportation Networks Limited

and I hereby certify that Consolidated Transportation
Networks Limited

which was originally incorporated on 29th
November 2000
day of November under the Companies Act, 1956 and under the name

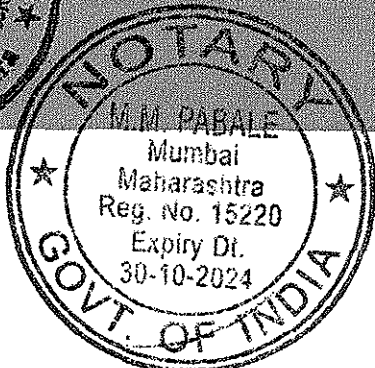
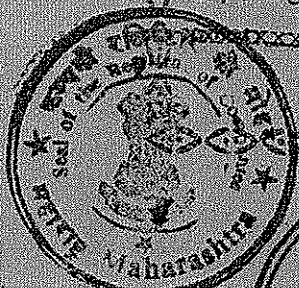
CONSOLIDATED TOLL NETWORK INDIA PRIVATE LIMITED

duly passed the necessary resolution in terms of section 21/22(1)
(a)/22(1) (b) of the Companies Act, 1956 the name of the said
Company is this day changed to

IL&FS Transportation Networks Limited and this
certificate is issued pursuant to Section 23(1) of the said Act/

Given under my hand at MUMBAI this 18th
day of OCTOBER 2005

[Signature]
(M. R. BHAT)
DY. Registrar of Companies
Maharashtra, Mumbai.





20

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Registrar of Companies, Mumbai

Everest , 100, Marine Drive, null, Mumbai, Maharashtra, INDIA, 400002

Corporate Identity Number : L45203MH2000PLC129790.

SECTION 13(1) OF THE COMPANIES ACT, 2013

Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s)

The share holders of M/s IL&FS TRANSPORTATION NETWORKS LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 23/12/2015 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section 13(1) of the Companies Act, 2013.

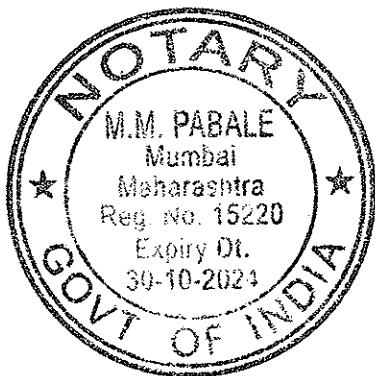
I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Mumbai this Twenty Seventh day of January Two Thousand Sixteen.

RAJENDER SINGH MEENA
Deputy Registrar of Companies
Registrar of Companies
Mumbai

Mailing Address as per record available in Registrar of Companies office:

IL&FS TRANSPORTATION NETWORKS LIMITED
THE IL&FS FINANCIAL CENTRE PLOT NO C22 GBLOCK, BANDRA KURLA COMPLEX,
BANDRA (E) ,
MUMBAI - 400051,
Maharashtra, INDIA



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THE COMPANIES ACT, 2013

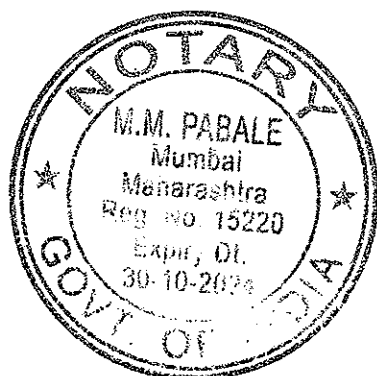
COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

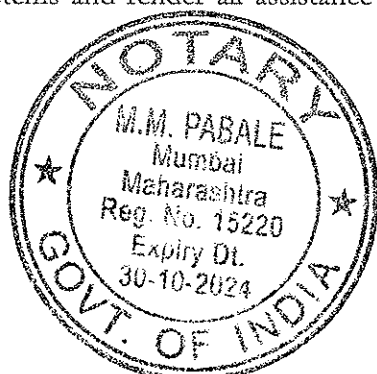
IL&FS TRANSPORTATION NETWORKS LIMITED

- I. The name of the Company is "IL&FS TRANSPORTATION NETWORKS LIMITED".
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. The Objects for which the Company is established are:
 - A. **MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:**
 1. To contract with the Central and State Governments and/or their Departments and/or their Companies and/or their respective agencies and Private Companies, Public Companies, Body Corporates and other Agencies to promote, develop, finance, establish, build, construct, equip, operate, maintain, control, upgrade, regulate, modify physical, social and other infrastructural facilities including approach roads, minor and major bridges, flyovers, inter-changes, culverts, tunnels, links, buildings, toll booths, waterways, marketing facilities, warehouses, watersupply, sewerage, effluent treatment, road, port, rail, and air transport and any other modes of transport, power generation and distribution, street lights, housing, hospitals, schools, colleges and technical training centres, police stations, fire stations, recreation facilities, commercial complexes, hotels, modern communication systems, Common facilities Centres on a Build Own Transfer (BOT) Build Own Operate (BOO), Build Own Operate Transfer (BOOT), Build Own Operate Maintain (BOOM) and all contractual formats and to arrange for financing of the above activities as well as to develop the land around such facilities for commercial or other use and to charge, demand, collect, retain, contract, auction, and to levy toll, fees, cess, rents from users of such and other ancillary facilities from time to time
 - 1(a)* "To set-up, create, incorporate, promote, sponsor, co-sponsor, contribute to and manage assets, trusts or funds including alternative investment funds, infrastructure investment trusts, taxable or tax exempt funds, provident, pensions, gratuity and superannuation funds, charitable funds, trusts or consortium funds, or any other funds, trusts or pooled investment vehicles, by whatever name called, whether in India or outside India, in connection with and/or in furtherance of the Main Objects"



B. OBJECT INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:

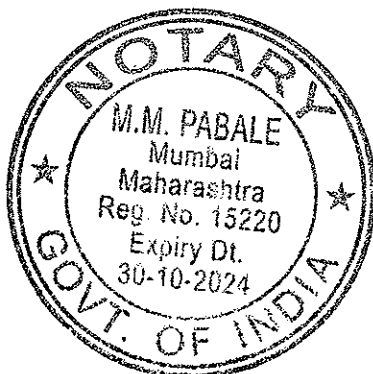
2. To participate in various Schemes promoted by the Central/ State Government(s) for and to undertake regulation and improvement of transport facilities and provide the requisite infrastructure therefore on privatisation principles and to charge, demand, collect fees, tolls, rentals, taxes and duties from the public for providing, management or maintaining facilities or infrastructure put up or acquired by the Company as Principals or as agents of all and concessionaire on behalf of Government or any other authority or any person whatsoever.
3. To establish and maintain any agencies in India or any part of the world for the conduct of the business of the Company.
4. To establish Branches, Agencies or appoint Representatives in India and elsewhere for anyone or more of the objects of the Company and to regulate and/or discontinue the same.
5. To enter into all types of internal or external foreign collaborations, licence arrangements, technical assistance, financial or commercial arrangements including the survey of markets for export and to study market conditions in India and outside, for the fulfillment of any objects herein contained.
6. To give advise and or to offer, give, take circulate and/ or otherwise organise, accept or implement and takeover bids, mergers, amalgamations, acquisitions, diversification, rehabilitation, or restructuring or any business, concern undertaking, company body corporate, partnership firm or any other association of persons whether incorporated or not, by acquisition of shares or assets and liabilities, and whether as a going concern or as part of the concern or otherwise as may be required having regard to infrastructure business exigencies; and further to promote or procure incorporation formation or setting up of concerns and undertakings whether as company, body corporate, partnership or any other association of persons for engaging in any industrial, commercial or business activities.
7. To set up, incorporate and manage, provide and/or participate in providing venture capital, technology funds, underwriting fund or any other funds for seed capital, risk capital foundation, including giving guarantees or such other financial assistance as may be conducive for development of new enterprises, innovative methods of production and development of existing and new technology, to identify projects including infrastructure projects ideas, to prepare project profiles, profit reports, market research, feasibility studies and reports, pre-investment studies and investigation of industries on micro and macro level, to undertake appropriate service to identify scope of potential for economic and industrial development in any particular geographical area or location whether in India or abroad, to act as lead managers in respect of project assignments by undertaking follow up, supervision and co-ordination work at the instance behest or on behalf of banks, financial institutions, companies, bodies corporate and to monitor the same to the participants, to act as an adviser in the management of the undertakings, business enterprises, offices, trade occupations and professions systems and by introducing modern techniques and systems and render all assistance as may be necessary including acting as agents for



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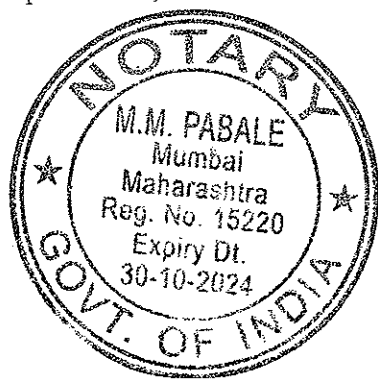
recruitment of personnel, technical, skilled, unskilled, supervisory, managerial or otherwise, and to act as an advisor in the selection of technical process, economic size, sources of plant and machinery and other utilities for business entrepreneurs for the attainment of foregoing business activity.

8. To acquire, purchase, takeover and/or amalgamate business of companies which under existing circumstances, from time to time, may conveniently or advantageously be combined with the business of the Company and to amalgamate or merge with companies whose business are so acquired, purchased or taken over and/or to enter into agreement with the object of acquisition of such undertaking and/or business.
9. To enter into partnership or into any arrangements for sharing profits, union of interest, co-operation, joint venture, reciprocal concessions or otherwise, with any person, firm, association company or corporation carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in or any business or undertaking or transaction which may seem capable of being carried on or conducted so as directly or indirectly benefit the company and to lend money, to guarantee or contract or otherwise acquire and hold shares or securities of any such person, firm or company and to take or otherwise acquire and hold shares or securities of any such person, firm or companies and to sell re-issue with or without guarantee or otherwise deal with the same.
10. To apply for, promote and obtain any Act, charter, privileges, concession, licence, authorisation, if any, Government, State or Municipality provisional order or licence of any authority for enabling the Company to carry any of its objects in effect, or for extending any of the powers of the Company, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interest.
11. To pay all the costs, charges and expenses of and incidental to the promotion and formation, registration and establishment of the Company and issue of its capital including costs, charges, expenses of negotiations and contracts and arrangement made prior to and in anticipation of the formation and incorporation of the Company.
12. To pay professional fees/ charges and remunerate (by cash or otherwise or in kind or by allotment of fully or partly paid shares or shares credited as fully or partly paid up or in any other manner) any persons, firms, associations, or companies for services, rendered or to be rendered or in rendering technical aid and advice, granting licences or permission for the use of patents, trade secrets, trade marks, processes and acting as trustee for debentureholders or debenture stock-holders of the company or for subscribing or agreeing to subscribe whether absolutely or conditionally or for procuring or agreeing to procure subscriptions whether absolute or conditional for any shares, debentures, or debenture stock, or other securities of the Company or of any company promoted by this company for services rendered in or about the formation or promotion for the company or any company promoted by this Company or in introducing any property or business to the Company or about the conduct of the business of the Company or for guaranteeing payments of such debenture-stock or other securities and any interest thereon.



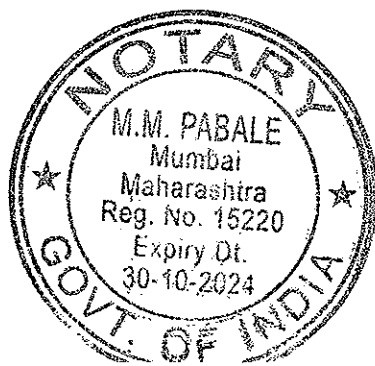
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13. To draw, make, execute, issue, accept, endorse, discount and negotiate promissory notes, mortgage backed securities, Hundies, bills of exchange, bills of lading, delivery orders, warrants, certificates, debentures and other negotiable transferable or mercantile instrument or securities.
14. To receive loans, advances, grants or other money on interest or otherwise from any person, or persons, institution, society, company, local authority, Government, international agency, and use it for furthering the objects of this company
15. To take over, manage and administer any of the assets of any borrowing agency that defaults or operates the fund given in contravention of any of the conditions agreed to by it, at the time of sanction of the loan, advance, agreement
16. To create any Depreciation Fund, Sinking Fund, Reserve Fund, Insurance Fund, Development Fund or any other special funds whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company, or for any other purpose conducive to the interests of the Company.
17. To carry out the Objects of the Company either as principal, agent, factor, contractor or trustees or in such other capacity and either alone or in conjunction with any other person, firm, body corporate, municipality, state body or government or person.
18. To incur debts and obligations for the conduct of any business of the Company and to purchase or hire goods, materials or machinery on credit or otherwise for any business or purpose of this Company.
19. To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the formation and registration of the Company or for the issue of its Capital including brokerage and commission for obtaining applications, for or taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company and all expenses of negotiations, contracts arrangement made prior to and in anticipation of the formation and incorporation of the Company.
20. To amalgamate, enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture or reciprocal concession, or for limiting competition with any individual, person or Company having similar objects.
21. To receive money on deposit or loan and borrow or raise in such manner as the Company shall think fit, subject to relevant provisions of the Companies Act, 1956, and other laws in force, and in particular by the issue of debentures or debenture-stock, (perpetual or otherwise) bonds, promissory notes, with right to convert into shares and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future) including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be but shall not carry on the business of banking as defined in the Banking Regulation Act, 1949, subject to Section 58-A of the Companies Act, 1956 and Reserve Bank of India Directives.



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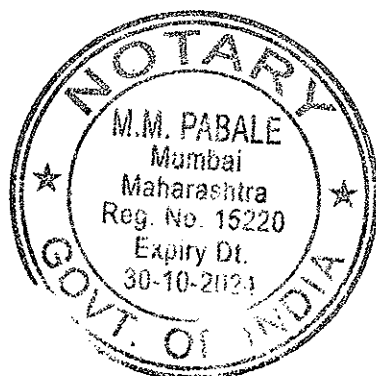
22. To purchase, acquire or take over as a going concern by purchase of, or lease or for management of the whole or any part of the business undertaking together with the goodwill, property, contracts, agreements, rights, privileges, effects and liabilities of any person, firm or company including its trade name, trade marks or patents and upon such terms and subject to such stipulations and conditions and at or for such price or consideration (if any) in money, shares, debentures, money's worth or otherwise as may be deemed fit, and to conduct and carry on or liquidate and wind up any such business.
23. To enter into, make and perform contracts and arrangements of every kind and description with Corporate Body, State or Central Government or any companies, firms or persons that may seem conducive to the Company's objectives or any of them and to obtain from any such authority any rights, privileges, charters, contracts, concessions, licences or purchase and sale of any kind of goods, machinery, spare parts, securities, shares, stocks, debentures, etc which the Company for the time being may consider necessary or desirable to obtain and to carry out, exercise and comply with such arrangements, rights, privileges and concessions.
24. To employ experts to investigate and examine into the condition, prospects, value, character and circumstances of any business concerns and undertaking and generally of any assets, property or rights.
25. To sell, mortgage, assign or lease and in any other manner deal with or dispose of the undertaking or property of the Company or any part thereof, whether movable or immovable for such consideration as the Company may think fit and in particular for shares, debentures and other securities of any other Company having objects altogether or in part similar to those of this Company.
26. To promote, form, establish or aid in the promotion, formation or establishment of any company or companies, association or associations subsidiary to this Company otherwise, for the purpose of acquiring or purchasing or taking over the entire undertaking of this Company or any of its subsidiary undertakings or any property or rights of this Company, or any of its contracts, options or liabilities or for any other purpose which the Company or its Directors may deem directly or indirectly calculated to benefit this Company, or land or estate which it is interested or to assist in attainment or promotion of its objects, and to subscribe for, place, commissions to secure the subscription of the capital or securities of or loans to any such company.
27. To procure the incorporation, registration or other recognition of the Company in any country, state or place and to establish and regulate agencies for the purpose of the Company's business and to apply or join in applying to any Parliament, Local Government, Municipal or other authority or body, Indian or foreign, for any acts of Parliament laws, decrees, concessions, orders, rights or privileges that may seem conducive to the Company's objects or any of them and to oppose any proceedings or applications which may seem calculated directly to prejudice the Company's interests.
28. To apply for, secure, acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise, and to exercise, carry out and enjoy any charter, licence, power, authority, franchise, concession, right or privileges, which any Government or



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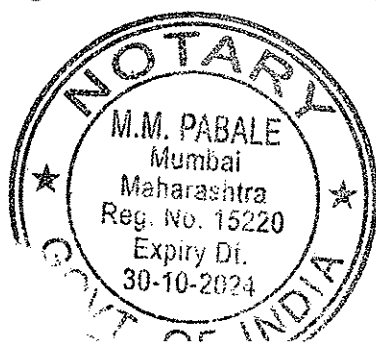
authority or any Corporation or other public body may be empowered to grant, and to pay for, aid in, and contribute towards carrying on the same effect.

29. To promote, form and to be interested in, and take, hold and dispose of shares in any other company having similar objects, and to subsidise or assist any such companies financially or otherwise by issuing or subscribing for or guaranteeing the subscription and issue or other securities of such company and to transfer to any such company any property of this Company and to take or otherwise acquire, hold and dispose of shares, debentures and other securities in or of any such company/ companies.
30. To apply for, purchase, or otherwise acquire and protect and renew or sell any patents, patent rights, brevets d'invention, trade marks, designs, copyrights, know-how, licences, concessions, industrial or commercial property and the like conferring any exclusive or non-exclusive or limited rights to their use, application or exploitation or any secret or other information as to any invention or otherwise which may seem capable of being used for any of the purposes of the Company or directly or indirectly, to benefit the Company and to use, exercise, develop or grant licences the property, rights, or information so acquired and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.
31. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory welfare, gratuity, pension or superannuation funds for the welfare and benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments or benefits of medical, health or charitable purposes to any persons, who are or were at any time in the employment or service of the Company, and the wives, widows, families and dependents of any such persons including the directors, ex-directors
32. To open bank account or accounts with any bank or banks and to pay into and to withdraw moneys for such account or accounts including overdraft accounts and to operate the same for fulfillment of objects and/or purposes of the Company
33. To lend or deposit moneys belonging to or entrusted to or at the disposal of the Company to such persons or company and in particular to customers and others having dealings with the Company with or without security, upon such terms as may be thought proper and to guarantee the performance of contracts by such person or company, but not to do the business of banking as defined in the Banking Regulations Act, 1949.
34. To distribute amongst the members of the Company in specie or kind any property of the Company or any proceeds of sale or disposal of any property of the Company whether in the event of the winding up of the Company, subject to the provisions of the Companies Act, 1956.
35. To invest the surplus funds of the Company from time to time in Government securities or in other securities including bills of exchange and acceptance, as may from time to time be determined by the Directors and from time to time sell or vary all such investments and to execute all assignments, transfers, receipts and documents that may be necessary in that behalf.



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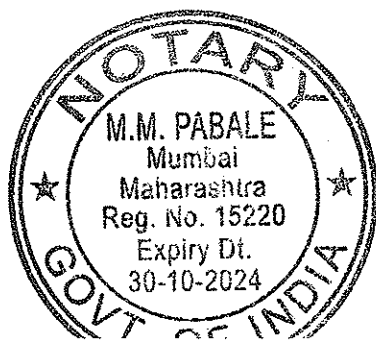
36. To adopt such means of making known the business of the Company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works, of art, of interest, by publication of books and periodicals, and by granting prizes, rewards and donations.
37. To make donations to such persons or institutions and in such cases and either in cash or any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and in particular to remunerate any person or corporation introducing business to this Company, and also to subscribe, contribute or otherwise assist or guarantee money for charitable, scientific, religious or benevolent, public or cultural, educational or other institutions, objects or for any exhibition or for any public general or other objects and to establish and support or association, institutions, funds, trusts and convenience for the benefit of the employees or ex-employees (including Directors) of the Company or of dependents, relatives or connection of such persons and in particular friendly or otherwise benefit societies and to grant pension, allowances, gratuities and bonuses either by way of annual payments or a lumpsum and to make payments towards insurance and to form and contribute to provident benefit funds and other welfare funds of or for such persons.
38. To carry out in any part of India all or any part of the Company's objects as principal agents, factor, trustee, contractor or otherwise, either alone or in conjunction with any other person, firm, association, corporate body, municipality province, state body or government or colony or dependency thereof.
39. To promote, form and register and aid in promotion, formation and registration of any company or companies, for the purpose of acquiring all or any of the property, undertaking, rights and liabilities of such company and to be interested in, or take or otherwise acquire, purchase, hold, sell or otherwise dispose of shares, debentures, and other securities in or of any such company or any other Company, for all or any of the objects mentioned in this Memorandum and to subsidise or otherwise assist any such company and to undertake the management or other work, duties and business of any such company on such terms and conditions as may be determined.
40. To sink wells and shafts, and to make, build and construct, lay down and maintain, reservoirs, water works, cisterns, culverts, filter-beds, main and other pipes and appliances, and to execute and do all other works and things necessary or convenient for obtaining, storing, selling, delivering, measuring and distributing water, or otherwise for the purposes of the Company.
41. To give guarantees and carry on and transact every kind of guarantee and counter-guarantee business and in particular to guarantee the payment of any principal moneys, interest or other moneys secured by or payable under any debentures, bonds, debenture-stocks, mortgages, charges, contracts, obligations and securities and the payment of dividends on and the repayment of the capital of stocks and shares
42. To carry on in all their respective branches all or any of the businesses of builders masonry and general construction contractors and hauliers and among other things to construct, execute, carry out, equip, improve, work and advertise railways, roadways, tramways, docks, harbours, wharves, canals, water-courses, reservoirs, embankments, irrigations, reclamations, sewage, drainage, and other sanitary works, water, gas,



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electric and other supply works, houses, buildings, and erections of every kind, and businesses that are customarily or usually carried on in connection therewith or naturally incidental thereto.

43. To construct, maintain, improve, develop, work, control, and manage any waterworks, gasworks, reservoirs, roads, tramways, electric power, heat and light supply works, telephone works, hotels, clubs, restaurants, baths, places of worship, places of amusement, pleasure grounds, parks, gardens, reading rooms, stores, shops, dairies, and other works and conveniences which the Company may think directly or indirectly conducive to these objects, and to contribute or otherwise assist or take part in the construction, maintenance, development, working, control, and management thereof.
44. To develop and turn to account any land acquired by the Company or in which the Company is interested, and in particular by levying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, furnishing, fitting up, and improving buildings, and by planting, paving, draining, farming, cultivating, letting on building, lease or building agreement, and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants, and others.
45. To set up, create, issue, float and manage trusts or funds including any mutual fund, growth funds, investment funds, income or capital funds, taxable or tax exempt funds, provident, pension, gratuity and superannuation funds, charitable funds, trusts, or consortium funds to act as administrators or managers of such funds and trusts and to act as trustees for bondholders, debentureholders and for other purposes herein
46. To carry on the business of promotion, organising, procuring incorporation of and giving financial or other assistance in India or abroad independently or in association with any person, Government or any other agencies whether incorporated or not, for any business of the Company.
47. To set up, operate, install, commission, maintain, and to lease, license, let, hire, for charge, cess, toll, rent or other user charges for telecommunication net works in the nature of cellular, mobile, paging systems, fax systems, E-Mail systems, mobile telephones, phones, commercial band communication systems, ship-to-shore telecommunication systems, walkie-talkie systems, data transmission systems, TV signal transmission system or any other mode of telecommunication, microwave telecommunication systems, etc.
48. To adopt new technologies that have been developed in the field of telecommunications from time to time and utilisation the same to its business.
49. To carry on the business as merchants, traders, commission agents, buying agents, selling agents, brokers, adatias, buyers, sellers, importers, exporters, dealers in, collectors, or in any other capacity and to import, export, buy, sell, barter, exchange, pledge, mortgage, advance upon or otherwise trade and deal in machinery, equipments, components, spare parts, goods, produce, articles and merchandise of any kind whatsoever and without prejudice to the generality of the foregoing

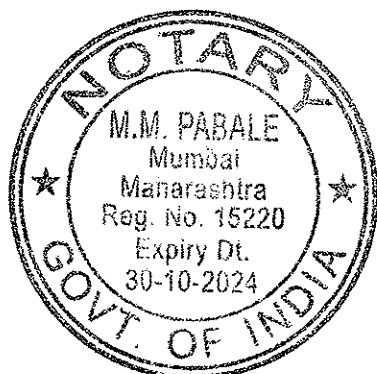


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agricultural commodities, food grains, cash crops, cotton, tea, jute, coffee, fruits, vegetables, flowers, milk, milk products, meat, seeds, raw materials required by industries, semi-finished products of industries and finished products of industries including machinery, equipment, chemicals, intermediates, electrical goods, textile yarns, garments, furniture, minerals, ores and oils as wholesalers or retailers on the basis of ready delivery or forward contracts or on commission basis.

50. To purchase, take on lease, under concession or otherwise, lands, buildings, works, mines, mineral, deposits, mining rights, plantations, forests and other rights or privileges or interest therein and to exploit, develop, build or upon any land or properties which may be purchased, leased or acquired, and to work alternative account for the same any properties in possession of the Company which are in the nature of, buildings, houses, erections, factories, commercial complexes, works or business which may be directly or indirectly conducive to any of the objectives of the Company and which would contribute to the business of the Company, and would aid or subsidise the business of the Company and to undertake the business of land and property development, of franchise of land in connection with the said buildings and erections as may be considered necessary for commercial developments by the Company and to sell, lend, charter or otherwise dispose, develop, cultivate, maintain, improve, manage, control and exploit the said property or otherwise dispose off the said property, land, building, construction, erections, belonging to the Company, as aforesaid
51. To purchase, hold, take on lease or exchange, take on mortgage and give on mortgage, hire or otherwise acquire and hold or deal in any moveable or immovable property including shops, flats, offices, godowns, patents, licences, and any rights interests and privileges therein and to develop and turn to account or let them out on rent.
52. To do all or any of the above things and all such things as are incidental or may be brought conducive to the attainment of the above objects or any of them in any part of the world, and as principals, agents, contractors, trustees, agents or otherwise, and by or through trustees, agents or otherwise and either alone or in conjunction with others.
53. To carry on the business of an investment company and to buy, invest in, subscribe to, acquire and hold, sell and exchange and deal in shares, preference shares, stocks, debentures (Convertible and Non-convertible), debenture-stock, bonds, Company deposits, obligations and securities of any kind issued or guaranteed by any company constituted or carrying on business in India or elsewhere and any Government, State, dominions, sovereign, rulers, commissioners, public body or authority, supreme, municipal, local or otherwise, firm or person, whether in India or elsewhere for the provision and development of physical, social and all other infrastructural facilities

IV The liability of the Members is limited.



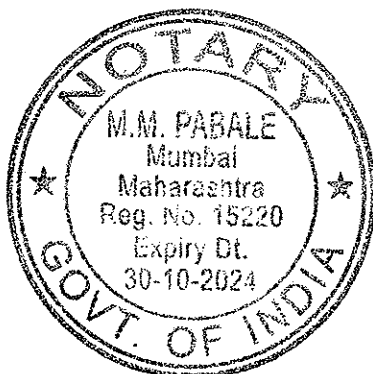
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- (i) The Authorised Share Capital of the Company is ₹ 2,500,00,00,000 (Rupees Two Thousand Five Hundred Crore only) comprising of Equity Share Capital of ₹ 2000,00,00,000 (Rupees Two Thousand Crore Only) divided into 200,00,00,000 (Two Hundred Crore) Equity Shares of ₹ 10/- each and Preference Share Capital of ₹ 500,00,00,000 (Five Hundred Crore) divided into 50,00,00,000 (Fifty Crore) Preference Shares of ₹ 10/- each
- (ii) The paid up share Capital of the Company shall be minimum of ₹ 5,00,00,000/- (Rupees Five Lakhs Only)
- (a) Any shares of the original or increased capital may from time to time be issued with any such guarantee or any such right of preference, whether in respect of dividend or of repayment of capital, or both, or any such other special privilege or advantage over any shares previously issued or then about to be issued, or with such deferred or qualified rights as compared with any shares previously issued, or then about to be issued, or subject to any such provisions or conditions and with any special right or limited rights or without any right of voting, and generally on such terms as the Company may from time to time determine
- (b) The right of the holders of any class of shares for the time being forming part of the Capital of the Company, may be modified, affected, varied, extended by the Company or surrendered either with the consent in writing of the holders of three-fourth of the issued shares of the class or with the sanction of a special resolution passed at the separate meeting of holders of these shares

* *Heading of the Clauses 43 to 53 - "Clause III C- OTHER OBJECTS" was deleted vide Special Resolution passed by Shareholders of the Company by way of postal ballot on December 23, 2015*

** *The clause has been substituted by the above new clause vide Ordinary Resolution passed by the Shareholders of the Company at the Annual General Meeting held on September 4, 2018*



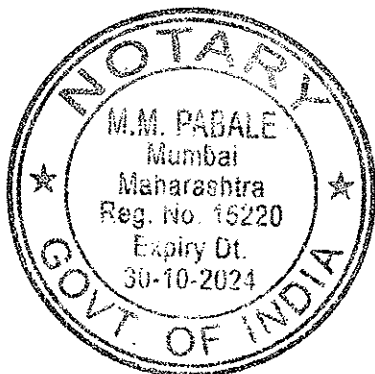
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We the several persons, whose names, addresses and description are hereunder subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite to our respective names:

Name, address, description and Occupation of each Subscriber	No. of shares taken by each subscriber	Signature of Subscriber	Signature, names, addresses, descriptions and occupations of witnesses
Mr Hari Sankaran S/o Mr V R Sankaran Park View, # 17, Little Gibbs Road, Malabar Hill Nepean Sea Road Mumbai 400 006 (Service)	1 (One)	Sd/-	Common Witness for all Sd/- (S Shivkumar) S/o Shankaran R Ganesh & Associates Company Secretaries 1/3 Jivaji Lane, 4 th Floor, Vijay Building Fort, Off DN Road Mumbai - 400 001
Mr Pradeep Singh S/o Mr Surjit Singh C-2/59, Safdarjung Development Area New Delhi (Service)	1 (One)	Sd/-	
Mr K Ramchand S/o Mr KV Karunakaran Mr K Ramchand 3-1/B Centre Point Ambavadi Ahmedabad Gujarat 380 006 (Service)	1 (One)	Sd/-	
Avinash Bagul S/o Mr Atmaram Bagul D/101 Shivchhaya Eksar Road Borivali (West) Mumbai 400 091 (Service)	1 (One)	Sd/-	
Ms Shaivali Parekh W/o Mr Rajeev Parekh 101 Srinivas Prarthana Samaj Road Vileparle (East) Mumbai 400 057 (Service)	1 (One)	Sd/-	

Place : Mumbai

Dated : November 27, 2000



THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
(Incorporated under the Companies Act, 1956)

ARTICLES OF ASSOCIATION
OF

IL&FS TRANSPORTATION NETWORKS LIMITED

Preliminary

1. The following regulations comprised in these Articles of Association were adopted pursuant to the members' resolution passed at the annual general meeting of the Company held on August 26, 2015, in substitution for and to the entire exclusion of, the regulations comprised in the former Articles of Association of the Company

2. **Definitions & Interpretation**

2.1 In these Articles —

“Act” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.

“Articles” means these articles of association of the Company or as altered from time to time.

“Board of Directors” or “Board”, means the collective body of the directors of the Company.

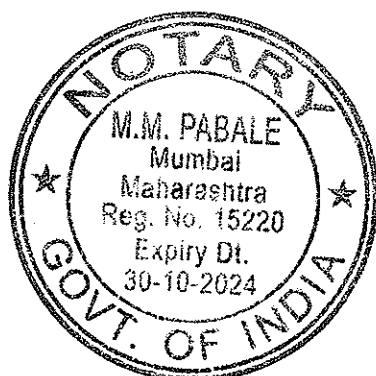
“Company” means IL&FS Transportation Networks Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at The IL&FS Financial Centre, Plot C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

“Director” means the Directors for the time being of the Company or, as the case may be, the Directors assembled at a meeting of the Board.

“Equity Shares” means the equity shares of the Company having par value of INR. 10/- per equity share.

“Equity Share Capital” means the par value of all the Equity Shares issued by the Company.

“Person” shall include any association, firm, corporation or Company as well as individuals.



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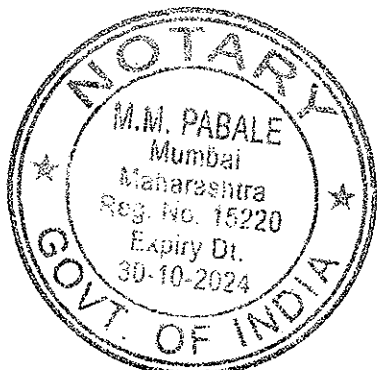
"Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

"Seal" means the Common Seal of the Company.

- 2.2 In these Articles, unless there is something in the subject or context inconsistent therewith:
- (a) Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.
 - (b) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.

Share capital and variation of rights

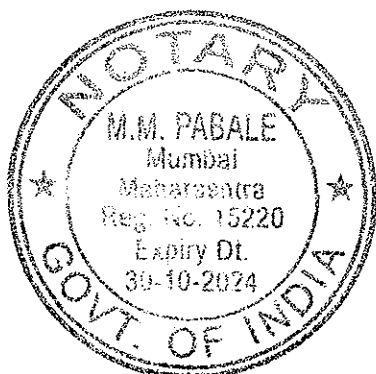
3. The Authorised Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
4. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever (including the goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.
5. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:
 - (a) Equity share capital:
 - (i) with voting rights; and / or
 - (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
 - (b) Preference share capital
6. (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer



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or transmission or within such other period as the conditions of issue shall provide –

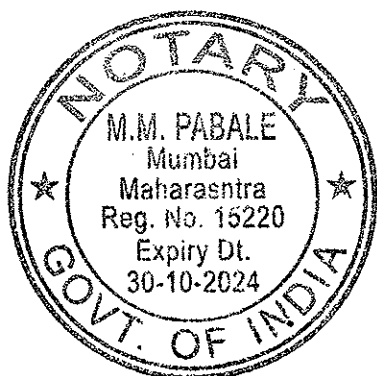
- (a) one certificate for all his shares without payment of any charges; or
 - (b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.
- (2) Every certificate shall be under the Seal and shall specify the shares to which it relates and the amount paid-up thereon.
 - (3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
7. A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.
8. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board. The Company shall not charge any fee exceeding those which may be agreed upon with the stock exchange for registration of transfer of shares and debentures, for sub-division and consolidation of share and debenture certificates and for sub-division, of letters of allotment and split, consolidation, renewal and Transfer Receipts into denominations corresponding to the market units of trading, for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised, for registration of any Power of Attorney, Probates letters of administration or similar other documents.
9. The provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.
10. (1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.
- (2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.
- (3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid up shares or partly in the one way and partly in the other.



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11. (1) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.
- (2) To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply.
12. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
13. Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to Equity Shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.
14. (1) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to –
- (a) persons who, at the date of offer, are holders of Equity Shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or
- (b) employees under any scheme of employees' stock option; or
- (c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.
- (2) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules
- (3)# The Board or Committee(s) thereof have power to consolidate or reissue securities including debentures, bonds or any debt instrument issued and /or to be issued from time to time, upon such terms and conditions and in such manner and for such consideration as the Board or Committee(s) thereof shall consider beneficial for the Company

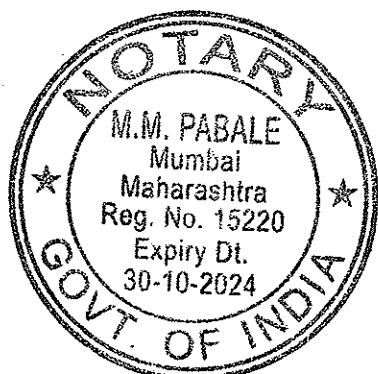
- The clause has been inserted vide Special Resolution passed by the Shareholders of the Company at the Annual General Meeting held on September 4, 2018



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Lien

15. (1) The Company shall have a first and paramount lien –
- on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:
- Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.
 - Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.
16. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:
- Provided that no sale shall be made—
- unless a sum in respect of which the lien exists is presently payable; or
 - until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.
17. (1) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
- The purchaser shall be registered as the holder of the shares comprised in any such transfer.
 - The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
 - The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.
18. (1) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

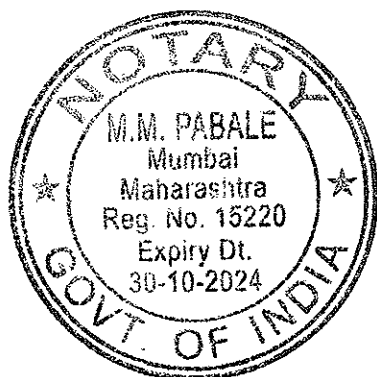


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- (2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
19. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.
20. The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Calls on Shares

21. (1) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times;
- Provided that the Board shall not give right or option to any other person except with the sanction of the Company in General Meeting.
- (2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- (3) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.
- (4) A call may be revoked or postponed at the discretion of the Board
22. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
23. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
24. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof ("the due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.
- (2) The Board shall be at liberty to waive payment of any such interest wholly or in part.

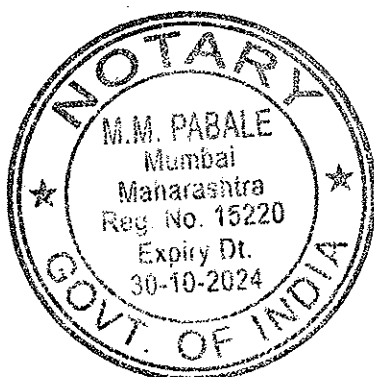


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25. (1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (2) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
26. The Board—
- (a) may, if it thinks fit, pursuant to Section 50, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the members (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable by him.
27. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.
28. All calls shall be made on a uniform basis on all shares falling under the same class.
Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.
29. The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities of the Company

Transfer of shares

30. (1) A common form of transfer in the form as prescribed under the Act, shall be used.
- (2) The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.
- (3) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.



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31. The Board may, subject to the right of appeal conferred by the Act decline to register –
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - (b) any transfer of shares on which the Company has a lien.

Provided that registration of a transfer shall not be refused on the ground that the transferor being either alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares.

32. In case of shares held in physical form, the Board may decline to recognize any instrument of transfer unless –
- (a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;
 - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (c) the instrument of transfer is in respect of only one class of shares.

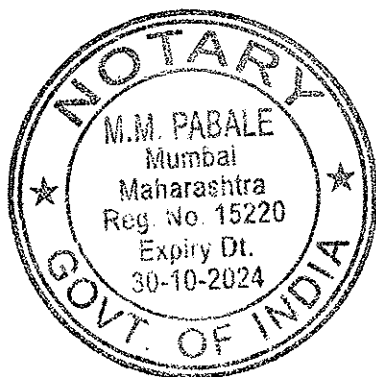
33. On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty- five days in the aggregate in any year.

34. The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Transmission of shares

35. (1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.
- (2) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
36. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –
- (a) to be registered himself as holder of the share; or

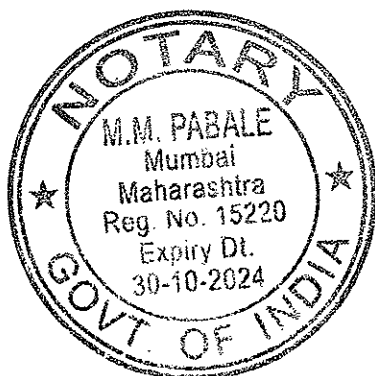


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- (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- (3) The Company shall be fully indemnified by such person from all liability, if any, for actions taken by the Board to give effect to such registration or transfer.
37. (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
38. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
39. The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company.

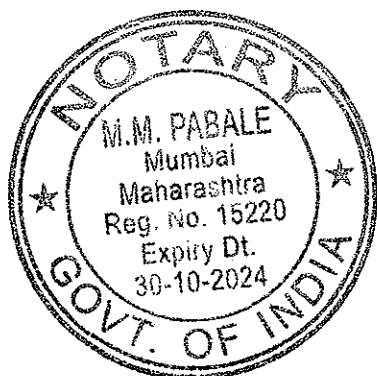
Forfeiture of shares

40. If a member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.
41. The notice aforesaid shall:



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- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
42. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
43. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
44. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
45. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
46. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
47. The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

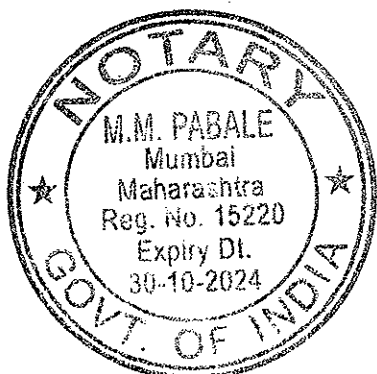


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Alteration of capital

48. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
49. Subject to the provisions of the Act, the Company may, by ordinary resolution—
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
50. Where shares are converted into stock—
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

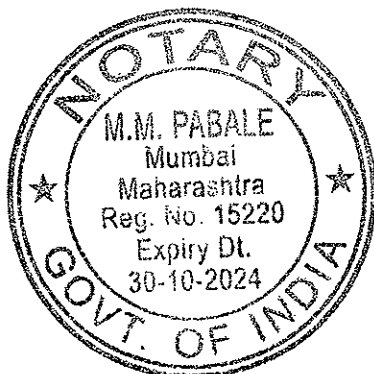
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
 - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
 - (c) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
51. The Company may, by resolution as prescribed the Act, reduce in any manner and with, and subject to, any incident authorized and consent required by law—
- (a) its share capital;
 - (b) any capital redemption reserve account;
 - (c) any share premium account; or
 - (d) any other reserve in the nature of share capital.



A small, handwritten mark or signature, possibly a stylized letter 'D' or a similar symbol, located to the right of the notary seal.

Capitalization of profits

52. (1) The Company in general meeting may, upon the recommendation of the Board, resolve—
- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3), either in or towards—
- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
- (3) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
53. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - (b) generally do all acts and things required to give effect thereto.
- (2) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and



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- (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (3) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

54. Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

General meetings

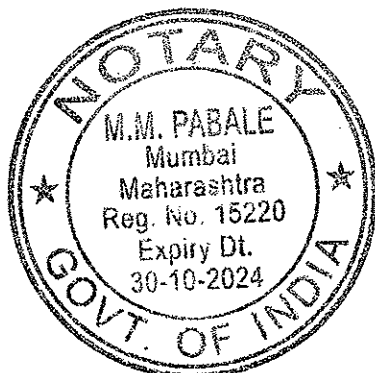
55. All general meetings other than annual general meeting shall be called extraordinary general meeting.
56. The Board may, whenever it thinks fit, call an extraordinary general meeting.

Proceedings at general meetings

57. (1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (2) The quorum for the general meetings shall be as provided in the Act.
58. The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.
59. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
60. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
61. On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have second or casting vote.

Adjournment of meeting

62. (1) Chairperson may, with the consent of any meeting at which a quorum is present, and



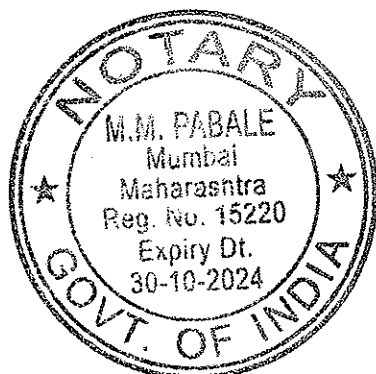
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shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

- (2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (4) Save as aforesaid, and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

63. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
 - (a) on a show of hands, every member present in person shall have one vote; and
 - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up Equity Share Capital of the Company.
64. A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.
65. (1) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
 - (2) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
66. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
67. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
68. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
69. (1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - (2) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.



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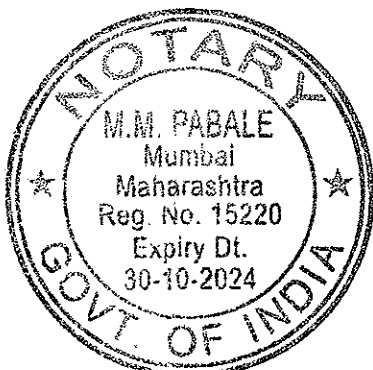
Proxy

70. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
71. An instrument appointing a proxy shall be in the form as prescribed in the Rules.
72. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

73. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 and shall not be more than 15.
74. (1) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (2) The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.
- (3) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
- (b) in connection with the business of the Company.
75. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
76. (1) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the

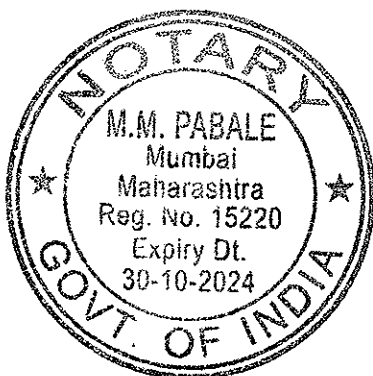


directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

- (2) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.
77. (1) The Board may appoint an alternate director to act for a director (hereinafter in these Articles referred to as "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.
- (2) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
- (3) If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director
- (4)@ In case the Company obtains any loans /other facilities from financial institutions and it is a term thereof that the said financial institution shall have right to nominate one or more directors, then subject to such terms and conditions as may be agreed upon the said financial institutions shall be entitled to nominate one or more directors as the case may be, on the Board of Directors of the Company and to remove from office any such director so appointed and to nominate another in his place or in place of the director so appointed who resigns or otherwise vacates his office. Any such nomination or removal shall be made in writing and by a resolution of the Board of Directors of such financial institution or by any person duly authorized by it
- (5)§ The Nominee Directors appointed under the last preceding Article shall be entitled to hold office until retired by the person, firm or body corporate who may have appointed them. A Nominee Director shall not require any qualification Shareholding. As and when a Nominee Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the person, firm or body corporate who appointed such Nominee Director may appoint another Director in his place. Every nomination, appointment or removal of a Nominee Director or other notification under this Article shall be in writing and shall in the case of a Company under the hand of a Director of such Company duly authorised in that behalf by a resolution of the Board of Directors. Subject as aforesaid, a Nominee Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company

@ - The clause has been inserted vide Special Resolution passed by the Shareholders of the Company at the Annual General Meeting held on September 4, 2018

§ - The clause has been inserted vide Special Resolution passed by the Shareholders of the Company at the Annual General Meeting held on September 4, 2018



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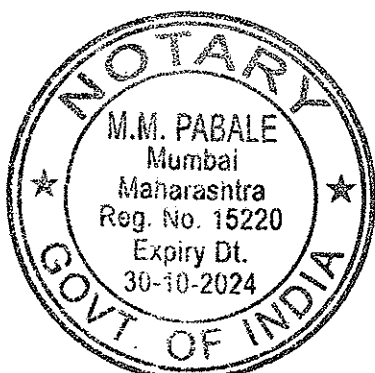
78. (1) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.
- (2) The director so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

Powers of Board

79. (1) The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- (2) The Board may, from time to time and at its discretion, subject to the provisions of Sections 73, 179, 180, and 185 of the Act, raise or borrow either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company provided that the Board shall not, without the sanction of the Company in General Meeting borrow any sum of money which together with money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.
- (3) The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage, or other tangible security on the under- taking of the whole or any part of the Company (both present and future) but shall not create a charge on its capital for the time being without the sanction of the Company in the General Meeting.

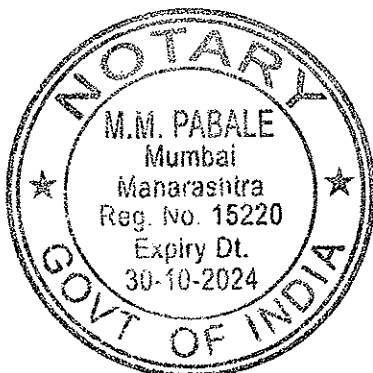
Proceedings of the Board

80. (1) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (2) The Chairperson or any one director may or the secretary on the direction of the Chairperson / Director shall, at any time, summon a meeting of the Board
- (3) The quorum for a Board meeting shall be as provided in the Act.



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- (4) The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
81. (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (2) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
82. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
83. (1) The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence the Board may elect a Chairperson of its meeting and determine the period for which he is to hold office.
- (2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
84. (1) The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.
- (2) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- (3) The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
85. (1) A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.
- (2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
86. (1) A committee may meet and adjourn as it thinks fit.
- (2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
87. All acts done in any meeting of the Board or of a committee thereof or by any person acting



as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

88. Save as otherwise expressly provided in the Act, a resolution in writing / circular resolution, signed by the majority of the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

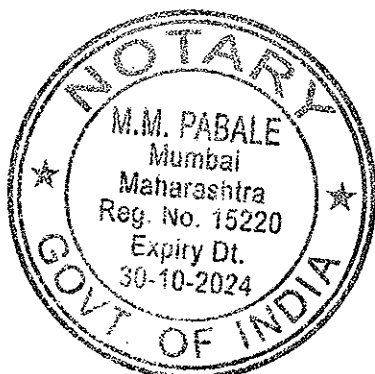
Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

89. Subject to the provisions of the Act—

- (1) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board. The Board may appoint one or more chief executive officers for its multiple businesses.
- (2) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

Managing Director

90. (1) Subject to the provisions of Sections 196, 197, and 203 and Schedule V of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors of the Company and may, from time to time (subject to the provisions of any contract between him or them and the Company), remove or dismiss him or them from office and appoint another or others in his place or their places. The Managing Director shall exercise such powers as may be delegated to him by the Board subject to its overall control and supervision. The Managing Director shall report all material actions undertaken, or proposed to be undertaken, by him in the exercise of powers delegated to him to the Board of Directors at their meetings.
- (2) Subject to the provisions of Act and Rules and Schedule of the Act, a Managing Director shall, in addition to the remuneration payable to him as a Director of the Company under the Articles, receive such additional remunerations as may, from time to time, be sanctioned by the Company.
- (3) Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in the Act thereof, the Board may, from time to time, entrust to and confer upon a Managing Director for the time being such of the powers exercisable under



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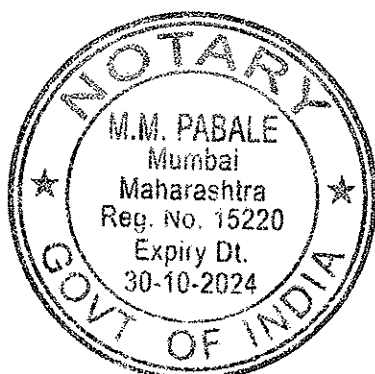
these presents by the Board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such powers, either collaterally with, or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

The Seal

91. (1) The Board shall provide for the safe custody of the Seal.
- (2) The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least one director or manager, if any or of the secretary or such other person as the Board may appoint for the purpose; and such director or manager or the secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

Dividends and Reserve

92. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
93. Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
94. (1) The Board at its discretion may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- (2) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
95. (1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- (2) No amount paid or credited as paid on a share in advance of calls shall while carrying interest be treated for the purpose of this Article as paid on the share, including to confer a right to dividend or to participate in profits.



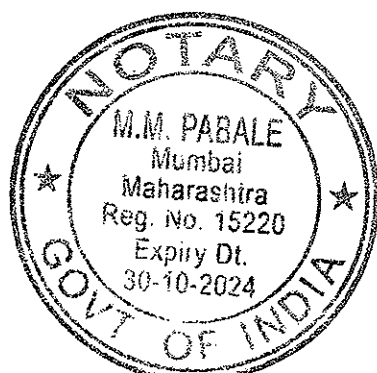
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- (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
96. (1) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- (2) The Board may retain dividends payable upon shares in respect of which any person is, under the Article 36 & 37 hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares
97. (1) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct
- (2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (3) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.
98. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
99. No dividend shall bear interest against the Company.

The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

All unpaid and unclaimed dividends shall be dealt with in accordance with the provisions of the Act and rules made there under.

Further, there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.



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Accounts

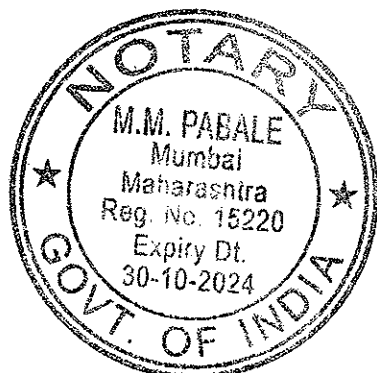
100. (1) The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.
- (2) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board.

Winding up

101. Subject to the provisions of the Act and Rules made there under—
- (1) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (3) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Dematerialization of Securities

102. (1) Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996.
- (2) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.
- (3) The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Act and the Depositories Act, 1996, containing details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by law(s) including any form of electronic media.



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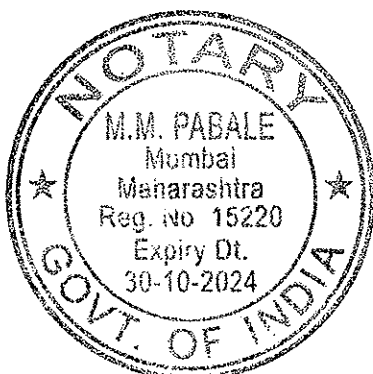
- (4) The Company shall have the power to keep in any state or country outside India a branch register resident in that state or country.
- (5) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act, 1996.

Indemnity & Insurance

103. (1) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.
- (2) Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.
- (3) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

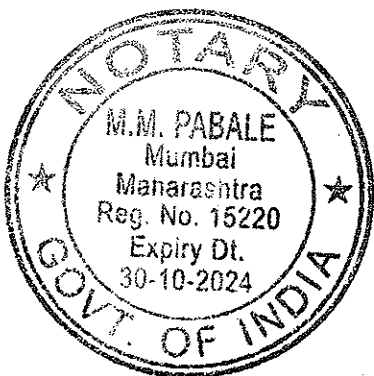
General Power

104. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.



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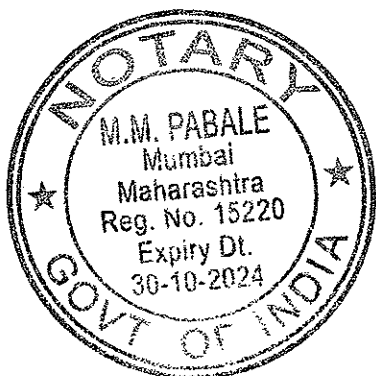
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We, the several persons, whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of these Articles of Association:

Name, address, description and Occupation of each Subscriber	Signature of Subscriber	Witnesses (along with names, addresses, descriptions and occupations)
Mr Hari Sankaran S/o Mr V R Sankaran Park View, # 17, Little Gibbs Road Malabar Hill, Nepean Sea Road Mumbai 400 006 (Service)	Sd/-	Common Witness for all Sd/- Shivkumar S/o Shankaran L/3 Jivaji Lane, Fort Vijay Bldg, 4th Floor Off D N Road, Mumbai 400001
Mr K Ramchand S/o Mr KV Karunakaran Mr K Ramchand 3-1/B Centre Point Ambavadi Ahmedabad Gujarat 380 006 (Service)	Sd/-	
Mr Pradeep Singh S/o Mr Surjit Singh C-2/59, Safdarjung Development Area New Delhi (Service)	Sd/-	
Ms Shivali Parekh W/o Mr Rajeev Parekh 101 Srinivas Prarthana Samaj Road Vileparle (East) Mumbai 400 057 (Service)	Sd/-	
Avinash Bagul S/o Mr Atmaram Bagul D/101 Shivchhaya Eksar Road Borivali (West) Mumbai 400 091 Service	Sd/-	

Place : Mumbai ,

Dated : November 27, 2000



IL&FS | Transportation

IL&FS Transportation Networks Limited

IL&FS Financial Centre, Plot C-22, G Block, Bandra Kurla Complex, Mumbai 400 051 INDIA	<table border="0"> <tr> <td>T</td> <td>+91 22 2653 3333</td> </tr> <tr> <td>F</td> <td>+91 22 2652 3979</td> </tr> <tr> <td>W</td> <td>www.itlindia.com</td> </tr> <tr> <td>CIN</td> <td>L45203MH2000PLC129790</td> </tr> </table>	T	+91 22 2653 3333	F	+91 22 2652 3979	W	www.itlindia.com	CIN	L45203MH2000PLC129790
T	+91 22 2653 3333								
F	+91 22 2652 3979								
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CIN	L45203MH2000PLC129790								

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY CIRCULATION BY THE BOARD OF DIRECTORS ("BOARD") OF IL&FS TRANSPORTATION NETWORKS LIMITED ("COMPANY") ON DECEMBER 22, 2023

"RESOLVED THAT based on the recommendations of the Audit Committee, the Board hereby approves the proposal for voluntary revision of the financial statements of the Company under Section 131 of the Companies Act, 2013 for the FYs 2018-19 and 2019-20, to consider the impact of the recast financial statements of the Company for FYs 2013-14 to 2017-18, subject to the approval of the National Company Law Tribunal, Mumbai

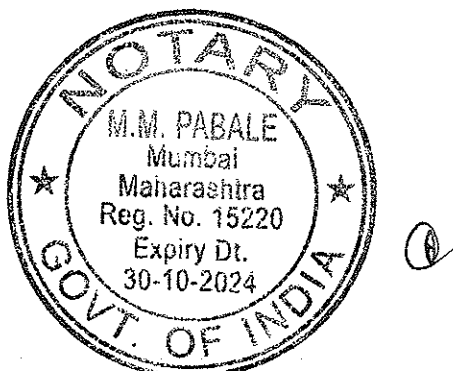
"RESOLVED FURTHER THAT the Company be authorised to make requisite applications to the NCLT under Section 131 of the Companies Act, 2013 for the voluntary revisions of the financial statements of FYs 2018-19 and 2019-20.

"RESOLVED FURTHER THAT based on the recommendations of the Audit Committee, the Board hereby recommends to the National Company Law Tribunal, Mumbai, the appointment of M/s. CNK Associates LLP, Chartered Accountants, (Firm Registration No. 101961W/ W-100036) as Auditors of the Company for auditing the revised financials for the financial years 2018-19 and 2019-20 pursuant to Section 131 of the Companies Act, 2013

RESOLVED FURTHER THAT Mr. Danny Samuel, CEO, Mr. Milind Gandhi, CFO and Mr. Parimal Prasad, Head – Legal be and are hereby severally authorised to sign and execute the applications to be submitted to the NCLT or such other statutory/regulatory authorities as may be necessary and to do all that is necessary in connection with the implementation of the aforementioned resolution."

For IL&FS Transportation Networks Limited

Krishna Ghag
Vice President & Company Secretary
Membership No: FCS 4489



NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI

Company Appeal (AT) No. 346 of 2018

IN THE MATTER OF:

Union of India

...Appellant

Vs.

Infrastructure Leasing and
Financial Services Ltd. & Ors.

...Respondents

Present: For Appellant: - Mr. Tushar Mehta, Solicitor General with Mr. Sanjay Shorey, Director (Legal & Prosecution) MCA, Mr. S. Ramakantha, Joint Director (Regional Director, WR), Mr. Parvez Naikwadi, Assistant Director (MCA), Mr. Kanu Agrawal, Advocate.

For Respondents: - Mr. Ramji Srinivasan, Senior Advocate with Ms. Gauri Rasgotra, Mr. L. Vishwanathan, Mr. Raunak Dhillon, Mr. Vikash Kumar Jha, Mr. Karan Khanna, Mr. Aditya Sikka and Ms. Ananya Dhar Choudhury, Mr. Bunmeet Singh Grover, Advocates for R-1.

WITH

Company Appeal (AT) No. 347 of 2018

IN THE MATTER OF:Infrastructure Leasing and
Financial Services Ltd.

...Appellant

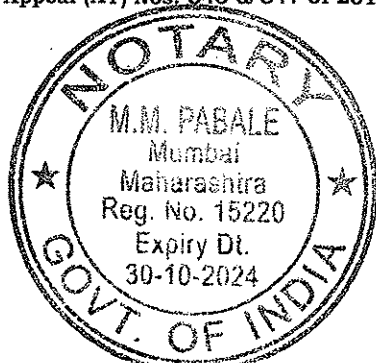
Vs.

Union of India & Ors.

...Respondents

Present: For Appellant: - Mr. Ramji Srinivasan, Senior Advocate with Ms. Gauri Rasgotra, Mr. L. Vishwanathan, Mr. Raunak Dhillon, Mr. Vikash Kumar Jha, Mr. Karan Khanna, Mr. Aditya Sikka and Ms. Ananya Dhar Choudhury, Mr. Bunmeet Singh Grover, Advocates.

Company Appeal (AT) Nos. 346 & 347 of 2018



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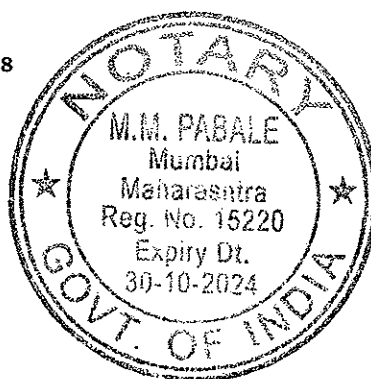
For Respondents: - Mr. Tushar Mehta, Solicitor General with Mr. Sanjay Shorey, Director (Legal & Prosecution) MCA, Mr. S. Ramakantha, Joint Director (Regional Director, WR), Mr. Parvez Naikwadi, Assistant Director (MCA), Mr. Kanu Agrawal, Advocate.

ORDER

15.10.2018— These appeals have been listed on urgent mentioning and taken up for admission even on a holiday taking into consideration the nature and importance of the appeals.

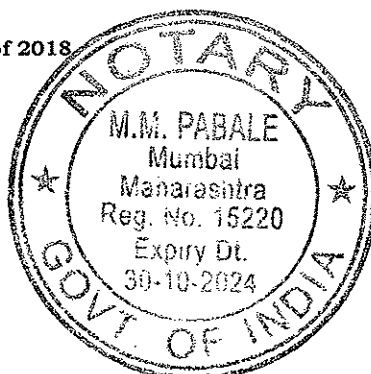
2. From the impugned order dated 12th October, 2018 in MA 1173/2018 in C.P. No. 3638(MB)/2018, we find that the National Company Law Tribunal ('Tribunal' for short) while accepted that no petition under any of the provision of the Insolvency and Bankruptcy Code, 2016 ("I&B Code" for short) can be preferred by any party for initiation of 'Corporate Insolvency Resolution Process' against 'Infrastructure Leasing and Financial Services Limited' ('IL&FS' for short) and its 348 Group Companies till the Central Government issue appropriate notification with regard to one or other making the provisions applicable to them, refused to pass the interim order in view of prayer of 'Moratorium' made by the Appellant- 'Union of India'. Otherwise the Tribunal has appreciated the difficulties which are being faced by the 'IL&FS' and its 348 Group Companies.

Company Appeal (AT) Nos. 346 & 347 of 2018



3. The questions arise for consideration in these appeals are:
- (i) Whether the Tribunal can pass appropriate order under Section 241 read with Section 242 of the Companies Act, 2013 for resolution of the problems faced by the Company in a time-bound manner for maximisation of value of assets of the Company, to promote entrepreneurship, availability of credit and balance the interests of all the stakeholders, and in case of failure of resolution pass appropriate order of liquidation; and
- (ii) Whether the Tribunal in exercise of powers conferred Under Section 242 (1) (b) read with Section 242 (2)(m) and Section 242(4) of the Companies Act, 2013 read with Rule 11 of the National Company Law Tribunal Rules, 2016, can pass appropriate interim order similar to order under Section 14 of the Insolvency and Bankruptcy Code, 2016.
4. According to Mr. Tushar Mehta, Learned Solicitor General for the Appellant- 'Union of India' and Mr. Ramji Srinivasan, Learned Senior Counsel for the 'IL&FS', the Tribunal has much wider power under Sections 241 and 242 of the Companies Act, 2013 than the powers vested under provisions of Insolvency and Bankruptcy Code, 2016.
5. Taking into consideration the nature of the case, we are of the view that five largest creditors should be also impleaded as party Respondents

Company Appeal (AT) Nos. 346 & 347 of 2018



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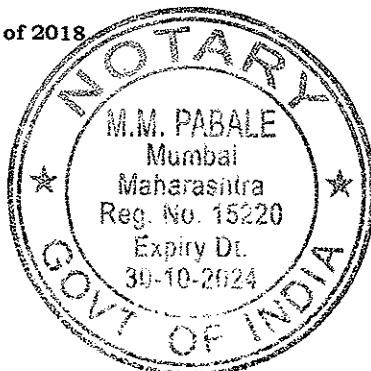
to these appeals in the representative capacity of the Creditors. Learned counsel for the Appellant(s) will make necessary correction in the cause title and other pages of the appeals in course of the day. Defects, if pointed out by office, may be removed before the next date.

6. Issue notice on Respondents, including newly impleaded Respondents by speed post. Requisite along with process fee, if not filed, be filed in course of the day. If the Appellant(s) provides the e-mail address of Respondents, let notice be also issued through e-mail. Dasti service is permitted particularly in the newly impleaded Respondents.

Post these appeals 'for admission' on 13th November, 2018 on the top of the list.

Taking into consideration the nature of the case, larger public interest and economy of the nation and interest of the Company and 348 group companies, there shall be stay of

- (i) The institution or continuation of suits or any other proceedings by any party or person or Bank or Company, etc. against 'IL&FS' and its 348 group companies in any Court of Law/Tribunal/Arbitration Panel or Arbitration Authority; and
- (ii) Any action by any party or person or Bank or Company, etc. to foreclose, recover or enforce any security interest created over

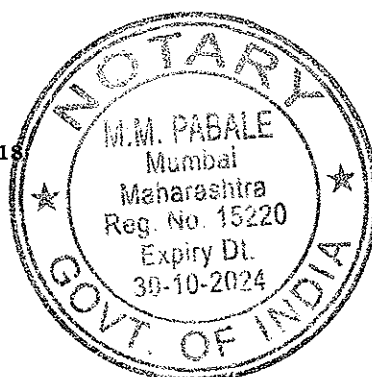


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the assets of 'IL&FS' and its 348 group companies including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

- (iii) The acceleration, premature withdrawal or other withdrawal, invocation of any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, guarantees, letter of support, commitment or comfort and other financial facilities or obligations vailed by 'IL&FS' and its 348 group companies whether in respect of the principal or interest or hedge liability or any other amount contained therein.
- (iv) Suspension of temporarily the acceleration of any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits and any other financial facility by the 'IL&FS' and its 348 group companies by any party or person or Bank or Company, etc. as of the date of first default.
- (v) Any and all banks, financial institutions from exercising the right to set off or lien against any amounts lying with any creditor against any dues whether principal or interest or otherwise against the balance lying in any bank accounts and deposits, whether current or savings or otherwise of the 'IL&FS' and its 348 group companies.

Company Appeal (AT) Nos. 346 & 347 of 2018

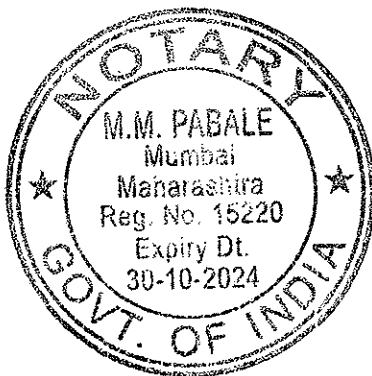


The interim order will continue until further orders and not be applicable to any petition under Article 226 of the Constitution of India before any Hon'ble High Court or under any jurisdiction of the Hon'ble Supreme Court.

(Justice S.J. Mukhopadhaya)
Chairperson

(Justice A.I.S. Cheema)
Member (Judicial)

AR/g



(Handwritten signature)

NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI**Company Appeal (AT) No. 346 of 2018****With****Interlocutory Application Nos.3616, 3851,3860,3962,4103,4249 of
2019, 182, 185 of 2020****IN THE MATTER OF:**

Union of India

...Appellant

Vs

Infrastructure Leasing &
Financial Services Ltd. & Ors.

...Respondents

With**Company Appeal (AT) No. 347 of 2018****With****Interlocutory Application Nos.3850, 3859 of 2019****IN THE MATTER OF:**Infrastructure Leasing and
Financial Services Ltd.

...Appellant

Vs

Union of India & Ors.

...Respondents

With**Company Appeal (AT) No. 256 of 2019****IN THE MATTER OF:**

Somany Provident Fund Institution

...Appellant

Vs

Union of India & Ors.

...Respondents

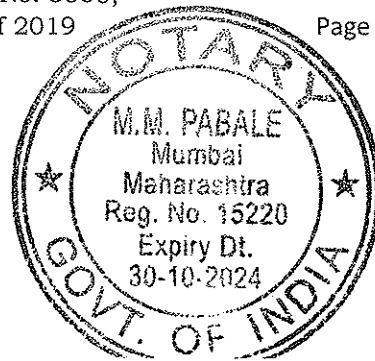
Present:

Mr. Kapil Sibal, Sr. Advocate with Mr. Manmeet Singh, Ms. Ria Kohli and Ms. Abhilasha Khanna, Advocates for L & T IDF.

Mr. Gopal Jain, Sr. Advocate with Mr. Ashish Mukh and Mr. Dhruv Malik, Advocates for UTI MF, UTI AMC, UTI RSL, SBI PF, Kotak Mahindra Pension Fund, HDFC PF.

Company Appeal (AT) No. 346 of 2018 With I.A.3616, 3851, 3860,3962,
4103,4249 of 2019,182,185 of 2020,Company Appeal (AT) No. 347 of 2018 With I.A. No. 3850,
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Mr. Gopal Jain, Sr. Advocate with Mr. Shiven Verma, Advocate for Hindustan Zinc Ltd, Employees Provident Fund, Employees Provident Fund Trust.

Mr. Salman Khurshid, Sr. Advocate with Mr. Amit Agrawal, Mr. Ayesha Jamal and Ms. Aanchal Tikmani, Advocates for Army Group Insurance Fund (AGIF).

Mr. Gopal Jain, Sr. Advocate with Mr. Amar Gupta, Mr. Divyam Agarwal and Ms. Pallavi Kumar, Advocates for SRS Orion Investments Ltd.

Mr. Arun Kathpalia, Sr. Advocate with Sidharth Sethi and Mr. Avinash Das, Advocates for PIC India Financial Services Ltd.

Mr. Ramji Srinivasan, Sr. Advocate with Mr. L. Viswanathan, Ms. Gauri Rasgotra, Mr. Abhijeet Das, Mr. Raunak Dhillon, Mr. Vikash Kumar Jha, Mr. Karan Khanna, Ms. Ishneet Kaur, Ms. Ritu Viswakarma, Advocates for IL & FS for R-1.

Mr. Ramji Srinivasan, Senior Advocate with Mr. Sanjay Shorey, Director (Legal), MCA and Mr. Rakesh Tiwari for Union of India (Appellants) and R-1 in CA (AT) No. 347 of 2018.

Dr. Abhishek Manu Singhvi, Sr. Advocate with Mr. Diwakar Maheshwari, Mr. Avishkar Singhvi, Ms. Aditi Bagri, Mr. A. Ramaiah and Mr. Shreyas Edupuganti, Advocates for IndusInd Bank (Respondent No. 16).

Mr. Dushyant D. Sr. Advocate with Mr. Diwakar Maheshwari, Ms. Aditi Bagri, Mr. A. Ramaiah and Mr. Shreyas Edupuganti, Advocates for Bajaj Finance Ltd. (Intervenor).

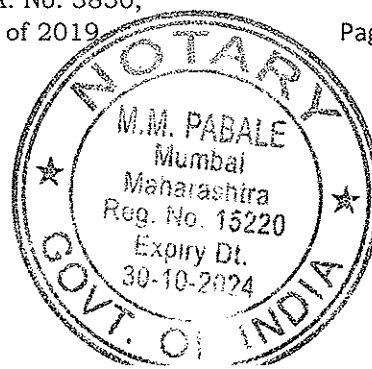
Mr. Sandeep Sethi, Sr. Advocate with Mr. Sanjay Kapur, Ms. Megha Karnwal and Mr. V.N.Kannan, Advocates for SBI 2 Axis Bank.

Mr. Diwakar Maheshwari and Mr. Shreyas Edupuganti, Advocates for CESE Limited and CESE Provident Fund.

Mr. S.N. Mukharjee, Sr. Advocate with Mr. Arya Bhagava, Ms. Vanita Bhargava, Mr. Wamika Trehan and Ms. Raddhika Khanna, Advocates for ABFC (Applicant).

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Mr. Ajay Bhargava, Ms. Vanita Bhargava, Ms. Wamika Trehan and Ms. Raddhika Khanna, Advocates for Catgate Pamolive (I) Ltd., Appalo, Mcloyd Russel India Ltd., Max Bhupa, West Cost Paper and Hur Fund.

Mr. Atul S. Mathur, Ms. Priya Singh and Mr. Umang Kataria, Advocates for BHEL PF Fund, Mother Dairy and National Dairy.

Mr. Jeevan B. Panda, Ms. Shalini S. Prasad and Ms. Meher Tandon Advocates for Birla Industries and Siemens Ltd.

Mr. Manish Paliwal, Mr. Vikas Kumar and Mr. ArchitKatlana, Advocates for Corporate Legal Partners.

Mr. Abhirup Das Gupta and Mr. Mr. Ishaan Duggal, Advocates for Pramerica Life Insurance and TATA power Consolidated PF.

Mr. Siddarth Pandey, Advocate for PFC, ELF & SMF.

Mr. Mahesh Agarwal, Mr. Ajitesh Soni and Mr. Divyang G.C, Advocates for 63 Moons Technologies Ltd. and SBI Insurance of GE Shipping.

Mr. Vivek Malik, Mr. Vivek Sinha and Ms. Kartikiya, Advocates Ms. Varsha Banerjee and Mr. Mukund Rawat, Advocates for Panjab Bank.

Mr. Pallav Mongia and Mr. Dawneesh Shaktivats, Advocates for Balco & Yokogava.

Mrs. Priya Puri, and Mr. Yati Sharma, Advocates for IOCL
Mr. Anuj Aggarwal, Advocate for Kudremukh Iron Orn. Comp.
Mr. Rahul Kripayani and Ms. Rea Bhalla, Advocates for Cow Town Infotech Services Pvt. Ltd.

Mr. Partha Sarathy Bose and Mr. T. Singh, Advocates for Cent Bank Financial Services.

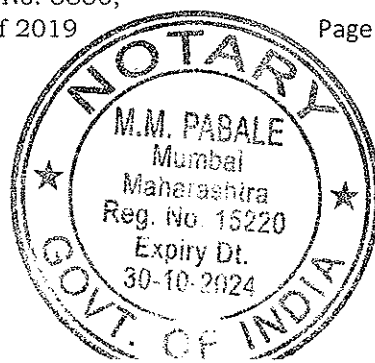
Mr. Abhishek Pratap Singh and Aswini Kumar Singh, Advocate for Mudra & Sidbi.

Mr. Rakesh K. Sharma, Mr. Nishant Sharma, Mr. Ashutosh Chaturvedi, Advocates for Andhra I I Transo.

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Mr. Kabir Shankar Baso and Mr. Shuvodeep Roy, Advocates for State of Tripura.

Mr. Shuvodeep Roy, Advocate for State of Assam.

Mr. Abhinav Raghuwanshi, Ms. Gaurika Mohan and Mr. Prakhar Khanna, Advocates for Applicant Sepco 3.

Mr. Mayank Sapra and N. Sasank, Advocates for the Intervenor M/s AKG Shutterings Private.

Ms. Jahnvi Agrawal, Advocate for Intervenor Boxco Fareast Pvt. Ltd.

Mr. Vishnu Sharma and Mr. Sowrabh Roy, Advocate for NOIDA Authority.

Mr. Dhruv Malik, Advocate for DSP Mutual Fund Ltd.

Mr. P.B.A Srinivasan and Ms. Ichchha, Advocates for Andhra Bank (Dy. No. 9722, 9723 and 9727).

Mr. Abhishek Gupta and Mr. Raushal Kumar, Advocates for NALCO Employees Provident Fund Trust and OPGC EPF Trust.

Mr. Munindra Dvivedi, and Mr. Abhishek Chauhan, Advocates for NHAI. Mr. Gaurav Chaudhary and Mr. Gurpreet Mora, Advocates.

Mr. Debarshi Bhuyan, Advocate for Godrej Consumer Products Ltd. Provident Fund (Intervenor).

Mr. Amit Tyagi, Advocate for TLG India Pvt. Ltd., Sapient Consulting EPF Trust.

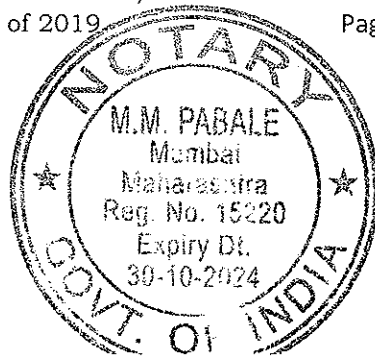
Ms. Madhu Shweta and Ms. Shivangi Khanna, Advocates for NHAI.

Mr. Pawan Kumar Bansal, Advocate for Applicants.

Mr. Manik Dogra and Mr. Balkishan Ladhania, Advocates for Shapoorji Pallonji & Company Ltd. Group Employees PF (Intervenors).

Ms. Anushree Kapadia, Advocate.

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Mr. Anand Sharkar Jha and Mr. Arpit Gupta, Advocates for ICICI Bank Ltd.

Mr. Anand Shankar Jha and Mr. Arpit Gupta, Advocates for Mahindra and Mahindra Ltd., Mahindra and Mahindra Staff Provident Fund, Dewan Housing and Finance Limited and MCC India Employees Provident Fund Trust.

Mr. Abhijeet Sinha, Ms. Arushi Mishra and Mr. Shambo Nandy, Advocates for SREI Infrastructures Finance Ltd.

Ms. Aditi Sharma, Advocate for India Factoring & Finance Solution, Rashtriya Chemical and Mazagon Deck.

Mr. Rahil Sharma, Advocate for GHV India.

Mr. Ritu Singh Mann, Mr. B. Banerjee and Mr. Dheeraj Kumar Garg, Advocates for British Airways PLC Staff Pension Fund (India), British.

Airways Cabin Crew Pension Fund (India) and British Airways Superannuation Scheme.

Mr. Sanjeev Singh and Ms. Sampanna Pani, Advocates for Aditya Birla Fin. Ltd.

Mr. Ramesh Babu, Ms. Manisha Singh Ms. Nisha Sharma and Ms. Tanya Chowdhary, Advocates for RBI.

Mr. Ajit Pudussery and Mr. Ajeet Singh Verma, Advocates for Applicant.

Mr. Anil Kaushik, Mr. Abhishek Mishra and Mr. Akash Bhardwaj Advocates for the Applicant –EIL.

Mr. Anna Malhotra and Mr. Sansar Konar, Advocate for Bridge & Roof Co. Ltd.

Mr. Sanjeev Singh and Ms. Sampanna Pani Advocates for Aditya Birla Fin. Ltd.

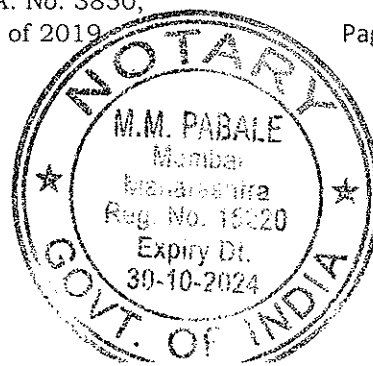
Ms. Richa Bharadwaja and Mr. Ankur S. Kulkarni, Advocates for S. Iron & Steel Co. Ltd.

Ms. Preranade and Mr. T. Sundar Ramanathan, Advocates for HPCL Provident Fund, HPCL Employees Post Retirement

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Medical Benefit Fund, India Provident Fund of BPCL, BPCL Employees Post Retirement Medical Benefit Fund and L. Ltd. Staff Provident Fund.

Mr. Arun Kathpalia, Sr. Advocate with Mr. Dharav Shah and Mr. Garanjivi Sharma, Advocates for HDFC MF.

Mr. Dharav Shah and Mr. Chiranjivi Sharma, Advocates for D. & Co. Pvt. Ltd.

Mr. Rohit Gandhi, Mr. Asmer Tayyab, Mr. Dhruv Kumar Ms. Bindu Swarup and Ms. Aparajita Swarup, Advocates for IFFCO Tokio General Insurance & Employees Pvt. Ltd.

Mr. Saurabh Jain and Mr. Pankaj Yadav. Advocates for Applicant SREI Injra Ltd.

Ms. Shweta Sahu, Advocate for Infosys Employees Provident Fund.

Mr. Pankaj Vivek and Mr. Anurag, Advocates for R-13, Bank of Baroda.

Mr. Vishnu Sharma and Mr. Sourav Roy, Advocates for NOIDA Authority.

Mr. Sanjay Bhait, Advocate for IDBI Trusteeship Services Ltd.

Ms. Anusha Sharty and Ms. Smiriti R. Nair, Advocates for PPL Employee and Zurari Industries.

Ms. Richa, Advocate for IOB Bank.

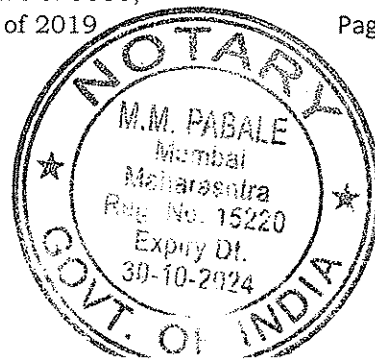
Mr. Rishi Sood and Mr. Gaurav Singh, Advocates for Bhopal Cooperative Central Bank Ltd.

Mr. Rajat Prakash, Advocate for Karnataka Bank and PSB.

Mr. R. Sudhinder, Ms. Ekta Bhasin and Ms. Shreya Singh, Advocates for HDFC Provident Fund, Gratuity Fund & Superannuation Fund and GRUH Finance Ltd., Employees Provident Fund, Gratuity fund and Superannuation Fund. Mr. Nishant Menon, Ms. Kavita Sarin and Mr. Shafiq Ahmed, Advocates for ECIPL Provident Fund.

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Q

Mr. Ashish Rana and Mr. Harshit Gara, Advocates for Exim. Bank.

Mr. Ravi K. Chandra and Mr. Mudit Rohella, Advocates for Oriental Structural Pvt. Ltd.

Mr. Raju S. Roy, Mr. Avrojoyti Chatterjee, Mr. Udyan Agarwal and Ms. Jayasree Saha, Advocates for Canara Bank and UCO Bank (Intervenor).

Mr. Pulkit Deora and Mr. Utsav Vasudeva, Advocates for CEC Construction Ltd.

Mr. Arjun Harkauli, Mr. Prateek Garg, Ms. Aarjoo Wahrona and Mr. Anshuman Gargesh, Advocates for C.G. Power and Industrial Ltd. (Intervenor).

Mr. Karan Mehra, Ms. Simran Mehrotra and Mr. Anant Narain Mehrotra, Advocates for SAS Employees Provident Fund.

Mr. Maynk Sappa and Mr. N. Saanak Iyer, Advocates for AKG Shuticrings Pvt. Ltd.

J U D G M E N T

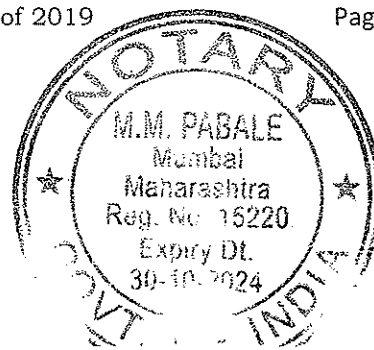
SUDHANSU JYOTI MUKHOPADHAYA, J.

The Central Government having an opinion that affairs of 'Infrastructure Leasing and Financial Services Limited' ("IL&FS") and its Group Companies are conducted in a manner prejudicial to the public interest, it applied before the National Company Law Tribunal ("Tribunal" for short), Mumbai Bench, Mumbai for issuance of appropriate orders and directions as sought for and as the Tribunal deemed fit.

2. In the Company Petition, initially, interim orders were passed relating to change of the management. Subsequently, the Central Government

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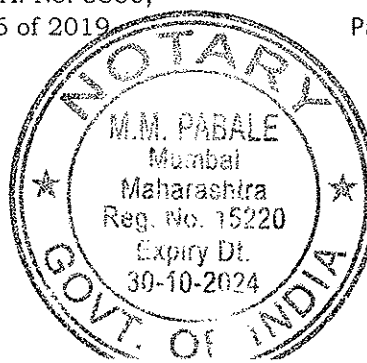
moved an application for interim relief seeking moratorium qua IL&FS, which is a Group Company for such period against the following acts: -

“2. The Petitioner filed this application seeking comprehensive moratorium qua R1 Company and the group Companies of R1 for three months or such other period against the following acts:

- (i) The institution or continuation of suits or any other proceedings by any party against R1 Company and any of the group companies in any Court of Law/ Tribunal/ Arbitration Panel or Arbitration Authority and*
- (ii) Any action by any party to foreclose, recover or enforce any security interest created over the assets of R1 Company and/ or any of the group companies including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;*
- (iii) The acceleration, premature withdrawal or other withdrawal, invocation of any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, guarantees, letter of support, commitment or comfort and other financial facilities or obligations vailed by R1 Company and/ or the group companies whether in respect of the principal or interest or hedge liability or any other amount contained therein.”*

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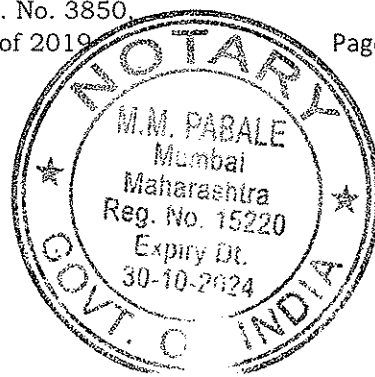
3. The tribunal by impugned order dated 12th October, 2018 observed that the provision of IBC do not apply to IL&FS - a financial service provider. Therefore, it cannot move an application under Section 10 and order of moratorium cannot be passed under Section 14 of the IBC. The Tribunal further held that provision of Section 242 of the Companies Act, 2013 and the remedy can be granted after being satisfied that the affairs of the Company is mismanaged. Therefore, the Tribunal refused to grant any interim relief in terms of the prayer.
4. On 15th October, 2018, when the matter was taken up, this Appellate Tribunal while raising the question of law, passed the following order: -

“15.10.2018— These appeals have been listed on urgent mentioning and taken up for admission even on a holiday taking into consideration the nature and importance of the appeals.

2. From the impugned order dated 12th October, 2018 in MA 1173/2018 in C.P. No. 3638(MB)/2018, we find that the National Company Law Tribunal (‘Tribunal’ for short) while accepted that no petition under any of the provision of the Insolvency and Bankruptcy Code, 2016 (‘I&B Code’ for short) can be preferred by any party for initiation of ‘Corporate Insolvency Resolution Process’ against ‘Infrastructure Leasing and Financial Services Limited’ (‘IL&FS’ for short) and its 348 Group Companies till the Central Government issue appropriate notification with regard to one or other making the provisions applicable to them, refused to pass the interim order in view of prayer of ‘Moratorium’ made by the Appellant- ‘Union of India’. Otherwise the Tribunal has appreciated

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the difficulties which are being faced by the 'IL&FS' and its 348 Group Companies.

3. *The questions arise for consideration in these appeals are:*

(i) Whether the Tribunal can pass appropriate order under Section 241 read with Section 242 of the Companies Act, 2013 for resolution of the problems faced by the Company in a time-bound manner for maximisation of value of assets of the Company, to promote entrepreneurship, availability of credit and balance the interests of all the stakeholders, and in case of failure of resolution pass appropriate order of liquidation; and

(ii) Whether the Tribunal in exercise of powers conferred Under Section 242 (1) (b) read with Section 242 (2)(m) and Section 242(4) of the Companies Act, 2013 read with Rule 11 of the National Company Law Tribunal Rules, 2016, can pass appropriate interim order similar to order under Section 14 of the Insolvency and Bankruptcy Code, 2016.

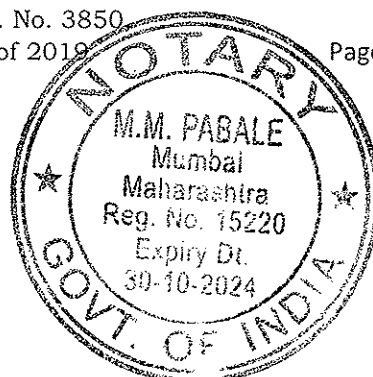
4. *According to Mr. Tushar Mehta, Learned Solicitor General for the Appellant- 'Union of India' and Mr. Ramji Srinivasan, Learned Senior Counsel for the 'IL&FS', the Tribunal has much wider power under Sections 241 and 242 of the Companies Act, 2013 than the powers vested under provisions of Insolvency and Bankruptcy Code, 2016.*

5. *Taking into consideration the nature of the case, we are of the view that five largest creditors should be*

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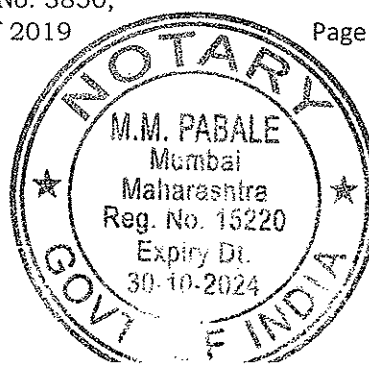
also impleaded as party Respondents to these appeals in the representative capacity of the Creditors. Learned counsel for the Appellant(s) will make necessary correction in the cause title and other pages of the appeals in course of the day. Defects, if pointed out by office, may be removed before the next date.

6. Issue notice on Respondents, including newly impleaded Respondents by speed post. Requisite along with process fee, if not filed, be filed in course of the day. If the Appellant(s) provides the e-mail address of Respondents, let notice be also issued through e-mail. Dasti service is permitted particularly in the newly impleaded Respondents.

Post these appeals 'for admission' on 13th November, 2018 on the top of the list.

Taking into consideration the nature of the case, larger public interest and economy of the nation and interest of the Company and 348 group companies, there shall be stay of

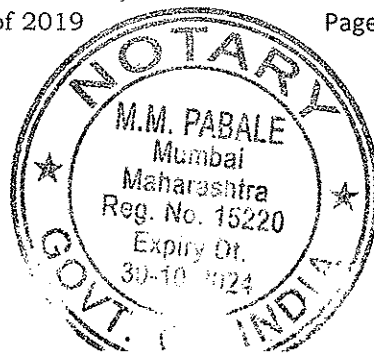
- (i) The institution or continuation of suits or any other proceedings by any party or person or Bank or Company, etc. against 'IL&FS' and its 348 group companies in any Court of Law/Tribunal/Arbitration Panel or Arbitration Authority; and
- (ii) Any action by any party or person or Bank or Company, etc. to foreclose, recover or enforce any security interest created over the assets of 'IL&FS' and its 348 group companies including any action under the Securitization and Reconstruction of



Financial Assets and Enforcement of Security Interest Act, 2002;

- (iii) *The acceleration, premature withdrawal or other withdrawal, invocation of any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, guarantees, letter of support, commitment or comfort and other financial facilities or obligations vailed by 'IL&FS' and its 348 group companies whether in respect of the principal or interest or hedge liability or any other amount contained therein.*
- (iv) *Suspension of temporarily the acceleration of any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits and any other financial facility by the 'IL&FS' and its 348 group companies by any party or person or Bank or Company, etc. as of the date of first default.*
- v) *Any and all banks, financial institutions from exercising the right to set off or lien against any amounts lying with any creditor against any dues whether principal or interest or otherwise against the balance lying in any bank accounts and deposits, whether current or savings or otherwise of the 'IL&FS' and its 348 group companies.*

The interim order will continue until further orders and not be applicable to any petition under Article 226 of the Constitution of India before any Hon'ble High Court or under any jurisdiction of the Hon'ble Supreme Court."



5. The interim order passed continued for more than one year and this Appellate Tribunal noticed the developments. A number of Intervention Applications were moved for one or the other reliefs and different interim orders were passed from time to time.

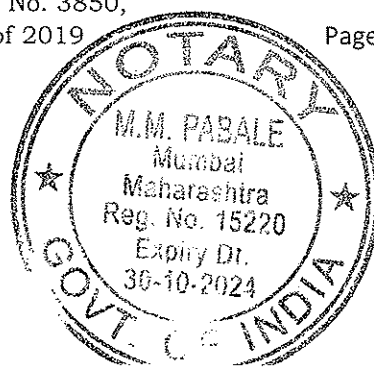
6. Taking into consideration the fact that the matter relates to more than 302 Group Companies apart from IL&FS, by order dated 4th February, 2019, this Appellate Tribunal allowed the Union of India and IL&FS to engage Hon'ble Justice (Retd.) D.K. Jain to supervise the operation of the resolution process. We allowed the management to get clearance from Hon'ble Justice (Retd.) D.K. Jain who is supervising the resolution process of different Group Companies.

7. Now, after more than one year, when a number of 'resolution process' in respect of more than fifty Companies have already taken place, some of the Financial Creditors/ Secured Creditors who have already taken advantage of the interim order have now raised question of jurisdiction of this Appellate tribunal to pass interim order as passed on 15th October, 2018.

8. Before deciding the question whether to vacate the interim order or to continue with the same and/ or to decide the issues as raised, it is desirable to notice certain pleadings made by the Central Government in its application under Section 241 and 242 of the Companies Act, 2013. The relevant of which are as under: -

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8.1 'Infrastructure Leasing and Financial Services Limited' ('IL&FS'), is a Company incorporated under the Companies Act, 1956. Over the years the IL&FS has inducted institutional shareholders to include Life Insurance Corporation of India (LIC), ORIX Corporation- Japan (ORIX), State Bank of India and Abu Dhabi Investment Authority. Besides the above, the 'IL&FS Employees Welfare Trust' also holds significant shares in 1st Respondent. The shareholding pattern of the IL&FS, as on 31st March, 2018, as derived from the Annual Report of the IL&FS, for the year 2018, is as follows:

S.NO.	NAME OF SHAREHOLDER	PERCENTAGE HOLDING
1	Life Insurance Corporation of	25.34%
2	ORIX Corporation -Japan.	23.54%
3	IL&FS Employees Welfare	12%
4	Abu Dhabi Investment	12.56%
5	Housing Development Finance Corporation Limited	9.02%
6	Central Bank of India	7.67%
7	State Bank of India	6.42%
8	UTI- Unit Linked Insurance Plan - UTI Asset Management Company	0.82%
9	India Discovery Fund	0.86%
10	Others	1.17%
	TOTAL	100%

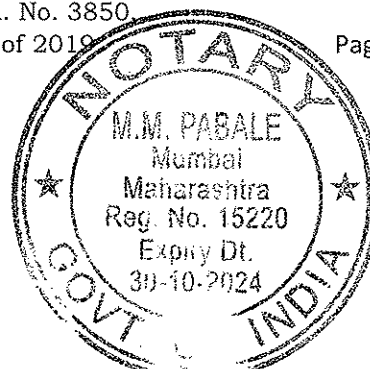
In addition to the above, the total subscribed and paid up capital of the 1st Respondent, presently is Rs.983 Crores.

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8.2. Although the equity shares of the IL&FS are not listed on any stock exchange, the secured non-convertible debentures as well as the non-convertible redeemable cumulative preference shares of the IL&FS are listed on the Bombay Stock Exchange. There are six major group companies of the 1st Respondent which contribute over 60% to the consolidated assets of the 'IL&FS Group'. A brief of the four major group companies is provided hereunder:-

a) IL&FS Transportation Networks Limited (ITNL)

ITNL, incorporated in the year 2000, has business activities ranging from developer, sponsor, construction manager and operator of surface transportation infrastructure, taking Greenfield Projects from conceptualization through commissioning to operations and management of such projects. The company develops projects on build, operate and transfer basis and is the largest vertical of the IL&FS Group, admittedly holding over 40% of the total assets of the group. ITNL operates through special purpose vehicles (SPVs) and presently has 32 such SPVs in India and overseas.

b) IL&FS Financial Services Limited (IFIN)

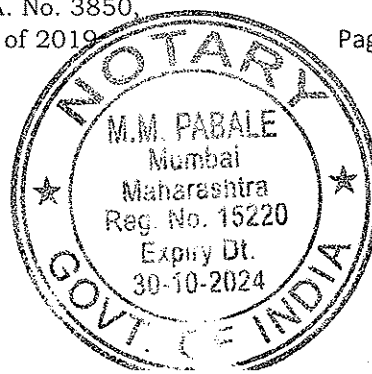
The IL&FS is engaged in the financial services sector through one of its material subsidiaries, IFIN, which is registered as a systematically important non-banking financial company (NBFC) with the Reserve Bank of India. IFIN admittedly contributes approx. 14.16% to the assets of the IL&FS Group and has a significant asset base with involvement in asset and project finance, structured debt and asset finance, syndication and corporate project advisory business.

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c) IL&FS Energy Development Company Limited (IEDCL)

The IL&FS is engaged in the power sector through its subsidiary IEDCL, which develops, owns and operates power generation and transmission assets in India and abroad.

d) IL&FS Tamil Nadu Power Company Limited (ITNPCL)

'ITNPCL' is another subsidiary of the IL&FS engaged in the implementation of the thermal power project at Cuddalore in Tamil Nadu.

e) Noida Toll Bridge Limited

It is a listed company, subsidiary of IL&FS with 50.42% equity share capital all of which is pledged is running Infrastructure Flyover project connecting Delhi with Uttar Pradesh.

f) IL&FS Engineering and Construction Co. Limited

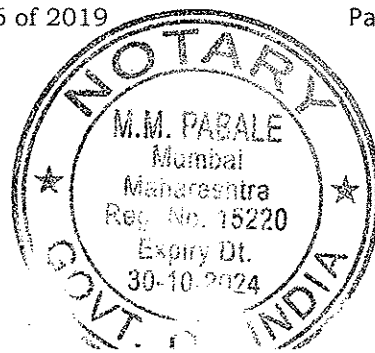
It is an Associate Company of IL&FS with over 42% equity. It is into multinational infrastructural development construction business.

In addition to the aforementioned major group companies, the IL&FS is engaged in maritime sector to develop maritime and logistic assets besides urban development sector for developing new cities, affordable housing, etc. The consolidated list of 169 group companies as derived from the Annual Report of the IL&FS for the year 2018, has been annexed herewith as Annexure P-4.

8.3 That further it has come to light through various reports and filing by the 'IL&FS' itself that the group companies of the 'IL&FS' have started defaulting on their debt obligations, which defaults are likely to grow and

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become severe in the coming months. It has been admitted by the IL&FS in its company application no. 1044 of 2018:

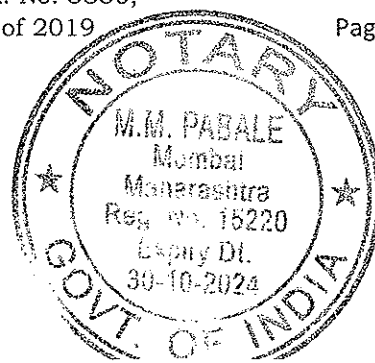
- (i) *ITNL has been, in default on its debt obligations since June 30, 2018.*
- (ii) *The IL&FS itself has been in default on its debt obligations since August 25, 2018.*
- (iii) *IFIN, the key subsidiary of the IL&FS engaged in financial services, has been in default since September 12, 2018. This has led to the resignation of the Managing Director & CEO and four independent directors of IFIN on September 21, 2018.*
- (iv) *IEDCL, the IL&FS's power generation subsidiary, has defaulted on its payment obligations since August 22 2018.*

8.4 Furthermore, the IL&FS has admitted that total debt across the IL&FS Group is approximately Rs. 91,000 crore as on March 31, 2018 and the IL&FS is contemplating monetizing of significant assets of the group companies for servicing the debts besides seeking further financial assistance from the institutional shareholders by way of a proposed rights issue. It is further submitted that the consolidated debt of the company increased to Rs. 91,091.3 crore in 2018 from Rs. 48,671.3 crore in 2014. Interest outgo rose to Rs. 7,922.8 crore from Rs. 3,970.7 crore during the same period. By 2018, the company has not even been making enough profits to take care of its interest expense leading to the default. It has to be

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kept in mind that out of the Rs. 91,000 crore debt obligations of the IL&FS, Rs. 57,000 crore has been borrowed from the Public Sector Banks.

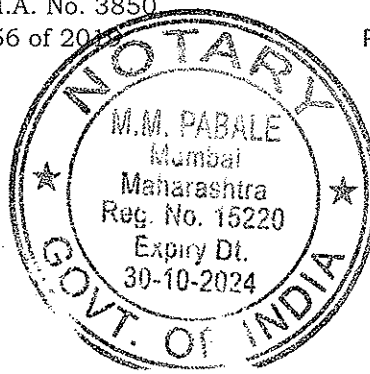
8.5 That subsequent to spreading defaults by the IL&FS Group, credit rating agencies CARE and ICRA have downgraded the credit rating of the Respondent No.1, ITNL and IFIN to 'default' or 'junk' grade. The said fact has also been admitted by the IL&FS in its company application no. 1044 of 2018. This indicate that IL&FS management was suppressing material information about its financial solvency and its ability to meet its obligation. The over exposure of loans and borrowings have been without prudent commercial practices and without any application of mind by the management of IL&FS over the several years. In fact, the management of IL&FS is responsible to bring it to this low due to its acts of commission & omission for which Union of India has ordered an investigation into the affairs of IL&FS and its group companies through SFIO. The Union of India seeks leave of the Tribunal to bring the findings of investigation on record.

8.6 That from the financials and filings of the IL&FS and its group companies, it has been noticed that the flagship IL&FS holds 73.22% equity share capital in its direct listed company ITNL, out of which 98.23% is pledged. Similarly, IL&FS holds 50.42% equity share capital in another of its major subsidiary 'IL&FS Investment Managers Limited', all of which is pledged. Furthermore, the IL&FS also holds 42.25% equity share capital in one of its associate company namely 'IL&FS Engineering and Construction Company Limited' and 34.05% of that equity holding is also pledged which

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indicate that company has basically withdrawn from the financial management of its key subsidiaries as it has no financial left. Furthermore, IL&FS Investment Managers Ltd., a subsidiary of IL&FS is holding company of 'Noida Toll Bridge Company Ltd. (a Listed Company) wherein it holds 50.42% equity share capital of which all equity is pledged.

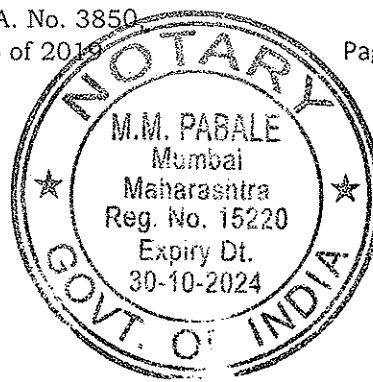
8.7. That the Central Government submits that the act of fraud perpetuated is on account of mis-representation and falsehoods about the financial state of affairs of the concerned company, which has jeopardized the financial health apart from causing serious damage and financial loss to various stakeholders.

8.8 That the facts detailed above by the Central Government clearly spell out the widespread mismanagement of funds by the current management of the IL&FS, in not only the holding company but throughout the IL&FS Group, leading to such a severe crisis that the group is reeling to meet even its day to day operational expenditures. The unscrupulous manner in which public money has been mismanaged and stuck in projects indicate that management of IL&FS has not only failed to manage but were involved in operation cover up till the end and wilfully created financial mess of IL&FS is astonishing. It has been admitted by the IL&FS in its company application no. 1044 of 2018 that there is severe liquidity crunch in the company with no immediate source of funding, so much so that the IL&FS is in no position to service its debt in the 'short term'. IL&FS is left with no assets to raise funds, no credibility to bank, no takers to buy its promises and nothing to

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offer to the stakeholders in particular and public at large in general to assure its continuation.

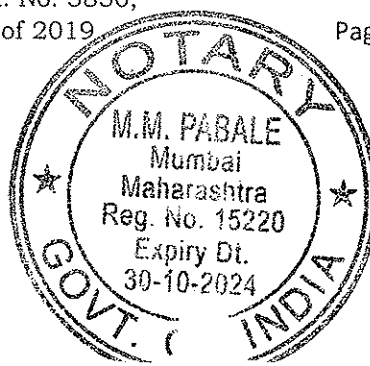
8.9 That, last but not the least, Department of Economic Affairs which is responsible for the financial stability in economy too has raised Red Signals of the likely collapse of IL&FS and has expressed its deep concern of such a collapse would have on the economy in its Confidential Note dated 30.09.2018. It has also highlighted various acts of mismanagement from economic perspective which if become reality would have cascading impact on various sectors of economy.

8.10. According to Department of Economic Affairs, the following are the repercussions the economy would face:

- i. *Redemption pressure to continue: Now hereafter other AMCs having exposure of Rs. 2800 crores to IL&FS bonds would get redemption pressure from Corporate Clients who have invested in this Rs. 16 trillion Debt MF industry.*
- ii. *Debt market sell-off expected: It's impossible for such mutual fund schemes to get the redemption amounts in a short period of time. Further, illiquid Corporate Debt Market and DHFL saga may force AMCs to sell Government Securities. Hence, Government Securities will face a huge selling pressure so either Bond Yield will shoot up to 8.30-8.50% levels or the RBI has to do OMO (Open Market Operations). If RBI opts for OMO, then the Government's spending capacity will reduce by an equal amount.*
- iii. *NBFC licenses could be cancelled: In the wake of the IL&FS crisis, as many as 1,500 smaller NBFCs may*

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have their licenses cancelled because these don't have adequate capital.

iv. *Liquidity crunch: A liquidity crunch and recent events hitting market sentiment will lead to cost of funds for NBFCs increasing, impacting profitability.*

v. *Impact on debt market as reported by NSE: Bond yields had increased already on the back of Oil Price and Rupee depreciating, Government bonds had seen yields rising from 7.70 to 8.20 levels. Corporate bond yields had widened commensurately. However post IFSL announcement and downgrade, the Mutual Funds, who are the main buyers in Corporate Bonds, have completely stopped buying. RBI's liquidity inducing measures and announcements have helped Government bond yields to drop to 8.05- 8.08 levels, but corporate bond yields have risen further by about 40-50 bps post IFSL crisis. Primary market in Corporate Bonds has completely dried up as no one is willing to buy currently in expectation of further redemptions from MFs.*

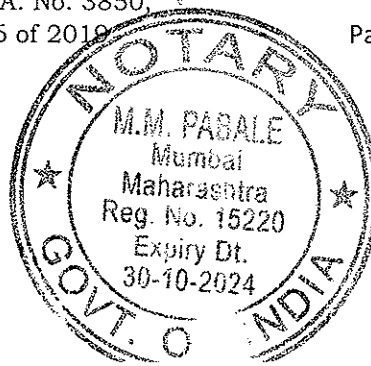
The added pressure is half yearly, seasonal redemptions MFs face anyway at this time of year. Hence Corporate Bond market is currently very illiquid and not seeing much volumes.

8.11 Further, the importance of the IL&FS and its group from financial stability perspective as highlighted by the Department of Economic Affairs are as under:

On consolidated basis, the borrowing of IL&FS from banks and financial institutions (debentures, loans, cash credit and commercial paper) comes to about Rs. 63,000 crores as per the

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balance sheet of 2017-18. If the exposure of banks to the IL&FS Group is assumed to be about Rs. 53,000 crores, then considering that the exposure of the entire banking sector to all the NBFCs is about Rs. 3.3 lakh crores, IL&FS Group is not inconsequential, but, critical to the financial stability as its share in the total exposure of the banks to the NBFC sector is about 16%. Therefore, there is a substantial public interest in ensuring financial solvency and good governance and management of this Group. The cascading impact of the default by the IL&FS Group on the financial sector would be quite substantial as evidenced from a partial default of some companies and its repercussions in the financial market in the month of September, 2018. The future impact of more defaults in the Group may be catastrophic for the financial stability.

In addition to above, from economic perspective, various acts of mis-governance and mis-management in IL&FS and its group companies are as under:

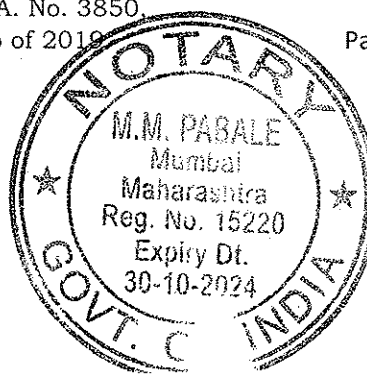
- i. The IL&FS Group has shown a loss of Rs. 2670 core for the year 2017-18 in the consolidated balance sheet. The leverage is about 13 times as the borrowing of about Rs.91000 crores is on the base of equity capital and reserves of about Rs. 6950 cores. The CRAR (Capital to Risk Weighted Asset Ratio) of 15% for Systemically Important Non-Deposit Accepting Non-*

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Banking Finance Company (NBFC-ND-SI) would result in a leverage ratio of about 6-7 times and the CRAR of 30% (for core Investment Company) would result in a leverage of about 3-4 times.

The indebtedness of the IL&FS at the end of Financial year 2017-18 is about 16468 crores and with debt market drying up for this company, it would be quite difficult to raise the fresh debt to service the existing debt or to do ever greening of debt. The leverage levels are quite elevated and need to be reduced to some, manageable levels, which require new thinking, and new management.

- ii. *IFIN, a Subsidiary of IF&SL, is registered with the Reserve Bank of India (RBI) as a Systemically Important Non-Deposit Accepting Non-Banking Finance Company (NBFC-ND-SI). IFIN specializes in infrastructure financing transactions, with a unique combination of investment banking skill sets comprising of Debt Structuring and Distribution (DS&D), Corporate Advisory and Lending capabilities. IFIN has evolved as one stop solution provider for all the Funding, Debt raising and Advisory requirements of the clients. The RBI in its inspection reports required IFIN to consider exposures as per section 370 (1B) of the Companies Act, 1956 (now replaced with*

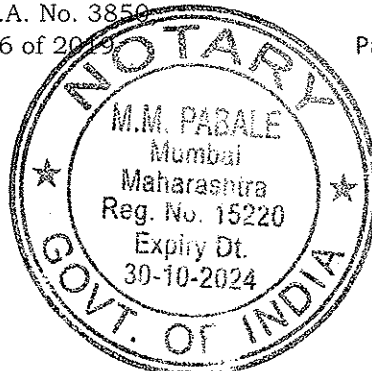
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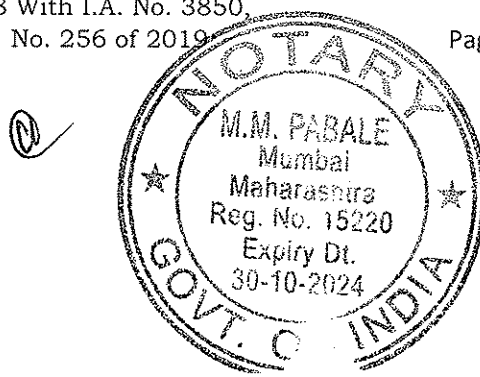
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the Companies Act, 2013) for determining 'companies in the same group'. This impacts computation of Net Owned Funds (NOF) and Capital to Risk Assets Ratio (CRAR) of IFIN. The RBI has given time up to March 31, 2019 to fulfil the minimum NOF and CRAR requirements as the IFIN does not satisfy these prudential requirements.

- iii. *The restoration of solvency of the Group would require confidence of the money and debt markets and the banks in the credibility of, the Group. The defaults as on 29th September, 2018 are about Rs.3761 cores. The confidence of the financial market needs to be restored, and the present management has lost all credibility to service any further financing to the company and it is mentioned above that the existing debt of about Rs.16468 crores needs to be serviced. The replacement of the existing management by the new management would be the first step towards restoring that confidence and to avoid any suboptimal liquidation of assets.*
- iv. *The IL&FS Group is involved in many infrastructure projects by way of project financing and also equity and debt financing. Any impairment in its ability to finance and support the infrastructure projects would be quite damaging to the overall infrastructure sector, financial*



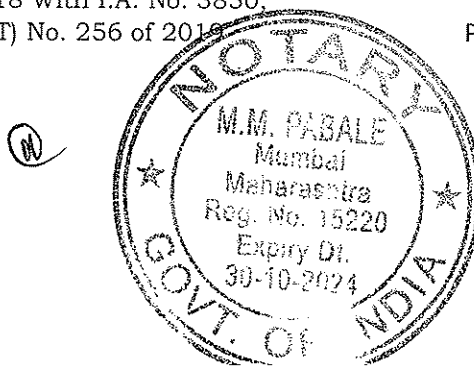
markets and the economy, considering its systemically important nature and its borrowing level of Rs.91000 crores.

The business model of IL&FS is such that the company borrows from the money market and debt market besides bank borrowing to fund its income generating activities and assets, which are medium to long-term. So, there is a clear mismatch in its assets and liabilities. It is, therefore, imperative that the risk management framework of the company is robust. That is why RBI has issued the Non-Banking Financial Companies-Corporate Governance (Reserve Bank) Directions, 2015 for NBFCs. Although the Corporate Governance Principles are not strictly applicable to Core Investment Companies, however, Systemically Important Core Investment Companies are encouraged to follow these as a prudent measure. The said Directions provide for Risk Management Committee and reporting of its, role and functions, periodicity of the meetings and compliance with coverage and review functions, etc. The Risk Management Committee of IL&FS did not meet during the period 2015 to 2018 except once in July 2015. The responsibilities of the Risk Management Committee, inter-alia, include:

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- a. Review of the adequacy of the risk management framework and operational procedures developed for new businesses and products from time to time;
- b. provision of guidance on strengthening of risk management practices to respond to emerging global and national market and regulatory developments;
- c. approval of overall limits for management of credit risk, liquidity risk and market risks;
- d. review of asset liability management reports and provision of directions on improved management of liquidity and interest rate risk;
- e. review of the capital adequacy requirements of the Company and provision of recommendations for the consideration of the Board in relation to the parameters to be considered in this regard;
- f. review of the Company's compliance programme; and
- g. review of the status of any enquiry, investigation and other disciplinary action initiated by RBI, SEBI or other regulatory agencies."

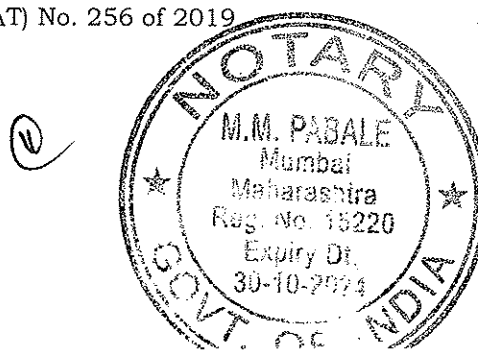
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9. On 11th February, 2019, when the 'Financial Creditors'/ 'Operational Creditors' and other Secured Creditors were allowed to file application, the Union of India filed a list of '302 IL&FS Group Entities' as follows:-

"3. The 'Union of India' has filed a list of '302 IL&FS Group Entities' at Annexure B; a list of 'Indian IL&FS

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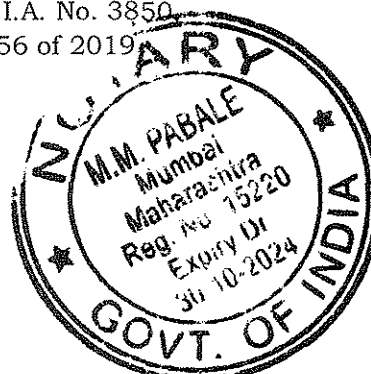
Group Entities' has been shown as Annexure C comprising of 169 entities as follows:

**ANNEXURE B - LIST OF 302 IL&FS GROUP ENTITIES
(INCLUDING IL&FS)¹**

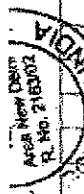
S. No.	Name of the IL & FS Group Entity
1.	Alcantarilla Fotovoltaica, S.L.
2.	Amravati Chikli Expressway Limited
3.	Andhra Pradesh Urban Infrastructure Asset Management Limited
4.	Antenea Seguridad y Medio Ambiente S.A.U.
5.	Area De Servicio Colros S.L.U.
6.	Area De Servicio Punta Umbria, S.L.U.
7.	Assam Power Project Development Company Limited
8.	Avash Logistic Park Pvt Ltd
9.	Badarpur Tollway Operations Management Limited
10.	Barwa Adda Expressway Limited
11.	Bcasolarta S. L.U.
12.	Bengal Integrated Infrastructure Development Limited
13.	Bengal Urban Infrastructure Development Limited
14.	Baleshwar Kharagpur Expressway Limited
15.	Bhopal e-Governance Limited
16.	Bihar e-Governance Services Technologies Limited
17.	Bihar Power Infrastructure Company Private Ltd
18.	Canopy Housing & Infrastructure Limited
19.	Capacity Swap Linkages Limited
20.	CGI 8 SA
21.	Charminar RoboPark Limited
22.	Chattisgarh Highway Development Company Limited
23.	Chenani Nashri Tunnelway Limited
24.	Chennai Industrial Water Utility Company Limited
25.	Chhotagovindpur & Bagbera Drinking Water Supply Project Limited
26.	Chongqing YuHe Expressway Company Limited
27.	CIISM-INTEVIA S.A.U.
28.	Con Intermiño
29.	Cons. Carreteras del Sur
30.	Cons. Jose Saldis
31.	Conservacion de Infraestructuras de Mexico S.A. DE C.V.
32.	Consortio de Obras Civiles, Conciviles SRL
33.	Consortio Elsamex-Grusamar Ecuador
34.	Control 7, SAU
35.	CPG BPM Services Pvt. Limited
36.	Cross Border Power Transmission Limited
37.	Cuddalore Solar Power Private Limited
38.	Dakshin Dilli Swachh Initiatives Limited
39.	Damodar Valley Tourism Development Private Limited

¹ This list is based on the data provided by the relevant Respondent No. 1 Group Entity as of 30 November 2018 which was filed by Respondent No. 1 with the NCLAT on December 17, 2018 in Company Appeal (AT) No. 347 of 2018

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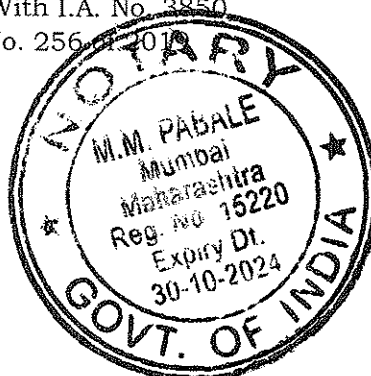
40.	Dighi Port Limited
41.	Dighi Project Development Company Limited
42.	East Delhi Waste Processing Company Limited
43.	East Hyderabad Expressway Limited
44.	Elsamex Colombia SAS
45.	Elsamex India Pvt. Ltd.
46.	Elsamex Internacional S.L.U.
47.	Elsamex Maintenance Services Limited
48.	Elsamex Portugal S.A
49.	Elsamex Road Technology Company Limited
50.	Elsamex Roads and Infrastructure WLL
51.	Elsamex S.A
52.	Elsamex Vietnam Joint Stock Company
53.	ESM Mantenimiento Integral de SA de CV
54.	Etesian Urja Limited
55.	Fagne Songadh Expressway Limited
56.	Free Trade Warehousing Private Limited
57.	Futureage Infrastructure India Limited
58.	Geotecnia y Control de Qualitat SA
59.	GRICL Rail Bridge Development Company Limited
60.	Grusamar Engenharia & Consultoria Brasil Ltda
61.	Grusamar India Limited
62.	Grusamar Ingenieria Consulting Colombia SAS
63.	Grusamar Ingenieria Y Consulting, SLU
64.	Grusamar Progescan UTE Areas De Servicio
65.	Gujarat Industrial Infrastructure Project Limited
66.	Gujarat Integrated Maritime Complex Pvt Ltd
67.	Gujarat International Finance Tec-City Company Limited
68.	Gujarat Tourism Opportunity Limited
69.	Haldia Integrated Development Agency Limited
70.	Hazaribagh Ranchi Expressway Limited
71.	Hill County Properties Limited
72.	Hubballi Dharwad Water Supply Project Limited
73.	IFIN Realty Trust – Investment Committee
74.	IILP USA LLC
75.	IIML Asset Advisors Limited
76.	IIML Fund Managers (Singapore) PTE. Ltd.
77.	IPL Laos Pte. Ltd.
78.	IKG Associates
79.	IL & FS Global Financial Services (HK) Ltd.
80.	IL & FS Global Financial Services (ME) Ltd.
81.	IL & FS Global Financial Services (UK) Limited
82.	IL & FS Global Financial Services Pte Ltd.
83.	IL & FS Infrastructure Equity Fund
84.	IL & FS Solar Power Limited
85.	IL&FS Airports Limited
86.	IL&FS Africa Infrastructure Development Company



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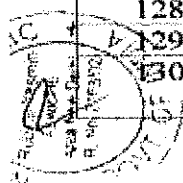
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87.	IL&FS AMC Trustee Limited
88.	IL&FS Applied Academy Development Ltd.
89.	IL&FS Asian Infrastructure Managers Limited
90.	IL&FS Broking Services Private Limited (Formerly Known as Avendus Securities Pvt Ltd)
91.	IL&FS Capital Advisors Limited,
92.	IL&FS Cluster Development Initiative Limited
93.	IL&FS Doc Project Development Fund
94.	IL&FS Education & Technology Services Ltd.
95.	IL&FS Energy Development Company Limited
96.	IL&FS Engineering and Construction Company Limited
97.	IL&FS Environmental Infrastructure and Services Limited
98.	IL&FS Financial Services Limited
99.	IL&FS Global Pte Limited
100.	IL&FS IIDC Fund
101.	IL&FS Infra Asset Management Limited
102.	IL&FS Infrastructure Equity Fund - I
103.	IL&FS Investment Advisors LLC
104.	IL&FS Investment Managers Limited
105.	IL&FS Investment Trust - I
106.	IL&FS Investment Trust IV
107.	IL&FS Maritime Infrastructure Company Ltd.
108.	IL&FS Maritime International FZE
109.	IL&FS Maritime Offshore Pte Ltd
110.	IL&FS Milestone Realty Advisors Private Limited
111.	IL&FS Offshore Natural Resources Pte Ltd.
112.	IL&FS ORIX Trust
113.	IL&FS Paradip Refinery Water Limited
114.	IL&FS Portfolio Management Services Limited
115.	IL&FS Prime Terminals FZE
116.	IL&FS Rail Limited
117.	IL&FS Securities Services Ltd.
118.	IL&FS Skills Development Limited
119.	IL&FS Tamil Nadu Power Company Limited
120.	IL&FS Technologies Limited
121.	IL&FS Technologies Philippines Inc.
122.	IL&FS Township & Urban Assets Limited
123.	IL&FS Transportation Networks Limited
124.	IL&FS Urban Infrastructure Managers Limited
125.	IL&FS Water Limited
126.	IL&FS Wind Energy Limited
127.	IL&FS Wind Power Services Limited
128.	IMICL Dighi Martime Ltd.
129.	India Tourist & Heritage Village Pvt. Ltd.
130.	Indraprastha Energy and Waste Management Company Limited

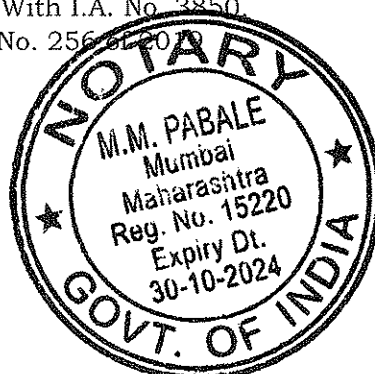


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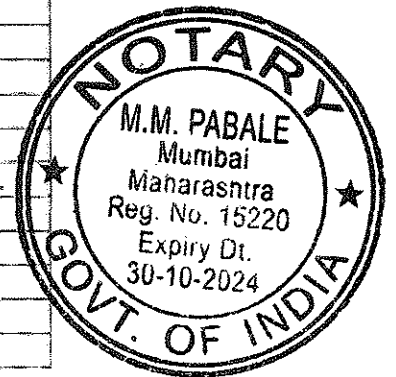
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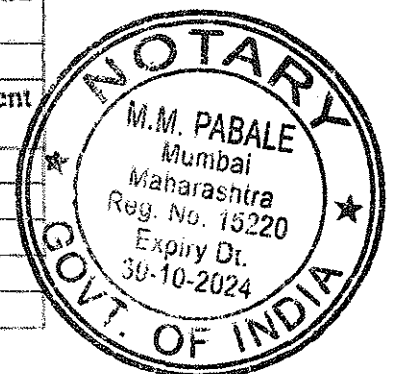


131.	Infrastructure Development Corporation of Assam Ltd
132.	Infrastructure Development Company of Nagaland Pvt. Ltd.
133.	Infrastructure Leasing & Financial Services Limited
134.	Integrated Trans Log Development Company Limited
135.	Intevia-Grusamar-Dair UTE Seguridad Vial Bizkaia
136.	Inteval Gestao Integral Rodoviaria, S.A.
137.	INTL International DMCC
138.	ISSL Settlement & Transaction Services Limited
139.	ITNL Africa Projects Limited
140.	ITNL IECCL JV
141.	ITNL Infrastructure Developer LLC
142.	ITNL International Pte Limited
143.	ITNL KMB JV
144.	ITNL Offshore Pte Ltd.
145.	ITNL Offshore Three Pte Ltd.
146.	ITNL Offshore Two Pte. Ltd
147.	ITNL Road Infrastructure Development Company Limited
148.	ITNL Road Investment Trust
149.	ITNL Toll Management Services Limited
150.	Jharkhand Accelerated Road Development Company Limited
151.	Jharkhand E-Governance Solutions & Services Limited
152.	Jharkhand Infrastructure Development Corporate Ltd.
153.	Jharkhand Infrastructure Implementation Company Ltd.
154.	Jharkhand Road Projects Implementation Company Limited
155.	Joghali Wind Energy Private Limited
156.	Jorabat Shillong Expressway Limited
157.	JV Elsamex-Ascon
158.	Kanak Resources Management Limited
159.	Karyavattom Sports Facilities Limited
160.	Kaze Energy Limited
161.	Khambhat Port Ltd.
162.	Khandke Wind Energy Private Limited
163.	Khed Sinnar Expressway Limited
164.	Kiratpur Ner Chowk Expressway Limited
165.	KSIIDC-IL&FS Project Development Company Limited
166.	Kukuza Project Development Company
167.	Lalpur Wind Energy Private Limited
168.	Land Registration Systems Inc.
169.	Livia India Limited
170.	Mahidad Wind Energy Private Limited
171.	Mangalore SEZ Ltd
172.	Mantenimiento y Conservacion de Vialidades S.A. de C.V.
173.	Maritime International Offshore Pte Ltd.
174.	Moradabad Bareilly Expressway Limited
175.	Mota Layja Gas Power Company Limited
176.	MP Border Checkpost Development Company Limited
177.	MP Toll Roads Limited



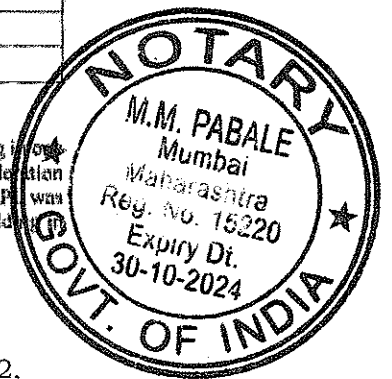
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178.	Nana Layja Power Company Limited
179.	New Tirupur Area Development Corporation Ltd.
180.	Noida Toll Bridge Company Limited
181.	North Karnataka Expressway Limited
182.	Odhisha e-Governance Services Limited
183.	ONGC Tripura Power Company Limited
184.	Orissa Project Development Company Limited
185.	Parlo Developers Private Limited
186.	Park Line LLC
187.	Patiala Bio Power Company Limited
188.	PDCOR Limited
189.	Porto Novo Maritime Ltd.
190.	PT Bangun Asia Persada
191.	PT Mantin Coal Mining
192.	Pune Sholapur Road Development Company Limited
193.	Ramagiri Renewable Energy Limited
194.	Ramky Elsamex Hyderabad Ring Road Ltd
195.	Ranchi Muri Road Development Limited
196.	Rapid MetroRail Gurgaon Limited
197.	Rapid MetroRail Gurgaon South Limited
198.	Ratedi Wind Power Private Limited
199.	RDF Power Projecs Limited
200.	Road Infrastructure Development Company of Rajasthan Limited.
201.	Rohtas Bio Energy Limited
202.	Sabarmati Capital One Limited
203.	Sabarmati Capital Two Limited
204.	Saffron Investment Trust
205.	Se7en Factor Corporation
206.	Sealand Ports Pvt Ltd
207.	Sealand Warehousing Pvt. Ltd.
208.	Senalizacion Viales e Imagen S.A.U.
209.	Shendra Green Energy Limited
210.	Sikar Bikaner Highway Limited
211.	Sipla Wind Energy Ltd.
212.	Skill Training Assessment Management Partners Limited
213.	Sociedad Concesionaria Autovia A-4 Madrid S.A.
214.	South Coast Infrastructure Development Company of Andhra Pradesh Limited
215.	Srinagar Sonamarg Tunnelway Limited
216.	Standard Chartered IL&FS Investment Management (Singapore) Pte Limited
217.	Surya Urja Company of Rajasthan Limited
218.	Swayam Swachatta Initiative Limited
219.	Syniverse Technologies India Private Limited
220.	Tadas Wind Energy Limited
221.	Tamil Nadu Water Investment Company Limited



222.	Thiruvananthapuram Road Development Company Limited
223.	Tierra Enviro Limited
224.	Unique Waste Processing Company Limited
225.	Urban Mass Transit Company Limited
226.	Urjankur Shree Tatyasaheb Kore Warana Power Company Limited. ²
227.	UTE Argentona Elsamex Rubai
228.	UTE Abastecimiento Merilla
229.	UTE Abedul Orihueia
230.	UTE Abedul Ponferrada
231.	UTE Abedul Villavidel
232.	UTE Abedul Zamora
233.	UTE Aena Almeria
234.	UTE Albartera
235.	UTE Almanzora
236.	UTE Alumbrado Tegueste
237.	UTE AP-7 Ondara 2
238.	UTE Arbrat Badalona
239.	UTE Arucas
240.	UTE Asistencia Camposol
241.	UTE Asistencia Molinar
242.	UTE Atenea-Paymacotas
243.	UTE Auditorias Fis Granada
244.	UTE Bialdeko
245.	UTE Bidegi
246.	UTE Bizcaya Bi
247.	UTE Burgos Sur
248.	UTE Camino Santiago
249.	UTE Ciesm Intevia Gike,
250.	UTE Ciesm-Intevia Dair-Itsak
251.	UTE Conservacion Almeria
252.	UTE Conservacion Caceres
253.	UTE Conservación Cádiz Sur (Martín Casillas)
254.	UTE Dair-Intevia
255.	UTE Elsamex – ITNL
256.	UTE Elsamex – Pulido
257.	UTE Elsgroup
258.	UTE Embalse de Flix
259.	UTE EPSILON VIAL
260.	UTE ES Mercadal
261.	UTE ESM Movilidad Ciesm
262.	UTE Etiopia Bure

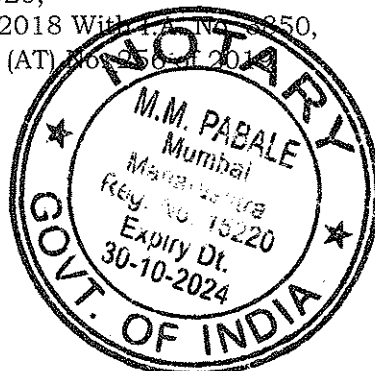
² IL&FS Energy Development Corporation Limited (IEDCL) which holds 33.33% shareholding in Urjankur Shree Tatyasaheb Kore Warana Power Limited (USTKWPL) has received sale consideration towards sale of its shareholding in USTKWPL. As of the date of the November Letter, USTKWPL was classified as "held for sale" in the balance sheet of IEDCL since the sale of IEDCL's shareholding in USTKWPL was pending approval.



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263.	UTE Etiopia Nekemte
264.	UTE Etopia 35
265.	UTE Grusama Elsamex Atenea
266.	UTE Grusamar – Inserco Rambia Relamar
267.	UTE Grusamar Valmia,
268.	UTE Grusamar-Eyser
269.	UTE Huetor Vega
270.	UTE Inspeccion Autobuses Lineas Urbanas Murcia
271.	UTE Instalaciones del Cloro
272.	UTE Instalaciones Deportivas
273.	UTE Jaen Sur
274.	UTE LCA-Grusamar
275.	UTE Malaga Norte
276.	UTE Mar Menor
277.	UTE Montes Occidentales de Granada
278.	UTE Parking Estacion Intermodal
279.	UTE Parque Tentengorra
280.	UTE Piscirias Zomara II
281.	UTE Polideportivos Latina
282.	UTE Recloracion
283.	UTE Santiago AP-9
284.	UTE Seguridad Via Murcia II
285.	UTE Servicio Mantenimiento Las Palmas
286.	UTE Servicios Energeticos de Antequera
287.	UTE Servicios Energeticos las Palmas
288.	UTE Sevilla Este
289.	UTE SG 2/2008
290.	UTE SG-2/2011
291.	UTE Sistema Tarifario
292.	UTE STM Terres del L'Ebre
293.	UTE Tren Mallorca
294.	Uttarakhand Infrastructure Projects Company Limited
295.	Vansh Nimay Infraprojects Limited
296.	Vejas Power Projects Ltd.
297.	Vias Y Construcciones Viacon S.R.L
298.	Vizag Agriport Pvt. Ltd.
299.	Warora Chandrapur Ballarpur Toll Road Limited
300.	West Gujarat Expressway Limited
301.	Wind Urja India Private Limited
302.	Yala Construction Company Pvt. Ltd.

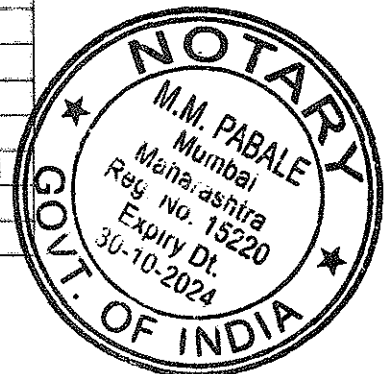
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ANNEXURE C – LIST OF INDIAN IL&FS GROUP ENTITIES

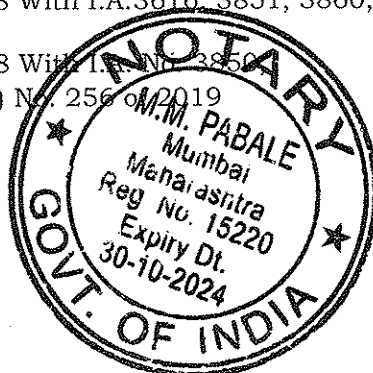
S. No.	Name of the Indian IL&FS Group Entity
1.	IL&FS Financial Services Limited
2.	IL&FS Investment Managers Limited
3.	IL&FS Securities Services Limited
4.	IL&FS Transportation Networks Limited
5.	Chattisgarh Highway Development Company Limited
6.	IL&FS Airports Limited
7.	IL&FS Education & Technology Services Limited
8.	IL&FS Energy Development Company Limited
9.	IL&FS Environmental Infrastructure & Services Limited
10.	IL&FS Infrastructure Equity Fund
11.	IL&FS Investment Trust – I
12.	IL&FS Maritime Infrastructure Company Limited
13.	IL&FS Paradip Refinery Water Limited
14.	IL&FS Portfolio Management Services Limited
15.	IL&FS Township & Urban Assets Limited
16.	IL&FS Water Limited
17.	Jharkhand Accelerated Road Development Company Limited
18.	Khambhat Port Limited
19.	MP Toll Roads Limited
20.	Tamil Nadu Water Investment Company Limited
21.	IL&FS Technologies Limited
22.	Sealand Ports Private Limited
23.	Chhotagovindpur & Bagbera Drinking Water Supply Project Limited
24.	ISSL Settlement & Transaction Services Limited
25.	ISSL CPG BPO Private Limited
26.	IL&FS Applied Academy Development
27.	Bihar e-Governance Services & Technologies Limited
28.	Gujarat International Finance Tec-city Company Limited
29.	Haldia Integrated Development Agency Limited
30.	IL&FS Doc Project Development Fund
31.	IKG Associates
32.	Jharkhand e-Governance Solutions & Services Limited
33.	Odisha e-Governance Services Limited
34.	Road Infrastructure Development Company of Rajasthan Limited
35.	Dighi Port Limited
36.	Dighi Project Development Company Limited
37.	Mangalore SEZ Limited
38.	New Tirupur Area Development Corporation Limited
39.	IL&FS Engineering and Construction Company Limited
40.	IL&FS Capital Advisors Limited
41.	IFIN Realty Trust



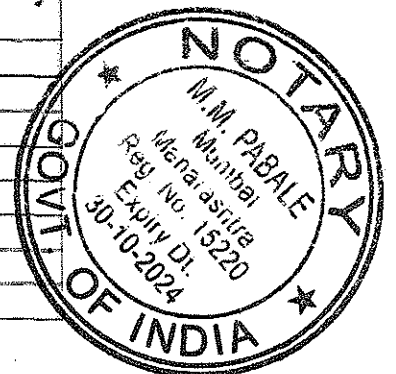
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42.	IL&FS Infrastructure Equity Fund - I
43.	IL&FS IIDC Fund
44.	IL&FS Investment Trust - IV
45.	IL&FS Broking Services Private Limited
46.	IL&FS ORIX Trust
47.	Syniverse Technologies (India) Private Limited
48.	IL&FS Asian Infrastructure Managers Limited
49.	IL&FS Urban Infrastructure Managers Limited
50.	IIML Asset Advisors Limited
51.	IL&FS Infra Asset Management Limited
52.	IL&FS AMC Trustee Limited
53.	Andhra Pradesh Urban Infrastructure Asset Management Limited
54.	IL&FS Milestone Realty Advisors Private Limited
55.	Badarpur Tollway Operations Management Limited
56.	Baleshwar Kharagppur Expressway Limited
57.	Charminar Robopark Limited
58.	Chenani Nashri Tunnelway Limited
59.	East Hyderabad Expressway Limited
60.	Futureage Infrastructure India Limited
61.	Hazaribagh Ranchi Expressway Limited
62.	IL&FS Rail Limited
63.	ITNL Road Infrastructure Development Company Limited
64.	ITNL Road Investment Trust
65.	Jharkhand Road Projects Implementation Company Limited
66.	Karyavattom Sports Facilities Limited
67.	Kiratpur Ner Chowk Expressway Limited
68.	Moradabad Bareilly Expressway Limited
69.	MP Border Checkpost Development Company Limited
70.	North Karnataka Expressway Limited
71.	Pune Sholapur Road Development Company Limited
72.	Rapid Metro Rail Gurgaon Limited
73.	Ranchi Muri Road Development Limited
74.	Sikar Bikaner Highway Limited
75.	Vansh Nimay Infraprojects Limited
76.	West Gujarat Expressway Limited
77.	Rapid Metro Rail Gurgaon South Limited
78.	Khed Sinnar Expressway Limited
79.	Barwa Adda Expressway Limited
80.	Jharkhand Infrastructure Implementation Company Limited
81.	Amravati Chikhli Expressway Limited
82.	Fagne Songadh Expressway Limited
83.	GRICL Rail Bridge Development Company Limited
84.	Elsamex India Private Limited
85.	Grusamar India Limited

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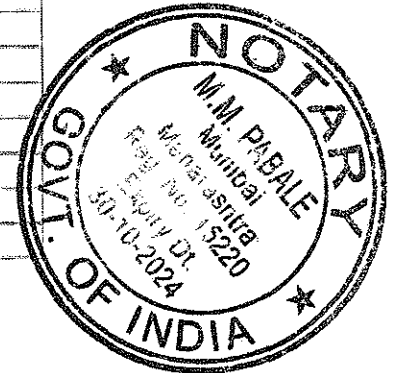
86.	Yala Construction Company Private Limited
87.	Elsamex Maintenance Services Limited
88.	Jorabat Shillong Expressway Limited
89.	Thiruvananthapuram Road Development Company Limited
90.	Warora Chandrapur Ballarpur Toll Road Limited
91.	ITNL Toll Management Services Limited
92.	Noida Toll Bridge Company Limited
93.	Srinagar Sonamarg Tunnelway Limited
94.	Pario Developers Private Limited
95.	Hubballi Dharwad Water Supply Project Limited
96.	IL&FS Cluster Development Initiative Limited
97.	IL&FS Skills Development Corporation Limited
98.	Skill Training Assessment Management Partners Limited
99.	Capacity Swap Linkages Limited
100.	Nana Layja Power Company Limited
101.	Vejas Power Projects Limited
102.	Mota Layja Gas Power Company Limited
103.	IL&FS Wind Energy Limited
104.	IL&FS Tamil Nadu Power Company Limited
105.	IL&FS Solar Power Limited
106.	Shendra Green Energy Limited
107.	Ramgiri Renewable Energy Limited
108.	Sipla Wind Energy Limited
109.	Patiala Bio Power Company Limited
110.	Rohtas Bio Energy Limited
111.	Cuddalore Solar Power Private Limited
112.	IL&FS Wind Power Services Limited
113.	Mahidad Wind Energy Private Limited
114.	Joghali Wind Energy Private Limited
115.	Ratedi Wind Power Private Limited
116.	Lalpur Wind Energy Private Limited
117.	Bihar Power Infrastructure Company Private Limited
118.	Assam Power Project Development Company Limited
119.	Cross Border Power Transmission Limited
120.	ONGC Tripura Power Company Limited
121.	Saurya Urja Company of Rajasthan Limited
122.	Urjankur Shree Tatyasaheb Kore Warana Power Company Limited
123.	Kanak Resources Management Limited
124.	Unique Waste Processing Company Limited
125.	Tierra Enviro Limited
126.	RDF Power Projects Limited
127.	Dakshin Dilli Swachh Initiative Limited
128.	East Delhi Waste Processing Company Limited
129.	Swayam Swachhta Initiative Limited
130.	IMICL Dighi Maritime Limited



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131.	Porto Novo Maritime Limited
132.	India Tourist & Heritage Village Private Limited
133.	Gujarat Integrated Maritime Complex Private Limited
134.	Avash Logistic Park Private Limited
135.	Sealand Warehousing Private Limited
136.	Vizag Agriport Private Limited
137.	Sabarmati Capital One Limited
138.	Sabarmati Capital Two Limited
139.	Hill County Properties Limited
140.	Wind Urja India Private Limited
141.	Kaze Energy Limited
142.	Etesian Urja Limited
143.	Tadas Wind Energy Private Limited
144.	Khandke Wind Energy Private Limited
145.	Indraprastha Energy & Waste Management Company Limited
146.	Chennai Industrial Water Utility Company Limited
147.	Integrated Trans Log Development Company Limited
148.	Bengal Integrated Infrastructure Development Limited
149.	Bengal Urban Infrastructure Development Limited
150.	Damodar Valley Tourism Development Private Limited
151.	Gujarat Industrial Infrastructure Projects Limited
152.	Gujarat Tourism Opportunity Limited
153.	Infrastructure Development Company of Nagaland Private Limited
154.	Infrastructure Development Corporation of Assam Limited
155.	Jharkhand Infrastructure Development Corporation Limited
156.	KSIIDC-IL&FS Project Development Company Limited
157.	Orissa Project Development Company Limited
158.	South Coast Infrastructure Development Company of Andhra Pradesh Limited
159.	Uttarakhand Infrastructure Projects Company Limited
160.	PDCOR Limited
161.	Free Trade Warehousing Private Limited
162.	Canopy Housing & Infrastructure Limited
163.	Urban Mass Transit Company Limited
164.	Bhopal e-Governance Limited
165.	LIVIA India Limited
166.	Ramky Elsamex Hyderabad Ring Road Limited
167.	Infrastructure Leasing & Financial Services
168.	ITNL KMB JV / PLSC Kyimetrobud (KMB)
169.	ITNL IECCL JV / MP Road Development Corporation

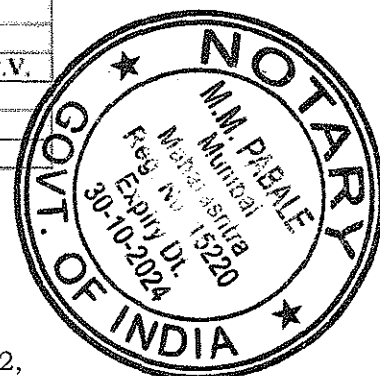


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4. Another list of 'Overseas IL&FS Group Entities' incorporated outside India comprising 133 entities has been shown as Annexure D, as follows:

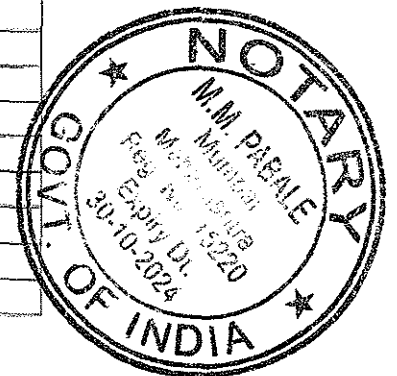
ANNEXURE D - LIST OF OVERSEAS IL&FS GROUP ENTITIES

S.No.	Name of Overseas IL&FS Group Entity
1.	IL&FS Global Pte Limited
2.	Alcantarilla Fotovoltaica, S.L.
3.	Antenea Seguridad y Medio Ambiente S.A.U.
4.	Area De Servicio Coiras S.L.U.
5.	Area De Servicio Punta Umbria, S.L.U
6.	Beasolara S. L.U.
7.	CIESM-INTEVIA S.A.U.
8.	Conservacion de Infraestructuras de Mexico S.A. DE C.V.
9.	Control 7, SAU
10.	Elsamex Colombia SAS
11.	Elsamex Internacional S.L.U.
12.	Elsamex Portugal S.A
13.	Elsamex S.A
14.	ESM Mantenimiento Integral de SA de CV
15.	Grusamar Engenharia & Consultoria Brasil Ltda
16.	Grusamar Ingenieria Consulting Colombia SAS
17.	Grusamar Ingenieria Y Consulting, SLU
18.	IIML Fund Managers (Singapore) PTE. Ltd.
19.	IILP USA LLC
20.	IPL Laos Pte. Ltd.
21.	IL & FS Global Financial Services (HK) Ltd.
22.	IL & FS Global Financial Services (ME) Ltd.
23.	IL & FS Global Financial Services (UK) Limited
24.	IL & FS Global Financial Services Pte Ltd.
25.	IL&FS Africa Infrastructure Development Company
26.	IL&FS Investment Advisors LLC
27.	IL&FS Maritime International FZE
28.	IL&FS Maritime Offshore Pte Ltd
29.	IL&FS Offshore Natural Resources Pte Ltd.
30.	IL&FS Prime Terminals FZE
31.	IL&FS Technologies Philippines Inc.
32.	Inteval Gestao Integral Rodoviaria, S.A.
33.	ITNL Africa Projects Limited
34.	ITNL International DMCC
35.	ITNL Infrastructure Developer LLC
36.	ITNL International Pte Limited
37.	ITNL Offshore Pte Ltd.
38.	ITNL Offshore Two Pte. Ltd
39.	ITNL Offshore Three Pte Ltd.
40.	Land Registration Systems Inc.
41.	Mantenimiento y Conservacion de Vialidades S.A. de C.V.
42.	Maritime International Offshore Pte Ltd.
43.	Park Line LLC
44.	Elsamex Vietnam Joint Stock Company

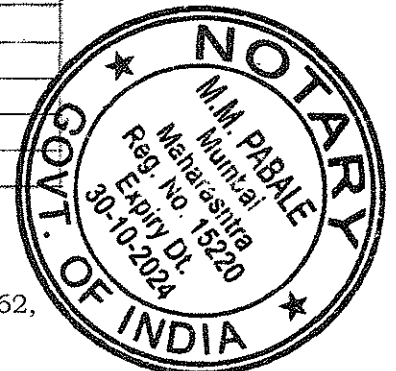


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45.	PT Bangun Asia Persada
46.	PT Mantin Coal Mining
47.	Saffron Investment Trust
48.	Se7en Factor Corporation
49.	Senalizacion Viales e Imagen S.A.U.
50.	Chongqing YuHe Expressway Company Limited
51.	Consortio de Obras Civiles, Conciviles SRL
52.	Geotecnia y Control de Qualitat SA
53.	Kukuza Project Development Company
54.	Standard Chartered IL&FS Investment Management (Singapore) Pte Limited
55.	Vias Y Construcciones Viacon S.R.L
56.	UTE Embalse de Flix
57.	Cons. Jose Saldis
58.	UTE Dair-Intevia
59.	UTE Conservación Cádiz Sur (Martín Casillas)
60.	UTE Argentona Elsamex Rubai
61.	UTE Elsamex – ITNL
62.	UTE SG 2/2008
63.	Grusamar Progescan UTE Areas De Servicio
64.	UTE Arucas
65.	Intevia-Grusamar-Dair UTE Seguridad Vial Bizkaia
66.	UTE Abedul Orihueia
67.	UTE Abedul Ponferrada
68.	UTE Abedul Villavidel
69.	UTE Abedul Zamora
70.	UTE Almanzora
71.	UTE Asistencia Molinar
72.	UTE Atenea-Paymacotas
73.	UTE Camino Santiago
74.	UTE Bizcaya Bi
75.	UTE Conservacion Almeria
76.	UTE Conservacion Caceres
77.	UTE Grusamar-Eyser
78.	UTE Grusamar – Inserco Rambia Relamar
79.	UTE Parking Estacion Intermodal
80.	UTE SG-2/2011
81.	UTE Tren Mallorca
82.	Consortio Elsamex-Grusamar Ecuador
83.	JV Elsamex-Ascon
84.	UTE Elsamex – Pulido
85.	UTE AP-7 Ondara 2
86.	UTE ESM Movilidad Ciesm
87.	UTE Etopia 35
88.	UTE Sistema Tarifario
89.	UTE Servicios Energeticos de Antequera
90.	UTE Burgos Sur



91.	UTE Alumbrado Tegueste
92.	UTE Servicios Energeticos las Palmas
93.	UTE Jaen Sur
94.	UTE Ciesm-Intevia Dair-Itsak
95.	UTE Elsgroup
96.	UTE Santiago AP-9
97.	UTE Inspeccion Autobuses Lineas Urbanas Murcia
98.	UTE Sevilla Este
99.	UTE Malaga Norte
100.	UTE Arbrat Badalona
101.	UTE Seguridad Via Murcia II
102.	UTE Polideportivos Latina
103.	UTE Instalaciones Deportivas
104.	UTE STM Terres del L'Ebre
105.	UTE Servicio Mantenimiento Las Palmas
106.	UTE Auditorias Fis Granada
107.	Con Interniño
108.	Cons. Carreteras del Sur
109.	UTE Etiopia Bure
110.	UTE Etiopia Nekemte
111.	UTE Bialdeko
112.	UTE LCA-Grusamar
113.	UTE Piscirias Zomara II
114.	UTE ES Mercadal
115.	UTE Instalaciones del Cloro
116.	UTE Parque Tentengorra
117.	UTE Mar Menor
118.	UTE Montes Occidentales de Granada
119.	UTE Recloracion
120.	UTE EPSILON VIAL
121.	UTE Grusamar Valmia,
122.	UTE Ciesm Intevia Gike,
123.	UTE Aena Almeria
124.	UTE Albartera
125.	UTE Abastecimiento Metilla
126.	UTE Bidegi
127.	UTE Asistencia Camposol
128.	UTE Hueter Vega
129.	UTE Grusama Elsamex Atenea
130.	CGI 8 SA
131.	Elsamex Road Technology Company Limited
132.	Elsamex Roads and Infrastructure WLL
133.	Sociedad Concesionaria Autovia A-4 Madrid S.A.



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5. With regard to the aforesaid 133 entities of the 'IL&FS Group Companies (Offshore) incorporated outside the territorial jurisdiction of India as shown at Annexure D, prayer has been made that these 'Offshore Group Entities' be excluded from the purview of the interim order passed by this Appellate Tribunal on 15th October, 2018, though, the resolution of the 'Offshore Group Entities' will be subject to the decision of the management of the Board of Directors and supervision of the Hon'ble Justice (Retd.) D.K. Jain."

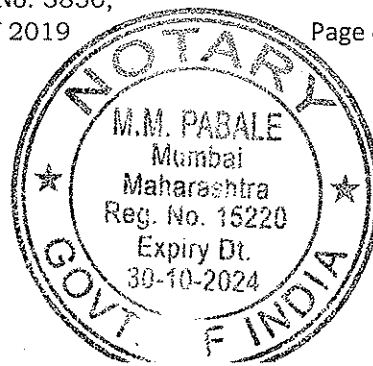
10. This Appellate Tribunal accordingly passed further order as follows: -

"6. Taking into consideration the stand taken by the 'Union of India' as agreed by the 'IL&FS', we exclude '133 Offshore Group Entities' incorporated out of India as shown in Annexure D from the purview of our order dated 15th October, 2018. However, the resolution for those 'Offshore Group Entities' may be taken up by the Board of Directors of 'IL&FS' under the supervision of the Hon'ble Justice (Retd.) D.K. Jain. The decision as may be taken with regard to the 'Offshore Group Entities' incorporated outside the territorial jurisdiction of India may be presented before the National Company Law Tribunal, Mumbai Bench, which is hearing the main petition.

7. Out of '169 Group Entities' incorporated within the territorial jurisdiction of India (Domestic Group Entities) as shown in Annexure C have been marked as (a) "Green Entities" (b) "Amber Entities" (c) "Red Entities".

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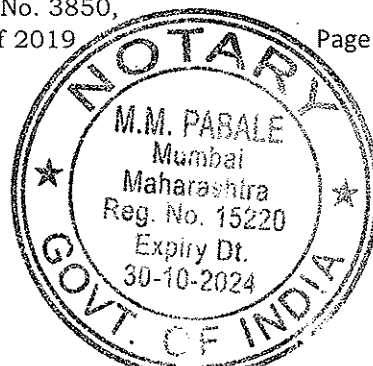
8. The stand of the 'Union of India' in regard of those Entities is as follows:

"7. Further, as per the order dated February 4, 2019 passed by this Hon'ble Tribunal in the present appeal, this Hon'ble Tribunal directed the Appellant to give details of:

- a) "**Green Entities**" : Domestic Group Entities which can continue meet all their payment obligation (both financial and operational) as and when they become due;
- b) "**Amber Entities**" : Domestic Group Entities which are not able to meet all their obligations (financial and operational), but can meet only operational payment obligations and payment obligations to senior secured financial creditors; and
- c) "**Red Entities**" : Domestic Group Entities which cannot meet their payment obligations towards even senior secured financial creditors, as and when such payment obligations become due.

The classification of entities into "Green", "Amber" and "Red" has been done by the Resolution Consultant appointed by the New Board of Respondent No.1 based on a 12-month cash flow based solvency test."

9. From the aforesaid list, we find that '22 Group Companies' have been marked as "Green Entities", '10



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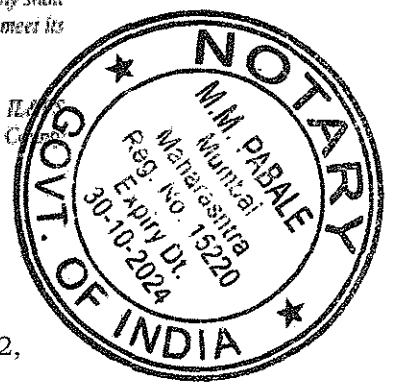
Group Companies' have been marked as "Amber Entities" and '38 Group Companies' have been marked as "Red Entities". Remaining 'Indian IL&FS Group Entities' approximately 100 in total are yet to be classified. List of "22 Green Entities" at Annexure E, are as follows:

ANNEXURE E - LIST OF "GREEN" - INDIAN IL&FS GROUP ENTITIES

Sr. No.	Name of "Green" - Indian IL&FS Group Entity
1.	IL&FS Investment Managers Limited
2.	IL&FS Securities Services Limited
3.	IL&FS Paradip Refinery Water Limited
4.	Tamil Nadu Water Investment Company Limited ¹
5.	Chhotagovindpur & Bagbera Drinking Water Supply Project Limited
6.	ISSL Settlement & Transaction Services Limited
7.	IL&FS Asian Infrastructure Managers Limited
8.	IL&FS Urban Infrastructure Managers Limited
9.	HML Asset Advisors Limited
10.	IL&FS Infra Asset Management Limited
11.	Andhra Pradesh Urban Infrastructure Asset Management Limited
12.	North Karnataka Expressway Limited
13.	Jharkhand Infrastructure Implementation Company Limited
14.	IL&FS Solar Power Limited
15.	Ratedi Wind Power Private Limited
16.	Lalpur Wind Energy Private Limited
17.	Maytas Logiparks (Isnapur) Private Limited ¹
18.	Wind Urja India Private Limited
19.	Kaze Energy Limited
20.	Etesian Urja Limited
21.	Tadas Wind Energy Private Limited
22.	Khandke Wind Energy Private Limited

¹ This entity has been classified as a "Green Company" based on representations made to the IL&FS management that the Government of Tamil Nadu, which is one of the shareholders of the company and the only financial creditor of the company shall provide suitable relaxations (in respect of its loans) to enable the company to meet its payment obligations.

¹ Maytas Logiparks (Isnapur) Private Limited does not form part of the 301 IL&FS Group Entities which was filed with the NCLT, but is subsidiary of Hill Country Properties Limited, which was listed as an indirect associate of IL&FS.



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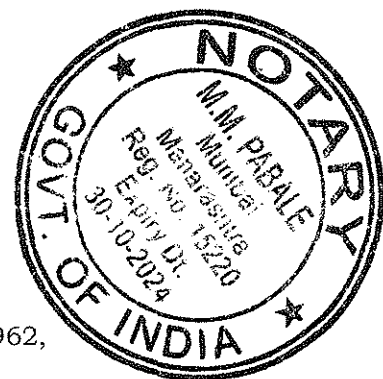
10. List of "10 Amber Entities" at Annexure F, are as follows:

ANNEXURE F - LIST OF "AMBER" - INDIAN IL&FS GROUP ENTITIES

Sr. No.	Name of the "Amber"- IL&FS Group Entity
1.	Chenani Nashri Tunnelway Limited
2.	East Hyderabad Expressway Limited
3.	Hazaribagh Ranchi Expressway Limited
4.	ITNL Road Infrastructure Development Company Limited
5.	Jharkhand Road Projects Implementation Company Limited
6.	Moradabad Bareilly Expressway Limited
7.	West Gujarat Expressway Limited
8.	Jorabat Shillong Expressway Limited
9.	Thiruvananthapuram Road Development Company Limited
10.	IL&FS Tamil Nadu Power Company Limited

Note: For the purposes of determining Amber Entities, in addition to ability of making payments to senior, secured creditors of such companies as and when they fall due, the cashflow sufficiency to meet current operational payments (post 30 September 2018) has been considered.

11. List of "38 Red Entities" at Annexure G, are shown below:



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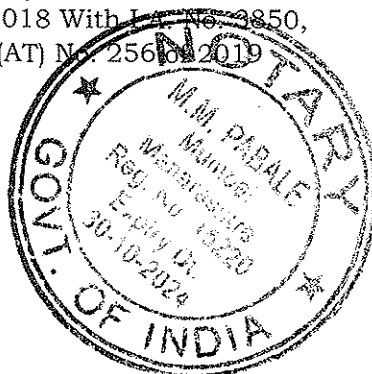
ANNEXURE G - LIST OF "RED" - INDIAN IL&FS GROUP ENTITIES

S. No.	Name of the "Red" - IL&FS Group Entity
1.	Infrastructure Leasing & Financial Services Ltd.
2.	IL&FS Financial Services Limited
3.	IL&FS Transportation Networks Limited
4.	IL&FS Energy Development Company Limited
5.	IL&FS Environmental Infrastructure & Services Limited
6.	IL&FS Maritime Infrastructure Company Limited
7.	IL&FS Township & Urban Assets Limited
8.	Bihar e-Governance Services & Technologies Limited
9.	Road Infrastructure Development Company of Rajasthan Limited
10.	IL&FS Engineering and Construction Company Limited
11.	Baleshwar Kharagppur Expressway Limited
12.	IL&FS Rail Limited
13.	Karyavattom Sports Facilities Limited
14.	Kiratpur Ner Chowk Expressway Limited
15.	MP Border Checkpost Development Company Limited
16.	Pune Sholapur Road Development Company Limited
17.	Rapid Metro Rail Gurgaon Limited
18.	Sikar Bikaner Highway Limited
19.	Rapid Metro Rail Gurgaon South Limited
20.	Khed Sinnar Expressway Limited
21.	Barwa Adda Expressway Limited
22.	Amravati Chikhli Expressway Limited
23.	Fagne Songadh Expressway Limited
24.	Elsamex Maintenance Services Limited
25.	ITNL Toll Management Services Limited
26.	Noida Toll Bridge Company Limited
27.	Srinagar Sonamarg Tunnelway Limited
28.	Skill Training Assessment Management Partners Limited
29.	IL&FS Wind Energy Limited
30.	Unique Waste Processing Company Limited
31.	RDF Power Projects Limited
32.	Dakshin Dilli Swachh Initiative Limited
33.	East Delhi Waste Processing Company Limited
34.	Sabarmati Capital One Limited
35.	Sabarmati Capital Two Limited
36.	Bhopal e-Governance Limited
37.	LIVIA India Limited
38.	ITNL KMB JV / PLSC Kyimetrobud (KMB)

Note: Where the relevant "Red" - Indian IL&FS Group Company does not have senior secured financial debt, the unsecured (operational and

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financial) debt of that Indian IL&FS Group Company has been considered, which also cannot be fully paid as and when it falls due.

12. With regard to "22 Green Entities", prayer has been made to allow the 'Board of Directors' of 'IL&FS' to permit all "Green Entities" to service their debt obligations as per scheduled repayment. It has been further clarified that the resolution of the "Green Entities" will be within the 'Resolution Framework' as described in the affidavit dated 25th January, 2019 and subject to supervision of the Hon'ble Justice (Retd.) D.K. Jain.

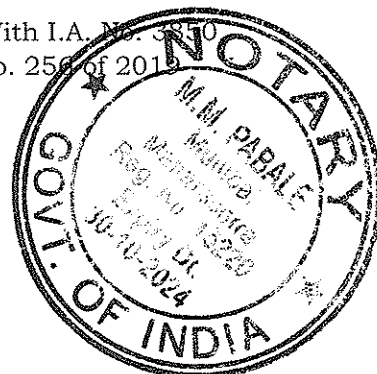
13. Taking into consideration the stand taken by 'Union of India' and 'IL&FS', we allow the Board of Directors of 'IL&FS' and to permit all "Green Entities" including the entities which may be declared 'Green' out of the 100 entities to service their debt obligations as per scheduled repayment, which should be within the 'Resolution Framework' as described in the affidavit dated 25th January, 2019 and subject to the supervision of the Hon'ble Justice (Retd.) D.K. Jain.

14. In so far "10 Amber Entities", prayer has been made to permit "Amber Group Entities" to make necessary payments only to maintain and preserve them as "Going Concern".

15. Dr. Abhishek Manu Singhvi, learned Senior Counsel appearing on behalf of 'IndusInd Bank' while submits that the 'IndusInd Bank' is lender of one of the "Amber Group Entities", further submits that 'IndusInd Bank' should be allowed to participate in the 'Resolution Process'.

16. Mr. Abhinav Vashisht, learned Senior Counsel appearing on behalf of the 'Senior Secured Financial

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Creditor' wants to raise objection with regard to the prayer made on behalf of the 'Union of India' and 'IL&FS' in regard to the "Amber Companies".

17. *Mr. Arun Kathpalia, learned Senior Counsel appearing on behalf of the 'Aditya Birla' and 'Capital Funds' have also raised objections with regard to the prayer as made above for the 'Amber Group of Entities'.*

18. *Similar objections have been raised by many of the counsel for 'Financial Creditors' and the 'Operational Creditors' appearing on behalf of the Intervenor(s).*

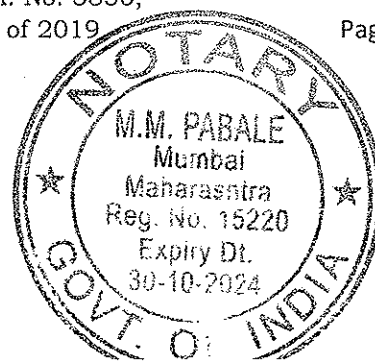
19. *With regard to "38 Red Entities", prayer has been made to permit "Red Group Entities" to make payments necessary only to maintain and preserve the "Going Concern Status".*

20. *Objections have been raised by learned counsel aforesaid and other counsel with regard to such prayer made by the Appellant.*

21. *In the circumstance, we intend to hear the matter with regard to "Amber Group Entities" and "Red Group Entities" on the next date.*

22. *We also intend to hear the 'Union of India' and the Board of Management of the 'IL&FS' as to how they intend to resolve all the entities particularly "Amber Group Entities" and "Red Group Entities". Whether they intend to constitute any 'Committee of Creditors', as normally done in the case of 'Corporate Insolvency Resolution Process'. They will also give a timeframe for such resolution with regard to the aforesaid Group Companies as the interim order passed on 15th October, 2018 cannot continue for indefinite period.*

(11)



23. *Learned Senior Counsel appearing on behalf of the 'Union of India' referred to Paragraph 11 of the Affidavit dated 11th February, 2019 and alleged that certain lenders of 'IL&FS Group' are marking lien on monies and not making Operations and Maintenance payments and other payment, including salary, which are essential for maintaining the Companies "going concern".*

24. *In regard to aforesaid issue, while we are not issuing any specific observations at this stage, we are of the view that if any amount is payable by lenders to any of the members of the 'IL&FS Group Companies, they may release it, failing which this Appellate Tribunal may pass necessary order after hearing the parties on the next date.*

Post these appeals 'for orders' on 12th March, 2019 at 4.00 p.m."

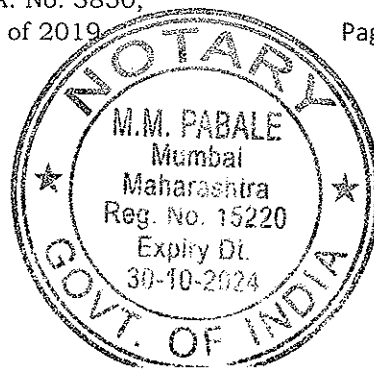
11. From the aforesaid facts, it is clear that 133 Entities of IL&FS Group Companies incorporated outside the territorial jurisdiction of India, i.e., Offshore Group Entities were excluded from the purview of interim order passed by this Appellate Tribunal on 15th October, 2018. However, 'resolution' of Offshore Group Entities has been allowed subject to decision of the Management of the Board of Directors and supervisions of the Hon'ble Justice (Retd.) D.K. Jain.

12 Twenty-two entities have been classified as 'Green Entities', who were in a position to clear the dues of many of the Secured Creditors including the Interveners/ Respondents, who are objecting and derived the benefit of the

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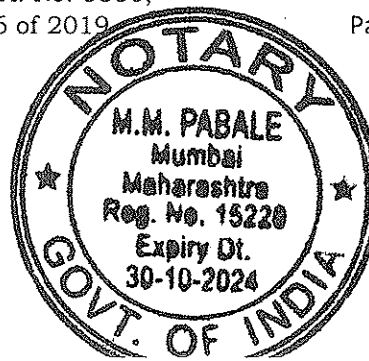
interim order. Thirteen Entities were declared “Amber Entities” who had the ability for making payment to some of the Senior Secured Creditors as and when fall due. Many of them had the cash flow sufficiency to meet current operational payments. In fact, out of 13 Amber entities, four were declared ‘Green Entities’ who can meet the liability of Secured Creditors and other creditors. It is only the Red Entities, which are about 55 in number, with regard to whom the resolution process is yet to be started.

13. It is informed that against Rs.91,000 crores, for about Rs.40,000 crores resolution plans are pending consideration. Pursuant to interim order many of the Secured Creditors and other creditors of Green Entities have derived benefit. The ‘Committee of Creditors’ has been constituted in which the Financial Creditors, Senior Secured Creditors/ Lenders including many of the objectors/ Respondents herein are the Members and have taken part as Members of the ‘Committee of Creditors’.

14. On 8th August, 2019, this Appellate Tribunal while hearing matter relating to settlement of claim of the creditors, with regard to three ‘Amber/ Green Entities’ namely – (i) Moradabad Bareilly Expressway Limited; (ii) Jharkhand Road Projects Implementation Company Limited; and (iii) West Gujarat Expressway Limited, as per signed Term Sheet, the Union of India/ ILFS were asked to give notice to all the ‘Financial Creditors’ and rest of the 10 Amber Entities and to take preliminary steps by taking their consent in the manner, which was followed in the cases of three Amber Entities. The Union of India/ ILFS were asked to intimate the steps to be taken with regard

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to 82 Red Entities before selling, transferring, encumbering, alienating, dealing with or creating any third party right, title or interest on any movable or immovable assets of any of the Red Entities, after obtaining prior permission of Hon'ble Mr. Justice D.K. Jain, Former Judge of Supreme Court of India.

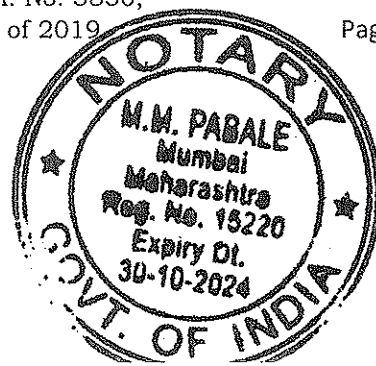
15 Union of India and ILFS were allowed to call for the meeting of the 'Financial Creditor'/ Lenders and if necessary to take up the matter on day to day basis to ensure that the total process with regard to all 13 Amber entities particularly three Amber-cum-Green Entities and rest of the 10 Amber Entities are taken care of.

16. As noticed above, the matter progressed in smooth manner in view of the interim order enabling number of Companies including Green Entities to make payment through Senior Secured Creditors, Financial Creditors and other creditors and for resolution process. This in addition to the 133 Offshore Entities of IL&FS Group Companies, which were kept out of the purview of the interim order. They having become competent, the interim order was vacated. On 19th September, 2019, the following order was passed

"19.09.2019 - Mr. Ramji Srinivasan Learned Sr. Counsel appearing on behalf of ILFS submits that in terms of earlier order passed by this Appellate Tribunal, the matter relating to individual and three Amber Entities was considered. Out of them three entities namely (i) Moradabad Bareilly Expressway Limited; (ii) Jharkhand Road Projects Implementation Company Limited; and (iii) West Gujarat Expressway Limited have been declared green entities.

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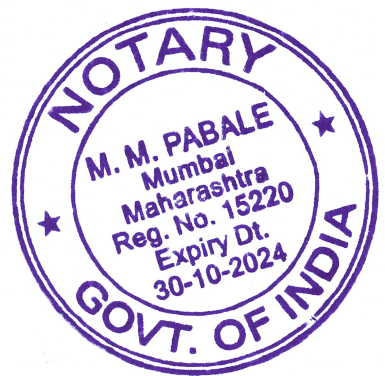


2. It has been ordered to pay the dues of all the 'Financial Creditors' as per schedule of repayment and many of the Creditors have already been paid.
3. It is stated that out of the rest 10 Amber entities with regard to one entity namely 'ITNL Road Infrastructure Development Company Ltd.', a settlement has been entered with its Concessioneing Authority as per which the said Amber entity will receive approx. Rs. 144 crores and the said amount will be utilized for cost of settling the liability of all the Creditors for which the meeting of the Creditors of the said Company has been called for.
4. It is submitted that there is a chance of settlement and if it is reached, the amount will be released. The matter will be reported by the next date.
5. In relation to remaining 10 Amber Entities, including one which we have already discussed above, the following chart flow have been shown:-

CHART IN RELATION TO REMAINING 10 AMBER COMPANIES - VIS-A-VIS OUTCOME OF MEETINGS WITH THEIR LENDERS - AFFIDAVIT DATED SEPTEMBER 4, 2019

Sr. No.	Name of the Amber Entity, Proposal and Status of Resolution/ Asset Sale Process	Name of the Lenders	Reference
1.	<p>Jorabat Shillong Expressway Limited (JSEL)</p> <ul style="list-style-type: none"> • Proposed Haircut to be taken by all lenders - 42% • Additionally other concession such as reduction in interest rate and elongated repayment schedule • Bid Status: Binding bid for this entity has been received on August 30, 2019, which is being evaluated by IL&FS 	<p>i. UTI Mutual Fund - Declined the proposal vide its letter dated August 20, 2019</p> <p>ii. Welspun Corp Limited</p> <p>iii. Trust Investment Advisors Pvt. Ltd Welspun and Trust agreed to reduce their interest from 8.34% to 8% but did not give their consent to the haircut.</p> <p>Direction - Upon completion of the bid evaluation process, lenders may consider the proposal provided by the highest bidder at the creditors' committee, to be constituted in accordance with the Resolution Framework Report</p>	<p>pgs. 10 - 12</p> <p>& 141 - 170 (Annexure 3)</p>
2.	<p>Chennai Nashri Tunnelway Limited (CNTL)</p> <ul style="list-style-type: none"> • Proposed Haircut to be taken by all lenders - 18% • Additionally other concession such as reduction in interest rate and elongated repayment schedule • Bid Status: Binding bid for this entity has been received on August 30, 2019, which is being evaluated by IL&FS 	<p>i. State Bank of India (lead bank) - Declined the proposal vide its email dated August 26, 2019</p> <p>ii. Indian Bank - (one of the consortium) - Declined the proposal vide its email dated August 17, 2019</p> <p>iii. Standard Chartered Bank - Vide email dated August 21, 2019 provided an in-principle approval for the restricting proposal, subject to retaining the right to recompense.</p> <p>iv. Two external unsecured financial creditors - (a) IndusInd Bank and (b) Aditya Birla Finance Ltd. (ABFL) submitted counter proposals.</p> <p>Direction - Upon completion of the bid evaluation process, lenders may consider the proposal provided by the highest bidder at the creditors' committee, to be constituted in accordance with the Resolution Framework Report</p>	<p>Pgs. 12 - 16</p> <p>& 171 - 237 (Annexure 4)</p>
3.	<p>Thiruvananthapuram Road Development Company Limited (TRDCL)</p> <ul style="list-style-type: none"> • Proposed Haircut to be taken by all lenders - 40% • Additionally other concession such as reduction in interest rate and elongated repayment schedule • Bid Status: No bid received for this entity. Alternate resolution mechanism being evaluated 	<p>i. Punjab National Bank - On behalf of the Secured Lender - Vide its letter dated August 19, 2019 declined to accept any haircut. Declined the proposal.</p> <p>Direction - Lenders may be directed to reconsider the proposal</p>	<p>Pgs. 16 - 18</p> <p>& 238 - 246 (Annexure 5)</p>

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Sr. No.	Name of the Amber Entity, Proposal and Status of Resolution/ Asset Sale Process	Name of the Lenders	Reference
4.	<p>IL&FS Education & Technology Services Limited (IETS)</p> <ul style="list-style-type: none"> Proposed Haircut to be taken by all lenders - Nil Concession such as reduction in interest rate and elongated repayment schedule Bid Status: Binding bid for this entity has been received on August 23, 2019, which is being evaluated by IL&FS 	<p>i. Two of the External Unsecured Lenders namely</p> <ol style="list-style-type: none"> IndiaFirst Life Insurance Company Limited Hewlett-Packard Financial Services <p>Both by email dated August 23, 2019 have provided in-principle confirmation on restricting proposal with minor qualification.</p> <p>ii. State Bank of India - One of the secured lenders - Vide its letter dated August 26, 2019 agreed to consider reduction in interest rate subject to review of financial statements. However, communicated its unwillingness to extend the repayment schedule.</p> <p>iii. Bhopal Co-Operative Central Bank Limited - Unsecured Lender - Declined the proposal.</p> <p>Direction - Upon completion of the bid evaluation process, lenders may consider the proposal provided by the highest bidder at the creditors' committee, to be constituted in accordance with the Resolution Framework Report</p>	<p>Pgs. 18 - 21 & 247 - 281 (Annexure 6)</p>
5.	<p>East Hyderabad Expressway Limited (EHEL)</p> <ul style="list-style-type: none"> Proposed Haircut to be taken by all lenders - 21% Additionally other concession such as reduction in interest rate and elongated repayment schedule Bid Status: No bid received for this entity. 	<p>i. Oriental Bank of Commerce - On behalf of the secured lenders Vide its letter dated August 23, 2019 has declined to accept any haircut.</p> <p>Direction - Lenders may be directed to reconsider the proposal</p>	<p>Pgs. 21 - 23 & 282 - 286 (Annexure 7)</p>
6.	<p>Hazaribagh Ranchi Expressway Limited (HREL)</p> <ul style="list-style-type: none"> Bid Status: Binding bid for this entity has been received on August 30, 2019, which is being evaluated by IL&FS 	<p>Cash flow of HREL is not sufficient to satisfy the requirement of HREL being a positive equity entity.</p> <p>HREL lenders have been informed that a decision on proposed restricting proposal will be taken post the bid submission date for HREL i.e., August 30, 2019</p> <p>Direction - Upon completion of the bid evaluation process, lenders may consider the proposal provided by the highest bidder at the creditors' committee, to be constituted in accordance with the Resolution Framework Report</p>	<p>Pg. 23</p>

Sr. No.	Name of the Amber Entity, Proposal and Status of Resolution/ Asset Sale Process	Name of the Lenders	Reference
7.	<p>IL&FS Cluster Development Initiative Limited (ICDI)</p> <ul style="list-style-type: none"> Bid Status: Binding bid for this entity has been received on August 23, 2019, which is being evaluated by IL&FS 	<p>Lenders were informed that ICDI has significant borrowings from IL&FS Group entities which cannot be sustained by operations of ICDI. Hence, no restructuring proposal.</p> <p>Direction - Upon completion of the bid evaluation process, lenders may consider the proposal provided by the highest bidder at the creditors' committee, to be constituted in accordance with the Resolution Framework Report</p>	<p>Pgs. 23-24</p>
8.	<p>IL&FS Skills Development Corporation Limited (ISDC)</p> <ul style="list-style-type: none"> Bid Status: Binding bid for this entity has been received on August 23, 2019, which is being evaluated by IL&FS 	<p>Lenders were apprised that ISDC is incurring operating losses and therefore it is not possible to re-classify it as a Green entity. However, ISDC is in talks with its 20% shareholder (National Skill Development Corporation) for an equity infusion into ISDC, which if agreed, may assist in re-classification.</p> <p>Direction - Upon completion of the bid evaluation process, lenders may consider the proposal provided by the highest bidder at the creditors' committee, to be constituted in accordance with the Resolution Framework Report</p>	<p>Pgs. 24 - 25</p>
9.	<p>IL&FS Tamil Nadu Power Company Limited (ITPCL)</p> <ul style="list-style-type: none"> Proposed Haircut to be taken by all lenders - 22% Additionally other concession such as reduction in interest rate and elongated repayment schedule 	<p>Punjab National Bank - Lead Bank - Vide its letter dated August 19, 2019 to MCA it requested for a revised structuring proposal with reference to repayment schedule.</p> <p>Pursuant to the meeting with the lenders of ITPCL and MCA on 2 September 2019, the lenders and ITPCL have agreed to reconsider a revised restructuring proposal under the negs of the RBI - 7th June Circular. [paragraph 20(A)(ii) - pg. 28ii read with Annexure 10-C; pg. 316-3]</p> <p>Also urged ITPCL to recover overdue from TANGEDCO and PTC</p>	<p>Pgs. 25 - 27</p>
10.	<p>BRIDCL* ITNL Road Infrastructure Development Company Limited</p>	<p>It has entered into settlement agreement dated March 15, 2019 with the Concessioneing Authority.</p> <p>As per the settlement BRIDCL will receive INR 144.08 crores which, on receipt, may be used to settle the liabilities due to creditors.</p> <p>Negotiations are currently ongoing with the lenders, Concessioneing Authority on a tripartite agreement relating to the release of settlement amount and distribution amongst creditors of BRIDCL. (subject to Justice Jain approval).</p>	<p>Pgs. 7 - 8 para 12-13</p>

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6. Learned Sr. Counsel appearing on behalf of number of lenders including Secured Lenders have raised various objections with regard to a number of Amber Entities as detailed above.

7. With regard to one of the entity namely 'Jorabat Shillong Expressway Limited (JSEL), one of the Counsel for the Lender submitted that it is similarly situated like 'Hazaribagh Ranchi Expressway Limited (HREL).

8. Mr. Gopal Jain, Learned Sr. Counsel appearing on behalf of one of the Secured Lenders of one of the 'Jorabat Shillong Expressway Limited (JSEL), submits that cases of the said Amber Entities is similar to that of 'Hazaribagh Ranchi Expressway Limited (HREL) and, therefore, no haircut is required.

9. Mr. Arun Kathpalia, Learned Senior Counsel appearing on behalf of one of the Lender in the 'Hazaribagh Ranchi Expressway Limited (HREL) submits that as per the chart flow and the financial Matrix, 'Hazaribagh Ranchi Expressway Limited (HREL) should be declared as green entities and should not be kept in the list of Amber Entity.

10. Dr. Abhishek Manu Singhvi, Learned Sr. Counsel appearing on behalf of one of the Lenders and Mr. Avinash, Learned Sr. Counsel appearing on behalf of all the Secured Lenders submits that 10% hair cut proposed therein is arbitrary and is not required.

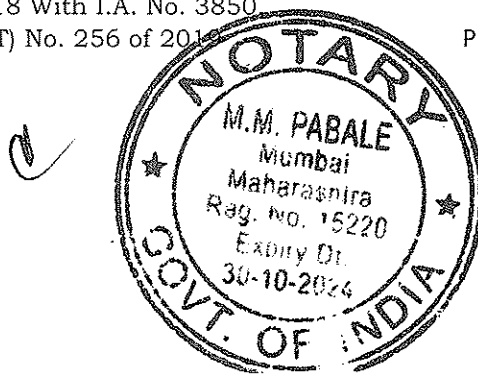
11. According to him, if any such financial decision is taken, the matter should be also referred to the Hon'ble Justice D.K. Jain, Former Judge of the Hon'ble Supreme

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Court of India who is supervising the matter with appropriate opinion.

12. *Some of the counsel raised question about the amount payable to other Creditors such as ILFS Group Entities, who are also Lenders. However, we are not inclined to give any finding with regard to them as all similarly situated Lenders are to be treated equally and nobody can be discriminated except for exceptional grounds. In any case that will be decided by the Authority first wherein after this Appellate Tribunal may decide the issue.*

13. *Certain development with regard to Red Entities will be deliberated upon the next date.*

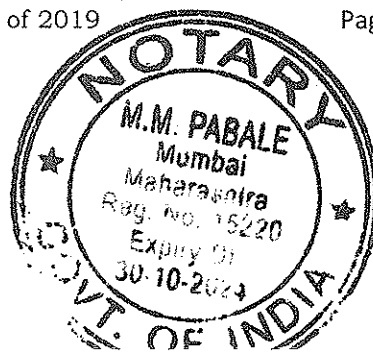
14. *However, in the meantime, the Appellant Union of India and ILFS will also simultaneously deal with all the red entities and the cases where there is no chance of resolution, may be released for the purpose of Resolution through some other process.*

15. *By the next date, learned counsel for the ILFS and Union of India will also state as to what step is to be taken on payment of dues of different funds such as 'Pension Funds', 'Gratuity Funds', 'Provident Fund', 'Insurance Funds' including 'Army Group Insurance Funds' etc. as ordered on 12th July, 2019.*

I.A. No. ___/2019

Ms. Nimisha Jain, Advocate appears on behalf of National Highways Authority of India and submits that though she and Ms. Divya Bhalla, Advocate appeared on behalf of National Highways Authority of India, but in the order dated 30th August, 2019, the presence was

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wrongly recorded on behalf of Union of India. It is accordingly ordered to read the presence of Ms. Divya Bhalla and Ms. Nimisha Jain as Advocates for the National Highways Authority of India in the order dated 30th August, 2019. Necessary corrections be made in the appearance of the said order dated 30th August, 2019 and free copy of the same be supplied to the Counsel, i.e., Ms. Divya Bhalla and Ms. Nimisha Jain and others. I.A. is disposed of.

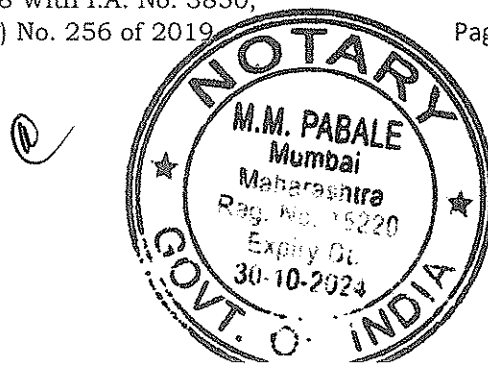
*Post these appeal(s) for 'Orders' on **18th November, 2019** at 3.00 P.M."*

17. Time to time interim orders were passed enabling the Entities to resolve to pay the dues of the Senior Secured Creditors, Financial Creditors and other Lenders. Their details are not recorded.

18. On 20th December, 2019, for the first time the question arose as to whether the Shareholder's permission was required for resolution and distribution in terms of the Agreement. Subsequently, on behalf of Union of India, a request was made to allow the Shareholders to take amount and get their shares. A question is also raised as to whether a person who have invested the money during the constitution of the Companies, should be paid like the Lenders, Financial Creditors and others creditors out of the amount generated by way of resolution. It is at this stage, an objection has been raised not to allow the Shareholders, who have formed a Company to derive any advantage out of the resolution process and at that stage, the jurisdiction of the Tribunal has been challenged.

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19. Mr. Kapil Sibal, learned Counsel appeared on behalf of 'L&T Infra Debt Fund Limited' and 'India Inftadebt Limited' submitted as follows: -

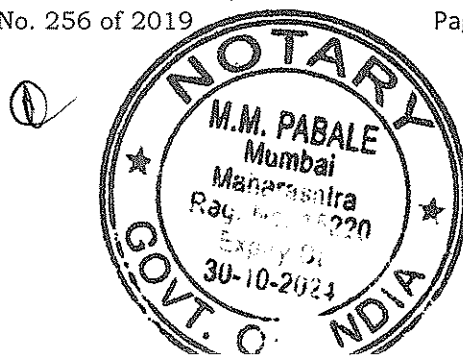
19.1 Both L&T IDF and IIDL are senior secured debenture holders of Hazaribagh Ranchi Expressway Limited, a subsidiary of IL&FS Transport & Networks Limited, which in turn is a subsidiary of Infrastructure Leasing & Financial Services Limited. L&T IDF and IIDL are intervenors in the captioned matter vide I.A. No.388/2019. While the Written Submissions are being filed with specific reference to HREL, however, the submissions hold true for all the SPVs of ITNL.

19.2 This Hon'ble Appellate Tribunal has exercised its appellate jurisdiction in the Appeals against the order dated 12.10.2018 made by the Hon'ble National Company Law Tribunal, Mumbai ("Adjudicating Tribunal") in an application filed by Union of India under Section 241 and 242 of the Act. The Hon'ble Appellate Tribunal has thereby passed various orders in the captioned matter, including the order dated 15.10.2018 ("Interim Order"), the order dated 11.02.2019 and subsequent orders, which have caused grave prejudice to the debenture holders of fully solvent companies.

19.3 There can be no deprivation of property except in accordance with law: Contractual rights of L&T IDF and IIDL and the right to receive its legitimate dues thereunder constitute 'property' protected under Article 300A of the Constitution of India. Therefore, L&T IDF and IIDL cannot be deprived of their right in property i.e. the right to recover the interest and principal amounts thereunder, by modifying the terms of such contract inter alia by

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way of resolution framework report dated 25.10.2019 ("Resolution Framework Report"), save under authority of law.

19.4 No proceeding in respect of HREL under Section 241 before the Hon'ble Adjudicating Tribunal: No proceeding was initiated under Section 241 of the Act against HREL, before the Hon'ble Adjudicating Tribunal. Therefore, no order under Section 242 of the Act could have been made one, in respect of HREL; and second in respect of lenders who are counter parties of contracts entered by HREL.

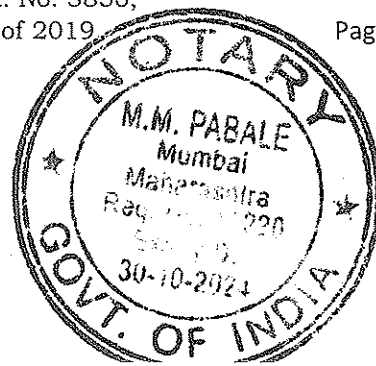
19.5 HREL not even a party to the proceedings before Hon'ble Appellate Tribunal: The Hon'ble Appellate Tribunal cannot make orders in relation to counter-parties of HREL when HREL is not an Appellant in the instant matter and even L&T IDF and IIDL have not made HREL a party to the Appeals.

19.6 Beyond the scope of power to interfere/ modify with third party contracts under Section 241/242 of the Act:

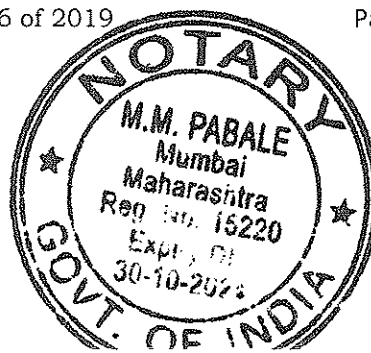
- (i) *The proviso to Section 242(2)(f) of the Act provides that any variation of a contract entered into with a third party can only be done with due notice and consent of the third party, in this case L&T IDF and IIDL.*
- (ii) *The safeguards provided under proviso to Section 242(2)(f) of the Act cannot be made redundant by way of an order made under Section 242(2)(m) of the Act.*

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- (iii) Section 424(1) of the Act only deals with the procedure to be followed by the Hon'ble Appellate Tribunal. It does not permit importing substantive provisions of the Insolvency & Bankruptcy Code 2016 ("Code") in an appeal, that too which are ex-facie contrary to the express provisions of the Act. Further, the power of the Hon'ble Appellate Tribunal to regulate its own procedure is subject to the provisions of the Act. Contractual rights protected by Article 300A cannot be tampered with by reliance on Section 424 of the Act.
- (iv) In the light of the specific requirement of consent under the proviso to Section 242(2)(f) of the Act, the Hon'ble Appellate Tribunal cannot modify third party agreements under Rule 11 of the National Company Law Appellate Tribunal Rules, 2016 ("NCLAT Rules"). Equitable powers under Rule 11 of NCLAT Rules cannot empower the Hon'ble Appellate Tribunal to amend and vary third party contracts which are protected by Article 300A of the Constitution of India.
- (v) The Union of India could have invoked Sections 230-232 of the Act, which deal with approval of a scheme of compromise and arrangement, for the resolution framework report and wherein the rights of lenders can be varied with the consent of $\frac{3}{4}$ th of the lenders. However, in the present proceedings under Sections 241 and 242 of the Act, the Hon'ble Appellate Tribunal cannot in derogation of the protection of the proviso of



Section 242(2)(f) of the Act, interfere with contracts of third parties.

19.7 Separate Legal Personality of borrower companies cannot be obliterated in proceedings under Section 241/242 of the Act:

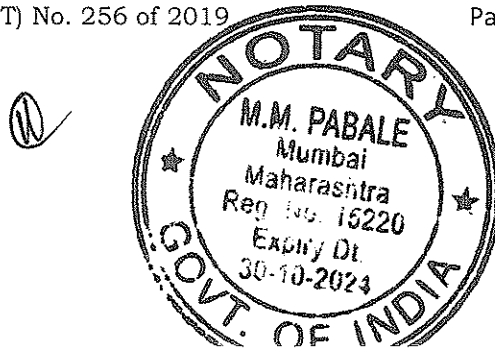
- (i) *The concept of group insolvency is completely alien to Section 241/242 of the Act. Companies which are solvent cannot be brought under group insolvency. No proceedings has been initiated by the Union of India w.r.t. to HREL under Section 241/242 before the Hon'ble Adjudicating Tribunal.*
- (ii) *The Resolution Framework Report and the various affidavits filed by the Union of India seek the exercise of powers by this Hon'ble Appellate Tribunal in complete derogation of the well settled principle of a subsidiary being a separate legal entity.*
- (iii) *HREL is a separate legal entity entirely unaffected by insolvency/ cashflow issues of IL&FS.*

19.8 Other aspects concerning jurisdiction of the Hon'ble Appellate Tribunal in the present proceedings:

- (i) *In the Appeals filed by the respective Appellants, there is no a whisper of a stay on the normal debt servicing by any company of IL&FS Group. Therefore, the Interim Order does not restrict normal debt servicing. However, the subsequent orders starting with order dated 11.02.2019 travel beyond the relief sought in the Appeals. The Union*

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of India (acting at the instance of the IL&FS) has misled the Hon'ble Appellate Tribunal during the course of present proceedings. All affidavits of the Union of India in relation to the Resolution Framework Report, starting with the affidavit dated 25.01.2019, merely rubber stamp the decisions of IL&FS board (all affidavits of Union of India are entirely based on the letters of IL&FS enclosed to such affidavits), and therefore cannot be taken to be the stand of Union of India.

- (ii) *The Union of India and IL&FS have filed an appeal against the order dated 12.10.2018 of the Hon'ble Adjudicating Tribunal. The scope of jurisdiction of the Hon'ble Appellate Tribunal is therefore narrow and restricted to such order of the Hon'ble Appellate Tribunal. The Hon'ble Appellate Tribunal cannot pass interim orders on the purported "Resolution Framework Report", as it not the court of first instance. The Resolution Framework Report ought to have been first submitted before the Hon'ble Adjudicating Tribunal and not before the Hon'ble Appellate tribunal.*

19.9 Implication on Rule of Law and public Interest:

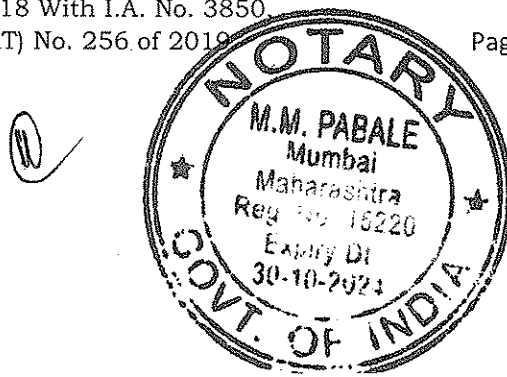
- (i) *If a party is permitted to give a complete go-by to its contractual obligations in the illegal manner as sought inter alia under the Resolution Framework Report, without any authority of law, it will have adverse consequences for the rule of law in India and both foreign and domestic investors would lose faith in India as a jurisdiction.*

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- (ii) *Most public private partnership (PPP) infrastructure projects are undertaken in separate special purpose companies and the lenders finance them based on the integrity of the separate legal personality of such special purpose companies. If the sanctity associated with separate legal personality is lost, it will have a debilitating effect on the infrastructure sector where banks and financial institutions provide financing on the basis of the project being undertaken in separate company ringfenced from the other liabilities of the parent company's group. This will also significantly impact creation of infrastructure in India and hurt public interest.*
- (iii) *Interference with third party contracts will precipitate a crisis in infrastructure financing in India, as it would undermine the credibility of the ring-fenced escrow account/ trust account mechanisms, the sanctity of which is crucial for all banking and finance transactions and would not be in public interest. Sanctity of contracts, which is the greatest public interest in country founded on the premise of rule of law, is being sought by the Appellants to be utterly disregarded in this matter.*

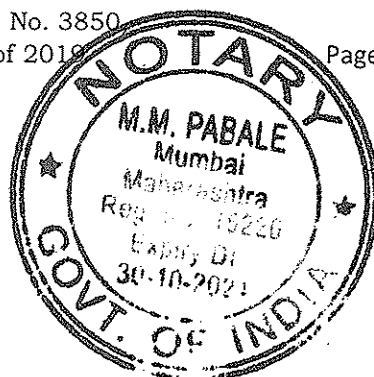
20. Dr. Abhishek Manu Singhvi, learned Senior Counsel appearing on behalf of IndusInd Bank, Lender of one Amber Entity and two Red Entities made similar submission challenging the jurisdiction of the Appellate Tribunal to pass interim order.

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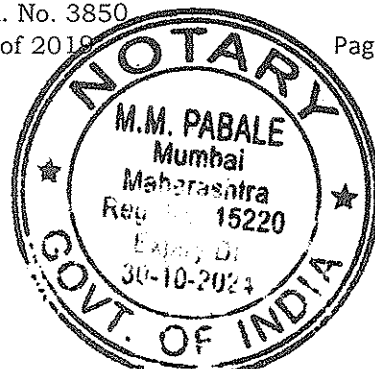
21. Mr. Dushyant Dave, learned Senior Counsel appearing on behalf of Bajaj Finance Limited submitted that this Appellate Tribunal does not have the jurisdiction to pass any orders under Sections 241 and 242 of the Companies Act, 2013 including the 15th October, 2018 order. It was submitted that settled principle of law laid down *inter-alia* under **P. Ramesh Kumar v. Dr. Shankernarayana Gupta (2011) 100 CLA 125 (CLB)** that the Tribunals do not have the jurisdiction under Section 242 of the Companies Act, 2013 to interfere with the day to day management of the affairs of a company. Such powers are vested with the shareholders and Board of Directors of the concerned Company. It was submitted that when the Tribunals exercise their powers under Section 242 of the Companies Act, 2013 and appoint a new Board of Directors to manage the affairs of the concerned company, the management of the Company should be vested with such new board and the Tribunals do not have the jurisdiction to interfere with the commercial wisdom of such new Board in managing the affairs of such company.

22. It was submitted that the NCLT Mumbai vide its 1st October, 2018 order appointed the New Board to manage the affairs of the ILFS Group as per the articles and memorandum of association of the respective ILFS Entities. Therefore, any decision in relation to the management of IL&FS Group, including the decision of resolving the stress in the ILFS Group should be vested with the New Board. The Tribunals do not have the

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jurisdiction to pass directions interfering with the management of the New Board.

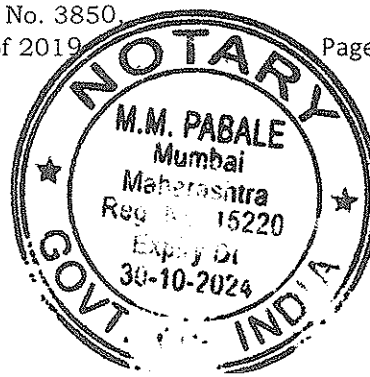
23. Further, according to the learned Senior Counsel Section 242(1) of the Companies Act, 2013 lays down that the NCLT may pass such necessary orders to bring to an end 'the matters complained of'. This Appellate Tribunal vide 15th October, 2018 order imposed a stay *inter-alia* on the lenders to the ILFS Group from taking any enforcement actions against any entity of the ILFS Group after taking into consideration, a) nature of the case; b) larger public interest; c) economy of the nation; and d) interest of the IL&FS Entities. Reliance has also been placed on the decision of the Bombay High Court in the matter of '*Bennet Coleman and Company v. Union of India and Ors.*' that "...the only limitation that could be impliedly read on the exercise of the power would be that nexus must exist between the order that may be passed thereunder the object sought to be achieved by these sections and beyond this limitation which arises by necessary implication it is difficult to read any other'.

24. Learned Senior Counsel further submitted that when the Tribunals exercise their powers under Section 241 or Section 242 of the Act, they can award remedies with the intent of bringing to an end mismanagement of the company. Furthermore, it has been laid down by the Hon'ble Supreme Court of India in '*Needle Industries (India) Ltd. v. Needle Industries Newey (India) Holding Ltd. and Ors.* – AIR 1981 SC 1298 that the power of the Tribunals to pass directions under Sections 397, 398 of the Companies Act, 1956 (which

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corresponds to Section 241 of Companies Act, 2013) and Section 402 of the Companies Act, 1956 (which corresponds to Section 242 of Companies Act, 2013) is restricted to be exercised strictly *“with a view to bringing to an end the matters complained of”*. In the instant case, the Appellant filed an application under Section 241 of the Companies Act, 2013 alleging gross mismanagement of the affairs of the ILFS Group by the erstwhile Board of Directors of ILFS. Therefore, the power of the Tribunals in this context is restricted only to the extent of bringing an end to the mismanagement of IL&FS Entities by the Erstwhile Board which was already done by the NCLT’s order suspending the Board of Directors of the ILFS Group and reconstituting the Board with new Directors under Section 241 of Companies Act, 2013 along with subsequent orders issuing substantial and sufficient safeguards to the New Board to conduct the management and affairs of the ILFS Group. It was also submitted that the Tribunals do not have the Authority to pass an order similar to moratorium under IBC or any such order which prejudicially affects the rights of third parties.

25. Mr. S.N. Mukherjee, learned Senior Counsel appears on behalf of Aditya Birla Finance Ltd. and Wavell Investment Private Limited made the following submissions: -

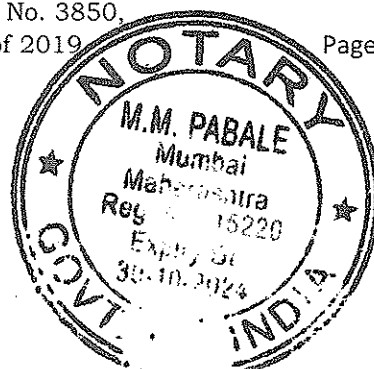
(i) *The Tribunal’s powers under Section 241(1) and 241(2) of the Companies Act, 2013 are identical. Section 242 makes no distinction between orders under Section 241(1) and 242(2). As such, Section 241(2) merely grants an additional right to the Central Government to*

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file a petition if it is of the opinion that the affairs of the company are being run in a manner prejudicial to public interest, and the ultimate scope of the Tribunal's powers are however still defined under Section 242. Prejudice to 'public interest' is only a qualifying factor for the Central Government to file petition under Section 241(2), and it does not in any manner enhance the Tribunal's power beyond those provided under Section 242.

(ii) The Resolution/ Distribution Framework has been proposed in a petition filed under Section 241/242 of the Act and any reliefs prayed for therein have to be in terms of the provisions of the same. Section 242(2)(f) specifically requires the consent of the Applicant (or other contracting party) to be obtained prior to modification of any terms of its contract. Unilateral modification of terms of financing agreements is in direct contradiction to the provisions of Section 242(2)(f).

(iii) It is submitted that since the Facility Agreements have not been challenged as being prejudicial to public interest or causing mismanagement/ oppressions, it is no longer possible to post facto seek modification of these agreement in the garb of 'public interest' under Section 241(2). The terms of Section 242 must be read harmoniously and not in a manner that would make the provisions of Section 242(2)(f) redundant/ 'dead letter'.

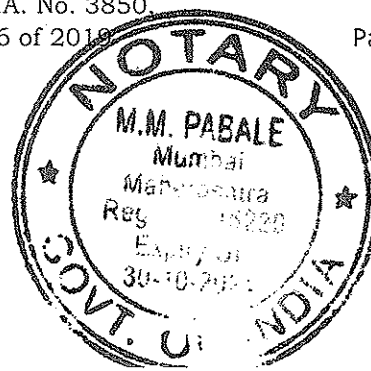
(iv) Rule 11 of the NCLT Rules also only saves/ protects the inherent powers which are already present with the Tribunal. It cannot be said to bestow any new powers beyond the Act itself.

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(v) Further, it is a settled position of law that inherent powers of a Court / tribunal are not unfettered and must be exercised within the confines of the governing statute. In particular, inherent powers do not allow a court / tribunal to take away substantive rights of third parties and/ or nullify or stultify a statutory provision.

26. Similar submission is made by Mr. Arun Kathpalia, learned Senior Counsel appearing on behalf of PTC India Financial Services Ltd.

27. There are other Lenders, who have also raised the similar objections by filing their written submissions and taking similar plea. Hence, no separate submissions are recorded.

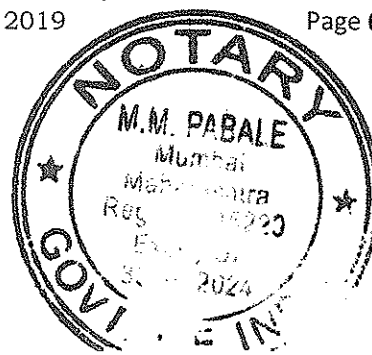
28. Hindustan Zinc Limited Employees Contributory Provident Fund Trust claimed to be a Secured Creditor of IFIN raised the similar objection.

29. Mr. Salman Khurshid, learned Senior Counsel appeared on behalf of Army Group Insurance Fund (AGIF). According to him, the AGIF had infused the funds contributed as compulsory deduction from the army personnel in secured non-convertible debentures issued by IL&FS and IFIN. These companies are presently categorized as 'Red Entities'. Principal debt of Rs.210 crore along with applicable interest is due and payable to AGIF. AGIF collects the deductions from every soldier of the Indian Army and seeks to provide inter alia the relief to the kith and kin of the army personnel i.e. the widows, children and their aging parents. AGIF herein is espousing the sacred cause for social security of widows/ orphans/ old parents/ next of

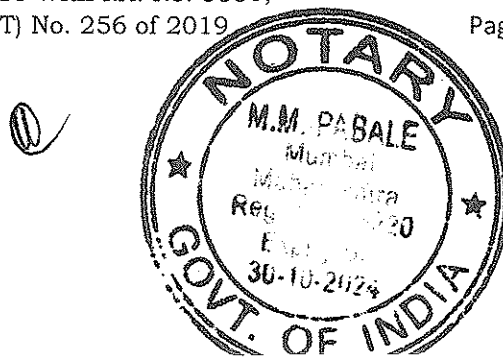
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kin of the martyred soldiers while they were selflessly defending the national borders in extremely hard, dangerous and challenging situations. It is submitted that this Appellate Tribunal on 12th July, 2019 directed the ILFS and Union of India to specifically state as to what steps they will take to release the amount payable to 'Pension Fund', 'Provident Fund', 'Army Group Insurance Fund', 'Gratuity Fund', 'Superannuation Fund', 'Postal Life Insurance Fund' etc. if invested in one or other 'Red Entity'. It was made clear that if any fund is generated, this Appellate Tribunal may direct ILFS and Union of India to release the amount to the aforesaid fund, even of the Red Entities. However, ILFS and Union of India have till date neither released the funds of AGIF nor provided as to when and how the funds shall be released. The affidavit filed by Union of India on 9th January, 2020 in fact simply seeks to avoid the issue of the payments to AGIF or other such funds, which is in gross violation of the above orders. It is clear that funds raised by ILFS and IFIN generally were passed to various group companies. However, when it comes to repayment, Union of India is seeking to effectively repay the debts only from the concerned entity which obtained the monies to the concerned creditors of that company. This approach is outlined by the Union of India in paragraph 25(a) to 25(c) of the affidavit filed by Union of India on 9th January, 2020, wherein cost of resolution process incurred by the group as a whole is to be recovered from the sale of the concerned entity, but the repayments to creditors is to be made only to that of the "relevant Group Company". This approach cannot be accepted and cannot



be stated to be 'fair and equitable' as propounded. In any case, it is submitted that any fund which is generated by the ILFS Group or by the Red Entities should first be used to repay the monies to AGIF. The AGIF has not infused any funds into the companies which are classified as Green entities, and therefore, to that extent the proposal of repayment by Green Companies to AGIF is an eyewash.

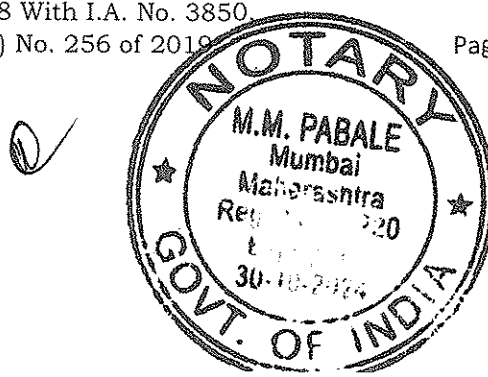
30 The learned Counsel submits that in the public interest under Section 241/242 of the Companies Act, 2013 a specific entity wise resolution/repayment model should not be adopted especially in the case of the nature such as the present one where monies obtained by one company in ILFS Group were funneled/ transferred to other group companies. There is no basis or purport for applying the Section 53 IBC principle for Red Entities as such especially considering that there are findings of:

- (a) mis-governance and mismanagement of ILFS group.
- (b) ILFS Group having undertaken significant intra-group financial transactions within the Respondent No.1 Group, and significant borrowings having been made by ILFS and IFIN for deployment at operating companies, and that such deployment of funds has been made on an unsecured basis in a significant majority of the cases, and that but for such deployments many of the ILFS Group companies would not have been able to complete their projects and generate cash flows."

31. It was submitted that in the face of the above, permitting certain 'Green' companies to discharge their debt obligations to third parties would

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work serious injustice to entities such as AGIF who infused funds to ILFS/ IFIN as such.

32. It was further therefore submitted that the distribution framework/ revised distribution framework as proposed by the Union of India is not in keeping with the orders of the Hon'ble NCLAT dated 12th July, 2019. It was prayed that any money which is generated by ILFS Group should be, after realization of the resolution costs, first applied towards repayment of the dues of AGIF.

33. Union of India and IL&FS have justified the interim order passed by this Appellate Tribunal on 15th October, 2018. According to the learned Counsel for the Union of India and IL&FS, those who have already derived advantage of the interim order should not be allowed to raise objection at this belated stage.

34. The learned Counsel highlighted the benefits of the interim order derived by the parties during last one year by way of resolution of different Companies and payment of dues to Secured Creditors/ Financial Creditors and other Creditors.

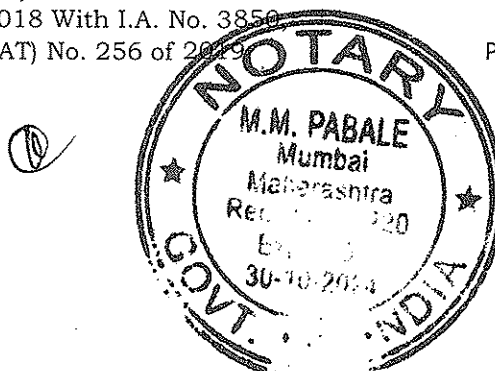
35. According to State Bank of India, the present case is unique and unprecedented which involves the resolution of IL&FS Group involving 348 companies including off-shore entities. The Board of IL&FS Group now comprises the nominees of UoI upon its petition u/s 241 & 242 of the Companies Act, 2013 being admitted by the NCLT Mumbai on the allegation

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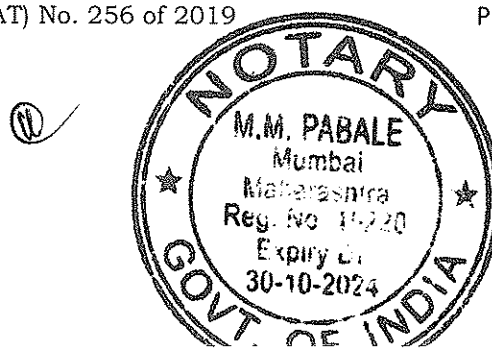
that the affairs of the IL&FS Group companies were being conducted in a manner prejudicial to public interest. It was submitted that it must be borne in mind that the resolution of IL&FS Group arose as a special case since the defaults by the entities of IL&FS had rattled the market and economy was at stake. Therefore, the present case must not be treated as a precedent. Furthermore, the following suggestions of the State Bank of India may not be construed as views of other Financial Creditors/ CoC.

36. Learned Counsel for SRS Orion I Investments Ltd. & Ors. submitted that SRS Orion I Investments Ltd. a foreign investor invested Rs.520 crores in each Hill County Properties Limited (HPCL) (formerly Maytas Properties Limited) an IL&FS Group Company, categorized as a 'Red' entity. The grievance has been made that IL&FS proposed to disinvest its stake in HCPL in contravention of the Applicants' right. It is stated that there were defaults under the investment agreement due to breakout of "Maytas Scandal" (following Satyam scandal) and legal proceedings were initiated as a consequence thereof. The then Company Law Board inducted IL&FS as a New Promoter of HCPL and the legal proceedings continued.

37. It was further submitted that to resolve all outstanding issues, the Applicants, HCPL and IL&FS Group entered into Settlement Terms dated January 15, 2013, which were recorded in and given effect to in a Consent Decree dated July 26, 2014 passed by the Lok Adalat organized by the City Civil Court Legal Services Authority, in LAC No. 518 of 2014 that was pending on the file of the Hon'ble City Civil Court in Arbitration O.P. No. 138 of 2010.

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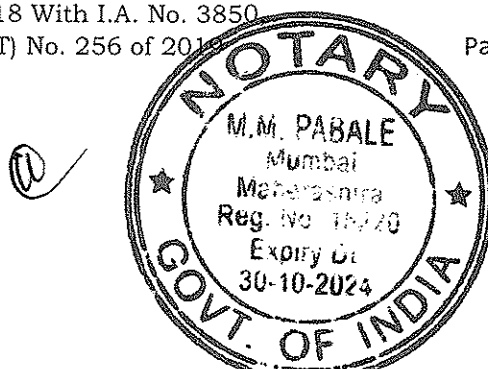


38. The Settlement Terms inter alia provided that:

- (a) *HCPL and IL&FS Group (amongst others) will purchase the CCDs from the Applicants in four tranches [Clause 3]*
- (b) *Till any amounts are due and payable to the Applicants, IL&FS Group was required to maintain Majority Control in HCPL [Clause 14.3]*
- (c) *In terms of the Settlement Terms, HCPL incorporated Jeedimetla (an SPV wholly owned by HCPL) and the irrevocable development rights in Kondapur Lands and Jeedimetla Lands situated at Andhra Pradesh were vested in it.*
- (d) *Jeedimetla was to develop a project on the above-mentioned lands as per its business plan. All free cash flows from the project were to be utilised first towards payments due and payable to the Applicants with respect to Tranche 3 obligation [Clause 6.4.7-6.4.8]*
- (e) *In case of default in purchase of the CCDs under Tranche 3, the Applicants will be entitled to Takeover Rights i.e. the right to take over the share capital of Jeedimetla which holds the Kondapur and Jeedimetla Lands for development of the project [Clause 6.5.2]. These lands have thus been segregated and kept aside to secure the fulfilment of obligation of HCPL under Tranche 3 of the Settlement Terms.*

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- (f) *In case of default in purchase of CCDs under Tranche 4, HCPL will, and IL&FS will cause HCPL to, liquidate HCPL and its subsidiaries' properties and assets of whatsoever nature, are required to satisfy the obligation to purchase the Tranche 4 CCDs [Clause 7.3.2.1].*

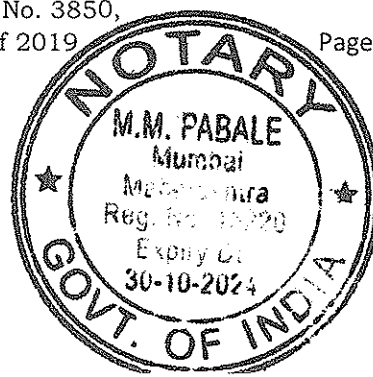
39. It was submitted that pertinently, the role of the IL&FS Group and HCPL in relation to the development of the lands in question was that of facilitator and they had no economic interest in the same. HCPL was to develop the lands and the proceeds from the development of land was to be appropriated, first, for payment to the Applicants in exchange of the CCDs and then the residual proceeds, if any, were to be paid to the landowners. The transaction will, thus, cause no financial loss to IL&FS and /or HCPL, since it was playing the role of a facilitator as regards the ownership and control of the assets. To the contrary, it will reduce the liabilities of HCPL and /or IL&FS Group. [Refer clauses 6.4.2,6.4.3,6.4.8,6.5.2.1 and 6.5.2.3].

40 It was alleged that HCPL has failed to fulfil its obligations under the Settlement terms citing the order of this Appellate Tribunal dated October 15, 2018. Owing to the aforesaid default by HCPL and IL&FS Group under Tranche 3,the Applicants have exercised Takeover Rights i.e. to take over Jeedimetla by acquiring the entire share capital of Jeedimetla by swapping the Tranche 3 CCDs such that Jeedimetla will be entirely owned and controlled by the Applicants and JMF(the other investor) (Swap). The Applicants are entitled to 86.67% shares of Jeedimetla. However, HCPL failed

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to transfer the said shares. Till date, the Swap has not taken place and HCPL has failed to transfer 86.67% shares of Jeedimetla, despite the following categorical admissions on part of HCPL and IL&FS Group of their default under the Settlement Terms:

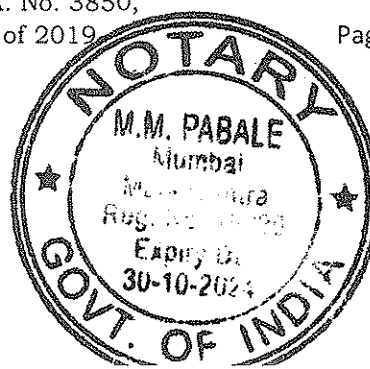
- (i) *The order dated December 26,2019 passed by Ld. City Civil Court, Hyderabad notes at para 16 that HCPL and IL&FS Group do not dispute the violation/non-compliance of the Consent Decree; and*
- (ii) *E-mail dated January16,2020 from the Claims Management Advisor of HCPL to the Applicants, admitting the entire amount of INR 443.75 crores claimed by Applicants as being due and payable under the Settlement Terms."*

41. It was submitted that as per Clause 7.3.2.1 of the Settlement Terms, if HCPL does not fulfil its obligation to purchase the Tranche 4 CCDs, HCPL will, and IL&FS will cause HCPL to, Liquidate HCPL and its subsidiaries' properties and assets of whatsoever nature, as are required to satisfy the obligation to purchase the Tranche 4 CCDs. The Applicants thus have a right to liquidate HCPL and its subsidiaries for enforcing its rights under Tranche 4. Therefore, any sale of IL&FS stake in HCPL will result in violating the Settlement Terms and the Applicants will be left remediless insofar as the rights under Tranche 4 is concerned. In September2019, IL&FS has issued an Invitation for EOI for disinvestment of the 80% equity stake held by it in

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HCPL. The Invitation for EOI is contrary to the terms of the Settlement Terms, in particular Clause 14.3, which reads as below: -

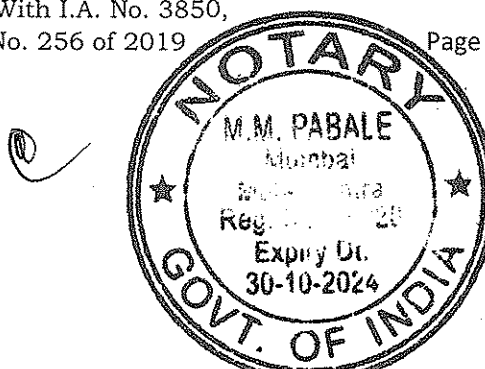
“ As long as any amounts are due and payable to the Investors in terms hereof, IL&FS Group will continue to have Majority Control over MPL and MPL Subsidiaries.”

Majority Control has been defined as “the power to exercise at least 40%(forty per cent) of the voting rights attached to voting securities, together with management control of MPL”.

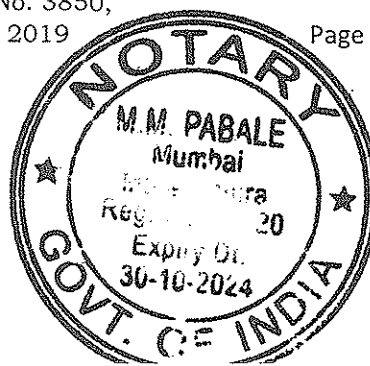
42. It was submitted that the Invitation for EOI is contrary to the Settlement Terms/Consent Decree, which will be clear from the chart below:

“Invitation for EOI	Settlement Terms
<ul style="list-style-type: none"> • Proposed sale of equity shareholding of 9%,40% and 31% (aggregating to 80% stake) in HCPL held by IL&FS, IL&FS Township & Urban Assets Ltd. and IL&FS Engineering and Construction Company Limited respectively. • HCPL houses various land parcels/ development rights. Some of these are provided in the Invitation for EOI. 	<ul style="list-style-type: none"> • Clause 14.3- As long as any amounts are due and payable to the Investors(this includes the Applicants).IL&FS Group will continue to have Majoriyr Control over HCPL. • Majority Control has been defined in Clause 16) as the power to exercise at least 40% of voting rights attached to voting securities, together with management control to HCPL.

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	<ul style="list-style-type: none"> • Clause 6.5.2.1- If the Applicants exercise their Takeover Rights, IL&FS Group and HCPL will cause the entire share capital of the Jeedimetla to be swapped i.e. transferred to the Applicants (and the other investor) proportionately against the Tranche 3 CCDs held by the Applicants. • Clause 7.3.2.1- In case of default in purchase of CCDs under Tranche 4, HCPL will, and IL&FS will cause HCPL to, liquidate HCPL and its subsidiaries' properties and assets, as are required to satisfy the Tranche 4 obligation.”
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Therefore, according to the learned Counsel, the 'Expression of Interest' is violative of the Settlement Terms and Consent Decree.

43. The application has been filed by the Union of India under Section 241(2), which reads as follows: -

"241. Application to Tribunal for relief in cases of oppression, etc—

(1) xxx xxx xxx

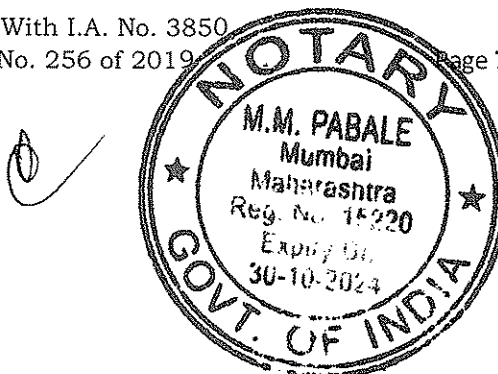
(2) *The Central Government, if it is of the opinion that the affairs of the company are being conducted in a manner prejudicial to public interest, it may itself apply to the Tribunal for an order under this Chapter."*

44. Section 242 vests the Tribunal with the power, if, on an application made under 241, the Tribunal is of the opinion – *'that the Company's affairs have been or are being conducted in a manner prejudicial to the public interest or in a manner prejudicial to the interests of the company; and (b) that to wind up the company would unfairly prejudice such member or members, but that otherwise the facts would justify the making of a winding-up order on the ground that it was just and equitable that the company should be wound up, then in such case the Tribunal, with a view to bring to an end the matters complained of, make such order as it thinks fit'.*

45. The present case shows that *prima facie* case has been made out by the Central Government that the affairs of the six Companies of IL&FS & Group Companies are being conducted in a manner prejudicial to the public

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interest and there is a likelihood of the winding up of the Company for the reasons in view of the facts as discussed above. Therefore, the Tribunal with a view to bring an end to the matter complained of is required to pass final order.

46. The question is before passing final order, what nature of interim order can be passed in the present case.

47. Section 242(4) deals with the interim order: -

“242. Powers of Tribunal

(1), (2), (3) xxx xxx xxx

(4) The Tribunal may, on the application of any party to the proceeding, make any interim order which it thinks fit for regulating the conduct of the company's affairs upon such terms and conditions as appear to it to be just and equitable.”

48. Therefore, it is clear that for regulating the conduct of the company's affairs upon such terms and conditions, it is open to the Tribunal to pass interim order, which is just and equitable.

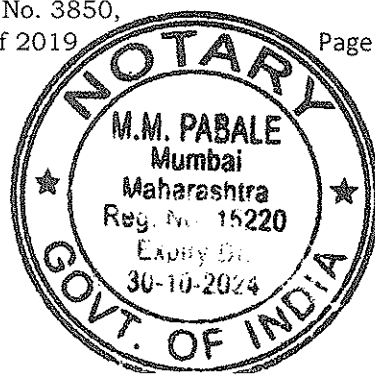
49. Section 424 of the companies Act, 2013, relates to procedure before the Tribunal and Appellate Tribunal and reads as under:-

“424. Procedure before Tribunal and Appellate

Tribunal (1) *The Tribunal and the Appellate Tribunal*

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shall not, while disposing of any proceeding before it or, as the case may be, an appeal before it, be bound by the procedure laid down in the Code of Civil Procedure, 1908 (5 of 1908), but shall be guided by the principles of natural justice, and, subject to the other provisions of this Act [or of the Insolvency and Bankruptcy Code, 2016] and of any rules made thereunder, the Tribunal and the Appellate Tribunal shall have power to regulate their own procedure.

(2) The Tribunal and the Appellate Tribunal shall have, for the purposes of discharging their functions under this Act [or under the Insolvency and Bankruptcy Code, 2016], the same powers as are vested in a civil Court under the Code of Civil Procedure, 1908 (5 of 1908) while trying a suit in respect of the following matters, namely:—

(a) summoning and enforcing the attendance of any person and examining him on oath;

(b) requiring the discovery and production of documents;

(c) receiving evidence on affidavits;

(d) subject to the provisions of sections 123 and 124 of the Indian Evidence Act, 1872 (1 of 1872), requisitioning any public record or document or a copy of such record or document from any office;

(e) issuing commissions for the examination of witnesses or documents;

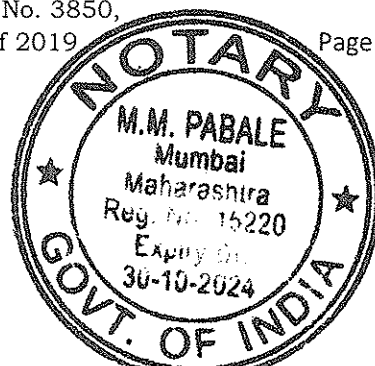
(f) dismissing a representation for default or deciding it ex parte;

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(g) setting aside any order of dismissal of any representation for default or any order passed by it *ex parte*; and

(h) any other matter which may be prescribed.

(3) Any order made by the Tribunal or the Appellate Tribunal may be enforced by that Tribunal in the same manner as if it were a decree made by a court in a suit pending therein, and it shall be lawful for the Tribunal or the Appellate Tribunal to send for execution of its orders to the court within the local limits of whose jurisdiction,—

(a) in the case of an order against a company, the registered office of the company is situate; or

(b) in the case of an order against any other person, the person concerned voluntarily resides or carries on business or personally works for gain.

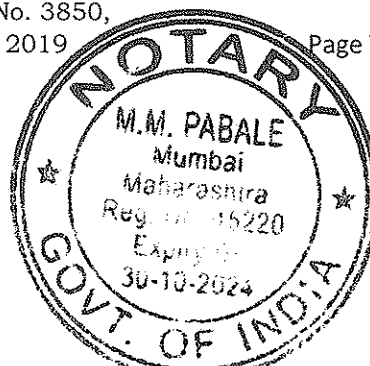
(4) All proceedings before the Tribunal or the Appellate Tribunal shall be deemed to be judicial proceedings within the meaning of sections 193 and 228, and for the purposes of section 196 of the Indian Penal Code (45 of 1860), and the Tribunal and the Appellate Tribunal shall be deemed to be civil court for the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973 (2 of 1974).”

50. From the aforesaid provision, it is clear that Tribunal/ Appellate Tribunal is required to follow principles of natural justice and other provisions of the ‘Companies Act, 2013’ or the ‘Insolvency and Bankruptcy Code, 2016’ and of any rules made thereunder for regulating its own procedure. Since the amendment of Section 424 with effect from 15th

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November, 2016, the Tribunal/ Appellate Tribunal is vested with the power to follow the procedure of Insolvency and Bankruptcy Code, 2016, in addition to the procedure laid down in the Companies Act, 2013 and the rules framed under the aforesaid Code and Act.

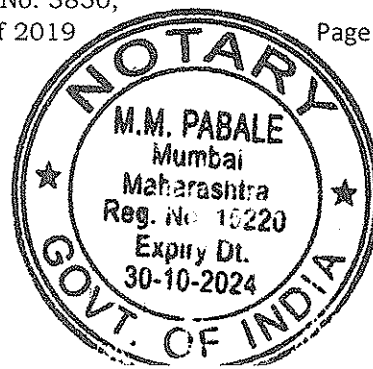
51. The Hon'ble Supreme Court in "**Swiss Ribbons Pvt. Ltd. and anr vs. Union of India and Ors. – (2019) 4 SCC 17**" noted the statement of objects and reasons of the Code as under:-

"2. The objective of the Insolvency and Bankruptcy Code, 2015 is to consolidate and amend the laws relating to reorganization and insolvency resolution of corporate persons, partnership firms and individuals in a time-bound manner for maximization of value of assets of such persons, to promote entrepreneurship, availability of credit and balance the interests of all the stakeholders including alteration in the priority of payment of government dues and to establish an Insolvency and Bankruptcy Fund, and matters connected therewith or incidental thereto. An effective legal framework for timely resolution of insolvency and bankruptcy would support development of credit markets and encourage entrepreneurship. It would also improve Ease of Doing Business, and facilitate more investments leading to higher economic growth and development.

3. The Code seeks to provide for designating NCLT and DRT as the Adjudicating Authorities for corporate persons and firms and individuals, respectively, for resolution of insolvency, liquidation and bankruptcy. The

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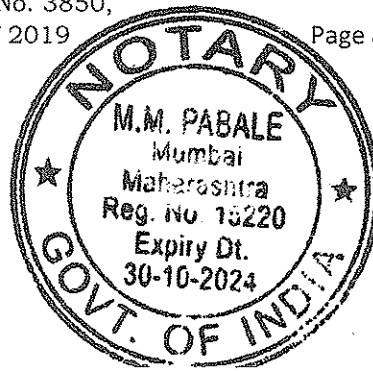
Code separates commercial aspects of insolvency and bankruptcy proceedings from judicial aspects. The Code also seeks to provide for establishment of the Insolvency and Bankruptcy Board of India (Board) for Regulation of insolvency professionals, insolvency professional agencies and information utilities. Till the Board is established, the Central Government shall exercise all powers of the Board or designate any financial sector regulator to exercise the powers and functions of the Board. Insolvency professionals will assist in completion of insolvency resolution, liquidation and bankruptcy proceedings envisaged in the Code. Information Utilities would collect, collate, authenticate and disseminate financial information to facilitate such proceedings. The Code also proposes to establish a fund to be called the Insolvency and Bankruptcy Fund of India for the purposes specified in the Code.

4. The Code seeks to provide for amendments in the Indian Partnership Act, 1932, the Central Excise Act, 1944, Customs Act, 1962, the Income Tax Act, 1961, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, the Finance Act, 1994, the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, the Sick Industrial Companies (Special Provisions) Repeal Act, 2003, the Payment and Settlement Systems Act, 2007, the Limited Liability Partnership Act, 2008, and the Companies Act, 2013.”

The Hon’ble Supreme Court further observed: -

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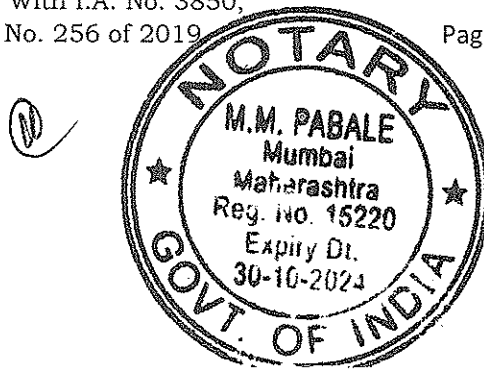


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“27. As is discernible, the Preamble gives an insight into what is sought to be achieved by the Code. The Code is first and foremost, a Code for reorganization and insolvency resolution of corporate debtors. Unless such reorganization is effected in a time-bound manner, the value of the assets of such persons will deplete. Therefore, maximization of value of the assets of such persons so that they are efficiently run as going concerns is another very important objective of the Code. This, in turn, will promote entrepreneurship as the persons in management of the corporate debtor are removed and replaced by entrepreneurs. When, therefore, a resolution plan takes off and the corporate debtor is brought back into the economic mainstream, it is able to repay its debts, which, in turn, enhances the viability of credit in the hands of banks and financial institutions. Above all, ultimately, the interests of all stakeholders are looked after as the corporate debtor itself becomes a beneficiary of the resolution scheme – workers are paid, the creditors in the long run will be repaid in full, and shareholders/investors are able to maximize their investment. Timely resolution of a corporate debtor who is in the red, by an effective legal framework, would go a long way to support the development of credit markets. Since more investment can be made with funds that have come back into the economy, business then eases up, which leads, overall, to higher economic growth and development of the Indian economy. What is interesting to note is that the Preamble does not, in any manner, refer to liquidation, which is only availed of as a last resort if there is either no resolution plan or the resolution

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plans submitted are not up to the mark. Even in liquidation, the liquidator can sell the business of the corporate debtor as a going concern.

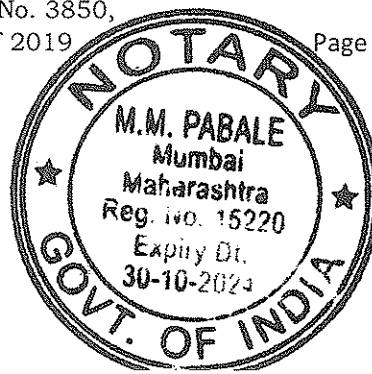
28. *It can thus be seen that the primary focus of the legislation is to ensure revival and continuation of the corporate debtor by protecting the corporate debtor from its own management and from a corporate death by liquidation. The Code is thus a beneficial legislation which puts the corporate debtor back on its feet, not being a mere recovery legislation for creditors. The interests of the corporate debtor have, therefore, been bifurcated and separated from that of its promoters / those who are in management. Thus, the resolution process is not adversarial to the corporate debtor but, in fact, protective of its interests. The moratorium imposed by Section 14 is in the interest of the corporate debtor itself, thereby preserving the assets of the corporate debtor during the resolution process. The timelines within which the resolution process is to take place again protects the corporate debtor's assets from further dilution, and also protects all its creditors and workers by seeing that the resolution process goes through as fast as possible so that another management can, through its entrepreneurial skills, resuscitate the corporate debtor to achieve all these ends."*

52. It cannot be said that NCLT while dealing with winding up matter or a matter under Section 241 r/w Section 242 particularly in a case under Section 241(2), which relates to public interest, the principle of Insolvency and Bankruptcy Code cannot be followed.

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53. The Hon'ble Supreme Court held that steps should be taken for resolution of the Corporate Debtor and death of Corporate Debtor (Company) is not the answer. In IL&FS and its Group Companies, the aggravating situation has been noticed and highlighted, which called for interim order in the nature, which we have already passed on 15th October, 2018.

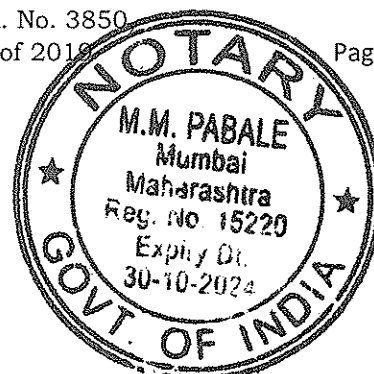
54. It is true that power of moratorium us Section 14 of the I&B Code cannot be exercised under the Companies Act, 2013, but same power can be exercised by Tribunal under Section 242(4) of the Companies Act by way of an interim order, if the Tribunal thinks fit for regulating the conduct of the Company's affair upon such terms and conditions, which is just and equitable.

55. Apart from Union of India and IL&FS, major investors like State Bank of India has accepted that the present case is unique and unprecedented involving resolution of IL&FS and its 302 Group Companies including Off-shore entities. It is accepted that because of interim order, resolution plan of Rs.40,000 crores has offered and there is likelihood of getting Rs.10,000 crores to Rs.20,000 crores more. It has also been noticed that all the 133 Off-shore Companies (incorporated outside India) have been released out of the interim order and are now doing good business. 169 Entities incorporated in India, out of them about more than 33 Entities have been made 'Green Entities' and are paying to their Secured Creditors, Financial Creditors and other Creditors. Out of the 13 'Amber Entities', 3 have already been turned 'Green Entity' and 4th is also going to be a 'Green Entity' because

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of the interim order and is now in a position to pay the dues of all the Secured Creditors, Financial Creditors and other Creditors. The other 'Amber Entities' are also in a position to pay the Secured Creditors and other Creditors. Out of more than 55 'Red Entities' there are purchasers, who have given highest bid in one or the other case and in some cases transfer of asset has also taken place.

56. In India, there is no provision for 'group insolvency'. IL&FS and its Entities, being financial service providers, no application under Section 7, or 9 or 10 of the I&B Code can be filed against them. Parties have to move before the Tribunal by filing petition for winding-up.

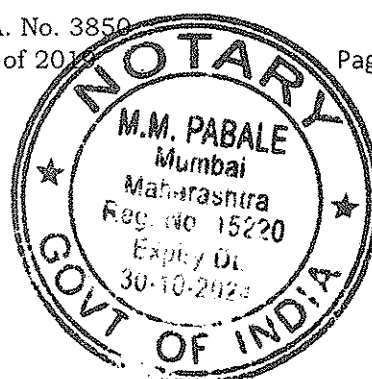
57. On the other hand, about 169 Companies, which are on the resolution process in the present case under 'Green Entities', 'Amber Entities' and 'Red Entities', if the parties are allowed to move an application under Section 7, or 9, or 10, there will be equal number of cases, which will be filed before the Adjudicating Authority (NCLT) at different places/ State and Benches. They cannot be clubbed together in absence of any power under the Companies Act or I&B Code. It will give rise to number of cases and consume much time of different Tribunals and the process would be much lengthy, if individual cases are allowed to be filed. There are parties, who may also move in suits in different Civil Courts/ High Courts and there will be separate proceedings, which will be pending against one or the other Group Companies, which will multiply the litigations.

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58. Taking into consideration the aforesaid fact, we hold that Tribunal/ Appellate Tribunal has ample power to pass interim order in terms of Section 242(4) of the Companies Act as passed on 15th October, 2018 and requires no modification/ recall.

The Procedure to be followed

59. Already a procedure is being followed for resolution of different Companies in the General Resolution Frame Work.

60. The maximization of the asset and distribution of it to all the stake holders are the object to be kept in mind while following any Resolution Framework for the IL&FS Group Companies.

61. The Union of India on the basis of the present procedure as is followed under the guidance of this Appellate Tribunal and under the supervision of Hon'ble Justice (Retd.) D.K. Jain, has highlighted the key of the Resolution Framework as follows: -

"Key Highlights of the Resolution Framework"

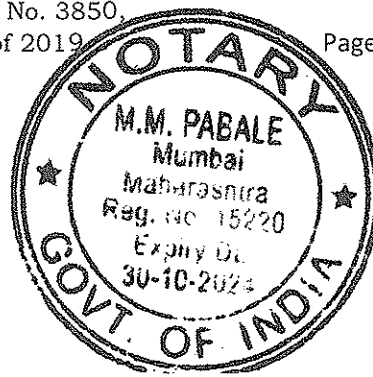
Initial Resolution Framework

- (1) *As set out above, the Initial Resolution Framework and the First Addendum were filed by the Appellant with this Hon'ble Tribunal vide the January 25 Affidavit.*
- (2) *The Initial Resolution Framework sets forth that an 'asset by asset' solution, being explored through various methods i.e., an "Asset Level Resolution" (and in some cases, the sale of the business*

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vertical comprising of a basket of companies) is the most feasible option for the resolution of Respondent No.1. Group.

(3) *Set out below are the salient features of the Initial Resolution Framework:*

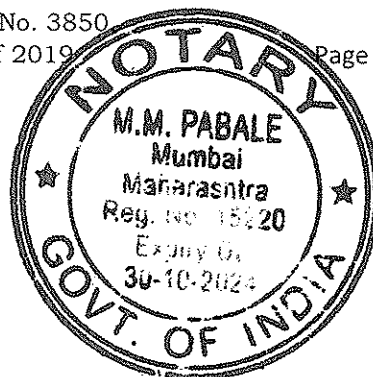
(i) *Crystallisation of claims as of "Cut-Off Date" (i.e. October 15, 2018): No interest, additional interest, default interest, penal charges or other similar charges to accrue after the Cut-Off Date of October 15, 2018.*

(ii) *Appointment of valuers for determining the fair value and liquidation value: Two valuers to be appointed to determine the fair value and liquidation value in respect of "Sale Companies" (i.e., entities being monetized as part of the 'Asset Level Resolution').*

(iii) *Categorisation of entities (Category I and Category II): Based on the H1 bid value received, a Sale Company would either be, a:*

(a) *Category I Company i.e., where the bidder is willing to assume all liabilities of the Sale Company whether operational or financial without compromise of the debt; or*

(b) *Category II Company i.e., where the financial bid amount offered by the applicant is less than all the liabilities of the Sale Company.*



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- (iv) *Constitution of a Creditors' Committee: In respect of the relevant Sale Company, Creditors' Committee will be constituted (in lieu of individual creditor consents, which are to be dispensed with) in the following manner:*
- (a) *For a Category I Company, the Creditors' Committee shall constitute all the financial creditors of the Respondent No.1 Group Company (including Respondent No.1 Group Companies that have provided financial debt to such Respondent No.1 Group Company) which is the "selling shareholder(s)" of that Sale Company;*
- (b) *For a Category II Company, the Creditors' Committee shall constitute all the financial creditors of the Sale Company (including Respondent No.1 Group Companies that have provided financial debt to such Respondent No.1 Group Company).*
- (c) *Each member of each Creditors' Committee will have voting rights (by value of the financial debt owed to that member) and will be called upon to only consider the highest bid in respect of the Sale Company. Specifically, the Creditors' Committee would not have the ability to*

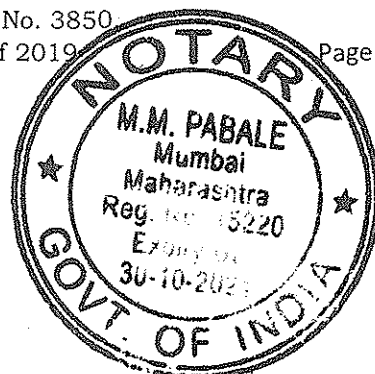
Company Appeal (AT) No. 346 of 2018 With I.A.3616, 3851, 3860,3962,
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determine distribution of the bid amounts.

- (v) *Decision by the New Board: The decision of the Creditors' Committee to either approve or reject the highest bid for a Sale Company will be placed before the New Board for its consideration.*
- (vi) *Approval of Justice (Retd.) D.K. Jain: If the New Board approves a sale proposal, the same will be placed before Justice (Retd.) D.K. Jain (appointed by this Hon'ble Tribunal vide order dated February 11, 2019) for his approval.*
- (viii) *Approval of the Hon'ble NCLT: Upon receipt of approval of Justice (Retd.) D.K. Jain, the proposal will be placed with the Hon'ble NCLT for its approval. Upon receipt of approval of the Hon'ble NCLT and payment of consideration by the successful bidder, the shares/assets of the relevant Sale Company will be transferred free and clear of all encumbrances, liens, third party rights to the successful bidder."*

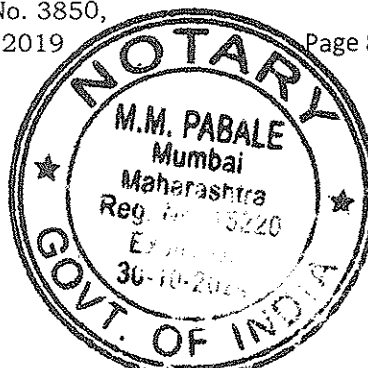
62. Initially, it was suggested that distribution in accordance with I&B code be followed. Now it is suggested that following distribution procedure should be followed in the public interest:-

"4. *Public Interest Rationale for 'Fair and Equitable'*

Distribution to Creditors

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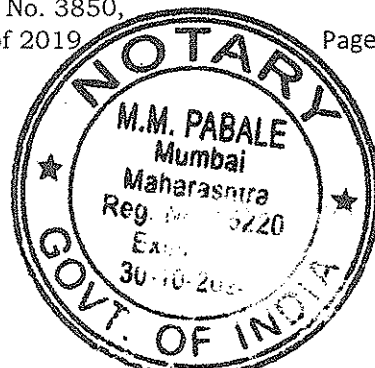
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(15) *Given the circumstances unique to the Respondent No. 1 Group, it is submitted that the Resolution Framework (including the Revised Distribution Framework in the Second Addendum) ought to be approved by this Hon'ble Tribunal in view of the following:*

- (i) *as of October 8, 2018, the aggregate principal amounts of the external fund based debt exposure of the Respondent No. 1 Group was approximately INR 94,000 crores (in addition to a non-fund based exposure of approximately INR 5,100 crores). These borrowings were availed by the Respondent No. 1 Group by accessing possibly every source of funding available to corporates in India, including but not limited to banks (including nationalised banks, private banks, foreign banks and scheduled co-operative banks) and financial institutions, retail investors (by tapping into the listed bond markets in India and abroad), as well as the Public Fund Creditors such as Pension Funds, Provident Funds, Employee Welfare Funds, Gratuity Funds, Superannuation Funds, Army Group Insurance Funds;*
- (ii) *It was submitted that a significant portion of the Aggregate External Fund Based Debt has been availed by members of the Respondent No. 1 Group (and particularly by 4 key HoldCos) from entities such as*

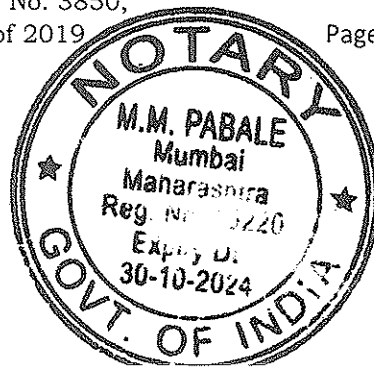


Pension Funds, Employees Welfare Funds, Army Group Insurance Fund), Provident Funds, Provident Funds, Gratuity Funds, Super Annuation Funds (Public Fund Creditors). These Public Fund Creditors which includes the Army Group Insurance Funds comprise of savings and Funds contributed inter alia by employees, army personnel etc. to provide for retirement benefits and related entitlements to employees of such entities, widows of army personnel etc.

The amounts have been invested by the Public Fund Creditors in debt instruments issued by various Respondent No. 1 Group Entities particularly at the level of the HoldCos, which in turn have granted debt to various other entities of the Respondent No. 1 Group. Accordingly, for the Public Fund Institutions to be repaid atleast part of their dues by the HoldCos (and other such members of the Respondent No. 1 Group which have availed debt from these Public Fund Creditors), it is critical that the Respondent No. 1 Group Lenders who have lent amounts (mostly on an unsecured basis) to the Respondent No. 1 Group Entities are also able to receive some payments from the sale proceeds from the Asset Level Resolution currently underway. It is submitted that there cannot be economic

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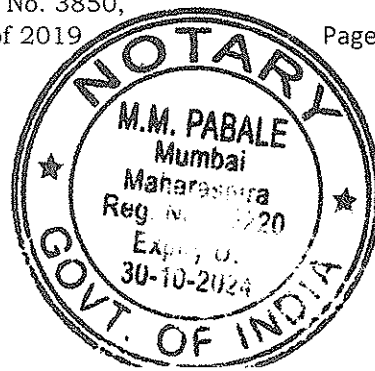
recovery from the debt contagion that infected the financial markets of the nation from the downfall of the Respondent No. 1 Group if and in the event that persons such as employees, army personnel etc. who are responsible for the security, integrity and economic prosperity are not repaid their dues which actually constitute their hard earned savings.

- (iii) *the intervention of the Appellant that was necessitated on account of the public interest aspects relating to the Respondent No. 1 Group and to avoid the catastrophic effect of the Respondent No. 1 defaults on the Indian financial markets (as elaborated in the DEA Report) and the replacement of the erstwhile board of directors of Respondent No. 1 by the New Board vide the October 1 Order on account of the burgeoning debt levels at the Respondent No. 1 Group and mismanagement of the erstwhile board of directors of Respondent No. 1;*
- (iv) *the resolution of the Respondent No. 1 Group which comprises of 302 entities (of which 169 are Domestic Group Entities, and 133 entities are incorporated in jurisdictions outside India) is being undertaken under Sections 241/242 of the Companies Act, 2013 (which provides this Hon'ble Tribunal with very wide powers to pass orders that*

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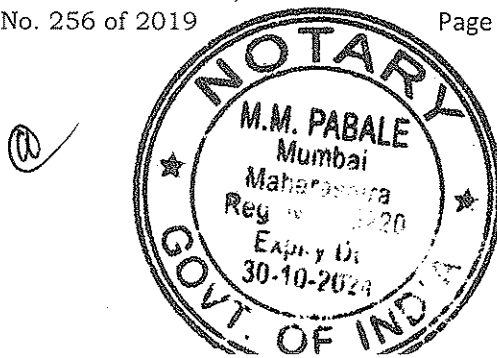
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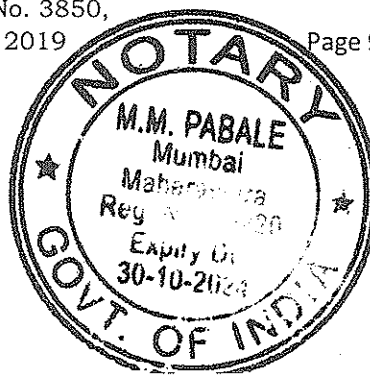
are 'fair and equitable'), is a test case for 'group insolvency' in India and represents a watershed moment in the relatively recent and evolving insolvency and bankruptcy laws of India. It is pertinent to note that currently, no framework exists under Indian law, which pertains to or could (in its entirety) apply in a 'group insolvency' scenario;

- (v) while the borrowings were availed at the relevant holding company level within the Respondent No. 1 Group by leveraging high credit ratings and a wider investor base, it is pertinent to note that the borrowings at this level (including those availed from investors who subscribed to high rated debt instruments) were primarily utilized to provide unsecured financial debt (barring some cases, where the financial facilities are secured) to the operating level entity, to fund inter alia cost overruns and working capital funding, which enabled the operating level entities to complete the project, thereby generating cash and resulted in creation in assets for the Respondent No. 1 Group (including those which are currently being monetised) as well as enabling the relevant operating level entity to service its secured financial debt. It is also pertinent to note that the bonds issued and loans availed by Respondent No.



I were assigned "AAA" rating until almost August 2018, when the date of first default by Respondent No. 1. was August 25, 2018. Respondent No. 1, on a standalone basis, has availed of financial debt aggregating to approximately INR 18,000 crores, which was primarily borrowed by leveraging superior credit ratings. Without this funding the holding and other Respondent No. 1 Group entities the assets would not have been created at the operating level entity and accordingly no debt servicing would have happened to the operating level entity lenders as well. Accordingly, it is 'just and equitable' that the interest of the lenders at the holding company levels are also considered in the resolution framework for the Respondent No. 1 Group;

- (vi) as far as individual creditors (and individual Creditors' Committees) are concerned, they would in all likelihood only be concerned with maximising their recovery at an individual entity level without regard to the adverse impact this would have on the creditors across different levels of the Respondent No. 1 Group, from whom debt has been availed of which a significant portion has been invested in these operating assets to make the viable entities;*
- (vii) the challenges being faced by the New Board in overseeing the resolution process*



(11)

for the Respondent No. 1 Group are immense and the New Board faces an uphill task in devising and implementing a 'fair and equitable' resolution framework, to ensure that interests of all stakeholders are considered and balanced. It is pertinent to note that the Respondent No.1 Group has operations across more than 10 distinct business verticals and are spread across 4 different continents and more than 10 countries, and accordingly, given this diverse presence of the Respondent No.1 Group, the resolution process of the Respondent No.1 Group, the resolution process and mechanisms have to be formulated after evaluating the judicial/regulatory processes across business sectors and jurisdictions; and

(viii) the resolution of the Respondent No.1 Group, in larger public interest considering the impact on the various classes of stakeholders across various levels in the Respondent No.1 Group, will assist in restoring the confidence of Indian and foreign investors, and have a positive impact on the Indian bond market."

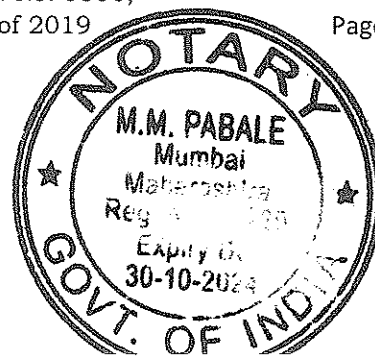
63. The State Bank of India has suggested the following distribution formula for 'Red' and 'Amber Entities' of IL&FS

"(i) SBI is the lead financial creditor with respect CNTL and some other IL&FS group entities along with

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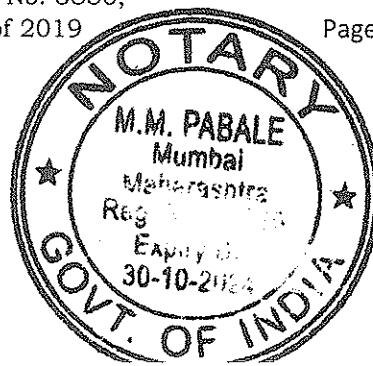
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other secured financial creditors. The security inter alia comprise of 1st pari passu charge in favour of the Term Lenders by way of mortgage/ hypothecation of the immovable/ movable assets of the Borrower other than Project Assets, Charge on the monies lying in Escrow Account as per the terms of Escrow Agreement & Concession Agreement.

- (ii) Out of the 347 Group Companies 169 domestic entities have been categorized as "Red", "Amber" and "Green" companies. The Resolution Consultant (Alvarez & Marsal India Pvt. Ltd.) must be directed to forthwith categorise the remaining domestic entities.
- (iii) Committee of Creditors (CoC) may be directed to be constituted for all the IL&FS companies. In respect of CoC already constituted, meetings thereof be directed to be called immediately. The Resolution Consultant may be directed to immediately provide latest status of resolution in each of the accounts to the CoC along with:
- a. valuation reports (Fair Market & Liquidation Value),
 - b. audit reports,
 - c. bids received from Resolution Applicants,
 - d. analysis/ reasoned recommendations of the Resolution Consultant

Where the above information is already available, the same should be directed to be provided to the



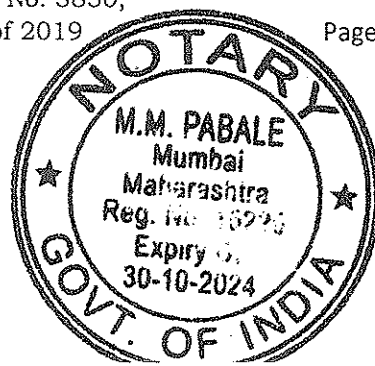
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CoC, on priority. In other cases, the Resolution Consultant should be directed to arrange for the same.

(iv) It is submitted that a stay/ moratorium was ordered on 15.10.2018 by this Hon'ble Appellate Tribunal in respect of the IL&FS entities. Time and again, it has been emphasized by this Hon'ble Appellate Tribunal that a long time has elapsed since the said interim order which in any event, cannot continue indefinitely. Nearly 1 year and 3 months has since elapsed and therefore, the following timelines may be considered by this Hon'ble Appellate Tribunal:

- a. with a period of two weeks, the CoCs of all the IL&FS entities must be constituted. Where such CoCs are already in place, a meeting to be convened to consider the bids, if any.
- b. Within a period of 4 weeks thereafter, the Resolution Consultants should obtain the requisite Audit Reports and Valuation Reports (Fair Market Value and Liquidation Value) for entities where such reports have not been obtained yet.
- c. Within a period of 4 weeks thereafter, bids must be solicited for the relevant IL&FS entities and the same must be placed before CoC for a decision on such bids.

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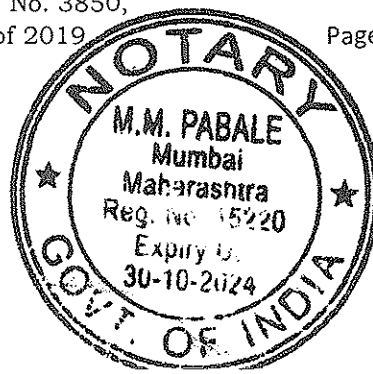
- (v) *A central Co-ordinating Team under the supervision of a Former Judge/ Senior Advocate comprising 7 to 8 representative of IL&FS, senior lender banks, Resolution Consultant may further be constituted for monitoring and supervising the developments.”*

64. As noticed that many of the Financial Creditors/ Secured Creditors are opposing the aforesaid distribution, but wanted the distribution as per Section 53 of the I&B Code. However, we are not inclined to follow the procedure of I&B Code including Section 53, as this is a case where public interest is involved for the following reasons: -

- (i) Over the years the IL&FS has inducted institutional shareholders to include Life Insurance Corporation of India (LIC), ORIX Corporation- Japan (ORIX), State Bank of India and Abu Dhabi Investment Authority. Besides the above, the 'IL&FS Employees Welfare Trust' also holds significant shares in 1st Respondent. The shareholding pattern of the IL&FS, as on 31st March, 2018, as already been noticed, which includes share holding of Central Bank of India; State Bank of India; UTI-Unit Linked Insurance Plan,; India Discovery Fund, Housing Development Finance Corporation Limited, apart from Life Insurance Corporation of India and IL&FS Employees Welfare Trust.

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Similarly, six major Group Companies, i.e., IL&FS Transportation Networks Limited (ITNL); IL&FS Financial Services Limited (IFIN); IL&FS Energy Development Company Limited (IEDCL); IL&FS Tamil Nadu Power Company Limited (ITNPCL); Noida Toll Bridge Limited and IL&FS Engineering and Construction Co. Limited, large number of banks and different funds have invested in them by purchasing their shares.

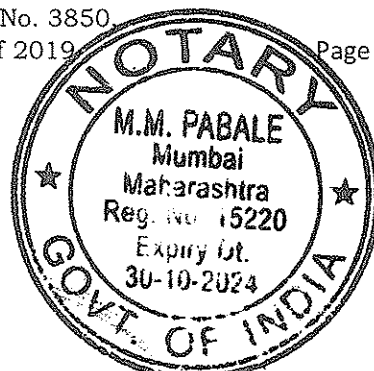
65. It cannot be said that 'Shareholders' including the Life Insurance Corporation, IL&FS Employees Welfare Trust, Housing Development Finance Corporation Limited, Central Bank of India, State Bank of India, UTI-Unit Linked Insurance Plan etc. should not be paid by following the procedure under Section 53 of the I&B Code. This would be against the public interest as the money invested by purchasing shares by Life Insurance Corporation of India, IL&S Employees Welfare Trust, Central Bank of India, State Bank of India are public money, who are the shareholders.

66. In this background, while we reject the objections raised by some of the Creditors, as noticed above, we accept the suggestion of pro-rata distribution as suggested by Union of India and the procedure as suggested by it for the purpose of completing resolution process.

67. So far as cut-off date is concerned, for the present 15th October, 2018 being the date of interim order, we accept the cut-off date for distribution of the asset because the said date is the date of initiation of the resolution

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process of the Companies. Hence, the said date should be treated as initiation of the resolution process of the IL&FS and Group Companies.

68. In so far as claim of SRS Orion Investments Ltd. and others is concerned, we are of the view that the matter should be taken up by the new Management/ Board of Directors, who should take into consideration the decision of the Company Law Board and the settlement reached between the parties. It will be open to the New Management / Board of Directors of IL&FS and Group Companies to negotiate with SRS Orion Investments Ltd. and others (Applicants) for fresh terms of settlement, if they intend to change the shareholding of HCPL and sell it to some other person. Thereafter, the matter should be placed before the Hon'ble Justice (Retd.) D.K. Jain for its approval and if approved such proposal should be placed before the NCLT for its approval. Upon receipt of such approval, only the shareholding of HCPL be transferred.

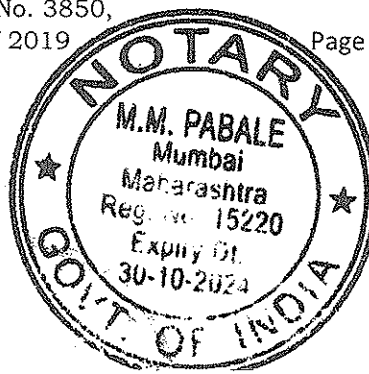
69. If no terms of settlement is reached or decision is disapproved by Hon'ble Justice D.K. Jain or the NCLT, in such a case, the NCLT will decide the claim of the Applicant – SRS Orion Investments Ltd. and others. The Interlocutory Application No.3616 of 2019 filed by SRS Orion Investment Ltd. and others and the objections raised by some of the Lenders stands disposed of.

70. Applications, which are filed for renewal of the Fixed Deposit, are allowed. They are allowed to be renewed for another period of three months.

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71. Other Interlocutory Application in which other prayer has been made will be taken up on the subsequent dates as may be fixed.

72. The Union of India, the Board of Directors of IL&FS and the 'Committee of Creditors' already constituted or which may be constituted are directed to conclude resolution of all the Entities preferably within 90 days. The development should be brought to the Notice of this Appellate Tribunal every month.

Place the case 'for orders' on **14th April, 2020**.

[Justice S. J. Mukhopadhaya]
Chairperson

[Bansi Lal Bhat]
Member (Judicial)

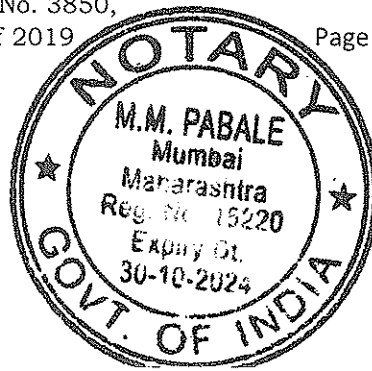
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ANNEXURE - 5

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH
CP 4506/2018

Under Section 130 of the Companies Act, 2013

In the matter of

Union of India, MCA ... Petitioner

Vs

Infrastructure Leasing & Financial Services Ltd ... R1

IL&FS Financial Services Limited ... R2

IL&FS Transportation Networks Ltd ... R3

Coram: Hon'ble Shri V P Singh, Member (J)
Hon'ble Shri Ravikumar Duraisamy, Member (T)

For the Petitioner: Mr. Sanjay Shorey, Director (Legal and Prosecution), MCA, Mr. Manmohan Juneja, Regional Director (Western Region), MCA, Mr. Vinod Sharma, ROC Mumbai, MCA, Mr. Meghav Gupta, Company Prosecutor, MCA, Mr. Neelambuj, Company Prosecutor, ROC Mumbai, MCA,

For SEBI : Mr. Nishant Upadhyay a/w Mr. Nirav Parmar, i/b K. Ashar & Co for SEBI

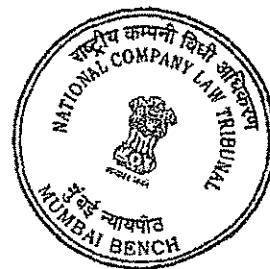
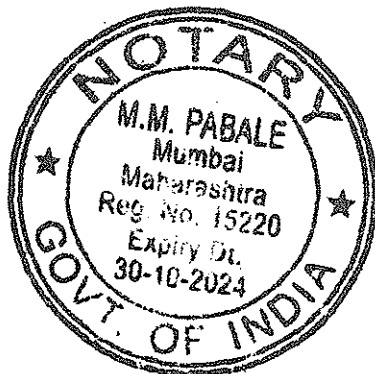
For the Respondents: Mr. Karl Tamboly a/w Devesh Juvekar, Rishabh Jaisani, Pooja Vasandani i/b Mr. Arun Sane, Ms. Ekta Tyagi, Mr. Naclsher Kohli, i/b DSK Legal, Mr. Malhar Satakia a/w Kamal Shankar, Atul Menon i/b BSR Associates LLP, Mr. Krishnava Dutt, i/b Argus Partners for Keki Mistry (Non Executive Director), Mr. Swapnil Gupte, i/b Argus Partners for Harish Engineer (Non Executive Director), Mr. Mustafa Doctor a/w Anugrah Robin Frey & Akriti Shika, i/b L & L Partners for Deloitte Haskins & Sells, Mr. Mangesh Sawant, Mr. Venkatesh Dhond a/w Prateek Mishra i/b L & L Partners for SRBC & Co LLP, Mr. Krishnava Dutt, i/b Argus Partners, Ms. Pooja Pandey, Mr. Gamonjit Singh Sethi, Mr. V. R. Dhond, Sr. Advocate and Mr. Prateek Mishra, Advocate, i/b L & L Partners for SRBC & CO LLP, Mr. Mohit Arora, i/b AZB & Partners appearing for Independent Directors, Mr. Malhar Zatakia a/w Kamal Shankar and Atul Memon i/b AZB & Partners for BSR & Associates LLP

Per V. P. Singh, Member (Judicial)

ORDER

Oral Order dictated in the open court on 1.1.2019

This Petition has been filed by Union of India, MCA through Regional Director, Western Region, against Infrastructure Leasing and Financial



Services Limited, IL&FS Financial Services Limited and IL&FS Transportation Networks Ltd under Section 130(1) of the Companies Act, 2013 seeking permission for:

1. *Re-opening of the Books of account and re-casting thereof including financial statements of Infrastructure Leasing and Financial Services Limited (R-1), IL&FS Financial Services Limited (R-2) and IL&FS Transportation Networks Ltd (R-3) for the past five Financial Years viz. from Financial Year 2012-2013 to Financial Year 2017-2018.*
2. *Appointing such person/firm of Chartered Accountants to recast the accounts/financial statement of Infrastructure Leasing and Financial Services Limited (R-1), IL&FS Financial Services Limited (R-2) and IL&FS Transportation Networks Ltd (R-3) for the past five Financial Years viz. from Financial Year 2012-2013 to Financial Year 2017-2018*

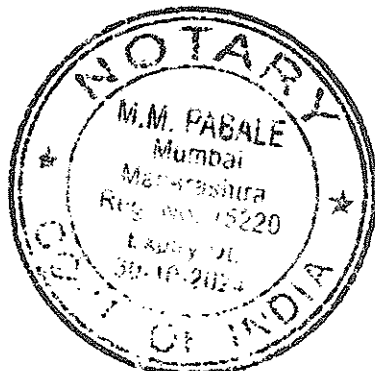
Director (Prosecution and Legal) requested passing the order under Section 130 relating to the re-opening of the accounts of the Respondent Companies on the basis of report of ICAI and the report of SFIO.

Section 130 of the Companies Act reads as below:

(1) *A company shall not re-open its books of account and not recast its financial statements, unless an application in this regard is made by the Central Government, the Income Tax Authorities, the Securities and Exchange Board, any other statutory regulatory body or authority or any person concerned and an order is made by a court of competent jurisdiction or the Tribunal to the effect that-*

- (i) *the relevant earlier accounts were prepared in a fraudulent manner; or*
- (ii) *the affairs of the company were mismanaged during the relevant period, casting a doubt on the reliability of financial statements:*

Provided that the court or the Tribunal, as the case may be, shall give notice to the Central Government, the Income Tax Authorities, the Securities and Exchange Board or any other statutory regulatory body or authority concerned and shall take



into consideration the representations, if any, made by that Government or the authorities, Securities and Exchange Board or the body or authority concerned before passing any order under this Section.

- (2) Without prejudice to the provisions contained in this Act, the accounts so revised or re-cast under sub-section (1) shall be final.

First proviso to Section 130(1) provides that court or the Tribunal as the case may be shall give notice to the Central Government, the Income Tax Authorities, the Securities and Exchange Board (SEBI) or any other statutory regulatory body or authority concerned and any other person concerned and shall take into consideration the representations if any made by the Government or the Income Tax Authorities, SEBI or the body or the authority concerned before passing any order under this Section.

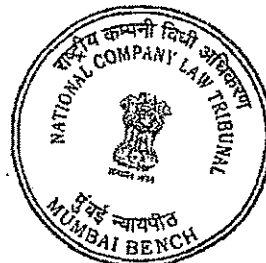
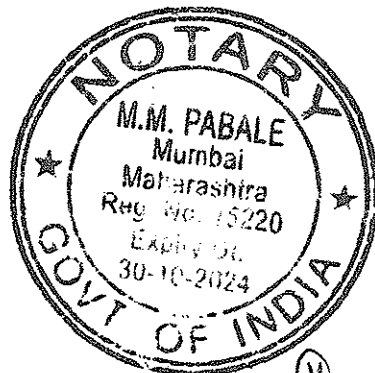
Director (Legal & Prosecution) appearing on behalf of Central Government has filed Affidavit of Service in compliance of our earlier order dated 21.12.2018 which shows that notices have been served on the Income Tax Authority, SEBI, other statutory/ regulatory bodies, along with the Respondents.

After serving the notices, Counsel representing the SEBI stated that SEBI doesn't have any objection, if the accounts and financial statements of R1 and R3, which are the listed companies, are re-opened and re-casted.

R3 in the main Company Petition has filed written objection wherein it is stated that an order permitting re-opening of the books of account and re-casting thereof including financial statements of R1 to R3 for the past five years can be passed in a condition when Tribunal comes to the conclusion that the accounts of relevant years were earlier prepared fraudulently; or that the affairs of R1 to R3 were mismanaged during the relevant period, casting a doubt on the reliability of the financial statements.

It is further contended on behalf of R3 that the main Company petition is still pending and if any order is passed in this company petition, it may have bearing upon the main company petition.

Ld. Counsel appearing on behalf of the Auditors, Deloitte Haskins & Sells LLC, SRBC & Co. LLP and BSR & Associates LLP requested that time



be given for filing reply. It is further contended by them that at this stage when ICAI enquiry is pending, no such opinion can be formed that accounts were being prepared in a fraudulent manner. Ld. Counsel representing the auditors has emphasized on para 3(A) of the application, wherein it is mentioned that "accounts for the past five years have been prepared in a fraudulent and negligent manner by the erstwhile statutory auditors, viz. Deloitte Haskins & Sells LLC, SRBC & Co. LLP and BSR & Associates LLP. The prima facie finding of the Disciplinary Committee of the ICAI in its opinion dated 3.12.2018 demonstrates that the erstwhile statutory auditors have been negligent and have not verified crucial information/documents. Rosy financial statements of the said companies have been presented, and the severe mismatch between the cash flows and payment obligations, total lack of liquidity and glaring adverse financial ratio's of the said companies have been camouflaged.

The Ld Sr. Counsels appearing on behalf of statutory auditors contends that it is not the work of the auditors to prepare the accounts. Role of the Auditor is only to audit the accounts prepared by the company. Director (Prosecution and Legal) has conceded this fact that auditors was not having any role in preparing the accounts. Normally accounts of the companies are prepared by the company and audit is done by the auditors.

Ld. Counsel appearing on behalf of the erstwhile directors has also opposed the application on the ground that no such order under Section 130 of the Companies Act, 2013 can be passed at this stage without forming an opinion that accounts were being prepared in a fraudulent manner, and at this stage, enquiry/investigation is still pending. Therefore order under Section 130 cannot be passed.

We have heard the argument of the Director (P&L) and arguments advanced by the Ld. Sr. Counsels appearing on behalf of the auditors and other Counsels appearing on behalf of erstwhile Directors and perused the records. On bare reading of Section 130 of the Companies Act, 2013, it is clear that order under Section 130 can be passed for recasting the financial statements of the company, after issuing notices to the Central Government, Income Tax Authorities, SEBI or other statutory Regulatory Body or authority concerned.

In this case, notices have been served on Regulatory Bodies, but no objection has been filed by them. Union of India has filed this Petition

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