

Ref: JAL:SEC:2024

4<sup>th</sup> June, 2024

The Manager  
Listing Department  
**BSE Limited**  
25th Floor, New Trading Ring,  
Rotunda Building,  
P J Towers, Dalal Street, Fort,  
MUMBAI 400 001

The Manager  
Listing Department  
**National Stock Exchange of India Ltd**  
“Exchange Plaza”,  
C-1, Block G, Bandra-Kurla Complex,  
Bandra (E), Mumbai - 400 051

**SCRIP CODE: 532532**

**NAME OF SCRIP: JPASSOCIAT**

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

Dear Sir/Madam,

This has reference to pending sanction of Scheme of Arrangement between Jaiprakash Associates Limited and Jaypee Infrastructure Development Limited [hereinafter called ‘Scheme’] before Hon’ble NCLT, Allahabad, the updates of which were provided from time to time.

A copy of the order passed by Hon’ble NCLT, Allahabad dated 3<sup>rd</sup> June, 2024 not approving the said Scheme is enclosed.

You are requested to take the above information on records.

Thanking you.

Yours faithfully,  
For JAIPRAKASH ASSOCIATES LIMITED

(Som Nath Grover)  
Vice President & Company Secretary

Encl: As above



**Registered Office** : Sector-128, Noida - 201 304, Uttar Pradesh (India)  
Phone : +91 (0120) 2470800  
**Delhi Office** : JA House, 63, Basant Lok, Vasant Vihar, New Delhi-110057 (India)  
Phone: +91 (11) 49828500  
**Corporate Office** : 64/4, Site-IV, Industrial Area, Sahibabad-201010, Ghaziabad (U.P.) (India)  
Phone: +91 (0120) 4963100, 4964100  
CIN : L14106UP1995PLC019017 Website: [www.jalindia.com](http://www.jalindia.com)  
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**Copy to:**

**Singapore Exchange Securities Trading Limited**

11 North Buona Vista Drive #06-07

The Metropolis Tower 2

Singapore 138589

**Attention: Issuer Services**

Fax No.: +65 6535 6994

**The Bank of New York Mellon**

One Canada Square

London E14 5AL

United Kingdom

**Attention: Global Trust Services**

Fax No.: +44 207 964 6369

**The Bank of New York Mellon**

One Temasek Avenue

#03-01 Millennia Tower

Singapore 039192

**Attention: Global Corporate Trust**

Fax No.: +65 6883 0338

**The Bank of New York Mellon**

101 Barclay Street

21<sup>st</sup> Floor West

New York, NY 10286

United States of America

**Attention: Global Corporate Trust**

Fax No.: +212 815 5802/5803



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH, PRAYAGRAJ**

**CP (CAA) NO.19/ALD/2018, CA (CAA) NO.174/ALD/2018  
(Second Motion)**

*In the matter of*

*(An application under Rule 11 r/w Rule 32 of the National Company Law Tribunal Rules, 2016).*

**IN THE MATTER OF:**

**ICICI BANK LTD**

**Having its registered office at:**

ICICI Bank Tower, Near Chakli Circle,  
Old Padra Road, Vadodara- 390007, Gujarat

**.....Applicant (Party Intervenor)**

***Versus***

**1. JAIPRAKASH ASSOCIATES LTD**

**2. JAYPEE INFRASTRUCURE DEVELOPMENT LIMITED**

**.....Respondents**

**Order Pronounced On-03 June, 2024**

***Coram:***

Mr. Praveen Gupta. : *Member (Judicial)*

Mr. Ashish Verma : *Member (Technical)*

***Appearances:***

Sh. R.P. Agarwal, Sr. Adv. Assisted : *For the Petitioner Companies*  
by Sh. Abhishek Tripathi, Adv. : *and Res. in CA No.213/2018*

Sh. Amit Saxena, Sr. Adv. assisted : *For the Applicant in CA No.*  
by Sh. Rahul Agarwal, Sh. Madhav : *213/2018*  
Kanoria, Ms. Srideepa Bhattacharya  
& Ms. Aishwarya Gupta, Advs.



## ORDER

1. This petition has been filed by the petitioners namely, Jaiprakash Associates Limited and Jaypee Infrastructure Development Ltd. for approval of the scheme of arrangement which has been approved by the secured creditors, unsecured creditors of the transferor company through the postal ballot in pursuance of the order dated 08.12.2017 passed by this tribunal in CA No. 174/ALD/ 2017.
  
2. It is stated in the petition that Joint Lenders Forum approved the Debt Realignment Proposal (DRP) in the meeting held on 22.6.2017 by the majority approved the restricting of sustainable debt (B2A) and transfer of balance unsustainable debt (B2B0 to a 100% SPV of JAL (RE- SPV)/Debt Assets Swaps.
  
3. That the salient features of the Scheme of Arrangement are summarized below:  
  
(i) **Transfer and vesting:** Upon the Scheme coming into effect but with effect from the Appointed Date, the SDZ Real Estate Development Undertaking [Demerged Undertaking] as defined and described in clauses 2.01(d) and (j) read with clause 4.01(ii) of the Scheme, shall stand demerged from the Transferor Company and such Demerged Undertaking, in its



entirety, shall simultaneously stand transferred to and vested in the Transferee Company, as a going concern on a slump exchange basis, without any further act, instrument or deed and pursuant to the provisions of Sections 230-232 of the Act, and all the properties, estate, assets, rights, title, interest, authorities and privileges and with all liabilities and obligations, which arise out of the activities and operations and pertain to or are part of the said Undertaking, so as to become, as and from the Appointed Date, the business and properties, estate, assets, rights, title, interest, authorities and privileges and all liabilities and obligations etc. of the Transferee Company, subject to such specific provisions made in the Scheme as may be applicable. The Scheme, however, provides that the liability for payment of all installments towards the premium and external development cost of the land forming part of the Demerged Undertaking and interest thereon, if any, which might have become due prior to the appointed date or which may become due after the appointed date, shall continue to be the liability of the Transferor Company and will not form part of the Transferred Liabilities.

The details of land parcels, being the primary assets of the SDZ Real Estate Development Undertaking and its liabilities as on the appointed date, which will stand transferred to the Transferee Company in terms of the Scheme, are given in **ANNEXURE – 11** hereto.



As on the appointed date, the primary assets of the demerged undertaking comprise of land admeasuring 950.35 acres. The fair value of above assets was assessed by M/s. Jones LangLasalle Property Consultants (India) Private Limited (JLL), a Valuer engaged at the instance of the Joint Lenders' Forum of JAL, as Rs. 11,898.04 crores vide their Report dated 28<sup>th</sup> July, 2016. This valuation has been referred to an considered by M/s Bansi S. Mehta & Company, Independent Valuer, in their Valuation Report dated 07.10.2017. As against the above, the aggregate liabilities of the Demerged Undertaking as on the appointed date have been Rs. 11,833.55 Crores.

(ii) **Appointed Date:** The "appointed date" for above transfer and vesting of the demerged undertaking is the "opening of business on 01.07.2017 or such other date as may be fixed or approved by the Hon'ble Tribunal.

(iii) **Effective Date:** The effectiveness of the Scheme is conditional upon and subject to-

(a) requisite approval of the Scheme by the shareholders and/or creditors of the Transferee Company and the Transferor Company, by postal ballot/e-voting and/or at the meetings, if convened by the Hon'ble NCLT, in accordance with relevant provisions of the Act, being obtained.

As per Para 9 of the SEBI circular No.CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017, the Scheme shall be acted upon only if the votes cast by



the public shareholders in favour of the Scheme are more than the number of votes cast by them against the Scheme through e-voting.

(b) sanction of the Scheme by the Hon'ble NCLT in terms of sections 230-232 and other relevant provisions of the Act, being obtained.;

Subject to above approvals/sanctions, the Scheme shall become effective with effect from the date on which the certified copy of the order of Hon'ble NCLT sanctioning the Scheme is filed with the Registrar of Companies, Uttar Pradesh. However, the Scheme shall be operative from the 'appointed date'.

(iv) **Exchange Ratio:** In consideration for transfer of the Demerged Undertaking by the Transferor Company to the Transferee Company, The transferee Company shall issue and allot 1,00,000 equity shares of the face value of Rs. 10 each fully paid up in the Transferee Company to the Transferor Company in consideration of transfer of the demerged undertaking to the Transferee Company as recommended by M/s Bansi S. Mehta & Company Independent Valuer. The shares so issued and allotted shall rank pari passu with the existing shares in all respects and shall be subject to provisions contained in the Memorandum and Articles of Association of the Transferee Company.

(v) **Legal Proceedings:** Clause 4.11 of the Scheme provides that any suit, appeal or other proceedings of whatsoever nature [whether civil or criminal and whether pending in any court of before any statutory or judicial or quasi-judicial



authority or tribunal] including proceedings under various tax laws pertaining to the Demerged Undertaking, by or against the Transferor Company are pending on the effective date, the same shall not abate, or discontinued or in any way be prejudicially affected by reason of this Scheme coming into effect and all such proceedings may be continued, prosecuted and enforced, by or against the Transferee Company in the same manner and to the same extents as they would or might have been continued, prosecuted and enforced by or against the Transferor Company, if this Scheme had not come into effect.

(vi) **Employees:** Clause 4.12 of the Scheme provides that upon the Scheme becoming effective, all the employees engaged in or in relation to the business activities and operations of the Demerged Undertaking who are in service of the Transferor Company on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting as on the Effective Date.

(vii) **Residual business:** Clause 4.14 of the Scheme provides that all the residual business of the Transferor Company [i.e. business other than the demerged undertaking] and all the assets and liabilities and obligations, etc. pertaining to such residual business, shall continue to belong to and vested in the Transferor Company and will not be affected in any way by this Scheme.





(viii) **Costs and Expenses:** Clause 7.13 of the Scheme provides that all costs, charges and expenses up to the stage of sanction of the Scheme by the Hon'ble NCLT shall be borne by the Transferor Company. All subsequent costs, charges and expenses incurred, including stamp duty, if payable after the Scheme becomes effective shall be borne by the Transferee Company.

The Petitioners have given above only a summary of some of the material terms and conditions. It is not the summary of the complete Scheme. The full terms and conditions of the Scheme are not being reproduced for sake of brevity. The Petitioners beg to refer to the annexed Scheme for comprehensive and full view of the various terms and conditions and implications thereof.

4. *The Hon'ble Supreme Court in the matter of the Chitra Sharma dated 09.08.2018 passed the following order:-*

*"...We think it would be appropriate to direct as follows:-*

*(a) A Demand Draft of Rs.275 crores be deposited by Mr. Anupam Lal Das, learned counsel appearing for the company, before the Registry of this Court, today.*

*(b) A sum of Rs.150 crores be deposited by 13.12.2017.*

*(c) A further sum of Rs.125 crores be deposited by 31.12.2017.*

*(d) Neither the independent directors nor the promoter directors shall alienate their personal properties or assets in any manner, and if they do*



*so, they will not only be liable for criminal prosecution but contempt of the Court.*

*(e) That apart, we also direct that the properties and assets of their immediate and dependent family members should also not be transferred in any manner, whatsoever...”*

**5.** This tribunal vide order dated 25.01.2018 directed the publication of notice in the following newspapers:

**a.** Navbharat Times (Hindi)- published from Delhi

**b.** Times of India (Hindi)- published from Delhi

**6.** The Applicant/Financial Creditor has also filed the Intervention Application bearing IA No. 213 of 2018 (“Intervention Application”) seeking intervention and praying that in view of the aforesaid developments, the proceedings ought to be kept in abeyance until the final disposal of the Section 7 Petition filed by the Financial Creditor on the following grounds:

*(i) The Scheme of Arrangement between JAL and JIDL (“Scheme of Arrangement” or “Scheme”) failed to come into effect on July 01, 2017.*

*(ii) Any further proceedings and/ or adjudication in respect of the Scheme of Arrangement may not be appropriate, especially in light of the JAL S. 7 Petition.*



- (iii) *In the event, JAL S. 7 Petition is allowed by this Hon'ble Tribunal, a moratorium under Section 14 of the IBC will be imposed and the Scheme of Arrangement cannot be given effect;*
- (iv) *If the proceedings under the Petition are not kept in abeyance, there would be conflict with the JAL S. 7 Petition proceedings.*
- (v) *There is a strong likelihood that the JAL S. 7 Petition is allowed by this Hon'ble Tribunal especially in light of the existing defaults under the financial assistance granted to JAL by the Applicant and the default noted by the Hon'ble Supreme Court in Chitra Sharma.*

7. This tribunal vide order dated 06.02.2019 in CP (IB) 330/ALD/ 2018 passed the following order :-

“.....  
The question for determination is whether CP No.19/ALD/2018 filed by Jaiprakash Associates Ltd. (JAL) and Jaypee Infrastructure Development Ltd. (JIDL) before the National Company Law Tribunal, Allahabad for seeking approval of Scheme of Arrangement between JAL and JIDL and their respective shareholders and creditors has to be heard first or CP No.(IB)330/ALD/2018 filed by the ICICI Bank against JAL U/s 7 of the Insolvency & Bankruptcy Code to initiate insolvency resolution process before the Adjudicating Authority, NCLT, Allahabad has to be heard first.

*It is pertinent to mention here that CP No.19/ALD/2018 is filed after taking the approval of the shareholders and creditors of JAL and JIDL. During the pendency of CP No.19/ALD/2018, IDBI Bank initiated proceedings U/s 7 of the IBC against the JIL, vide CP No.(IB)330/ALD/2018.*



*During the pendency of Section 7 of IBC proceedings, a writ petition bearing Writ Petition(s) Civil No.744/2017, in the case of Chitra Sharma and Ors. v/s Union of India and Ors. was filed before the Hon'ble Supreme Court. During the pendency of the said proceedings before the Hon'ble Supreme Court, Reserve Bank of India moved an application seeking permission to direct the lenders of JAL to initiate CIRP against JAL. The Hon'ble Supreme Court in its final order dated 9th August, 2018 passed in the abovementioned Writ Petition interalia allowed the Reserve Bank of India to direct the lenders of JAL to initiate CIRP against JAL under IBC. Pursuant to the order of Hon'ble Supreme Court and the directions of the RBI, ICICI Bank initiated proceedings U/s 7 of the IBC against the JAL vide CP No.(IB)330/ALD/2018.*

*It is also necessary to mention that during the pendency of CP No.19/ALD/2018, JAL moved before the Hon'ble Allahabad High Court by filing Writ-C No.- 31329 of 2018. The Hon'ble Allahabad High Court refused to interfere in the matter and given liberty to the JAL to participate in the proceedings under IBC and may raise all possible objections as are permissible in law. The said order was carried in appeal to the Hon'ble Supreme Court. The Hon'ble Supreme Court vide its order dismissed the Special Leave to Appeal (C) No(s). 26907 of 2018 giving liberty to the petitioner to raise all of the pleas available to it before the NCLT and the Tribunal is directed to consider the same in accordance with law.*

*At this juncture after the filing of CP No.(IB)330/ALD/2018 by the ICICI Bank, it also moved an application vide IA No.213/2018 in CP No.19/ALD/2018 with a request to implead ICICI Bank in CP No.19/ALD/2018.*

*The crucial question involved in CP No.(IB)330/ALD/2018 is whether any default was committed by the JAL or not.*

*Ld. Counsel appearing for the JAL cited a decision of the Hon'ble Kerala High Court reported in AIR 1995 Kerala 57, which deals with the stay of matter under Section 10 of the CPC. We are of the considered view that Section 10 of the CPC is not applicable to the proceedings pending before us. Section*



*10 of the CPC deals with only trial of the suits. Therefore, the above said decision is not applicable to the facts of this case.*

*Ld. Counsel appearing for the JAL also relied upon another decision of Hon'ble Punjab & Haryana High Court reported in AIR 1992 Punjab & Haryana 217, wherein it is held that the subsequent suit shall be stayed applying Section 10. Section 10 applies only to civil suits relating to same transaction and where the issues are substantially same. Therefore, that decision is also not applicable to the facts of this case.*

*A perusal of the Scheme of Arrangement, which is pending for sanction shows, it has been prepared to give effect to a part of the comprehensive Debt Realignment Proposal (DRP) for JAL as approved by the Joint Lenders Forum at their meeting held on 22.06.2017. Therefore, the decision in CP No.19/ALD/2018 may have a bearing on the issue involved in CP No.(IB)330/ALD/2018, which is a petition filed U/s 7 of the IBC by ICICI Bank.*

*Therefore, in the given facts & circumstances of both the cases and in view of the questions of law involved is common in both the petitions and to have a determination of the matter of the controversies effectively, this Tribunal/ Authority is of the considered view that it is necessary to hear CP No.19/ALD/2018 simultaneously with CP No.(IB)330/ALD/2018, though it is to be heard by this Bench in two different capacities, one is in the capacity of NCLT and the other is in the capacity of Adjudicating Authority functioning under the provisions of the IBC.*

*Hence, it is accordingly decided to have a hearing of both the petitions i.e. CP No.19/ALD/2018 and CP No.(IB)330/ALD/2018 simultaneously.*

*.....”*

- 8.** Under the SDZ Policy, the Yamuna Expressway Industrial Development Authority (YEIDA) granted JAL 1000 hectares of



land in NOIDA in 2009-10 for establishing an SDZ focused on 'sports' as its primary activity. Up until September 30, 2018, JAL consistently made payments totaling Rs. 2294.21 crores.

- 9.** However, defaults occurred on payments due on September 30, 2018, March 30, 2019, and September 30, 2019, along with interest amounting to Rs. 225 crores, due to various reasons including factors related to NOIDA's policies. Subsequently, YEIDA canceled the entire SDZ land allotment through an order dated February 12, 2020, which JAL challenged in WRIT-C No. 6049 of 2020 at the Allahabad High Court.
- 10.** The Hon'ble High Court vide order dated 25.02.2020 directed both parties to maintain the status quo, with JAL required to deposit Rs. 100 crores in installments. Following subsequent court orders dated February 8, 2021, and March 1, 2021, JAL complied with the deposit requirement along with the interest demanded by YEIDA.



- 11.** In response to these deposits, the High Court directed YEIDA to consider JAL's request for restructuring and recalculating its outstanding dues upon depositing an upfront amount of at least Rs. 100 crores. JAL complied with this directive by depositing the required sum within the given 30-day period, along with submitting a detailed proposal for YEIDA's consideration.
- 12.** YEIDA, after its Board's decision on December 2, 2022, filed a compliance affidavit in the High Court on December 13, 2022, accepting JAL's proposal with some conditions. However, disagreements arose between JAL and YEIDA regarding the quantification of outstanding dues, with JAL estimating Rs. 1483.16 crores and YEIDA claiming Rs. 3621.50 crores.
- 13.** A major point of contention is YEIDA's demand for interest on additional compensation to farmers. Excluding this interest claim, YEIDA's demand reduces to Rs. 2115.39 crores. YEIDA has consented to JAL selling 150 acres of land, valued at around Rs. 2,755 crores according to YEIDA's allotment rates, to settle its dues, clarifying that this land is





unencumbered and not part of any transfer proposed under a pending Scheme of Arrangement.

### **FINDING AND ORDER**

- 14.** We have heard the submission made by the Ld. Counsel of both parties and perused the materials submitted on record.
- 15.** Following the Chitra Sharma judgment dated 09.08.2018, ICICI Bank Ltd. Filed an application under section 7 of the I&B Code, 2016 namely, CP (IB0 330/ALD/ 2018 on 07.09.2018 against the JAL for default committed pertaining to debt under Bucket 2B wherein 06 credit facilities agreements have been entered between JAL and ICICI bank Ltd.
- 16.** It is stated that for resolution of loan in Bucket 2B, it is to be transferred to a SPV- Jaypee Infrastructure Development Ltd. (JIDL) along with corresponding security of land parcels allotted to JAL in sector 25, SDZ, Yamuna Expressway Industrial Area, District Gautam Nagar by the Yamuna Expressway Industrial Development Authority (YEIDA) under a scheme of Arrangement (with appointed date being 01.07.2017). The land has been transferred to SPV JIDL but





the allotment of land parcels was subsequently cancelled by the YEIDA vide order dated 12.02.2020.

- 17.** This matter has come up for consideration and after examining the factual matrix, we are of the opinion that since the asset in question is under dispute, the viability of the scheme has also been prejudiced. Therefore, we are not inclined to approve this scheme.
- 18.** Further, section 7 application namely CP (IB) 330/ALD/2018 has been admitted via a separate order dated 03.06.2024 wherein the aspect w.r.t. scheme of arrangement has already been dealt.
- 19.** Therefore, CP (CAA) No.19/ALD/2018 is dismissed accordingly.

*-Sd-*

**(Ashish Verma)  
Member (Technical)**

**Date- 03.06.2024**

*-Sd-*

**(Praveen Gupta)  
Member (Judicial)**