



# ALLCARGO LOGISTICS LIMITED

MEMORANDUM OF ASSOCIATION

&

ARTICLES OF ASSOCIATION

(Amended upto December 21, 2023)

Certified True Copy  
For Allcargo Logistics Limited

A handwritten signature in blue ink, appearing to read "Devanand Mojdra", is written over a horizontal line.

Devanand Mojdra  
Company Secretary



GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS

Registrar of companies, Mumbai  
Everest, 100 Marine Drive, Mumbai, Maharashtra, India, 400002

Corporate Identity Number: L63010MH2004PLC073508

SECTION 13(1) OF THE COMPANIES ACT, 2013

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

The shareholders of M/s ALLCARGO LOGISTICS LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 05-11-2019 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 fifth day of November Two thousand nineteen.



URMILA PUNJA PARMAR

Registrar of Companies  
RoC - Mumbai

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

ALLCARGO LOGISTICS LIMITED

6th Floor, Avashya House, CST Road, Kalina, Santacruz (East), Mumbai,  
Maharashtra, India, 400098



**Certified True Copy**  
**For Allcargo Logistics Limited**

*Devanand Mojidra*

Devanand Mojidra  
Company Secretary



सत्यमेव जयते

**GOVERNMENT OF INDIA**  
MINISTRY OF CORPORATE AFFAIRS

Registrar of companies, Mumbai  
Everest, 100 Marina Drive, Mumbai, Maharashtra, India, 400002

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**Certificate of Registration of the Special Resolution Confirming Alteration of  
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The shareholders of M/s ALLCARGO LOGISTICS LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on – 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 Eleventh day of October Two thousand eighteen.



Rakesh Kumar Tiwari

Registrar of Companies  
RoC - Mumbai

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

ALLCARGO LOGISTICS LIMITED

6th Floor, Avashya House, CST Road, Kalina, Santacruz (East), Mumbai,  
Maharashtra, India, 400098



**Certified True Copy**  
**For Allcargo Logistics Limited**

Devanand Mojindra  
Company Secretary

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय  
कम्पनी रजिस्ट्रार कार्यालय, महाराष्ट्र, मुंबई

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L63010MH2004PLC073508

मेसर्स ALLCARGO GLOBAL LOGISTICS LIMITED

के मामले में, मैं एतद्वारा प्रमाणित करता हूँ कि मेसर्स  
ALLCARGO GLOBAL LOGISTICS LIMITED

जो मूल रूप में दिनांक अठारह अगस्त पचास बीस के दिनांक को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मेसर्स  
All Cargo Movers (India) Private Limited

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक पारित करके तथा  
लिखित रूप में यह सूचित करके की एरो भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के तहत पंदिन, भारत सरकार, कम्पनी कार्य  
विभाग, नई दिल्ली को अधिसूचना सं. सं. का नि 507 (अ) दिनांक 24.6.1985 एम.आर.एन. B16546186 दिनांक 29/07/2011 के द्वारा  
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मेसर्स  
ALLCARGO LOGISTICS LIMITED

स गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र मुंबई में आज दिनांक उन्तीस जुलाई दो हजार ग्यारह को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS  
Registrar of Companies, Maharashtra, Mumbai

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : L63010MH2004PLC073508

In the matter of M/s ALLCARGO GLOBAL LOGISTICS LIMITED

I hereby certify that ALLCARGO GLOBAL LOGISTICS LIMITED which was originally incorporated on Eighteenth day of August Nineteen Hundred Ninety Three under the Companies Act, 1956 (No. 1 of 1956) as All Cargo Movers (India) Private Limited having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R. 507 (E) dated 24/06/1985 vide SRN B16546186 dated 29/07/2011 the name of the said company is this day changed to ALLCARGO LOGISTICS LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given at Mumbai this Twenty Nineth day of July Two Thousand Eleven.



Registrar of Companies, Maharashtra, Mumbai

कम्पनी रजिस्ट्रार, महाराष्ट्र, मुंबई

\*Note: The corresponding form has been approved by M KANNAN, Deputy Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.

The digitally signed certificate can be verified at the Ministry website ([www.mca.gov.in](http://www.mca.gov.in)).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पताकार का पता :

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

ALLCARGO LOGISTICS LIMITED  
5TH FL DIAMOND SQUARE CST RD, KALINA SANTACRUZ (E),  
MUMBAI - 400098,  
Maharashtra, INDIA

Certified True Copy  
For Allcargo Logistics Limited

  
Devanand Mojdra  
Company Secretary



No. 11 : 73588

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

In the matter of Allcargo Global Logistics Private  
Limited

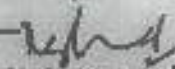
I do hereby certify that pursuant to the provisions of section 23 of  
Companies Act, 1956 and the Special Resolution passed under  
Sec. 31/44 of the Companies Act by the Company at its ~~Annual~~  
Extra-Ordinary General Meeting held on 14th January 2006

The name of "Allcargo Global Logistics Private  
Limited

has this day been changed to "Allcargo Global Logistics  
Limited

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

Dated this 17th day of JANUARY  
~~one thousand nine hundred and ninety~~ 2006

  
BY: ( C.M.R. BHAT )  
Assistant Registrar of Companies  
Maharashtra, Mumbai.



**Certified True Copy  
For Allcargo Logistics Limited**

  
Devanand Mojidra  
Company Secretary

No. 11- 73508

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

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

In the matter of **ALLCARGO MOVERS (INDIA) PRIVATE  
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 **ALLCARGO MOVERS (INDIA) PRIVATE LIMITED**

to **Allcargo Global Logistics Private Limited**

and I hereby certify that **ALLCARGO MOVERS (INDIA)  
PRIVATE LIMITED**

which was originally incorporated on 18th  
day of August 1993 under the Companies Act, 1956 and under the name  
**ALL CARGO MOVERS (INDIA) PRIVATE LIMITED** having  
duly passed the necessary resolution in terms of section 21/22(1)  
1a/22(1) (b) of the Companies Act, 1956 the name of the said  
Company is this day changed to

**Allcargo Global Logistics Private Limited** and this  
certificate is issued pursuant to Section 22(1) of the said Act

Given under my hand at MUMBAI this 8th  
day of DECEMBER 2005



( A. S. SINGH )  
Asstt. Registrar of Companies  
Maharashtra, Mumbai.

**Certified True Copy  
For Allcargo Logistics Limited**

*Richa*  
Devanand Moljdra  
Company Secretary

No. 11- 73508

(Section 18(1) of the Companies Act, 1956)

**CERTIFICATE OF REGISTRATION OF  
SPECIAL RESOLUTION PASSED FOR  
ALTERATION OF OBJECTS**

M/s. ALICARGO MOVERS (INDIA) PRIVATE LIMITED  
having by Special Resolution passed on 3rd December 05  
altered the provisions of its Memorandum of Association  
with respect to its objects, and a copy of the said resolution  
having been filed with this office on 7th December 05  
I hereby certify that the Special Resolution passed on 03/12/05  
together with the printed copy of the Memorandum of  
Association, as altered, has this days been registered.

Given under my hand at MUMBAI  
this 8th day of DECEMBER 2005

~~ONE THOUSAND FIVE HUNDRED CRIPSY COX~~



( A. S. SINGH )

ASSTT/REGD REGISTRAR OF COMPANIES,  
MAHARASHTRA, MUMBAI.

**Certified True Copy  
For Alicargo Logistics Limited**

  
Devanand Mojindra  
Company Secretary

No. 11- 73508

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

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

In the matter of ALL CARGO MOVERS (INDIA) PRIVATE

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 1965 the  
change of name of the Company.

from ALL CARGO MOVERS (INDIA) PRIVATE LIMITED

to ALLCARGO MOVERS (INDIA) PRIVATE LIMITED

and I hereby certify that ALL CARGO MOVERS (INDIA)  
PRIVATE LIMITED

which was originally incorporated on 18th  
day of August 1953 under the Companies Act, 1956 and under the name  
ALL CARGO MOVERS (INDIA) PRIVATE LIMITED having

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

ALLCARGO MOVERS (INDIA) PRIVATE LIMITED and this  
certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at MUMBAI this 25th

day of JUNE

2004



(G.V. SAJEEVAN)  
Registrar of Companies  
Maharashtra, Mumbai.

**Certified True Copy  
For Allcargo Logistics Limited**

*Devanand Mojidra*  
Devanand Mojidra  
Company Secretary





भारत गणराज्य  
Form I. R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

क्र. 11-73508 of 19 93

मैं यहाँ द्वारा प्रमाणित करता हूँ कि आज

कम्पनी अधिनियम 1956 (1956 का 1) के अर्धन निगमित की गई है और यह कम्पनी परिमित है।

I hereby certify that ALL CARGO MOVERS (INDIA) PRIVATE LIMITED

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

दिए गए हैं आज का ... BOMBAY ... the EIGHTEENTH ... day of ... AUGUST ... One thousand nine hundred and NINETYTHREE

(S. R. V. V. SATYANARAYANA)  
कम्पनी का रजिस्ट्रार

ADDL. Registrar of Companies  
Mumbai



Certified True Copy  
For Allcargo Logistics Limited

*Devanand Mojidra*  
Devanand Mojidra  
Company Secretary

**THE COMPANIES ACT, 1956**  
**COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**

<sup>1</sup>**ALLCARGO LOGISTICS LIMITED**

**Certified True Copy**  
**For Allcargo Logistics Limited**

*Ridha*  
**Devanand Mojdra**  
**Company Secretary**

- I. The name of the Company is <sup>2</sup>**ALLCARGO LOGISTICS 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) **THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:**
1. To carry on the business of storage, warehousing, transportation and handling of all kinds of cargo, whether containerized or not, from any port station to any container freight station or to any inland container depot and freight carriers, transportation of goods, animals or passengers from place to place either by land or by air, sea or partly by sea and partly by land or air, whether by means of motor vehicles and/or aeroplanes or other means of transport, to establish and to construct and operate container freight stations, inland container depots, and allied activities and operate railway sidings and to own, lease, use container and deploy the containers in the business of international freight forwarding, by means of road, sea, transport and multimodal transport, and to carry on the business of clearing & shipping agent, hirers, fleet owners of trucks, trailers, cranes, buldozers and all types of earth moving equipments and machines,
- 1(a) To undertake and carry on the business of carriers, shipowners, ship brokers, ship agents, ship underwriters, ship managers, tug-owners, freight brokers, freight contractors, carriers of good and passengers by land air and water, transport haulage and general contractors, barge owners, and wharfingers.
- 1(b) <sup>3</sup> To carry on the business of warehousing and logistics including industrial warehousing, logistics parks and to setup, construct, develop, acquire, deal-in, in any warehousing or logistics infrastructure including industrial warehouses, industrial park(s), logistics park(s), multimodal logistics park(s), infrastructure park(s) and such other related or similar warehousing or logistic facilities and for that purpose, to enter into transactions to buy, develop, acquire, purchase, lease, cut to size, handover, or deal in any other form and types of lands, buildings, properties and to develop, construct, build, alter, acquire, source convert, improve, design, erect, establish, equip, dismantle, pull down, turn to account, furnish, level, decorate fabricate, install, finish, repair, maintain, search, survey, examine, inspect, locate, modify, own, operate, protect, promote, provide, participate, file bids, and participate in auctions, reconstruct, grout, dig, excavate, pour, renovate, remodel, rebuild, undertake, contribute, assist and to act or provide services relating to warehouses, factories, buildings, structures, drainage and sewage works, water distribution, storage and filtration systems, docks, harbours, piers, irrigation works, foundation works and to carry on all or any of the forgoing activities for providing building materials, goods, plants, machineries, equipment, accessories, parts, tools, fittings, articles, materials and facilities and to sell, lease, forward sell, exchange and otherwise deal in warehouses, industrial parks, logistics parks and infrastructure parks and such other similar ancillary facilities for warehousing and storage.
- 1(c) <sup>3A</sup> To carry on the business of logistic solutions including supply chain management for clients in India and abroad and to provide integrated logistic services as importers, exporters, merchants, wholesalers, distributors, agents, commission agents assemblers, agents, brokers, traders and dealers or otherwise of all kinds of products, goods, articles, merchandise and commodities.

<sup>1</sup> Amended vide special resolution passed at the Extra - Ordinary General Meeting held on July 15, 2011

<sup>2</sup> Amended vide special resolution passed at the Extra - Ordinary General Meeting held on July 15, 2011

<sup>3 & 3A</sup> Amended vide special resolution passed by Postal Ballot on September 26, 2018.

- 1(d) <sup>3B</sup> To construct, develop, maintain, build, equip, hire or otherwise deal with the ports, shipyard, jetties, harbours, docks, ship breaking, ship repair, ship building at any port in India or otherwise.

**(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:**

2. To carry on activities connected with transport business with store houses, godowns, warehouses and other buildings for the housing and repairs of trucks, lorries, motor cars and omnibuses and for storage of fuel and other oils required for the working of the said vehicles and maintaining garages.
3. To undertake and carry out consolidation, containers, packaging, packaging of all types, forwarding agents, domestic and all India freight carrier service on board service, specifically fragile and/or special articles, undertake collection of goods from various parts and from various places, to undertake on "Turnkey Basis" transport of goods from manufacturing place to the customs, completing all formalities of excise, customs, octroi, Insurance documentation for banking and shipping, invoices reports, engineering plans, blue prints, tenders, product literature, inter-office-correspondence all samples of clothing, machine parts, slides, transparencies, diskettes, computer tapes, samples of unrestricted items, gifts parcels the service draw the line however, at foodstuffs, liquor and tobacco.
4. To co-operate and reciprocate with Transporters and Carriers in India for rendering every assistance, financial or otherwise, in meeting any unforeseen crisis and adopting means to disseminate true and helpful information and knowledge amongst the clients in particular and the public in general about the transport and other business of the Company of Transport and Carriers business in India.
5. To carry on the business as clearing, forwarding and carting, agents and contractors and to hire or charter motor bus, motor lorries, trucks, motor cars, wagons, carts and carriages of every descriptions, taxis for the purpose of carrying goods.
6. To construct, purchase, take on rent or otherwise acquire garages, store-houses and other buildings for the housing or repairs of transport vehicles and for the storage of fuel, stores, spares, oils and other materials required for the working of the above vehicles the warehousing of the cargo and passengers transported.
7. To obtain licences to ply trucks, buses and other vehicles on prescribed routes.
8. To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances of any business concerns and undertakings having similar business and generally of any assets, concessions, properties or rights.
9. To utilise and to exploit the result of scientific researches and to get patent rights in respect of discoveries, inventions, improvements and processes developed by the Company.
10. To acquire and take over business or undertaking carried on in connection with any land or building which the Company may desire to acquire or become interested in and the whole or any of the assets and liabilities of such business or undertaking and to carry on the same or to dispose of or remove or put an end thereto or otherwise deal with the same as may seem expedient.
11. To collaborate with Indian or foreign firms for acquiring or offering technical know-how, or to employ foreign technicians or experts or advisers on a contract basis or otherwise and to loan on suitable terms in Company's technicians, experts and others to other parties in or outside India for developing and to send out to foreign countries the Company's own technicians, plants, machinery, tools for developing industries in foreign countries on a joint venture basis or otherwise and to send out Company's men to foreign countries for further training.
12. To acquire and/or provide technical know-how and management services to parties in India or elsewhere its connection with transport activities.

<sup>3B</sup> Amended, pursuant to the Scheme of Amalgamation (Merger by Absorption) between Alicargo Shipping Co. Private Limited with the Company sanctioned by Hon'ble National Company Law Tribunal, Mumbai Bench vide Order dated 27<sup>th</sup> September, 2019

13. To acquire and undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the Company is authorised to carry on and to promote, subscribe to or assist any public or private work or undertaking offering facilities for or conducting in any way to the purposes of profit of the Company and to hold shares or interest in any such company or partnership.
14. To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture, reciprocal concession or otherwise with any person or company carrying on or engaged in or about to carry on similar business or otherwise assist any such person or company and to take or otherwise acquire shares and securities of any such company and to hold, sell or otherwise deal with the same.
15. To form or let out the traffic or business of the Company or any part thereof or to sell or transfer the same or any part thereof, permanently or temporarily to any other company or companies or persons as may be thought desirable on any terms and conditions which may be thought proper.
16. To enter into any contract or arrangements with any Government or authority supreme, municipal, local or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such Government or authority any rights, privileges and concessions.
17. To acquire, buy, purchase, lease or otherwise acquire, hold, sell, exchange, grant and dispose of lands, buildings, offices, shops, warehouses, laboratories, garages and premises of every description, mortgages, charges, grants, concessions, leases, contracts; policies, book-debts and claims and any interest in any movable or immovable property and any claim against such property.
18. To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined and particularly by way of advance or deposit with or without interest to or with any bank, corporation, person or persons.
19. To draw, make, issue, endorse, negotiate, execute or discount bills of exchange, cheques, promissory notes, drafts, clean bills, hundies, bills of lading, railway receipts, warrants, debentures and other negotiable or transferable instruments or documents of title and to buy or sell or deal in the same.
20. To lend money either with or without security and generally to such person on such terms as may seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of any contracts by any such person, provided that the Company shall not carry on the business of banking as defined by the Banking Regulation Act, 1949.
21. To purchase or otherwise acquire and undertake the whole or any part of the business, property, rights and liabilities of any person, firm or companies, carrying on any business which this Company is authorised to carry on, to purchase, acquire and sell property, shares, debentures of any such person, firm or company and to conduct, make or carry into effect any arrangement in regard to the winding up of the business of any such person, firm or company.
22. To promote and form and to be interested in and take hold of and dispose of shares in other companies having similar objects for all or any of the objects mentioned in this Memorandum and to subsidise or otherwise assist any such company.
23. To payout of the funds of the Company all expenses of and incidental to the promotion, formation, organisation, registration, advertisements and establishments of the Company and the issue and subscription of shares or loan capital including brokerage and/or commission in respect thereof and also all expenses attending the issue or any circular or notice and the printing, stamping, circulation of proxies and forms to be filled up by the members of the Company.
24. Subject to the provisions of the Companies Act, 1956, to place, to reserve or to distribute as bonus shares among the members or otherwise to apply as the Company may from time to time think fit, any moneys received by way of premiums on shares or debentures issued at premium by the Company.
25. To insure against loss of moneys, principal and interest lend, invested or secured as mortgage, debenture, deposits and loans of every kind and to banking property, investment or financial companies.

26. To make gifts or grant houses to the Directors or any other person who are or have been in the employment of the Company and to provide for the welfare of persons in the employment of the Company or formerly in its employment and the widows and children of such person and dependent upon them by granting money or pensions, making payments towards insurances or by instituting a pension scheme, pension schemes, providing schools, residing rooms, places or recreation, subscribing to sick or benefit clubs hospitals and other institutions or societies or otherwise as the Company shall think fit and generally to make donations, contributions, grants or subscriptions to such person or objects for such purposes and in such cases as may seem expedient.
27. To establish and suggest or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit the employees or ex-employees of the Company or its predecessors in business or the dependents or connections of such persons to grant pension and allowances and make payments towards insurance and to support, subscribe, contribute to or otherwise assist any charitable, benevolent, religious, scientific, national or any other institutions, associations, organizations, objects or purposes or for any exhibition and without prejudice to the generality of the foregoing provision and in furtherance thereof the Directors may give such aid, support or assistance to such individuals and bodies (incorporate or unincorporated) including in particular:
  - (i) grant of loans without or at interest and without or with such security and repayable in installment; and
  - (ii) grants or contribution towards maintenance of any support to any individual or body.
28. To provide for the welfare of any employee or employees (part or present) of the Company, their wives, widows and families or the dependents or connections<sup>1</sup> of such persons by grants of money, pension, allowances, bonus or other payment or by creating and from time to time subscribing to provident institutions or associations, funds or trusts and by providing or subscribing to or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and assistance as the Company shall think fit and otherwise to assist or aid by the Company either by reason or locality of operations of utility to the Company or its employees.
29. Subject to the provisions of the Companies Act, 1956, to distribute any of the property of the Company amongst the members in specie or in kind in case of winding up of the Company.
30. To adopt such means of making known the business of the Company as may seem expedient and in particular by advertising to the press by circulars, posters, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations (including donations to any fund for charitable or public purposes).
31. To establish branches or agencies, whether by means of local boards or otherwise anywhere in India or elsewhere at any place or places throughout the world, for the purposes of enabling the Company to carry on its business more efficiently and to discontinue and reconstitute any such branches or agencies.
32. To purchase, take on lease or in exchange or otherwise acquire, sell, rent out or lease or give on lease and licence any lands of any tenure or descriptions and buildings or parts of buildings, interest in and any rights over or connected with any such lands, buildings, structures.
33. To pay for any properties, rights or privileges acquired by this Company either in shares of this Company or partly in shares and partly in cash otherwise and to give shares of the Company in exchange for shares of any other company.
34. To sell, issue, mortgage, surrender, abandon and in any other manner deal with or dispose of the undertaking or property of the Company or any part thereof for such consideration or 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.
35. To subscribe to or otherwise aid benevolent, charitable or other institutions or objects of a public character or which have any moral or other claim or support or aid by the Company by reason of the locality of its operations or otherwise.

36. To create any depreciation fund, sinking fund, insurance fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining the business or any other purposes conducive to the interest of the Company.
37. Subject to the provisions of Section 58-A and Directives of Reserve Bank of India, to borrow or raise money, at interest or otherwise in such manner as the Company may think fit and in particular by the issue of debentures or debenture stock- perpetual or otherwise including debentures or debenture-stock convertible into shares of this or any other company or companies or perpetual amenities and in security of any such money so borrowed, raised or received, to mortgage, hypothecate, pledge or charge the whole or any part of the property, assets or revenue of the Company, present or future including its uncalled capital by special assignment or otherwise and to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may seem expedient and to purchase, redeem, exchange, vary, extend or payoff and from time to time re-issue any such securities. But the Company shall not do any banking business as defined in the Banking Regulation Act, 1949.
38. To secure the payment of any moneys borrowed or raised or owing or the performance of obligations incurred by the Company by the creation and issue of redeemable or irredeemable or perpetual debentures, bonds, debenture-stocks, payable to bearer or otherwise or by mortgages, charges or other securities and to further secure or collaterally secure any securities of the Company by a Trust Deed.
39. To open current, overdraft, loan, cash credit, deposit or saving bank account with any bank, company, firm and/or person and to draw and endorse cheques, pay slips, telegraphic transfers and to withdraw moneys from such account and otherwise to operate thereon.
40. To apply or join in applying any Central or State Governments, Local Improvement Trust, Municipalities or Local Board or other authority or body, national or foreign for and to obtain or in any way assist in obtaining any act of parliament, laws, decrees, concessions, orders, rights or privileges or advantages, that may seem conducive to the objects of this or any other company or for enabling this or any other company's constitution to oppose any proceedings or applications which may seem calculated to directly or indirectly to prejudice the interest of this or any other company, to prove this or any other company to be legalised, registered or incorporated if necessary, in accordance with the laws of any country, state or place in which it may propose to carry on operations to establish and maintain any agencies of the Company and to open and keep a foreign register or registers of this or any other company in any foreign country and to allocate any member of these or any other shares in this or any other company to such register or registers.
41. To sell, improve, manage, exchange, lease, mortgage, enfranchise, dispose of, turn to account or otherwise deal with all or any part of the properties and rights of the Company.
42. To amalgamate with any other company having objects altogether or in part similar to those of this Company.
43. To purchase, take on lease or in exchange, hire or otherwise acquire any moveable and immoveable property, any rights or privileges which the Company may think necessary or convenient for the purpose of its business and particularly any lands, buildings, works, collieries, coal mines, minerals, mining rights and metalliferous lands and any interest therein, machinery, plant, stock-in-trade, rolling stock wherever warehouses and offices are situated.
44. To apply for, tender, purchase or otherwise acquire any contracts, sub-contracts, licences and concessions for or in relation to the objects or business herein mentioned or any of them and to undertake, execute, carry out, dispose of or otherwise turn to account the same.
45. To sub-let all or any contracts from time to time and upon such terms and conditions as may be thought expedient.
46. To undertake and execute any contracts, for works involving the supply or use of any machinery and to carry out any ancillary or other works comprised in such contracts.
47. To undertake and execute any trusts, the undertaking whereof may seem desirable to the Company.

48. To appoint engineers, contractors, managers, brokers, canvassers, agents and other persons and to establish and maintain agencies or branches in any part, of India or elsewhere for the purpose of the Company and to discharge and to discontinue the same.
49. To apply for; purchase or otherwise acquire any interest in any receipts, inventions, patents, trade marks, licences, concessions or the like conferring exclusive or nonexclusive or limited right to use the same or any secret or other informations as to any invention in relation to the processing, manufacture, treatment, storage, application and use of products of the Company or of any apparatus and/or machinery and equipment used in such processing, manufacture, treatment, storage, application and use or generally any invention and to use, exercise, develop, grant, licence in respect thereof or otherwise turn to account the properties, rights and information so acquired.
50. To exchange, sell, convey, mortgage, assign or let on lease or leases the whole or any part of the property (whether moveable or immovable) of the Company and to accept as consideration for or in lieu thereof other land or cash or government securities or securities guaranteed by the Government of India or State Governments or Municipal, Port Trust, Railway or other authority of shares, debentures, stocks, bonds or securities of any other joint-stock company or companies or partly the one or partly the other or such other property to take back or require any Property so disposed of by repurchasing or leasing the same for such price or prices and on such terms and conditions as the Company may think fit.
51. To invest money at interest on the security of land of any tenure, buildings, farming stock, stocks, shares, securities, merchandise and any other property and generally to lend and advance money to any persons, firms or companies with or without security and upon such terms and subject to such considerations as may be deemed expedient.
- (C) **OTHER OBJECTS:**
52. To purchase land and other constructed buildings to sell.
53. To manufacture, sell and export hardware materials such as raw fittings and other house building materials,
54. To carry on the business of running motor, lorries, motor lines and routes as the Company think fit and to transport passengers and goods and generally to do the business of common carriers.
55. To carry on the business of merchants, garage proprietors or live stock stable keepers, job masters, farmers, dairymen, Importers and brokers of food, live and dead stock, and foreign produce of all descriptions, perfumers, chemicals, laundries, reading, writing and newspaper rooms, libraries, ground and places of amusements, recreation sports, entertainment and instruction of all kinds, tobacco, and cigar merchants, travel agents, bank mukadams for railways, shipping and airways and road transport contractors, companies or bodies and carriers by land, water and air, barging, property and freight contractors, forwarding agents, clearing agents, stevedores, ship chandlers, caterers and insurers of ship, crafts, goods and other property, theatrical and opera box office owners, ship proprietors, cinema exhibitions, producers and distributors, and merchants and to carry on the business of swimming pools, plying of launches and boats.
56. To carry on business as manufacturers of and dealers in bread, flour, rava, maida, biscuits and farinaceous compounds and materials of every description.
57. To carry on the business of manufacturers of and dealers in sugar, gur, khandasari, sugar candy, chocolates, toffees and other allied products.
58. Subject to the provisions of Law, to carry on the business as brewers, distillers and manufacturers of and merchants and dealers in vinegar, acetic acid, glucose, wines, spirits, beers, porters, malt, hops, grain, meal, yeast, aerated water, carbonic acid gas, mustard,
59. To carry on the business of stationers, printers, lithographers, stereotypers, electrotypers, photographic printers, photolithographers, engravers, diesinkers, envelope manufacturers, book binders, account book manufacturers, machine rules, numerical printers, paper makers, paper bag and account book makers, box makers, cardboard manufacturers, type foundries, photographers, manufacturers of and dealers in playing, visiting, railway, festive, complimentary and fancy cards and valentines, dealers in

- parchment, dealers in stamps, agents for payment of stamp and other duties, advertising agents, designers, draughtsmen, ink manufacturers, pen and ball pen and pencil manufacturers, book sellers, publishers, paper manufacturers and dealers in the material used in the manufacture of paper.
60. To carry on the business of tobacconists in all its branches and to sell, make up and manufacture tobacco, cigars, cigarettes, snuffs usually sold by tobacconists.
  61. To carry on the business of manufacturers of and dealers in boots, shoes, clogs and all kinds of footwear and leather and plastic goods, lasts, boots, trees, laces, buckles, leggings and accessories and fittings.
  62. To carry on business as goldsmiths, jewellers, gem merchants, importers and exporters of bullion and buy, sell and deal (wholesale and retail) in bullion, precious stones, jewellery, gold or silver plates, cups, shields, electroplates.
  63. To carry on the business as manufacturers of and dealers in all types of valves, pumps and engineering products of all types, machinery and machinery parts, spare parts, instrumentation and systems and machinery generally to import and export such items and/or to deal and trade in them.
  64. To carry on the business of manufacturers or dealers in calculating machines, computers, cleaners, sewing and printing machines, air-conditioning equipments, air-conditioners, refrigerators, coolers, ice-cream manufacturing machinery, typewriters and to maintain air-conditioned godowns for storage of foods.
  65. To carry on the business of a steam and general laundry and to wash, clean, purify, scour, bleach, wring, dry, iron, colour, dye, disinfect, renovate and prepare for use all articles of wearing apparel, household, domestic and other cotton, silk and woollen fabrics, repair, let on hire, alter, improve, treat and deal in all apparatus, machines, materials and articles thereof.
  66. To manufacture and deal in refrigerators, coolants, ice manufacturers and heavy water, mineral water.
  67. To carry on the business of cold storage of fruits, vegetables, seeds, fish, meat, agricultural products, milk and dairy products and other perishable items.
  68. To carry on and undertake the business of leasing and hire purchase finance company and to finance, lease operations such as hiring, letting on hire equipments, plant and machinery and to assist finance of hire purchase or deferred payments or to subsidise, finance or assist in subsidising or financing the sales and maintenance of goods or commodities upon terms and conditions and to undertake leasing finance for immovable and moveable properties and to deal with them including sale and resale thereof.
  69. To carry on all or any of the business of builders and contractors, architects, decorators, merchants and dealers in stones, sand, lime, bricks, cement, timber, hardware and other building materials and acting as house agents.
  70. To carry on the business of production, distribution or exhibition of films and motion pictures including the running of theatres, cinemas, studios and cinematographic shows and exhibitions.
  71. To establish and work cement manufacturers, lime burners and ceramics, including sanitary fittings and chinaware.
  72. To carry on the business of manufacturers of or dealers in tractors, automobiles, earthmoving equipments, internal combustion engines, boilers, locomotive and compressors.
  73. To manufacture and/or deal in automobile parts, spare parts and components of machineries and to act as agents for manufacture of various parts and components.
  74. To cultivate, grow, produce or deal in any agricultural and to carry on all or any of the business of farmers, dairymen, milk contractors, dairy farmers, millers, surveyors and vendors of milk and milk products, condensed milk and powdered milk, cream, cheese, butter, poultry, fruits, vegetables, cash crops and provisions of all kinds growers of and dealers in corn, hay and straw, seedsmen and nurserymen and to buy, sell, manufacture and trade in any goods usually traded in the above business



or businesses inclusive of staple foods and medical preparations from milk, vegetables and animal products or any substitute for any of them associated with the farming interests.

75. To cultivate tea, coffee, cinchona, rubber and to carry on the business of planters, in all its branches, to carry on and do the business of cultivating, winners and buyers of every kind of vegetables, minerals, to prepare, manufacture and render marketable any such products and to sell, dispose of and deal in any such produce, either in the prepared, manufactured or raw state and either by wholesale or retail.
76. To establish and maintain shipping lines and plying vessels between any ports and to carry on business as freight contractors, carriers, barge owners, forwarding and clearing agents.
77. To carry on manufacture and sale of patent medicines and preparations and generally to carry on the business of manufacturers buyers and sellers of and dealers in all kinds of medicines and medical preparations and drugs whatsoever and obtain patents for them.
78. To carry on the business of manufacturers or dealers in soaps pulp and paper of all kinds and articles made from paper or pulp and materials used in the manufacture or treatment of paper including card-board, mill boards and coiling paper and packaging cartons and newsprints and photographic raw films.
79. To carry on the business of manufacturers or dealers in soaps, cosmetics, perfumes and toilet requisites.
80. To manufacture and deal in chemical products such as coal and coaltar products and their intermediates, dyes, drugs, medicines and pharmaceuticals, petroleum and its products and derivatives, paints, pigments and varnishes, explosives and ammunitions, vegetable oils their products and derivatives, all types of heavy chemicals such as sulphuric and other acids, caustic soda, ash, all types of textiles, chemicals and sizing and finishing materials, cement and allied products, photographic chemicals, clay and boards including straw boards and glycerin and allied products, all industrial and pharmaceutical, organic and inorganic chemicals, fertilisers, pesticides, manures, fungicides and allied products, fats, wares and their products, hides, skins and leather.
81. To carry on the business of distributors for petroleum companies, to turn service station for the repairs and servicing of automobiles and to manufacture or deal in fuel oils.
82. To carry on the business of manufacturers and dealers in all types of rubbers, leather, celluloid, bakelite, plastic and all other chemicals, rubber and plastic goods, particularly industrial tools, rollers, sheets, boltings and consumer goods such as tyres, tubes and other allied produces, chapals, shoes, toys, medical and surgical goods and all other kinds of products.
83. To carry on the business of iron founders, makers, of scientific, industrial and surgical instruments, mechanical engineers and manufacturers of agricultural implements and other machinery, steel castings and forging and malleable iron and steel castings, tool makers, brass founders, metal workers, boiler makers, mill wrights, machinists, iron and steel converters, smiths, metallurgists, electrical engineers, water supply engineers, gas makers and merchants and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in machinery, implements, rolling stock and hardware of all kinds.
84. To carry on any business relating to the mining of minerals, the production, manufacture and preparations of any other mineral which may be usefully or conveniently combined with the engineering or manufacturing business of the Company or any contracts undertaken by the Company and either for the purposes only of such contracts or as independent business.
85. To carry on the trades or business of manufacturers of ferromanganese, colliery proprietors, coke manufacturers, miners, smelters, engineers and tin plate makers in all their respective branches.
86. To carry on the business of electrical engineers, electricians, contractors, manufacturers, constructors, suppliers of and dealers in electric and other appliances, electric motors, fans, lamps, furnaces, household, appliances, batteries, cable, wire lines, drycells, accumulators, lamps and to manufacture and deal in all apparatus and things required or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity, including in the terms electricity all powers that may be directly or indirectly there from or may be incidentally hereafter discovered in dealing with electricity.

87. To carry on the business of manufacturing, assembling, buying, selling, re-selling, exchanging, altering, importing, exporting, hiring, letting on hire, distributing or dealing in ships, boats, barges, launches, submarines and other underwater vessels, aeroplanes, aero-engines, air ships, sea ships, flying boats, hydro planes and aircrafts and aerial to every description and kind for transport conveyances or conveyance of passengers, merchandise or goods of every description, whether propelled or moved or assisted by means of petrol, spirit, electricity, steam, oil, vapour, gas, petroleum, mechanical, animal or any other motive power and component parts, accessories, equipments, and apparatus for all use in connection therewith.
88. To carry on the trade or business of manufacturing, assembling, building, selling, reselling, exchanging, altering, importing, exporting, hiring, letting, on hire or distributing or dealing in railway carriages, wagons, carts, vehicles, rolling stock and conveyance of all kinds whether for plant and all machinery, materials and things applicable or any of the things hereinbefore specified to coal proprietors, railway and other companies and respectively whether belonging to this Company or not and selling, exchanging and otherwise dealing in the same respectively.
89. To carry on the business of machinists, makers of machinery, manufacturers of pressed boards, mechanical engineers, iron and iron masters, steel makers, blast furnace proprietors, repairers, boiler makers, smiths, sandblast proprietors, consulting engineers, electrical engineers, asbestos manufacturers, japanners, annealers, enamellers, electric and chromium platers, polishers, painters, garage proprietors, black smiths, lock smiths, iron mongers, alloy makers, metal platers, wire weavers, and to buy, sell, manufacture, repair, alter, let on hire and deal in plant, machinery, tools, implements, utensils, rolling stock and hardware of all kinds.
90. To carry on business of suppliers and dealers in all types of machinery and intended for use in foundry and treatment of metals.
91. To carry on the business of manufacturers of, dealers in wood products, plywood, matches and wooden or metal furniture.
92. To carry on the business of manufacturers or dealers in arms and ammunitions.
93. To carry on the business of manufacturers of, dealers in glass products, including sheet and plate glass, optical glass, glass wool and laboratory ware.
94. To carry on the business of manufacturers of, dealers in industrial machinery or all types, including bearings, speed reduction units, pumps, machine tools and agricultural machinery and earth moving machinery including road rollers, bull dozers, dumpers, scrapers, loaders, shovels and drag lines and light engineering goods such as cycles and sewing machines and their components.
95. To carry on the business of manufacturers of, dealers in ferrous or non-ferrous metals, including iron and steel, aluminium, brass, tin, nickel, special sheets and their products.
96. To carry on business as manufacturers, dealers, stockists, importers and exporters of engineering, drawing sets, building hardware, steel, roles, measuring tapes, cutting, tools, hand tools, precision measuring tools, machine tools, garage tools, hardware tools, instruments, apparatus and other machinery, plant, equipment articles, appliances, their components, parts, accessories and allied things.
97. To carry on the business as manufacturers, dealers, stockists, exporters and importers of tools, nuts, nails, rivets, hinges, hooks and all other hardware items of all types and descriptions.
98. To carry on business of manufacturers, dealers, stockists of all metals, machinery, parts, moulds, press tools, jigs, fixtures, injections and compression mouldings, steel products, automobile parts and spare parts and spare of all kinds of machinery.
99. To carry on the business of iron founders, mechanical engineers, marine engineers, brass founders, iron and steel converters, metallurgists, smiths and wood workers, iron masters, steel makers, blast furnace proprietors, repairers, boiler makers, smiths, sandblast proprietors, asbestos manufacturers, enamellers, electric and chromium platers, painters, tin smiths, lock smiths, wire weavers, consulting engineers and electrical engineers.

100. To carry on the business as manufacturers, stockists, importers, exporters, repairers and dealers in dynamos, motors, armatures, magnets, batteries, conductors, insulators, transformers, converters, switch boards, coolers, engines, guns, process insulating materials and generally electrical plant, appliances and supplies of every description.
101. To carry on business of manufacturers, dealers, stockists, importers and exporters of buckets, bath-tubs, tanks, trunks, metal furniture, safes, chimneys, pipes.
102. To carry on the business of manufacturers, dealers, stockists, importers and exporters of wearable and unwearable fabrics, high density polyethylene and polypropylene, woven sacks, tarpaulins of various qualities and types.
103. To carry on the business of dairy farming, dairy products and allied products.
104. To carry on business as dealers, stockists, importers and exporters of general goods, suppliers, commission agents, and clearing and forwarding agents, to carry on all or any of the businesses of wholesale and retail in all kinds of merchandise such as textile yarn, steel, spices, dry-fruits, chemicals, dyes and chemicals, grains.
105. To carry on the business of timber and lumber merchants, timber yard and saw-mill proprietors, and buy, sell, prepare for the market, import, export and deal in timber and wood of all kinds and to manufacture and deal in articles of all kinds in the manufacture of which timber or wood is used, to carry on the business of logging and lumbering, purchasing, acquiring and leasing timber berths, and so far as may be deemed expedient the business of general merchants.
106. To carry on business as manufacturers of and dealers in plywood, hardwood blocks for flooring and other purposes, boxes, windows, doors, wood pulp, wood wool, masts, spars, derricks, sleepers, tools, handles, panelling wood works, furniture and articles of all descriptions wholly or partly made from wood, bricks, cement or stone.
107. To carry on business as manufacturers of or dealers in, or as stockists importers and exporters of packaging materials, cartons, containers, boxes, and cases made of paper, boards, wood, glass, plastic, pulp, cellulose films, polythene rubber, metals, metal foils, gelatine, tin, flexible, treated, laminated or other materials.
108. To carry on business as manufacturers of or dealers in or as stockists, importers and exporters of bottle, jars, fibres, boxes, corrugated containers, aluminium foils of all types, wooden drums, packing cases, rods, wires, ropes, strips, conductors, equipment required for generation, distribution and transmission of electric energy, cables, motors, fans, lamps, furnaces, batteries, accumulators.
109. To acquire by concessions, grant, purchase, barter, lease, licence or otherwise sell either absolutely or conditionally and either solely or jointly with others, any houses, lands, farms, waterrights, way leaves and privileges, rights and hereditaments and other moveable or immovable property or any description in India or elsewhere.
110. To establish and carry on at any place in India or elsewhere the business of purchases, growers, cultivators, manufacturers and refiners of and dealers in all products of agriculture or animal husbandry and all vegetable products whatsoever, fruit growers and preservers in all the branches of such business and to purchase, sell, dispose of, deal in and act as merchants and agents for or in connection with all or any such products or produce of such business or any of them.
111. To treat, cure, process, manufacture and prepare for the market agricultural products of all kinds and to deal in dairy, piggery, farm and garden produce of all kinds.
112. To carry on and work the business of cultivators and buyers of every kind of fruits and other vegetables, produce of the soil, to prepare, manufacture and render marketable any such produce in their prepared, or raw state.
113. To carry on business as breeders of and dealers in live-stock (including in that term horses, asses, donkeys, mules, pigs, cattle, sheep, goats and other animals), cattle rearers, sheep farmers, poultry farmers, graziers, livestock agents, eggs, meal and produce, salesmen, importers and exporters of

- livestock and to carry on the trades or business of fellmongering, tanning and dealers in animal products.
114. To carry on the business as manufacturers of or dealers or as stockists, importers and exporters of operating tables, operating lights, head mirrors, powders, beds, wheel chairs, trolleys, cupboards, incubation tubes, anesthetic equipments including oxygen cylinders.
115. To carry on the business as manufacturers of or dealers in or as stockists, importers and exporters of audio meters, hearing aids, surgical instruments including artery forceps, retractors, hooks, polythene tubings, suction tubes, suction canals, operating surgical microscopes, electronic stadiographic equipment, including photo electric cell apparatus, bronchoscopes, Resophaesopes, laryngoscope, apparatus for micro laryneal surgery, cauterisation apparatus and/or facial narcosis stipulation.
116. To carry on the business of running hospitals, clinics, dispensaries, maternity homes, child welfare and family planning centres, diagnostic centres and also to carry on the business of running creches.
117. To act as exactors, administrators, attorneys, nominees and agents and to exercise all the power of custodian and trust corporations.
118. To take on lease, exchange or otherwise deal in lands, buildings, hereditaments of any tenure or freehold for residential or business purposes.
119. To acquire, hold or deal in stocks, shares, debentures, securities.
120. To produce or develop and supply patents, inventions, models, designs, scientific or industrial formulae or processes.
121. To procure, develop and supply technical know how for the manufacture or processing of goods, materials, or in installation or erection of machinery or plant for such manufacture or processing, or in the working of mines, oil wells or other sources of mineral deposits, or in search for discovery or testing of mineral deposits, or in carrying out any operation, relating to agriculture, animal husbandry, dairy or poultry farming, forestry or fishing or rendering services in connection with the provision of such technical know-how.
122. To carry on the profession of consultants on management, taxation, financial, employment, engineering, industrial and technical matters to industry and business of and to act as employment agents, to carry on the business of printing and publishing books, magazines, journals and newspapers and to act as agents in connection herewith.
123. To undertake or arrange for the writing and publication of books, magazines, journals or pamphlets on subjects relating to trade, commerce, industry, agriculture, banking, insurance, investments, taxation, finance, economic, law and other subjects.
124. To acquire or set up and run schools, colleges, training and professional institutions and music and dance centres.
125. To undertake or promote research in economic, fiscal, commercial, financial, technical and scientific problems.
126. To manufacture or deal in bricks, tiles, sanitary ware, bathroom fittings and fixtures, flushing cisterns, commodes, wash basins, pipes and tubes of plastic, clay or any earthenware, pottery, articles, china and terra cotta and ceramic wares of all kinds and to carry on business as quarry masters and stone merchants.
127. To gin, kapas, and to spin, weave, manufacture, dye, print comb, bleach, press wool, cotton, linen, silk, waste draping, fly, jute, hemp, flax and other fibrous synthetic materials and things capable of being used for dyeing, printing, bleaching, and calendering purposes and to sell, buy or otherwise deal in all such goods, clothes, and other fibres and fabrics whether made or treated by the Company or not.
128. To sell, buy or contract for the purchase or sale of raw materials and manufactured or partly manufactured goods and dyes, chemicals, Liquids, pastes, powders and things necessary or useful for dyeing, printing, combing, bleaching, pressing, spinning, weaving and manufacturing purposes.

129. To carry on the business of manufactures, producers, processors, exporters and importers of and dealers in all silk goods, generally bed-sheets, pillow cases, towels, napkins, carpets, matting, tapestry, needle works, tinsel and tinsel fabrics and threads, rubber goods with silk base, leggings, garters, laces, zip fasteners, buttons, hooks and bars, collars and other garments, stays, shoulderpads, linings, interlinings, eyelets, trimmings, wellins, elastics, protectors and all articles of wearing attire or personal or household use or ornaments.

IV. The liability of the members is limited.

V. \* The Authorised Share Capital of the Company is ₹200,00,00,000/- (Rupees Two Hundred Crores only) divided into 100,00,00,000 (One Hundred Crores) Equity Shares of ₹2/- (Rupee Two only) each, with rights, privileges and conditions attached thereto as are provided by the regulations of the Company for the time being, with power to increase or reduce the capital of the Company or to divide the shares of the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

\*Notes:

- a. Amended vide ordinary resolution passed at the Extraordinary General Meeting of the Members of the Company held on November 30, 2009 (Increased from Rs. 300,000,000 to Rs. 350,000,000).
- b. Pursuant to the Scheme of Arrangement between MHTC Logistics Private Limited (MHTC) with the Company sanctioned by Hon'ble High Court of Judicature at Bombay vide Order dated 6th December, 2013 (Increased from Rs. 350,000,000 to Rs. 355,000,000).
- c. Substituted vide ordinary resolution passed by the Company vide Postal Ballot voting on December 23, 2015 (Increased from Rs. 355,000,000 to Rs. 550,000,000).
- d. Pursuant to the Scheme of Amalgamation (Merger by Absorption) between Allcargo Shipping Co. Private Limited with the Company sanctioned by Hon'ble National Company Law Tribunal, Mumbai Bench vide Order dated 27th September, 2019 (Increased from Rs 550,000,000 to Rs 605,000,000).
- e. Pursuant to the Scheme of Amalgamation (Merger by Absorption) between Hindustan Cargo Limited with the Company sanctioned by Hon'ble National Company Law Tribunal, Mumbai Bench vide Order dated July 16, 2021 (Increased from ₹ 60,50,00,000 to ₹ 64,40,00,000).
- f. Amended vide ordinary resolution passed by Postal Ballot through E-voting Process on December 21, 2023 (Increased from Rs. 64,40,00,000 to Rs. 2,00,00,00,000).

We, the several persons, whose names, addresses and occupations are subscribed hereunder are desirous of being formed into a Company in pursuance of these Articles of Association and we respectively agree to take the numbers of shares in the capital of the Company set opposite our respective names:

Names, Addresses, Description and occupation of each Subscriber	Number of Equity Shares taken by each subscriber	Signature of Subscriber	Signature of witness With Description and Occupation
SHRI SHASHI KIRAN SHETTY S/o Janardhan Shetty 303, Green Star, Rizvi Complex, Shirley Rajan Road, Bandra (W), Bombay 400 050	10 (Ten) Equity Shares	Sd/-	Witness to both Sd/- CHIMANLAL DANGI C/o Champalal Dangl S.C.Dangi & Associates Parkar Building, 2 <sup>nd</sup> Floor, 12, Cawasji Patel Street, Fort, Mumbai 400 001 Chartered Accountant
SMT. ARATHI S. SHETTY W/o Shashi Kiran Shetty 303, Green Star, Rizvi Complex, Shirley Rajan Road, Bandra (W), Bombay 400 050	10 (Ten) Equity Shares	Sd/-	
	20 (Twenty) Equity Shares		

Bombay, Dated this 20<sup>th</sup> day of July 1993

**Certified True Copy**  
**For Alicargo Logistics Limited**



**Devanand Mojdra**  
**Company Secretary**

(COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION

OF

<sup>1</sup>ALLCARGO LOGISTICS LIMITEDCertified True Copy  
For Allcargo Logistics LimitedDevanand Mojindra  
Company Secretary**Table A not to apply**

1. The regulations contained in Table A, Schedule I, of the Companies Act, 1956 shall not apply to the Company except so far as the same are reproduced or contained in or expressly made applicable by these Articles or the Act. The regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the Company's power to modify, alter, delete, or add to its regulations, as prescribed by the Act, be such as are contained in these Articles.

**Definitions**

2. The following words and expressions shall have the following meaning assigned hereunder, unless repugnant to the subject matter or context thereof:

"Act" or "the said Act" means the Companies Act, 1956, and includes, where the context so admits, any statutory modification thereof.

"Adjustment Event" means any share split, bonus issue, stock dividend, rights issue, recapitalization or recombination affecting Equity Securities and any other transaction having the effect of any of the foregoing.

"Affiliate" of a Person (the "Subject Person") means (i) in the case of any Subject Person other than a natural Person, any other Person that, either directly or indirectly through one or more intermediate Persons, controls, is controlled by or is under common control with the Subject Person, and (ii) in the case of any Subject Person that is a natural Person, any other Person that, either directly or indirectly, is controlled by the Subject Person and, (iii) in case of each of the Investors, any Person managing, or acting as investment adviser to, the investment funds that directly or indirectly controls such Investor, or a general partner of any limited partnership that controls such Investor.

For purposes of this definition, "control" means: (i) the power to direct and control the management or policies of a Person, whether through the ownership of over fifty percent (50%) of the voting power of such Person, or through the power to appoint over half of the members of the board of directors, or similar governing body of such Person, through contractual arrangements or otherwise; and (ii) with respect to the investment funds, managing or acting as investment adviser to such fund (with the understanding that a general partner will be deemed to control a limited partnership)

"Agreement" means the Investment Agreement dated February 20, 2008 entered into between the Promoters, the Company and the Investors, as amended from time to time;

"Annual General Meeting" means general meeting of the Members duly called and constituted or any adjourned holding thereof in accordance with the provisions of the Act.

"Articles" means these Articles of Association, as originally framed or as amended from time to time in accordance with the provision of the Act and these Articles of Association.

"The Board" means the board of directors of the Company, for the time being and from time to time and "Director" means in relation to the Company, a director of the Company, from time to time appointed in accordance with the Agreement and these Articles.

<sup>2</sup>"Business" means multi-modal transport operators owning and operating multi-modal transport operators owning and operating container freight station/ inland container depots, project cargo handling, auto logistics, third party logistics, fourth party logistics, rail wagon owning, warehousing, port and jetty development and operations, rail-road transportation, not restricted and limited to owning and operating of distribution centers, logistics parks, cold storages, cranes and equipment hiring, rail heads and rail terminals operations, and any other mode of supply chain logistics management.

"Business Day" means a day other than a Saturday, Sunday or any day on which banks in New York City, the State of Maharashtra in India or Mauritius are permitted to be closed.

"Listing Agreement" means the Listing Agreement between the Company and the stock exchanges.

"Capital" means the Share Capital for the time being raised or authorised to be raised, for the purposes of the Company

<sup>1</sup> Amended vide special resolution passed at the Extra - Ordinary General Meeting held on July 15, 2011

<sup>2</sup> Amended vide special resolution passed at the 17<sup>th</sup> Annual General Meeting held on May 20, 2010

<sup>3</sup> Inserted vide special resolution passed at the 17<sup>th</sup> Annual General Meeting held on May 20, 2010

"Chief Executive Officer" or "CEO" means the Chief Executive Officer of the Company appointed pursuant to these Articles.

<sup>1</sup>"Code" means the United States Internal Revenue Code of 1955.

"The Company" or "this Company" means All Cargo Logistics Limited a company incorporated in the State of Maharashtra having its Registered Office at Mumbai.

"Committee" means a committee duly constituted by the Board.

"Competitor" shall mean:

- (a) any of OTS Logistics Group (USA), Shipco Inc (USA), SACO (Germany), Globalink (Singapore), WSA (Singapore), and Pacific International (Hong Kong) (which list may be updated by the Company every Financial Year); and/or
- (b) a person engaged in the Business in India and/or its Indian Affiliates ("Relevant Person"); or (ii) a Person that together with its Indian Affiliates directly or indirectly owns 51% or more of the equity interest of such Relevant Person; provided that: (a) in respect of (i), if the revenues of the Relevant Person from the Business do not exceed 75% of the aggregate revenues of the Relevant Person over the last four calendar quarters immediately preceding the relevant date of calculation; and (b) in respect of (ii): (1) if such person is a mutual fund, foreign institutional investor, venture capital fund, foreign venture capital investor duly registered with the Securities Exchange Board of India; or (2) is a financial investor who is not disclosed as a "promoter" in the annual accounts of a Competitor, such Relevant Person in the case of (i), or Person in the case of (ii), shall not be considered to be Company Competitor.

"Completion" means the completion of the subscription for and issuance of the Subscription Shares and FCCDs in accordance with the terms of the Agreement.

"Completion Date" means the date and time at which Completion takes place.

"Dividend" includes bonus.

"Debenture" includes debenture-stock, bonds and any other securities of the Company whether constituting a charge on the assets of the Company or not.

<sup>1</sup>"Deed of Adherence" shall have the meaning ascribed to it in the Agreement.

"Encumbrance" means (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable law; (ii) any voting agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any Person and (iii) any adverse claim as to title, possession or use.

"Equity Securities" means, with respect to any Person, such Person's equity capital, membership interests, partnership interests, registered capital, joint venture or other ownership interests (including in the case of the Company, Equity Shares) or any options, warrants, convertible preference shares, loans or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, such equity capital, membership interests, partnership interests, registered capital, joint venture or other ownership interests (whether or not such derivative securities are issued by such Person and whether or not then currently convertible, exercisable or exchangeable) and includes the FCCDs and the Warrants.

<sup>1</sup>"ESOP Plan" means Employee Stock Option Plan announced by the Company in January 2006 vesting the option to subscribe to up to 5,25,000 Equity Shares.

"Extraordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted or any adjourned taking thereof in accordance with the provisions of the Act.

"Financial Year" has the same meaning as in the Act and includes a period of twelve months commencing on 1<sup>st</sup> January of a calendar year and ends on 31<sup>st</sup> December of the same year.

<sup>2</sup>"Investor" means each of Blackstone GPV Capital Partners (Mauritius) V-K Ltd., Blackstone GPV Capital Partners (Mauritius) V-L Ltd., Blackstone GPV Capital Partners (Mauritius) V-M Ltd., Blackstone GPV Capital Partners (Mauritius) V-N Ltd., and any Person to whom Blackstone GPV Capital Partners (Mauritius) V-K Ltd., Blackstone GPV Capital Partners (Mauritius) V-L Ltd., Blackstone GPV Capital Partners (Mauritius) V-M Ltd., Blackstone GPV Capital Partners (Mauritius) V-N Ltd. or their Affiliates Transfer any Equity Securities of the Company, provided such Person executes a Deed of Adherence and "Investors" means all of them.

<sup>1</sup> Inserted vide special resolution passed at the 17<sup>th</sup> Annual General Meeting held on May 20, 2010

<sup>2</sup> Amended vide special resolution passed at the 17<sup>th</sup> Annual General Meeting held on May 20, 2010



"Investor Securities" means all the Equity Securities held by the Investors and or their Affiliates in the Company from time to time.

"Member" or "Shareholder" means a duly registered holder of the equity shares or preference shares of the Company.

"Month" means a calendar month.

"Negotiated Deal" shall mean any negotiated sale on a stock exchange (whether in any specially designated bulk deal window or otherwise) or off the stock exchange where the Investors are aware of the identity of the purchaser.

"Office" means the registered office of the Company for the time being.

"Paid up" in relation to shares includes credited as paid up.

"Person" means any Individual, partnership, association, joint stock company, joint venture corporation, trust, unincorporated organization or government agency or subdivision thereof.

"Plan Asset Regulations" means the United States Department of Labor Regulation published at 29 C.F.R. Section 2510.3-101.

"Prohibited Transferee" means any Person who does not provide a representation and warranty to the Investors that the purchase of any Equity Securities of the Company (in one transaction, or a series of connected transactions) by it would trigger the "open offer" requirements under the Securities and Exchange Board of India (Substantial Acquisition Of Shares And Takeovers) Regulations 1997.

"Promoters" means Shashi Kiran Shetty residing at 7S2, Samshiba Apts., 7<sup>th</sup> Floor, Nargis Dutt Road, Pali Hill, Bandra (West), Mumbai – 400 050; Arathi Shetty residing at 7S2, Samshiba Apts., 7<sup>th</sup> Floor, Nargis Dutt Road, Pali Hill, Bandra (West), Mumbai – 400 050; and Shashi Kiran Shetty (As Trustee for Sholka Shetty Trust) residing at 7S2, Samshiba Apts., 7<sup>th</sup> Floor, Nargis Dutt Road, Pali Hill, Bandra (West), Mumbai – 400 050.

"Pro Rata Share" means, with respect to any Investor, the proportion that the number of Equity Securities of the Company held by such Investor bears to the aggregate number of Equity Securities of the Company held by all shareholders of the Company, in each case on a fully diluted basis.

"Proxy" includes Attorney duly constituted under a Power of Attorney.

"Put/Call Option Fair Market Value" per Equity Security shall mean the higher of

- (a) the twenty six week weekly average (immediately prior to date of issue of the Invoking Notice), or the fourteen day daily average (immediately prior to date of issue of the Invoking Notice) of the Equity Shares on the National Stock Exchange Limited;
- (b) the Subscription Price per Equity Security plus 20% per annum on a compounded basis; and the Subscription Price per Equity Security multiplied by 2.25.

"The Register" or "the Register of Members" means the Register of Members kept pursuant to the Act.

"The Registrar" means the Registrar of Companies of the State in which the Registered Office of the Company is situated.

"Seal" means the Common Seal for the time being of the Company.

"Secretary" means a Company Secretary within the meaning of clause (c) of sub-section (f) of Section 2 of the Company Secretaries Act, 1980, and includes any other individual possessing the prescribed qualifications and appointed to perform the duties, which may be performed by a Secretary under the Act, and any other ministerial or administrative duties.

"Share" or "Equity Share(s)" means the equity share(s) of the Company having a par value of Rs. 2 per share and one vote per share.

"Transfer" means sell, gift, give, assign, transfer, transfer of any interest in trust, mortgage, alienation, hypothecate, pledge, encumber, grant a security interest in, amalgamate, merge or suffer to exist (whether by operation of law or otherwise) any Encumbrance on, any Equity Securities or any right, title or interest therein or otherwise dispose of in any manner whatsoever voluntarily or involuntarily, but shall not include transfer by way of testamentary or intestate successions provided, however, that any Encumbrance in respect of the Equity Securities held by the Investors together with their

<sup>1</sup> Inserted vide special resolution passed at the 17<sup>th</sup> Annual General Meeting held on May 20, 2010.

<sup>2</sup> Amended vide special resolution passed at the Extraordinary General Meeting of the Members of the Company held on November 30, 2009.

Affiliates in favour of a bank or an international financial institution with a minimum credit rating of AA+ pursuant to a lending facility for acquisition of Equity Securities shall not be a 'Transfer'.

"Writing" shall include printing and lithography and other modes of representing or reproducing words in a visible form.

## INTERPRETATION

3. Words importing the masculine gender also include the feminine and neutral genders.

Words importing the singular number include, where the context admits or requires, the plural number and vice versa.

Reference to persons shall (except in regards to members of the Board who shall be natural persons of full age and capacity) be deemed to include bodies incorporate and unincorporated.

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date on which the Articles becomes binding on the Company. The marginal notes have been inserted for convenience of reference and shall not affect the construction and interpretation of these Articles.

## SHARE CAPITAL

### Share Capital

4. <sup>1</sup> The Authorized Share Capital of the Company is as set out in Clause V of the Memorandum of Association of the Company with the rights, privileges and conditions attaching thereto as are provided by these Articles and the legislative provisions for the time being in force in this behalf, and with the power of the Company to increase, reduce, sub-divide or to repay or divide, the share capital into several classes and to attach thereto any rights, privileges or conditions, and to consolidate or subdivide or reorganize the shares, and to vary, modify or abrogate any such rights, privileges or conditions, subject to the provisions of the Act and in accordance with these Articles of the Company.

### Share Capital under the control of the Directors

5. Subject to the provisions of section 81 of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may 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 (Subject to compliance with the provisions of Section 75 of the Act) or at a discount (subject to compliance with the provisions of Section 79 of the Act) and at such times as they may think fit and proper, and with the sanction of the Company in General Meeting to give to any person or persons the option or right to call for any shares consideration as the Directors think fit, and may issue and allot shares in the Capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

5a. The Company has entered into an Investment Agreement dated December 26, 2005 with New Vernon Private Equity Limited ("Erstwhile Investor") and Mr. Shashi Kiran Shetty (hereinafter referred to as the "Erstwhile Investment Agreement"). It is provided in the Erstwhile Investment Agreement that "any transfer or sale by Erstwhile Investor of all (and not a part being less than the whole) of the Issued Shares shall automatically result in" the assignment of all of Erstwhile Investor's rights under this Agreement to the buyer, and on purchase of such shares all of Erstwhile Investor's rights under this Agreement shall be deemed to be assigned to the buyer and the buyer shall acquire all of the rights of Erstwhile Investor under this Agreement. This Article acknowledges and recognizes the rights of the buyer as provided in the Erstwhile Investment Agreement.

### Redeemable Preference Share

6. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares carrying a right of redemption or liable to be redeemed at the option of the Company, and the Board may, subject to the provisions of the Act and if these Articles, exercise such power in any manner prescribed by the resolution authorizing the issue of such shares.

### Cumulative Convertible Preference Shares

7. The Company may, subject to the provisions to the said Act, issue Cumulative convertible Preference Shares and may convert such Cumulative Convertible Preference Shares into Equity Shares of the Company on such terms and conditions as the Board may deem fit.

<sup>1</sup> Amended vide special resolution passed by Postal Ballot on November 9, 2008

**Increase of Capital**

8. The Company may, by Ordinary Resolution in General Meeting, increase the authorized share capital by the creation of new shares of such amount and to be divided into shares of such respective amounts, as the resolutions shall prescribe. Subject to the provisions of the Act and these Articles, the new shares shall be issued upon such terms and conditions and with such rights and privileges attached thereto, and in particular, with such preferential or qualified right to dividends and in the distribution of assets of the Company, as the resolution shall provide and if no direction is given by such resolution as may be determined by the Board.

**Further Issue of Share Capital:**

9. Subject to Articles 141 and 212, where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed by the Company to issue any new or additional shares, whether out of unissued share capital or out of increased share capital then:
- i. Such further shares shall be offered to the Members who, on the date of the offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date.
  - ii. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted, shall be deemed to have not been declined.
  - iii. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub - clause (i) hereof shall contain a statement of this right PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
  - iv. After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person (s) as they may think, in their sole discretion. **Nil**.
10. Subject to Articles 141 and 212, the further shares aforesaid may be offered to any persons (whether or not these persons include the persons referred to in clause (i) of clause (9) hereof in any manner whatsoever.
- (a) If a special resolution to that effect is passed by the company in General Meeting, or
  - (b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person or proxy, exceeds the votes, if any, cast against the proposal by members, so entitled and voting and the central government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.
11. Nothing in clause (iii) of (9) hereof shall be deemed:
- (a) To extend the time within which the offer should be accepted; or
  - (b) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
12. Subject to Articles 141 and 212, nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:
- (a) To convert such debentures or loans into shares in the Company; or
  - (b) To subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- i. Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
- ii. In this case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.
- iii. Subject to the provisions of the Act, the Company may issue shares with differential voting rights as to dividend voting or otherwise.

**New shares to rank equally with existing shares**

13. Except as otherwise provided by the conditions of issue, or by these Articles, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and installment, transfer and transmission, forfeiture, surrender, lien, voting and otherwise.

**Reduction of capital**

14. The Company may, from time to time and subject to the provisions of Section 78 and Section 100 to 105 (Inclusive) of the Act and of these Articles, by Special Resolution, reduce its share capital and any capital and any capital redemption, reserve fund account or share premium account in any manner for the time being authorized by law and, in particular, the capital may be paid off on the footing that it may be called up again or otherwise. This Article shall not derogate from any power that the Company may otherwise have under the provision of the Act.

**Subdivision, consolidation and cancellation of shares**

15. Subject to Articles 141 and 212, the Company in General Meeting may alter the conditions of its Articles for the following purposes:
- (a) To consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) To subdivide the existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association and these Articles, subject to the provisions of Act, and
  - (c) To 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.

**Rights on subdivision of preference shares**

16. Where any share capital is subdivided, the Company in General Meeting, may subject to the provisions of Section 85, 87 and 106 of the Act, determine that as between the holders of the shares resulting from such subdivision, the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the reduced share from which it was derived.

**Modification of rights**

17. If at any time the share capital is divided into different classes, the rights and privileges attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 106 and 107 of the Act, be modified or varied with the consent in writing of the holders of not less than three-fourth in nominal value of the issued shares of that class, or as sanctioned by a resolution passed at a separate meeting of the holders of share of that class and supported by the votes of the holders of not less than three-fourth in nominal value of the issued shares of the class, mutatis mutandis, to representing proxy at least one-third of the issued equity shares of the class.

**SHARES AND SHARE CERTIFICATES**

**Return of allotments**

18. The Company shall comply with the provision of the Act regarding allotment of its shares.

**Board may accept surrender of shares**

19. Subject to the provision of Section 100 to 104 of the Act, the Board may accept from any Member on such terms and conditions as may be agreed, as surrender of all or any of the shares held by the Members.

**Payment of calls**

20. If, by the conditions of allotment of any share, the whole or part of the issue price thereof is payable by installments every such installment shall, when due, be paid to the Company by the person who for the time being is the registered holder of the share or his legal representative.

**Company not to purchase its shares**

21. Except as permitted by Section 77 of the Act, no funds of the Company shall be employed directly or indirectly for the purchase of any shares of the Company and the Company shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company.
22. The Company may, by special resolution, purchase its own securities or other securities, subject to such limits and on such terms and conditions specified under Section 77 A and other applicable provisions of the Act and rules or regulations framed there under.

**Trusts not recognized**

23. The Company shall be entitled to treat the Member registered in respect of any share as the absolute owner thereof and shall not recognize the holding of any share upon trust or any equitable claim or interest in any such share on the part of any other person except as otherwise provided in these Articles or as required by law or when ordered by court of competent jurisdiction.

**Membership of Company**

24. An Application for share in the Company, signed by or on behalf of an applicant, followed by an allotment of shares shall constitute an acceptance of shares for purposes of these Articles and every person who thus or otherwise accepts any shares and whose name appears on the Register of Members shall for the purpose of these Articles be a Member.

**Liability of Members**

25. Every Member or his heirs, executors or administrators shall pay to the Company the proportion of the capital represented by his share or shares, which may for the time being remain unpaid thereon in such amount, at all such time or times and in such manner as the Board of Directors shall from time to time determine in accordance with these Articles.

**Joint Ownership**

26. Unless otherwise determined by the Board, not more than two persons shall be registered jointly as Members in respect of any shares.
27. The Share Certificate(s) in respect of Shares jointly owned and any dividend, interest or other monies payable in respect of such shares (including all notices in respect thereof) shall be sent to the first holder of the shares.

**Sums payable in respect of shares**

28. The sum which the Board shall require or direct to be paid by way of call or otherwise, in respect of the allotment of any shares shall immediately on the insertion of the name of the allottee in the Register of Members become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by the allottee accordingly.

**Right to Share Certificates**

29. Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fees as the Board may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificates of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Board may prescribe or approve, provided that in respect of a 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 of shares to one of several joint holders shall be sufficient delivery to all such holders.

**Duplicate Share Certificate**

30. The Certificates of title to shares and duplicates thereof shall be issued under the Seal of the Company and signed by two Directors or persons acting on behalf of the Directors under a duly registered Power of Attorney, and the Secretary of the Company or such other person appointed by the Board for the purpose, provided that at least one of the aforesaid two Directors shall be a persons other than a managing or whole-time Directors. A Director may sign a share certificate by affixing his signature thereon by any machine, equipment or other mechanical device.

**Issue of New Certificate in place of one Defaced, Lost or Destroyed:**

31. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, an a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificates under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Board shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Board shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

**DEMATERIALIZAON OF SECURITIES**

32. (A) For the Purpose of this Article:

"SEBI" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.

"Depositories Act" means the Depositories Act, 1996, and any statutory modification or re-enactment thereof for the time being in force.

"Depository" means a Company formed and registered under the Companies Act, 1956 (1 to 1956) (the Act) and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992 (1 of 1992).

"Bye-laws" means bye-laws made by a Depository under clause (c) of subsection (1) of Section 2 of the Depositories Act, 1996.

"Beneficial Owner" means the beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

"Member" means a person who holds any shares in the Company and includes a duly registered holder from time to time of the shares of the Company and every person holding Equity Share Capital of the Company and a person whose name is entered as a beneficial owner in the records of a Depository shall be deemed to be a member of the Company.

"Participant" means a person registered as such under Section 12 A of the Securities and Exchange Board of India Act, 1992.

"Record" means and include the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made in this respect.

"Regulations" means the regulations made by SEBI.

"Security" means such security as may be defined and specified under Securities Contract (Regulation) Act, 1956.

Words importing the singular number also include the plural number and vice-versa. Word importing persons include corporations.

Words and expressions used but not defined in the Act but defined in the Depositories Act shall have the same meaning respectively assigned to them in that Act.

- (B) 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 certificate in respect thereof shall be dematerialized. In which event the rights and obligations of the parties concerned and the matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereof or reenactment thereof.

(C) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its shares, debentures and other securities (both existing and future) held by it with the Depository and to offer its shares, debentures and other securities for subscription in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed there under, if any.

(D) Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or to hold the securities with a Depository.

If a person opts to hold his security with a Depository, the Company shall intimate such Depository of the details of allotment of the Security and on receipt of the information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the security.

(E) All securities held by a Depository shall be dematerialised and shall be in a fungible form. Nothing contained in Sections 153, 153A, 153B, 187A, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owner.

(F) (i) Notwithstanding anything to the contrary contained in the Depositories Act or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership on behalf of the beneficial owner.

(ii) Save as otherwise provided in (i) above the Depository as a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it.

(iii) Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a Depository.

(G) Except as ordered by any Court of competent jurisdiction or as required by any law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of the shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound, to recognize any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereof in accordance with these Articles on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be entitled at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

(H) Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such interval and in such manner as may be specified by the bye-laws and the Company in that behalf.

(I) Upon receipt of certificates of securities on surrender by a person who has entered into an agreement with the Depository through Participant the Company shall cancel such certificates and shall also inform the Depository accordingly.

(J) If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly.

The Depository shall on receipt of information as above make appropriate entries in its records and shall inform the Company.

The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee, as the case may be.

(K) Notwithstanding anything in the Act, or these Articles, to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(L) 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 Depository so far as they apply to shares in physical form subject to the provisions of the Depository Act.

(M) Notwithstanding anything in the Act, or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

- (N) The shares in the capital shall be numbered progressively according to their several denominations provided, however, that the provisions relating to progressive numbering shall not apply to the shares of the Company which are dematerialized or may be dematerialized in future or issued in future in dematerialized form except in the manner hereinabove mentioned. No share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.
- (O) The Company shall cause to keep a Register and Index of Members and Register and Index of Debenture holders in accordance with Section 150, 151 and 152 of the Act, respectively, and the Depositories Act, with details of shares and debentures held, material and dematerialized forms in any media as may be permitted by law including in any form of electronic media. The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be Register and Index of Members and Register and Index of Debenture holders, as the case may be, for the purpose of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Members resident in that state or country.
- (P) The Company shall keep a Register of Transfer and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form.

**Issue of new certificates**

33. If any certificate of any share or shares be surrendered to the Company for subdivision or consolidation or if any certificate be defaced torn, decrepit or worn out, then upon surrender thereof to the Company, and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Directors may order such certificate to be cancelled and issue a new certificate in lieu thereof to the registered holder of such shares. For every certificate issued under this Articles, there shall be paid to the Company a fee not exceeding such amount as the Board may prescribe from time to time. The Company may also, on any issue of shares or debentures pay such brokerage as may be lawful.

**Certificates regarding jointly owned shares**

34. The Company shall not be bound to issue more than one certificate in respect of any share jointly held by several Members and delivery of a share certificate to one of the several joint holders shall be sufficient delivery to all such Members and unless otherwise required, shall be delivered to the Members whose name appears first in the Register.

**Calls**

35. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the sanction of the members in a general meeting and to the provisions of Section 91 of the Act, make such calls as they think fit upon the Members in respect of any money unpaid on the shares held by them. A call may be made payable by installment and may be revoked or postponed as the Board may determine.

**Date of call**

36. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed and may be made payable by the Members on a subsequent date to be specified by the Directors.

**Notice of call**

37. Not less than 30 days' notice shall be given in respect of any call and the notice shall specify the place and the time of payment, the amount called on the shares and the person to which such sum shall be paid.

**Extension of time for making the payment of call**

38. The Board may, from time to time, at discretion, extend the time fixed for the payment of any call, and may extend such time as to all payments of any call for any of the Member/Debenture holder shall be entitled in such extension save as a matter of grace and favor.

**Interest payable on call or installment**

39. If any Member/Debenture holder fails to pay any call due from him on the date appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall, from time to time be fixed by the Board.
40. The Board shall be at liberty to waive payment of any such interest wholly or in part.



**Suit for recovery of calls**

41. On the trial or hearing of any action or suit brought by the Company against any member or their representative to recover any money due to the Company in respect of their share, it shall be sufficient to show:
- (a) That the name of the defendant is, or was, when the claim arose, in the Register as a holder or one of the several holders of the shares in respect of which such claim is made,
  - (b) That the amount claimed is not entered as paid in the books of the Company, that the resolution making the call is duly recorded in the minute Book, and it shall not be necessary to prove the appointment of the Board who made such call, nor that a quorum was present at the Board Meeting at which any call was made, that the meeting at which any call made was duly convened or constituted, nor any other matter whatsoever, but the proof of matters aforesaid shall be conclusive evidence of the debt.

**Payment in Anticipation of call may carry interest:**

42. The Board may, if they think fit, subject to the provisions of section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

**Liability of joint holder**

43. The Joint holder of a share shall severally, as well as jointly, be liable for the payment of all installments and calls due in respect thereof.

**Sums deemed to be calls**

44. Any sum which, by the terms of issue of shares becomes payable on allotment or at fixed date whether on account of the nominal value of the shares or by way of premium, shall for the purpose of these Articles be deemed to be a call duly made and payable on or before the day fixed for the payment of the same. In case of non-payment of any such sum all the relevant provisions of these Articles shall apply as to payment of interest, expenses, forfeiture, or otherwise as if such sum had become payable by virtue of a call duly made and notified.

**FORFEITURE AND LIEN**

**Notice for payment of call**

45. If any Member or their legal representative as the case may be fails to pay any call or installment of a call or any money due in respect of any shares on or before the day appointed for the payment thereof, the Board may at any time thereafter, while the call, installment or other money remains unpaid, serve a notice on such Member or their legal representative as the case may be requiring them to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non payment.

**Form of notice**

46. The notice shall name a day (not earlier than the expiration of 14 days from the date of notice) and a place on which such call, installment or money due and interest there on at such rate as the Board may determine from the date on which such call or installment or money due ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the appointed time and place, the share in respect of which the call was made will be liable to be forfeited.

**Share to be forfeited in case of default**

47. If the requirement of any such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares, and not actually paid before the forfeiture.

**Notice of forfeiture to Member**

48. When any share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalid by any omission or neglect to give such notice or to make such entry as aforesaid.

**Forfeited share to become property of the Company.**

49. Any share so forfeited shall thereupon become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board may think fit. Upon any sale, re-allotment or other disposal, the certificates stand cancelled and Directors shall be entitled to issue duplicate certificates in respect of the said shares to the person entitled thereto.

**Power to annul forfeiture**

50. Until any shares so forfeited shall be sold, re-allotted or otherwise dealt with as aforesaid, the forfeiture thereof may, at discretion and by a resolution of the Board, be remitted as a matter of grace and favour, and not as of right, on payment of the monies owing thereon to the Company at the time of forfeiture thereof with interest up to the time of actual payment thereof if the Board shall think fit to receive the same or on any other terms which the Board may deem fit.

**Member's liability after forfeiture**

51. Any Member whose shares have been forfeited shall, notwithstanding, be liable to pay the Company all calls, installments, interest expenses or other monies owing upon or in respect of such shares on the date of forfeiture together with interest thereon from the date of forfeiture until payment, at such rate as the Board may determine.

**Effect of forfeiture**

52. The Forfeiture of a share shall involve the extinction of all interest in, and of all claims and demands against the Company in respect of the forfeited share, and all other right incidental to the share, except only such rights as are expressly provided by these Articles.

**Evidence of forfeiture**

53. A duly verified declaration in writing that the declarant is a Director or Secretary of the Company, and that certain shares in the Company have 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 shares and such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares and the purchaser shall not be bound to see to the application of the purchase money, nor shall such purchaser's title to such shares be affected any irregularity in the proceedings in reference to such forfeiture, sale, re-allotment or other disposition of the share.

**Company's lien on shares**

54. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any shares shall be created except upon the footing and condition that this Article shall have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Provided that, the Board may at any time, declare any share / debenture to be wholly or in part to be exempt from the provisions of this clause.

**Enforcing lien**

55. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they may think fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and notice in writing of the intention to sell the shares shall have been served on such Member, or such Member's heirs, executors or administrators, or committee, or other legal representatives, as the case may be, and default shall have been made by them or such Member in the payment of the sum payable in respect of any forfeited shares. For the purpose of such sale, the Board may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their number to execute a transfer thereof on behalf of and in the name of the Member.
56. The net proceeds of any such sale (after deduction of the cost of such sale) shall be applied towards satisfaction of the amount in respect of which the lien exists and the residue, if any, shall be paid to the person entitled to the shares on the date of the sale.

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 by statute required) be bound to recognize equitable or other claim to, or interest in, such shares or debenture on the part of any other person. The Company's lien shall prevail notwithstanding that it has received notice of any such claims.

**Validity of sale**

57. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceeding or to the application of the purchase money, and after such purchaser's name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall not be damages only and solely against the Company. Where any shares are sold according to the provisions herein contained and the certificate thereof has not been delivered up to the Company by the former holder of said shares, the Board may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.

**TRANSFER AND TRANSMISSION OF SHARES**

**Board may refuse to register transfers**

58. Subject to the provision of Section III of the Act and Section 22 A of the Securities Contract (Regulation) Act, 1956, and the Listing Agreement, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the lien or the shares. Transfer of shares/debentures in whatever lot shall not be refused.

**59. Transfer**

- i. Any Transfer or attempt to Transfer any Equity Securities or any right, title or interest therein or thereto, by the Investors shall be subject to the provisions of this Article. Any Transfer or attempt to Transfer any Equity Securities or any right, title or interest therein or thereto by the Promoters shall be subject to the provisions of Article 211 below. Any Transfer or attempt to Transfer Equity Securities in violation of the preceding sentence shall be null and void ab initio, and the Company shall not register any such Transfer.
- ii. Transfer Procedure: No Transfer may be made pursuant to this Article unless (i) the transferee has executed a Deed of Adherence (ii) the Transfer complies in all respects with the other applicable provisions of this Agreement and (iii) the Transfer complies in all respects with applicable Laws.
- iii. Permitted Transfers. The following Transfers of Equity Securities may be made at any time without compliance with the provisions of clause (vi) of this Article and Article 211:
  - (a) Any Transfer by the Promoters or the Investors or their respective Affiliates to an Affiliate, subject to such Affiliates executing a Deed of Adherence. For the avoidance of doubt the rights of the Investors and their Affiliates shall be exercised through either the Investors or any one Affiliate of the Investors.
  - (b) Transfer of up to 2% of the Share Capital of the Company by the Investors and/or its Affiliates, in any calendar year, to any party of its choice (other than a Competitor or a Prohibited Transferee) and in any manner of its choice without any restrictions whatsoever except that no rights under the Transaction Documents shall be assigned without the prior written consent of the Company and the Promoters.

An Affiliate who is a transferee of the Equity Securities from the Investors or the Promoter as described in sub-clause (a) of clause (iii) of this Article is hereinafter referred to as a "Permitted Transferee" of the Investors or the Promoter. The Promoter and the Investors undertake that each of them shall, prior to a Permitted Transferee ceasing to be an Affiliate, acquire by itself or through any of its Affiliates all but not less than all of the Equity Securities held by such Affiliate, notwithstanding that such Permitted Transferee has executed a Deed of Adherence.

- iv. <sup>1</sup>No Sale to Competitor/Prohibited Transferee. The Investors shall not Transfer any Equity Shares to a Competitor or a Prohibited Transferee. For the avoidance of doubt it is clarified that the aforesaid restriction shall not be applicable if any Investors sells their Equity Shares on the stock exchange otherwise than by way of a Negotiated Deal, without being aware of the identity of the buyer of such Equity Shares at the time of execution of such sale.

<sup>1</sup> Amended vide special resolution passed at the 17<sup>th</sup> Annual General Meeting held on May 23, 2010

- v. **Avoidance of Restrictions.** The Parties agree that the Transfer restrictions in this Agreement (including in this Article and Article 211) and in the Charter Documents shall not be capable of being avoided by the holding of Equity Securities indirectly through a company or other entity that can itself be sold in order to dispose of an interest in Equity Securities free of such restrictions.
- vi. **Right of First Offer.**
- (a) **Invitation to Offer.** If any of the Investors and/or their Affiliates wish to sell any Equity Shares in excess of 2% of the Share Capital of the Company, in any calendar year, it shall prior to a proposed sale to a third party, make an invitation to offer for sale by a notice in writing to the Promoters which sets out the total number of Equity Shares which are being offered for sale (the "Offer Securities") and the method by which such Investors and/or Affiliate proposes to sell the same, i.e. whether via a Negotiated Deal or otherwise. In the event that the Investors and/or Affiliate proposes to sell the Offer Securities by way of a Negotiated Deal, the period of 30 (thirty) days from the receipt of the written notice (the "Invitation to Offer") shall be the period for which the offer shall be available. In the event that any of the Investors and/or an Affiliate of the Investors proposes to sell the Offer Securities by means other than a Negotiated Deal, the period of 15 (fifteen) days from the receipt of the written notice (the "Invitation to Offer") shall be the period for which the offer shall be available. Each of the aforesaid periods of 30 and 15 days respectively is hereinafter referred to as the "Invitation Period".
- (b) **Offer Price.** The Promoters shall then, within the Invitation Period intimate the price ("Offer Price") at which it and/or its nominee(s) is/are willing to purchase all, but not some, of the Offer Securities on the terms set out in the Invitation to Offer by way of a written letter to the Investors (the "Offer Letter"). The Offer Letter shall be irrevocable and shall constitute a binding agreement by the Promoters to purchase the relevant number of Offered Securities. The failure of the Promoters to give an Offer Letter within the Invitation Period shall be deemed to be a waiver of the Promoters' rights under clause (vi) of this Article.
- (c) **Acceptance of Offer.** In the event that the Investors desire to accept the offer contained in the Offer Letter, it shall intimate the Promoters of its acceptance within 14 (fourteen) days of the date of the Offer Letter by sending a notice of acceptance ("Acceptance Notice").
- (d) **Sale to Third-Party Purchaser.** In the event that the Promoter does not offer to purchase the Offer Securities from the Investors by way of an Offer Letter within the Invitation Period, or declines the offer to purchase the Offer Securities, or is unable to pay the price specified in the Offer Letter within the period of 14 (fourteen) days from the receipt of the Acceptance Notice against delivery of the Offer Securities, or the Investors fail to accept the offer contained in the Offer Letter by giving an Acceptance Notice, the Investors may transfer, all of the Offered Securities to any Person ("Transferee"), provided, that the price for the sale to the Transferee is at a price per Equity Security not less than 95 % of the Offer Price on a per Equity Security basis; and (ii) the Transfer is made within a period of 90 days from the end of the Invitation Period. If such a Transfer does not occur within such 90 day period for any reason, the restrictions provided for herein shall again become effective, and no Transfer of Equity Securities may be made by the Investors thereafter without again making an offer to the Promoters in accordance with this clause (vi) of this Article.
- (e) **Closing.** The closing of any purchase of Offered Securities by the Promoters shall be held at the principal office of the Company at 11:00 a.m. local time on the 14<sup>th</sup> day after the giving of the Acceptance Notice or at such other time and place as the parties to the transaction may agree. Such 14 day period shall be extended for an additional period necessary (as may be agreed between the parties) to obtain any Approvals required for such purchase and payment. At such closing, the Investors shall deliver certificates representing the Offered Securities, accompanied by duly executed instruments of transfer or duly executed transfer instructions to the relevant depository participant. Such Offered Securities shall be free and clear of any Encumbrance (other than Encumbrances arising hereunder or attributable to actions by the Promoters), and the Investors shall so represent and warrant and shall further represent and warrant that it is the beneficial and record owner of such Offered Securities. Each Promoter purchasing Offered Securities shall deliver at such closing payment in full of the Offer Price in accordance with the terms set forth in the Offer Notice, an executed Deed of Adherence and any requisite transfer taxes. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate in effect the sale of the Offered Securities to the Promoters. Any stamp duty or transfer taxes or fees payable on the transfer of any Offered Securities shall be borne and paid by the relevant Promoters in proportion with the number of Offered Securities each such Promoter is purchasing.

#### **Transfer Register**

60. The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.

**Form of Transfer etc.**

61. The instrument of transfer of any share shall be in writing in the prescribed form and all the provisions of Section 108 of the Act shall be duly complied, with in respect of all transfer of shares and registration thereof.
62. No fee shall be charged for registration of the transfer or transmission, probate, succession certificate and Letter of administration, certificate of Death or Marriage, Power of Attorney or similar other document.
63. Every instrument of transfer shall be executed both by the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.
64. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by the certificate or certificates of the share or shares proposed to be transferred or such evidence as the Board may require to prove the title of the transferor. The transferor's right to transfer the shares, and generally under and subject to such conditions and regulations as the Board may from time to time prescribe and every, registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
65. No share shall under any circumstances be transferred to a minor, insolvent or person of unsound mind.
66. Where in the case of partly paid share, an application for registration of transfer of shares is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.

**Death of joint holder of share**

67. In case of the death of anyone or more of the persons named in the Register of Members as the joint holder of any share, the first holder or survivor shall be the only person recognized by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder held by such joint holder jointly with any other person.

**Title to share of deceased Member**

68. The executors or administrators or holders of a Succession Certificate or the legal representative in respect of the shares of a deceased Member not being one of two or more joint holder shall be the only person recognized by the Company as having any title to the shares registered in the name of such Member, and the Company shall not be bound to recognize such executors, or administrators or legal representative shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of probate or Letter of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and register any person who claims to be absolutely entitled to the shares standing in the name of a deceased Member, as a Member.

**Transmission of Shares**

69. Any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy, insolvency, dissolution, winding up or liquidation of any Member or by any lawful means other than by a transfer in accordance with these Articles shall be required to transfer his shares in accordance with the provisions of these Articles.

**Right to receive dividends**

70. Subject to the right of the Board to retain such dividends or money as hereinafter provided, a person entitled to a share by transmission shall be entitled to receive, and may give a discharge for any dividends or other monies payable in respect of the share.

**Notice prohibiting registration of a transfer**

71. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares, made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and the Company shall not be bound or required to give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing neglecting to do so although it may have been entered to in any book of the Company.

**BORROWING POWERS****Power to borrow**

72. Subject to the provisions of Section 292 and 293 of the Act and these Articles, the Board may, from time to time, at their discretion, by a resolution passed at a meeting of the Board, accept deposits from Members, either in advance of calls or otherwise, and generally raise or borrow or secure the payment of monies for the purposes of the company, not exceeding the aggregate of the paid-up-capital of the Company and its free reserves set apart for any specific purpose, provided however, where the monies to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's lender in the ordinary course of business) exceed the aforesaid aggregate, the Board shall not borrow such monies without the consent of the Company by Ordinary Resolution in General Meeting. The payment or repayment of any monies borrowed may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and, in particular, by the issue of bonds or debentures of the Company, or any mortgage, charge, or other security on all or any part of the undertaking or property of the Company (both present and future).

**Conditions for borrowing**

73. The Board may, by a resolution passed at the meeting of the Board, raise or secure the payment or repayment of any monies borrowed in such manner and upon such terms and conditions in all respects as they think fit and, in particular, by the issue of bonds, or debentures of the company or any mortgage, charge or other security on all or any part of the undertaking or property of the Company (both present and future) including its uncalled capital for the time being.

**Issue of debentures at discount, etc.**

74. Any debenture, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, and otherwise debentures with right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a special resolution.

**GENERAL MEETING****Annual General Meetings**

75. The Company shall, in addition to any other meetings in each year, hold a General Meeting as its Annual General Meeting in accordance with the provisions of Section 166 of the Act, at such time and place as may be determined by the Board, and shall specify the meeting as such in the notice concerning the same. All General Meeting other than the Annual General Meetings shall be called Extraordinary General Meeting.

**Extraordinary General Meetings**

76. The Board may, whenever they think fit, call an Extraordinary General Meeting at such time and at such place as they may determine.

**Calling of Extraordinary General Meeting**

77. The Board shall, on the requisition of such number of Members as is specified in subsection (4) of Section 169 of the Act, forthwith proceed to call an Extraordinary General Meeting of the Company, and the provisions of Section 169 of the Act shall apply to any such requisition or to any meeting called pursuant thereto.

**Notice of General Meetings**

78. A General Meeting of the Company may be convened by giving not less than 21 days notice in writing. A General Meeting may be convened by giving shorter notice with the consent in writing of each Shareholder or as permitted by the Act.

79.

- i. Notice of every General Meeting shall be given, in the case of any Member incorporated outside India, by registered post, courier delivery and fax transmission to the address and facsimile number last provided to the Company for such purpose. The notice shall be exclusive of the day on which it is given and the day on which the meeting as aforesaid is held. The provisions of section 53(2) of the Act shall not apply to a Member incorporated outside India. Notices to other Members and to the Auditors for time being of the Company shall be given by post or personal delivery.
- ii. Notice may be given to members by advertisement in a newspaper in accordance with the provisions of the Act. If notice is given to the members by advertisement in a newspaper, it will be advertised in at least one leading Mumbai daily newspaper.

**Contents of notice**

80. Every notice of a General Meeting shall specify the place, date and time of the meeting and the proposed form of the resolutions to be passed. Where any business to be transacted at the meeting consists of "special business" as defined hereunder, there shall be annexed to the notice of the meeting an explanatory statement setting out all material facts concerning such items of business as provided in section 173(2) and (3) of the Act.

**Special business**

81. All business to be transacted at an Annual General Meeting shall be deemed to be special with the exception of business

- (a) relating to the consideration of Accounts, Balance Sheet and Profit and Loss Statement, and the Reports of the Board and the Auditors
- (b) declaration of dividend
- (c) appointment of Directors in place of those retiring
- (d) appointment and fixation of remuneration of Auditors

In the case of any other meeting, all business shall be deemed special and there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of special business, including, in particular, the nature of the concern or interest, if any, therein of every Director and the Manager, if any.

**PROCEEDINGS AT GENERAL MEETINGS**

**Quorum**

82. Five members personally present shall be the quorum for a meeting of the company.
83. A body corporate, being a Member, shall be deemed to be personally present if represented in accordance with Section 187 of the Act.

**Resolutions at Meeting**

84. All resolutions of Members shall, except as otherwise required by the Act or these Articles and without prejudice to any legal requirement for Board approval of any resolutions to be put to Members, be passed by a simple majority of the votes cast.

**Chairman**

85. The Chairman of the Board shall be entitled to take the chair at every General Meeting, or if there be no such Chairman, or if at any meeting the chairman of the Board is not present within 15 minutes after the time appointed for holding such meeting, or is unwilling to take the chair, the Directors present may choose one of their number to be the Chairman and if no Director be present, or if all the Directors present decline to take the chair, then the Members present shall choose one of their number to be the Chairman. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

**Meeting to be adjourned**

86. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall stand dissolved but, in any other case, it shall stand adjourned to the same day in the next week, at the same time and place or to such other day, time and place as the Board may determine, and if at such adjourned meeting, a quorum is not present within half an hour from the time appointed for holding the meeting, those Members who are personally present shall constitute a quorum and may transact the business for which the meeting was called.

**Votes by show of hands**

87. Every question submitted to a General Meeting shall be decided in the first instance by a show of hands. Members present personally or representative of a Member company or a body corporate appointed under the provisions of these Articles shall alone be entitled to vote on a show of hands.

**Chairman's declaration to be conclusive**

88. A declaration by the Chairman that on a show of hands a resolution has or has not been, passes either unanimously or by a particular majority, and an entry made to that effect in the Minutes Book of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

**Demand for Poll**

89. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of the Chairman's own motion, and shall be ordered to be taken by the Chairman on a demand made in that behalf:
- (a) By any Member or Members present in person or by proxy and having not less than one-tenth of the total voting power in respect of the resolution, or
  - (b) By any Member or Members present in person or by proxy and holding shares in the Company conferring a right to vote on a resolution, being shares on which an aggregate sum of Rs. 50,000 or more has been paid up.

**Taking of Poll**

90. If a poll is demanded on a question of adjournment or election of a Chairman, the poll shall be taken forthwith. A poll demanded on any other question shall be taken at such time, not being later than 48 hours from the time when the demand was made, and in such manner and at such place as the Chairman of the meeting may direct.
91. The demand for a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which a poll has been demanded.
92. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the vote given on the poll and to report thereon to the Chairman of the meeting, at least one of whom shall be a Member (not being an officer or an employee of the Company) present at the meeting, provided that such Member is willing to scrutinize the votes.

**Right of member to use votes differently**

93. On a poll taken at a meeting of the company, a Member entitled to more than one vote or that Member's proxy or other person entitled to vote for him as the case may be, need not, if such Member vote, use or cast all his votes in the same way.

**Power to adjourn General Meeting**

94. The Chairman, with the consent of the Members at any General Meeting, may adjourn the same, from time to time and from place to place in the city in which the Office of the Company is situated. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Except as aforesaid, it shall not be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.

**Notice of Adjourned Meeting**

95. If a General Meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in case of an original meeting.

**Passing of Resolutions**

96. Any act or resolution, which under these Articles or the Act is permitted or required to be done or passes by the Company in General Meeting, shall be sufficiently done or passed if effected by an Ordinary Resolution as defined in Section 189(1) of the Act unless either the Act or the Articles specifically require such act or resolution to be done or passed by Special Resolution as defined in Section 189(2) of the Act.

**Resolutions passed at adjourned meetings.**

97. Where a resolution is passed at an adjourned meeting of the Company or by the holders of any class of shares in the Company, the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.



**Minutes of General Meeting and inspection of Minute Book**

98. The Company shall cause minutes of proceeding of General Meeting to be entered in a Minute Book, and the minutes shall contain and include the matters specified in Section 193 of the Act. No report of the proceeding of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it contains the matters required by Section 193 of the Act.

The Minutes Book shall be kept at the Registered Office and shall be open to inspection of any Member without charge as provided in Section 196 of the Act and the Members shall be furnished with a copy of any Minutes in accordance with the provisions of that Section.

**Votes by Members**

99. Subject to the provisions of the Act, votes may be given by Members either personally or by proxy or in the case of a Member company or body corporate, by a representative duly appointed under Section 187 of the Act and Articles 104 of these Articles.

**No right to vote unless calls are paid-up**

100. No Member shall be entitled to vote, either personally or by proxy, at any General Meeting or Meeting of a class of shareholders, either upon a show of hands or upon poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has, and has exercised, any right of lien.

**Voting rights**

101. Save as hereinafter provided, on a show of hands every Member present in person and being a holder of equity shares shall have one vote on every resolution or question placed before the meeting and on a poll that Member's share of the paid-up equity capital of the Company.
102. No Member of the Company holding any preference share capital shall be entitled to vote at General Meeting of the Company except as provided by Section 87(2) of the Act.
103. Where the Company accepts from a Member all or any part of the money due in respect of the shares held by that Member beyond the sums actually called for the Member shall not be entitled to any voting in respect of the moneys so paid.

**Vote by Member Companies**

104. Any company or body corporate which is Member of the Company (hereinafter referred to as a Member Company) shall be entitled, through a resolution of its Board of Directors, to authorize such person as it thinks fit to act as its representative at any meeting of the company held in pursuance of the Act. A representative duly appointed and authorized as aforesaid shall be entitled to exercise the same rights and powers, including the right to vote by proxy, which such Member Company could exercise if it were an individual Member of the Company.

**Votes in respect of share of deceased Members**

105. Any person entitled to transfer any shares by virtue of Article 69 of these articles may vote at a General Meeting in respect thereof in the same manner as if they were the registered holder of such shares, provided that at least 48 hours before the time of holding the meeting at which he proposes to vote, he satisfies the Board or any person authorized by the Board in that behalf of his right to such shares and furnishes such indemnity as the Board may require.

**Votes by Joint Holders**

106. Where there are joint registered holders of any given share any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if that person was solely entitled thereto; and if more than one of such joint holders be present at any meeting, personally or by proxy, that one of the said persons so present whose name stands first in the Register in respect of such share shall alone be entitled to vote or speak in respect thereof.

**Vote by proxy**

107. On a poll votes may be given either personally or by proxy or in the case of a Member Company by a representative duly authorized as aforesaid. Every notice convening a meeting of the Company shall state that a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of the Member and that a proxy need not be a Member of the Company.

**Instrument appointing a proxy**

108. 1. Subject to the provisions of the Act, the instrument appointing a proxy shall be in writing under the hand of the appointee or of his Attorney duly authorized in writing or, if such appointer is a corporation, under its common seal or the hand of its officer or an attorney duly authorized by it, a person may be appointed a proxy though he is not a Member of the Company. A proxy appointed, as aforesaid, shall not have any right to speak at any meeting.
2. The Company will send out proxy forms to members and debenture-holders in all cases, and such proxy forms shall be so worded that each Member or Debenture-holder may vote either for or against each resolution.

**Instrument to be deposited at the Office**

109. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a naturally certified copy of that power of authority shall be deposited at the Office not less than 48 hours before the time of holding the meeting at which the person named in the instrument proposes to vote, and in default, the instrument of proxy shall be treated as invalid. The proxy shall be in the form set out in Schedule IX of the Act.

**Vote valid though authority revoked**

110. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the appointer, or revocation of the proxy, or any power or authority under which such proxy is signed or a transfer of the shares in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation, or transfer shall have been received at the Office of the Company before the commencement of the meeting at which the proxy is used or vote is given.

**Inspection of proxies**

111. Every Member entitled to vote at a meeting of the Company on any resolution to be moved thereat, shall be entitled during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting to inspect the proxies lodged, at any time during the business hours of the Company provided not less than three days' notice in writing of the inspect the proxies given to the Company.

**Objections regarding validity of votes**

112. No objection shall be made as to validity of any vote on a show of hands or on a poll except at the meeting at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting, shall be deemed valid for all purposes.

**Determination by Chairman to be conclusive**

113. The Chairman of a Meeting shall be the sole judge of the validity of every vote tendered on a show of hands or on poll. The Chairman shall forthwith determine the same and such determination made in good faith shall be final and conclusive.

**BOARD OF DIRECTORS**

**Number of Directors**

114. Subject to the provisions of Section 252 of the Act, the Company shall have at least three Directors subject to a maximum of twelve directors. The composition of the Board of Directors shall also be in accordance with the provisions of the Listing Agreement.

**Election of Directors**

115. Not less than two-thirds of the total number of Directors shall be elected by the Company in General Meeting and shall, save provided in the Act, be liable to retire by rotation. A retiring Director may be re-appointed.
116. **Investor Director.** So long as the Investors and/or their Affiliates hold at least 34% of the Investor Securities or Own 3% of the Share Capital, whichever is less, the Investors shall have the right to nominate 1 (one) Director to the Board of the Company ("Investor Director"). The Investor Director shall be a director whose office is not capable of being vacated by retirement or by rotation. The Investors undertake that the Investor Director or the Alternate Director or the Observer appointed pursuant to this Article shall not be a person who is a director/observer on the board of directors of a Competitor.

117. **Observer.** So long as the Investors and/or their Affiliates hold at least 34% of the Investor Securities, or Own 3% of the Share Capital, whichever is less, the Investors shall also be entitled to appoint an observer ("Observer") to all the meetings and proceedings of the Board of Directors of the Company. Such Observer shall be entitled to receive notices, information and other related documents in relation to the convening or the holding of meetings of the Board and all resolutions to be considered by the board of directors (including circular resolutions) in the same form and manner (including notice period) as provided to the Directors of the Company.

**Casual Vacancies**

118. The Board of Directors shall have the power to fill in a casual vacancy in the office of any Director. The Director to be appointed in the casual vacancy shall hold office till the date the original Director in whose place he has been appointed would have held office.

**Share Qualification**

119. A Director shall not be required to hold any shares in the capital of the Company to qualify for office. The Investor Director/Alternate Director shall not be required to hold any qualification Shares.

**Director's fees, etc.**

120. Subject to the provisions of the Act, each Director other than a whole-time Director shall be entitled to receive out of the funds of the Company for their services, fees as may be determined by the Board, for each meeting of the Board or committee thereof attended by a Director. In addition, the Board may allow to be paid to any Director who is not a resident of the place where the office of the Company is situated or where the meeting of the Board is ordinarily held and shall come to such place for the purpose of attending a meeting of the Board, such sum as the Board may consider reasonable for traveling, boarding and other expenses.

**Directors may act notwithstanding vacancy**

121. The continuing Directors may at notwithstanding any vacancy in their body, but if the number of Directors falls below the quorum fixed by these Articles, the continuing Directors, may act only for the purpose of increasing the number of Directors to that fixed for the quorum or for summoning a General Meeting of the Company, but for no other purpose.

**Place of Profit under the Company**

122. No Director or other person referred to in Section 314 of the Act shall hold an office or place of profit under the Company except as permitted by that Section.

**Disclosure of Director's interest**

123. Every Director, who is in any way, whether directly or indirectly, concerned or interested (whether personally or where the Shareholder nominating such director is an interested party) in a contract or arrangement entered into, by or on behalf of the Company, shall disclose the name of their concern or interest at a meeting of the Board as required by Section 299 of the Act.

**Director may become director of other companies**

124. A Director may become a director of any company promoted by this Company, or in which this Company may be interested as a promoter, shareholder or otherwise; and subject to the provisions of Section 314 of the Act, no such Director shall be accountable for any benefits received as a director or shareholder of such Company.

**Interested Director not to vote**

125. No Director shall, as a Director, take part in the discussion of, vote or participate in any contract or arrangement in which such Director is in any way, whether directly or indirectly, concerned or interested (whether personally or by the Shareholder nominating such Director being an interested party), nor shall that Director's presence count for the purpose of constituting a quorum except as otherwise provided in Section 300 of the Act.

**Vacation of Office**

126. The office of a Director shall become vacant if:
- (a) that Director is found to be of unsound mind by a court of competent jurisdiction;
  - (b) that Director applies to be adjudicated as insolvent;
  - (c) that Director is adjudged an insolvent;

- (d) that Director is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months;
- (e) that Director fails to pay any call in respect of shares of the Company held by that Director, whether alone or jointly with others, within six months from the last date fixed for payment of the call unless the Central Government has, by notification in the Official Gazette, removed the disqualification incurred by such failure;
- (f) that Director is absent from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board;
- (g) that Director acts in contravention of Section 295 or Section 299;
- (h) that Director become disqualified by an order of court under Section 203;
- (i) that Director is removed in pursuance of Article 123 of these Articles; or
- (j) having been appointed as a Director by virtue of holding any office or other employment in the Company, that Director ceases to hold such office or other employment in the Company.

**Appointment of Alternate Director**

- 127. The Board of the Company may appoint an Alternate Director to act a Director in place of a Director (hereinafter called "the Original Director") during the Original Director's absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Such appointee, while holding office of an Alternate Director, shall be entitled to notice of meetings of the Board and to attend and vote thereat. An Alternate Director shall not hold office as such for a period longer than that permissible to the Original Director in whose place such Alternate Director has been appointed and shall automatically vacate office if and when the Original Director returns to the said State, in which the meetings of the Board are ordinarily held. If the term of office of the Original Director expires before the Original Director returns to the said State, any provision in these Articles or the Act for the automatic re-appointment of a retiring Director shall apply to the original Director and not to the Alternate Director.
- 128. The Investors shall also have the right to nominate an alternate director in place of and to act for the Investor Director, who shall be entitled to exercise all rights available to the Investor Director in the Company, in accordance with Applicable Law. Upon the appointment of the Investor Director and the Alternate Director, the Company shall ensure compliance with the provisions of the Act, including by filing necessary forms with the Registrar of Companies, if applicable. The Alternate Director shall be subject to conditions similar to those applicable to the Investor Director.

**Appointment of Additional Directors**

- 129. Subject to the provisions of the Act and these Articles, the Board shall have the power, from time to time, to appoint an individual as an Additional Director, but so that the total number of Directors shall not, at any time exceed the maximum strength, as any, fixed for the Board by the Articles, such Additional Director shall hold office up to the date of next Annual General Meeting of the Company, but shall be eligible for election at that meeting as a Director.

**Removal of Directors**

- 130. The Company may, subject to the provisions of Section 284 of the Act, remove any Director before the expiration of his term of office. The general meeting, at which any such Director is removed, may appoint a person in his stead for the remainder of the term of the Director who has been so removed.
- 131. The Investors may require the removal of the Investor Director or the Alternate Director, with or without cause and at any time and shall be entitled to nominate another representative as the Investor Director or as the Alternate Director in place of the Director so removed, and the Promoters shall exercise their rights in such a manner so as to cause the appointment of such nominee of Investors as a Director as aforesaid. In the event of the resignation, retirement or vacation of office of the Investor Director or the Alternate Director, the Investors shall be entitled to appoint another nominee as Director in place of such Director and the Promoters shall exercise their rights in such a manner so as to cause the appointment of the representative nominated as aforesaid.

**Directors' Access**

- 132. Directors shall be entitled to examine the books, accounts and records of the Company and shall have free access, at all reasonable times and with prior reasonable written notice, to any and all properties and facilities of the Company. The Company shall provide such information relating to the business affairs and financial position of the Company or its Subsidiaries, as the Directors may reasonably require. The Directors may provide such information to the Party by whom they have been nominated.

**Notice of candidature of Director**

133. a. An individual shall not be eligible for election as a Director unless that individual or some other Member intending to propose that individual give notice in writing to the Company in accordance with the provisions of the Act.
- b. The Company shall inform its Members of the candidature of a person for the office of a Director or the intention of a Member to propose such person as a candidate for that office, by serving individual notices on the Members not less than seven days before the Meeting.

Provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid, if the Company advertises such candidature or intention, not less than seven days before the Meeting, in at least two newspapers circulating in the place where the Office of the Company is located, of which one is published in the English language and the other in the regional language of that place.

- c. Every person (other than a Director retiring by rotation or otherwise or a person who has left the office of the Company, a notice under section 257 of the Act signifying his candidature for the office of Directors) proposes as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.

## PROCEEDINGS OF THE BOARD OF DIRECTORS

### Meetings of Directors

134. Meetings of the Board shall take place in accordance with applicable Law.
135. **Notice.** A meeting of the Board may be called by the Chairman of the Board or any Director giving notice in writing to the company secretary of the Company specifying the date, time and agenda for such meeting. The company secretary shall upon receipt of such notice give a copy of such notice to all Directors of such meeting, accompanied by a written agenda specifying in reasonable detail the business of such meeting. The Company shall ensure that notice of a meeting of the Board shall be accompanied by necessary background and other information and/ or supporting documents pertaining to the business proposed to be transacted thereat. Not less than seven (7) days notice of a meeting of the Board shall be given to all Directors; provided, however, that such notice period may be reduced with the written consent of a majority of the Directors, provided, however, that such majority shall include the Investor Director.

### Quorum

136. The quorum for a meeting of the Board of Directors shall be as required under the Act, provided that, no quorum at any meeting of the Board of Directors where any of the matters listed in the Article 141 is proposed to be discussed shall be validly constituted unless the Investor Director or the Alternate Director is present.
137. If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place or if that day is public holiday, till the next succeeding day which is not a holiday, at the same time and place.

### Chairman

138. The Board of Directors shall elect one of its members as the Chairman of the Board Meeting. The Chairman shall preside at all meetings of the Board of Directors and (Subject to Article 85) all members meeting.

### Board may appoint Committees

139. Subject to the restrictions contained in the Act, the Board may delegate any of its powers to Committees or Sub-Committee of the Board consisting of such members of its body as it think fit, and it may, from time to time, revoke and discharge any such Committees or Sub-Committee of the Board, either wholly or in part, and either as to persons or purposes, provided that every Committee or Sub-Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by every such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointment but not otherwise shall have the like force and effect as if done by the Board. The Board may subject to the provisions of the Act from time to time fix their remuneration to be paid to any member or members of their body constituting a Committee appointed by the Board in terms of these Articles and may pay the same.
140. So long as the Investors and/or their Affiliates hold at least 34% of the Investor Securities or Own 3% of the Share Capital, whichever is less, the Investors shall have the right to, and the Company shall, appoint the Investor Director as a member of the Audit Committee of the Board of the Company and Investor Director shall be entitled to all the rights of other members of such committees. The Company may also invite the Investors to nominate a person as an observer on other committees of the Board of the Company now existing or which may be constituted from time to time.

#### 141. Company Affirmative Covenants

- i. No action shall be taken by the Company at any general meeting or by the Board or committee thereof of the Company at any meeting of the Board or committee thereof or by resolution by circulation or postal ballot without the prior written consent of all the Directors of the Company, on the following matters:
- (a) Any issuance of shares or other equity instruments or alteration in the Share Capital of the Company, other than the issue of upto a maximum of 6,25,000 Equity Shares pursuant to the ESOP Plan (provided that no Promoter is issued any Equity Shares as a part of such ESOP Plan), and issue up to 2,103,060 Equity Shares to the shareholders of Transindia Freight Services Private Limited ("TFSP") in accordance with the provisions of the Scheme of Arrangement for De-merger of the Project and Equipment Business by TFSP in favour of the Company;
- (b) Any merger and acquisition related to the Company, any subsidisation, de-subsidisation of the Company. Provided that nothing in paragraph (c) shall apply:
- (i) for a period of two years from Completion, to a transaction valued at USD 30 million per annum or less;
- (ii) from the second year to the third year from Completion, to a transaction valued at USD 40 million per annum or less;
- (iii) from the third year from Completion, to a transaction valued at USD 50 million per annum or less;
- Provided however that unanimous consent of all Directors on the Board shall be required in the event such transactions are cumulatively valued:
- (i) in the first two years from Completion, at USD 60 million per annum or more;
- (ii) from the second year to the third year from Completion, at USD 80 million per annum or more;
- (iii) from the third year from Completion, at USD 100 million per annum or more;
- (c) Commencement or acquisition of any business not being in the nature of Business;
- (d) Acquire assets (or any interest therein) or dispose of any assets, otherwise than in the ordinary course of its business and except for acquisition or sale of assets:
- (i) for a period of two years from Completion, having a value of USD 30 million per annum or less;
- (ii) from the second year to the third year from Completion, having a value of USD 40 million per annum or less;
- (iii) from the third year from Completion, having a value of USD 50 million or less;
- Provided however that unanimous consent of all Directors on the Board shall be required for an acquisition or sale of assets:
- (i) in the first two years from Completion, having a value of USD 60 million per annum or more;
- (ii) from the second year to the third year from Completion, having a value of USD 80 million per annum or more;
- (iii) from the third year from Completion, having a value of USD 100 million per annum or more;
- (e) Entering into any incremental indebtedness (except for any incremental indebtedness which has been specifically approved by the Company's Board as part of the annual financing plan to meet the requirements of the annual capital expenditure plan) in excess of:
- (i) USD 30 million per annum for a period of two years from Completion;
- (ii) USD 40 million per annum from the second year to the third year from Completion;
- (iii) USD 50 million per annum from the third year from Completion;
- (f) Any material amendment of the memorandum or articles of association of the Company, which is adverse to the interests of the Investors;

- (g) The Company undertaking any action in relation to any of the aforesaid actions for the Subsidiaries of the Company.

For the avoidance of doubt, the limits and thresholds set out in paragraph (a) to (f) shall apply in respect of the Company and its Subsidiaries on a consolidated basis.

- ii. Notwithstanding anything contained elsewhere in the Agreement, until the appointment of the Investor Director on the Board of Directors, no action shall be taken by the Company in relation to the matters set out in this Article without the prior written consent of the Investors. The Investors shall respond to any notice issued by the Company requesting their consent to any matters listed in this Article and specifying that its consent is required within 15 days, by either providing its consent or not give its consent to such matter listed in this Article within 15 days of receipt of such notice. In the event that no consent is received from the Investors within 15 days, it will be considered as deemed denial of consent by the Investors.
- iii. It is hereby clarified that none of the matters set forth in this Article above, shall be discussed at a meeting of the shareholders of the Company unless and until the matter has been approved at the level of the Board, by the unanimous consent of all the Directors.
- iv. The restrictions under this Article, shall continue so long as the Investors and/or their Affiliates hold at least 67% of the Investor Securities or Own 5% of the Share Capital, whichever is less.

#### **Meetings of Committees**

142. The meetings and proceeding of any such Committee or Sub-Committee of the Board shall be governed by the provisions herein contained for regulation the meeting and proceedings of the Directors as far as the same are applicable thereto and any additional regulations made by the Directors which are not inconsistent with these Articles.

#### **Board's power at meeting**

143. A meeting of the Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion which by or under the Act or the Article are, for the time being, vested in or exercisable by the Board.

#### **Decisions at Board Meetings**

144. At any Board meeting, each Director may exercise one vote. Except as provided in Article 141, the adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted meeting of the Board. The Board shall not at any meeting adopt any resolution covering any matter set forth in Article 141, that is not expressly specified on the agenda for such meeting, unless all the Directors present at such meeting, which shall include the Investor Director, vote in favour of such resolution.

#### **Resolution by circulation**

145. A written resolution circulated to all the Directors or members of committees of the Board of Directors whether in India or overseas and signed by a majority of them as approved, shall (subject to compliance with the relevant requirements of the Act or the relevant Applicable Law) be as valid and effective as a resolution duly passed at a meeting of the Board of Directors or committee of the Board of Directors, as the case may be, called and held in accordance with this Agreement and the Articles of Association (provided that it has been circulated in draft form, together with the relevant papers, if any, to all the Directors); provided however that if the resolution proposed to be passed by circulation pertains to a matter listed in Article 141, such circular resolution shall be valid and effective only if it has received the consent of all the Directors.

#### **Telephonic/Video Participation**

146. Telephonic / Video Participation. If permitted by the Act, Directors may participate in Board meetings by telephone or video conferencing or any other means of contemporaneous communication, provided that each Director must acknowledge his presence for the purpose of the meeting and any Director not doing so shall not be entitled to speak or vote at the meeting. A Director may not leave the meeting by disconnecting his telephone or other means of communication unless he has previously obtained the express consent of the chairman of the meeting and a Director shall conclusively be presumed to have been present and formed part of the quorum at all times during the meeting unless he has previously obtained the express consent of the chairman of the meeting to leave the meeting as aforesaid. The Parties acknowledge, however, that as of the date hereof, the Act does not presently deem such participation to constitute presence "in person" for purposes of quorum.

**Exercise of Rights**

147. Exercise of Rights. Each of the Parties undertake to take such actions as may be necessary or advisable so as to comply with their obligations under, and to fully and effectually implement the provisions of this Agreement.

**Acts of Directors valid notwithstanding defective appointment**

148. All acts done by any meeting of the Board or by a Committee or Sub-Committee of the Board or by any person acting as director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or Committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office or that the appointment of any of them was terminated by virtue of any provision contained in the Act or in these Articles be as valid as if every such person had been duly appointed and was qualified to be a Director and had not vacated office or their appointment had not been terminated. Provided that nothing contained in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

**Minutes of Director meeting**

149. The Board shall cause minutes to be kept of every meeting of the Board or Committee of the Board in accordance with Section 193 of the Act. The minutes shall contain:
- a. The names of the Director present at such meeting of the Board and of any Committee
  - b. Particulars of all resolution and proceedings of meeting of the Board and Committee of the Board, and
  - c. The name of Directors, if any, dissenting from or not concurring in any resolution passed at a meeting of the Board or Committee of the Board.
150. Minutes of any meeting of the Board or Committee thereof, when kept in accordance with the provisions of Section 193 of the Act, shall be evidence of the proceedings recorded in such minutes.

**POWERS OF BOARD**

**General power vested in Board**

151. The control of the Company shall be vested in the Board, which shall be entitled to exercise all such acts and things as the Company is authorized to exercise and do and which are not exercisable by the Company in General Meeting under the Act or under the Memorandum of Association or under these Articles. The Board shall, however, exercise its power subject to the provisions of the Act, the Memorandum of Association of the Company and these Articles and any regulations made by the Company in General Meeting and which are not inconsistent with these Articles. No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

**Cheques, promissory notes etc.**

152. All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instrument and all receipt 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 determine.

**Restriction on Power of the Board**

153. The Board shall not enter into any transaction or take any action or do any other things as referred to in section 293 of the Act, except with the sanction of a resolution of the Company in General Meeting.

**MANAGEMENT OF THE COMPANY**

**Chief Executive Officer**

154. The Chief Executive Officer shall be appointed by the Board of Directors.

**Chief Technical officer**

155. The Chief Technical Officer shall be appointed by the Board and shall be an employee of the Company. Such Technical Officer shall only report directly to the CEO and shall have authority to construct a high quality cellular mobile telephone network.



**Power of Chief Executive Officer**

158. Subject to the superintendence, control and directions of the Board, the day-to-day management of the Company shall be in hands of the Chief Executive Officer. The Board may, from time to time entrust to and confer upon the Chief Executive Officer for time being such power as it may think fit to be exercised for such object and purpose and upon such terms and conditions and with such restrictions as it thinks fit.

**Secretary of the Company**

157. The Board shall, from time to time, appoint (and may at its discretion remove) an individual who is a member of the Institute of the Company Secretaries of India or who possesses the qualification prescribed under the Act, as Secretary of the Company, who shall perform such functions which by the Act or these Articles are to be performed by the Secretary and shall perform such other ministerial and administrative duties which may be assigned by the Board.

**Power to pay commission**

158. Subject to the provisions of Section 76 of the Act, the Company may pay commission to any person in consideration of:
- his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in, or debentures of the Company, or
  - his procuring or agreeing to procure subscriptions, whether absolute or conditional for any shares in, or debentures of the company

**Common Seal**

159. The Board shall provide a Common Seal for the purposes of the Company, and shall have from time to time, power to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being.
160. The Company shall also have liberty to have an official seal in accordance with Section 50 of the Act to use in any territory, district or place outside India.
161. The seal shall not be affixed to any instrument except by the authority of a Resolution of the Board of Directors or a committee of the Board authorised by it in that behalf and the same shall be affixed in the presence of any Director or the Secretary or such other person as the Board may appoint for the purpose, and such Director or Secretary or other person as aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.
162. Provide further that the certificates of shares or debentures shall be sealed in the manner and in conformity with the provisions of the companies (issue of Share Certificates), Rules, 1960, and any statutory modifications thereof, for the time being in force.

**Annual Returns**

163. The Company shall make the requisite annual returns in accordance with Section 159 and 161 of the Act.

**FINANCIAL MATTERS**

**Books of accounts**

164. Subject to statutory requirements, the Company shall maintain accurate and complete accounting records in accordance with generally accepted accounting principles and practices consistently applied and in effect from time to time in India and the accounts shall be audited at the end of each Financial Year. The Company shall maintain proper internal accounting controls sufficient to ensure that all dispositions of assets of the Company will be duly authorized.

**Locations of Books**

165. The books of account and other books and papers shall be kept at the Registered Office or at such other place in India, as the Board thinks fit, and shall be open to inspection by any Director during business hours.

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<sup>1</sup> Amended vide special resolution passed at the 18<sup>th</sup> Annual General Meeting of the Members of the Company held on May 13, 2011

**Inspection of book by Members**

166. (a) Subject to the provision of Articles 164, the Board may from time to time determine, whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them may be open to the inspection of Members, not being Directors.
- (b) No Member (not being a Director) shall have any right to inspect any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in General Meeting or by these Articles.

**Accounts to be laid before General Meeting**

167. The Board shall lay before each Annual General Meeting of The Company a Balance Sheet and Profit & Loss Account made up in accordance with the provision of Section 210 of the Act and such Balance Sheet and Profit & Loss Accounts shall comply with the requirements of Section 210, 211, 212, 213, 214, 215 and 216 and of Schedule VI to the Act in so far as they are applicable to the Company, but save as aforesaid and subject to Article 144, the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than it may deem expedient.

**Report of the Board**

168. There shall be attached to every Balance Sheet laid before the Company in General Meeting a report of the Board in accordance with Section 217 of the Act.

**Copies of Balance Sheet**

169. A copy of every Balance Sheet including the Profit and Loss Account, the Auditor's report and every documents required by law to be annexed or attached to the Balance Sheet shall be sent, as provided by Section 219 of the Act, to every such Member or debenture holder not less than 21 days before the Meeting.

**AUDIT**

**Annual Audit**

170. (a) The books of account of the Company shall be examined and the correctness of the Balance Sheet and Profit & Loss Account determined by the auditor at least once every year.
- (b) Where the Company has a branch office, the accounts of the branch office shall be audited in accordance with Section 228 of the Act.

**Copies of Balance Sheet to be filed**

171. The Company shall comply with the provisions of the Act as to filing copies of the Balance Sheet, Profit & Loss Account and documents required to be annexed or attached thereto with the Register of Companies.

**Appointment of Auditors**

172. The Company shall at each Annual General Meeting appoint or re-appoint a reputable firm of Chartered Accountants as the Auditors of the Company, to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting.

**Right of Auditors**

173. Every Auditors of the Company shall have a right of access at all times to the books and vouchers of the Company and shall be entitled to obtain from the Directors and Officers of the Company such information as may be necessary for the performance of the duties of the Auditors.

**Auditor's Report**

174. The Auditor's report shall be read before the Company in General Meeting and shall be open to inspection by any Member of the Company.

**Account when conclusive**

175. Every Balance Sheet and Profit & Loss Account approved by an Annual General Meeting shall be conclusive, except with respect to any error discovered therein within three months after the approval thereof. Where any technical error is discovered within the said period, the account shall forthwith be corrected and thereafter shall be conclusive.

**DIVIDENDS**

**Dividends in proportion to amount paid up**

176. Subject to the provisions of Section 205 of the Act, the proper and prudent management of the business of the Company and tax considerations, all monies reasonably available for distribution to share holder shall be distributed by way of dividend.
177. The profit of the Company shall, subject to any special right relating thereto created or authorized to be created by these Articles and subject to the provisions of these Articles, be divisible among the members in proportion to the amount of capital paid up or credited as paid up with respect to the shares held by them. Where a dividend has been so declared, the warrant in respect thereof shall be posted within thirty days from the date of declaration to the member entitled thereto.

**Dividend to be paid only out of profits**

178. No dividend shall be declared or paid except out of the profits of the Company determined in accordance with the provisions of Section 205 of the Act or out of monies provided by the Central or a State Government for the payment of the dividend in pursuance of any guarantee given by such Government and no dividends shall carry interest as against the Company. The recommendation of Board as to the amount of dividends of the Company shall be conclusive.

**Declaration of dividends**

179. The Company in General Meeting may declare dividends to be paid to Members not exceeding the amount recommended by the Board.

**Interim Dividend**

180. The Board may, from time to time, pay to the Members interim dividends as appear to the Board to be justified by the profits of the Company.

**Dividend to be paid in cash**

181. No dividend shall be payable except in cash provided that nothing contained in this Article shall be deemed to prohibit the capitalization of profit or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by the Members of the Company.

**Payment of interest out of capital**

182. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or building or the provision of any plant which cannot be made profitable for a lengthy period, the Company may pay interest on such of that share capital as is for the time being paid up for the period, at the rate, and subject to the conditions and restrictions provided by Section 208 of the Act.

**Set off of dividend against call**

183. Any General Meeting declaring a dividend may, on the recommendation of the Board of Directors make a call on the Members of such amount as the meeting fixes, but so that the call on each Member shall not exceed the dividend payable and the dividend may, if so arranged between the Company and the Members be set off against the call.

**Capital paid up in advance not to earn dividend**

184. Where capital is paid in advance of calls the same may carry interest, but such capital while carrying interest shall not confer a right to participate in profits.

**Retention of dividends**

185. The Board may hold in abeyance the dividends or other monies payable upon shares in respect of which any person is under this Articles hereof, entitled to become a Member or to transfer the shares, until such person shall become a Member in respect of such shares or shall duly transfer the same.

**Restrictions payment of dividends**

186. No Member shall be entitled to receive payment of any interest or dividend respect of his share or shares or otherwise, either alone or jointly with any other person or persons, and the Board may deduct from the dividend payable to any Member all sums of money presently payable to the Company on account of calls or otherwise in relation to the Shares of the Company.

**No right to dividends**

187. A transfer of shares shall not confer the right to any dividend declared thereon before the registration of the transfer.

**Dividend to joint holders**

188. Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

**Dividend warrant**

189. Any dividend payment in cash in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the holder or in the case of joint holders to the registered address of the holder who is first named in the register and every cheque or warrant shall be made payable to the order of the person to whom it is sent.

**Unpaid or Unclaimed dividends**

190. a. Where the Company has declared a dividends but which has not been paid or the dividend warrant in respect thereof have not been posted within 30 days from the date of the declaration to any shareholder entitled to the payment of the dividend, the Company shall, within 7 days from the date of expiry of the said period of 30 days, transfer the amount of dividend which remains unpaid or in relation to which no dividend warrant have been posted within the said period of 30 days to a special account called the Unpaid Dividend Account to be opened by the Company on its behalf in any Scheduled Bank according to the provisions of Section 205A of the Act.
- b. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date they became due for payment, shall be transferred by the Company to Investor Education and Protection Fund. No claims shall lie against the Fund or the Company in respect of individual amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.
- c. The Company will not forfeit unclaimed dividends before the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases.
- d. No unclaimed or unpaid dividend shall be forfeited by the Board.

**CAPITALIZATION OF PROFITS****Capitalization of profits**

191. a. Any General Meeting may, upon the recommendation of the Board, resolve that any amount for the time being standing to the credit of any profit or loss account or reserve account or any capital redemption reserve account or otherwise available for distribution as dividends (including any profit actually realized from the sale of the assets of the Company or representing premium received on the issue of shares and standing to the credit of the share premium accounts) shall be capitalized and distributed amongst the Members who would have been entitled to receive the same if distributed by way of dividend and in the same proportions.
- b. All or any part of such capitalized amount shall be applied, on behalf of such shareholders, in paying up in full either at par or at such premium as the resolution may provide, any fully paid-up in full either at par or at such premium as the resolution may provide, any fully paid-up bonus share or unissued shares of the Company or towards payments of any amounts for the time being unpaid on any shares or debentures held by such Members in full satisfaction of their interest in the said capitalized sum.

**Fractional certificates**

192. For the purpose of giving effect to any resolution for the capitalization of reserves, the Board may settle any difficulty which may arise in regard to the distribution as if thinks expedient and in particular may issue fractional certificates, fix the value for distribution or any specific assets; make cash payments to any Members on the basis of the value so fixed, or provide that fractions of less value than One Rupee may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the Board. Where required, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund, and such appointment shall be effective and binding on such persons.

**NOTICE AND DOCUMENTS****Notice**

193. Subject to Article 79 a notice or other documents may be given by the Company to any Member by personal delivery or by sending it by registered post or by courier delivery or by facsimile transmission to the address and facsimile number last provided by such Member to the Company.
194. Any notice, demand or communication shall be deemed to have been duly served
- a. If delivered personally or by courier, on the day of delivery;
  - b. If sent by facsimile, on the day on which the sender receives facsimile confirmation from the recipient that it has received the sender's facsimile transmission (and, in this regard, the recipient shall be obliged to send such facsimile confirmation forthwith upon receipt of the sender's facsimile transmission); and
  - c. If sent by registered letter, seven Business Days after posting, and in proving the same it shall be sufficient to show that the envelope containing the notice, demand or communication was correctly addressed, fully stamped and posted; and, where any notice, demand or communication is given by more than one mode, the earliest date on which it is deemed to have been duly served shall be the applicable date of service.
195. Any documents or notice to be served or given by the Company may be signed by the Secretary or a Director or some person duly authorized by the Board.
196. Notice to the Company shall be sent to the Registered Office.

**Notice by Advertisement**

197. A notice or other document advertised in a newspaper circulating in the neighborhood of the Office shall be deemed to be duly served on the day on which the advertisement appears, on every Member resident in India who has no registered address in India and who has not supplied to the Company an address for the sending of notices to him. Any Member resident in India who has no registered address in India shall, if so required to do by the Company, supply the Company with an address in India for the sending of notices.

**Notice to Joint holders**

198. A notice may be given by the company to the joint holder of a share by giving the notice to the joint holder whose name first appears in the Register in respect of shares.

**Notices to persons acquiring shares on death of Member**

199. Notice may be given by the Company to the persons entitled to a share in consequence of the death of Member by sending it through the mail, postage prepaid, addressed to them by name, or by the title of the representative of the deceased to the address, if any in India, supplied for the purpose by the persons claiming to be so entitled, or by giving notice in any manner in which the same might have been given if the death had not occurred.

**Registers to be maintained by the Company**

200. The Company shall maintain the following Register:
- a. A Register of Charges pursuant to Section 143 of the Act;
  - b. A Register of Members pursuant to Section 150 and, whenever the Company has more than fifty Members, an index of Members pursuant to Section 151 of the Act;
  - c. A Register of Debenture Holder pursuant to Section 152 and, whenever the Company has more than fifty debenture holders, an index of debenture holders pursuant to Section 152(2) of the Act. . .
  - d. A Register of Contract and Agreements pursuant to Section 301 of the Act;
  - e. A Register of Board Shareholdings pursuant to Section 307 of the Act;
  - f. A Register of Investments not held by the Company in its own name pursuant to Section 18(7) of the Act;
  - g. A Register of Renewed and Duplicate Certificates pursuant to Rule 7(2) of the Companies (Issue of Share Certificates) Rules, 1960;
  - h. A Register of Loans and Investments;

- i. A Register of Managing Directors, Managers and Directors pursuant to Section 303 of the Act; and
- j. A Register of Deposits under Section 58A of The Act.

**Inspection of Registers etc.**

201. Where under the Act any person, whether a Member of the Company or not, is entitled to inspect any Register, return, Certificate, deed, instrument or document kept or maintained by the company, the person so entitled shall have the right to inspect the same during such business hours as may, subject to the provisions of the Act in that behalf, be determined by the Board or the Company in General Meeting, and the Company shall comply with the provisions of the Act regarding the supply copies of any such Register, return, Certificate, deed, instrument or other document.

**Foreign register of Members or Debenture Holders**

202. Subject to 157 and Section 158 of the Act, the Company may keep in any State or country outside India a branch register of members or debenture holders resident in that State or country.

**Company to furnish copies of documents**

203. The Company shall send to every Member at his request and on payment of the prescribed amount, copies of the Memorandum of Association of the Company and other documents referred to in section 59 of the Act within seven days of such request.

**Authentication of documents**

204. Except as otherwise expressly provided in the Act or these Articles, documents or proceedings requiring authentication by the Company may be signed by a Director, the Manager, the Secretary or other authorized officer of the Company and need not be under its Common Seal.

**WINDING - UP**

**Distribution of assets**

205. The Company be wound up and the assets available for distribution among the Members be insufficient to repay the whole of the paid up capital, such assets shall be distributed in such a way that the losses may be borne as nearly as possible by the Members in proportion to the capital paid up at the commencement of the winding up on the share held by them respectively. If in a winding up the assets available for distribution among the Members be more than sufficient to repay the whole of the paid up capital at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital paid up at the commencement of the winding up. But this Article shall in no way affect the rights of the holders of shares issued upon special terms and conditions.
206. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution and any other sanction required by the Act, divide amongst the contributors, in specie, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. The liquidators may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributors as the liquidators shall think fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

**SECURITY**

207. Every Director, Managing Director, Auditor, Secretary, Trustee, Officer, Employee, Agent, Accountant or other person employed in or about the business of the Company shall observe strict confidentiality regarding all affairs of the Company, and shall not reveal any of the matters which may come to his knowledge in discharge of his duties except when required so to do by the Board or by a court of law and except so far as may be necessary in order to comply with any of the provision contained in these Articles of the Act.

**INDEMNITY**

208. Subject to the provisions of Section 201 of the Act, every Director, Manager, Officer, Servant and any person employed by the Company shall be indemnified out of the fund of the Company, and it shall be the duty of the Board to payout the fund of the Company all costs, losses and expenses which any such Director, Manager, Officer, Servant or employee may incur or become liable to by reason of any contract entered into or in any way in the discharge of their duties, including expenses and in particulars and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by them as such Director, Manager, Officer, or employee in defending any proceedings, whether civil or criminal, in which judgment is given in that person's favour or he is acquitted or in connection with application under the Section 633 of the Act in which relief is granted by the Court. This amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the Members over all other Claims.

**GENERAL**

209. Wherever in the Companies Act, it has been provided that the Company shall have 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 regulation hereto authorizes and empowers the Company to have such rights, privilege or authority and to carry such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.

**210. INFORMATION AND AUDIT RIGHTS AND COVENANTS**

- i. So long as the Investors and/or their Affiliates hold any Equity Securities of the Company, the Investors shall have the right to request, and the Company shall furnish to the Investors, the following information in relation to the Company, as soon as practicable (and in no event later than a period of 3 Business Days of issuance of a request by the Investors, in accordance with Section 19 of the Agreement) after the same is disclosed to or filed with any Governmental Authority or to any stock exchange as required under Applicable Law:
  - (a) annual audited financial statements and a balance sheet as at the end of that year within 120 (one hundred and twenty) days, of the date of financial year-end;
  - (b) quarterly un-audited financial results in the format as prescribed under clause 41 of the Listing Agreement signed between the Company and the exchange within 30 days of the end of the relevant quarter; and
  - (c) any material information in relation to the resignation of the managing director, any director and the company secretary, immediately upon such resignation and in any event not later than 7 (seven) Business Days from the date of resignation.
- ii. So long as the Investors and/or their Affiliates hold any Equity Securities of the Company, the Investors shall have the right to request, and the Company shall furnish, as soon as practicable (and in no event later than a period of 3 Business Days of issuance of a request by the Investors, in accordance with Section 19 of the Agreement), in relation to the Company to the Board of Directors of the Company, the following information:
  - (a) quarterly and year to date financial statements (including an income statement, a statement of cash flow, a balance sheet, a statement of capital expenditures, detailed break down of working capital, an aging analysis of assets, headcount and comparisons to budget) within 30 days of the end of the relevant quarter;
  - (b) an annual business plan (including quarterly budget containing an income statement, a statement of cash flow, a balance sheet and detailed break-down of working capital) and a budget for the next Financial Year including operating and capital budgets, no later than 30 (thirty) Business Days prior to the beginning of each financial year;
  - (c) any resignation of the managing director and the chief financial officer, as soon as practicable after such resignation; and
  - (d) any other information or consultation rights as may be reasonably requested by the Investor Director or the Alternate Director.
- iii. Breach and Litigation Notice. So long as the Investors and/or their Affiliates holds any Equity Securities of the Company, the Company shall give the Investors all material information in relation to:
  - (a) any breach by the Company or any Subsidiary of any Law, which violation in any respect may have or had a material adverse effect on the Company including its Subsidiaries;
  - (b) any known litigation, or claim which may have or had a material adverse effect on the Company including its Subsidiaries; and
  - (c) any material dispute or notice of any material dispute with a major customer or supplier of the Company.
- iv. Access Rights.
  - (a) Subject to applicable Law, after the Effective Date, and until such time as the Investors and/or their Affiliates holds any Equity Securities of the Company, the Company shall give reasonable access to the Investors and their authorized representatives (including lawyers, accountants, auditors and other professional advisors) to visit and inspect all properties, assets, corporate, financial and other records, reports, books, contracts and commitments of the Company and/or any Subsidiary, and to discuss and consult with respect to its business, actions plans, budgets and finances with the directors and executive officers of the 'Management Committee' of the Company, upon reasonable notice. All costs incurred in connection with such inspection shall be borne by the Investors; and

- (b) To the extent consistent with applicable Law, after the Effective Date, (and with respect to events which require public disclosure, only following the Company's public disclosure thereof through applicable securities law filings or otherwise), and until such time as the Investors and/or their Affiliates holds any Equity Securities of the Company, the Company shall inform the Investors and/or their Affiliates or their designated representative in advance with respect to any significant corporate actions and shall provide the Investors and/or their Affiliates or their designated representative with the right to consult with the Company and its Subsidiaries with respect to such actions.
- v. **Insurance.** The Company shall, and shall ensure that each Subsidiary shall, keep insured at all times and maintain insurance policies in a sufficient amount and with such coverage as are generally maintained by responsible companies in the same industry. The Company shall take out directors and officers insurance for all Directors in a sufficient amount and with such coverage as is generally maintained by responsible companies in the same industry.
- vi. **U.S. Taxes.**
- (a) **Reporting.** Until such time as the Investors and/or their Affiliates hold any Equity Securities of the Company, the Company shall provide to the Investors such information as the Investors may reasonably request at any time or from time to time in order to permit such Investors (i) to determine whether the Company has been a "passive foreign investment company" or a "controlled foreign corporation" or a corporation having a similar status for purposes of the Code, (ii) to determine the consequences to the Investors of such status, and (iii) all such other information that is reasonably necessary for the Investors, or any direct or indirect investor in, to duly complete and file its income tax returns. In addition, at the request of the Investors, the Company shall cooperate with such Investors in making and maintaining, or permitting the Investors (or direct or indirect investor in the Investors) to make and maintain, any election permitted under the Code, provided that the same is not prejudicial to the interests of the Company;
- (b) **Tax Election.** The Company agrees not to make any election to be treated as anything other than a corporation for United States federal income tax purposes without the prior consent of the Investors;
- (c) **PFIC.** The Company shall use its reasonable efforts to conduct its activities in a manner that minimizes the likelihood of the Company being considered a "passive foreign investment company" as defined in the Code; and
- (d) **Treaty.** The Company shall use its reasonable efforts to conduct its activities in a manner that makes it possible for the Company to benefit from the provisions of the existing tax treaty between India and the United States of America under Article 24 (Limitation on Benefits) of such treaty, provided that the same is not prejudicial to the interests of the Company.
- vii. **VCOC Investor.**
- (a) The Company agrees that for so long as the Investors or any of their Affiliates is intended to qualify as a "venture capital operating company" (each such Investor or Affiliate, a "VCOC Investor"), as defined in the Plan Asset Regulations, and such VCOC Investor continues to hold, directly or indirectly, any Equity Securities (or other securities of the Company into which such Equity Securities may be converted or exchanged) without limitation on, or prejudice to, any of the other rights provided to the Investors or the VCOC Investor under this Agreement or Law, the Company shall provide to such VCOC Investor or its designated representative:
- (i) the information, access and consultation rights provided to the Investors pursuant to clause (i) to (iv) of this Article; and
- (ii) such other rights of consultation which the VCOC Investor's counsel may determine to be reasonably necessary under applicable legal authorities promulgated after the date hereof to qualify its investment in the Company as a "venture capital investment" for purposes of the Plan Asset Regulations.
- It is hereby clarified that all reasonable costs in relation to providing the aforesaid shall be borne by the Investors.
- (b) The Company agrees to consider, in good faith, the recommendations of the VCOC Investor or its designated representative in connection with the matters on which it is consulted as described above, recognizing that the ultimate discretion with respect to all such matters shall be retained by the Company.
- (c) In the event the Agreement is terminated in accordance with Section 13 of the Agreement and so long as any of the Investors or any of their Affiliates is intended to qualify as a VCOC Investor, and such VCOC Investor continues to hold, directly or indirectly, any Equity Securities (or other securities of the Company



into which such Equity Securities may be converted or exchanged) the Investors and the Company shall in good faith negotiate and agree with rights consistent with those contemplated in sub-clause (a) and (b) of clause (vii) of this Article.

- (d) In the event the VCDC Investor is an Affiliate of an Investor as described in sub-clause (a) of clause (vii) of this Article, such affiliated entity shall be afforded the same rights with respect to the Company afforded to the Investors under this Article and shall be treated, for such purposes, as a third party beneficiary hereunder.

- vii. **Arms-Length Basis.** The Parties agree that all continuing commercial contracts and arrangements between the Promoters and the Company shall be on an arms length basis.
- ix. **Ethical Business Practices.** The Company and its respective officers, directors, employees and agents engage only in legitimate business and ethical practices in commercial operations and in relation to governmental authorities.
- x. **Limitation.** For the purposes of clause (vi), (vii) and (ix) of this Article, it is expressly agreed and understood that, by making the statements and covenants herein, the Company does not submit itself to the jurisdiction of the laws of the United States.
- xi. **<sup>1</sup>Company Covenants for Investor Exit.** The Company covenants that in the event the Investors propose to Transfer, subject to the provisions of Article 59 and 211, their Equity Securities to any person or group of persons, including but not limited to a sale of Equity Securities through a public offering (whether on a secondary basis or not), the Company shall use its best endeavours to facilitate such Transfer and provide information in respect of the Company or any subsidiary of the Company that is necessary for such person or group of persons to evaluate the Business or the business of such subsidiary. Such actions by the Company shall include, without limitation:
- a) conducting road shows;
  - b) procuring that management shall be available for discussions with investors/analysts;
  - c) facilitating an offer for sale;
  - d) subject to execution of confidentiality undertakings by the recipients, providing all necessary documents relating to the Company and subsidiaries of the Company;
  - e) appointment of reputed investment banks and/or placement agents;
  - f) preparation and filing of offer documents;
  - g) making necessary applications, registrations and filings with Governmental Authorities and other persons;

The Investors shall pay all fees and expenses including without limitation registration fees, listing fees, fees for placement agents and investment bankers in exercise and performance, both by the Company and the Investors, of the provisions of this clause (xi).

## 211. TAG ALONG

- i. If the Promoters and/or its Affiliates receives a bona fide offer to acquire Equity Securities, or the Promoters and/or its Affiliates proposes to make a Transfer of Equity Securities to any Person ("Transferee"), such that such Transfer of Equity Securities (together with all Equity Securities transferred in any related transaction or a related series of transactions) would result in the Promoters Owning 50% or less of the Share Capital or would result in the Promoters and/or its Affiliates ceasing to be in sole "control" of the Company, the Promoter and/or its Affiliates shall send a written notice (the "Tag-Along Notice") to the Investors, which notice shall state: (i) the name and address and identity of the proposed Transferee, (ii) the number of Equity Securities to be Transferred (the "Sale Securities"), (iii) the amount and form of the proposed consideration for the Transfer, (iv) the other terms and conditions of the proposed Transfer, (v) a representation that no consideration, tangible or intangible, is being provided to the Promoter and/or its Affiliates that is not reflected in the price to be paid to the Investors exercising their Tag-Along Rights hereunder and (vi) the number of Equity Securities the Promoter together with its Affiliates then owns. In the event that the proposed consideration for the Transfer includes consideration other than cash, the Tag-Along Notice shall include a calculation of the fair market value of such consideration as determined by an internationally-reputed investment bank. The total value of the consideration for the proposed Transfer is referred to herein as the "Tag-Along Price". It is hereby clarified that, in the event of a sale in a series of transactions, the Tag-Along Price shall be the average price of the transactions forming part of the series.
- ii. **Tag-Along Rights.** The Investors shall have the right (the "Tag-Along Right") but not the obligation to require the Promoters to cause the Transferee in a Transfer of Sale Securities to purchase from the Investors and/or their Affiliates, for the same consideration per Sale Security and upon the same terms and conditions as are to be paid and given to the Promoter and/or its Affiliates (except that the Investors and their Affiliates will not be required to

<sup>1</sup> Amended vide special resolution passed at the Extraordinary General Meeting held on October 15, 2009

make any representations or warranties except as provided in clause (v) of this Article or otherwise be liable for any indemnification (except in respect of their own breach), up to all of the Equity Securities held by the Investors together with their Affiliates at such time.

- iii. **Tag-Along Notice.** Within twenty-five (25) Business Days following the receipt of the Tag-Along Notice, in the event the Investors and/or their Affiliates elects to exercise its Tag-Along Right, it shall deliver a written notice of such election to the Promoter and/or its Affiliates ("Tag Acceptance Notice") and the number of Equity Securities, the Investors and/or their Affiliates proposes to Transfer in such Transfer ("Tag-Along Securities"). Such notice shall be irrevocable and shall constitute a binding agreement by the Investors and/or their Affiliates to sell such Equity Securities on the terms and conditions set forth in the Tag Acceptance Notice.
- iv. **Non-Consummation.** Where the Investors and/or their Affiliates have properly elected to exercise its Tag-Along Right and the proposed Transferee fails to purchase Equity Securities from the Investors and/or their Affiliates, the Promoter and/or its Affiliates shall not make the proposed Transfer, and if purported to be made, such Transfer shall be void and the Company shall not register any such Transfer of Equity Securities.
- v. **Closing.** The closing of any purchase of Equity Securities by the Transferee from the Investors and/or their Affiliates shall take place simultaneous with the closing of the purchase of Equity Securities by the Transferee from the Promoter and its Affiliates or at such other time and place as the Investors may agree in writing. At such closing, the Investors and/or their Affiliates shall deliver certificates representing the Tag-Along Securities, accompanied by duly executed instruments of transfer or duly executed transfer instructions to the relevant depository participant. Such Tag-Along Securities shall be free and clear of any Encumbrance (other than Encumbrances arising hereunder or attributable to actions by the Offerees), and the Investors and/or their Affiliates shall so represent and warrant and shall further represent and warrant that it is the beneficial and record owner of such Tag-Along Securities. The Investors and their Affiliates shall not be required to make any other representations or warranties. Any Transferee purchasing the Tag-Along Securities shall deliver at such closing (or on such later date or dates as may be provided in the Tag-Along Notice with respect to payment of consideration by the proposed Transferee) payment in full of the Tag-Along Price in accordance with the terms set forth in the Tag-Along Notice, an executed Deed of Adherence and any requisite transfer taxes. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Equity Securities to the Transferee.

## 212. <sup>1</sup>PRE-EMPTIVE RIGHTS

- (i) The Company shall not, issue any Equity Securities of any type or class to any Person (the "Proposed Recipient") unless the Company has offered to the Investors in accordance with the provisions of this Article the right to purchase such Investors Pro Rata Share of such issuance for a per unit consideration, payable solely in cash, equal to the per unit consideration to be paid by the Proposed Recipient and otherwise on the same terms and conditions as are offered to the Proposed Recipient; provided, however, that the foregoing restriction shall not apply to any issuance of Equity Securities (i) pursuant to the terms of an employee stock option plan provided that such issuance of Equity Securities do not exceed in the aggregate 5% of the Share Capital on a fully diluted basis, or (ii) which upon exercise of the Investors' rights under this Article would result in the Investors triggering the "open offer" requirements under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997.
- (ii) **Notice.** Not less than 45 Business Days before a proposed issuance of securities by the Company other than in connection with an issuance permitted under sub-clauses (i) and (ii) of clause (i) of this Article (a "Proposed Issuance"), the Company shall deliver to each Investor written notice of the Proposed Issuance setting forth (i) the number, type and terms of the securities to be issued, (ii) the consideration to be received by the Company in connection with the Proposed Issuance and (iii) the identity of the Proposed Recipients.
- (iii) **Exercise of Rights.** Within 30 Business Days following delivery of the notice referred to in Clause (i) of this Article, each Investor electing to exercise its rights under this Article shall give written notice to the Company specifying the number of securities to be purchased by such Investor and the calculation by such Investor of its Pro Rata Share. Except as provided in the next succeeding sentence, failure by any Investor to give such notice within such 30 Business Day period shall be deemed a waiver by such Investor of its rights under this Article with respect to such Proposed Issuance. If any Investor fails to give the notice required under this Article solely because of the Company's failure to comply with the notice provisions of this Article, then the Company shall not issue securities pursuant to this Article and if purported to be issued, such issuance of securities shall be void. An Investor may assign to its Affiliate the right to acquire the securities pursuant to this Article, provided that such Affiliate complies with the provisions of Article 8.3(a) of the Agreement as if it were a Permitted Transferee.
- (iv) **Failure to Subscribe.** Subject to the Company's compliance with the notice provisions of this Article, in the event that any Investor (a "Non-Subscribing Investor") notifies the Company that it declines to exercise its right to subscribe to its Pro Rata Share of the Proposed Issuance, in part or in whole, is deemed to have waived its right in accordance with this Article, or fails to settle the payment of the consideration required for the Proposed Issuance

<sup>1</sup> Amended vide special resolution passed at the Extraordinary General Meeting of the Members of the Company held on November 30, 2009

within the 45 Business Day period following delivery of the notice referred to in this Article (except where such 45 Business Day period is extended for an additional period necessary to obtain any Governmental Approvals required for such subscription and payment), the other Investor shall be entitled to subscribe to such securities not subscribed to by any Non-Subscribing Investor, consistent with applicable Law.

#### 213. DEADLOCK

- i. **Deadlock Event.** If at more than four consecutive meetings of the Board, a resolution relating to a distinct Unanimous Consent Matter (other than the item set forth in Article 141) fails to be passed due to lack of a unanimous Consent by all the Directors on the Board, then on such fourth meeting of the Board a "Deadlock Event" shall be deemed to have occurred.
- ii. **Deadlock Notice.** Upon the occurrence of a Deadlock Event, either Party may within 15 (fifteen) Business Days after the Deadlock Event serve notice (a "Deadlock Notice") on the other Parties stating that in its opinion a Deadlock Event has occurred and identifying the Deadlock Event. Following service of the Deadlock Notice, a "cooling off" period of 20 (twenty) Business Days will be observed, after which the Board will meet again in good faith in an attempt to negotiate a resolution of the Deadlock Event in an amicable and commercially reasonable manner.
- iii. **Deadlock Put/Call Option.** If the Deadlock Event is not resolved by the Board within 20 (twenty) Business Days, such failure to resolve the Deadlock Event shall result in a "Deadlock Put/Call Option Event".
- iv. **Invoking Notice.** Upon the occurrence of a Deadlock Put/Call Option Event, (i) the Promoters and/or any other Person nominated by the Promoters shall have the right to purchase and the Investors shall have an obligation to sell all the Equity Securities held by the Investors and/or their Affiliates at a price per Equity Security being equal to the Put/Call Option Fair Market Value, and (ii) the Investors shall have the right to sell, and the Promoters and/or any other Person nominated by the Promoters, shall have the obligation to purchase all the Equity Securities held by the Investors and/or their Affiliates at a price per Equity Security being equal to the Put/Call Option Fair Market Value. Either of the Promoters, and/or any other Person nominated by the Promoters, and/or the Investors ("Initiating Party") may exercise the right set forth in this clause (iv) of this Article by giving a written notice ("Invoking Notice") to the Investors, or the Promoter, and/or any other Person nominated by the Promoters, as the case may be ("Responding Party") within a period of 20 (twenty) Business Days following the occurrence of a Deadlock Put/Call Option Event. It is hereby clarified that in the event that due to applicable Law, the Promoters and/or any other Person nominated by the Promoters will be unable to pay the Put/Call Option Fair Market Value to the Investors, the Promoter shall not have the right to issue the Invoking Notice.
- v. **Offer.** The Invoking Notice shall constitute an irrevocable offer by the Initiating Party to sell to the Responding Party all of the Initiating Party's Equity Securities in the Company, at the Put/Call Option Fair Market Value, if the Initiating Party is the Investors, and the Invoking Notice shall constitute an irrevocable offer by the Initiating Party to buy from the Responding Party all of the Responding Party's Equity Securities in the Company, at the Put/Call Option Fair Market Value, if the Initiating Party is the Promoter (the "Offer").
- vi. **Completion.** The completion ("Put/Call Option Closing") of the purchase and sale of the Equity Securities pursuant to this Article, shall occur within 20 (twenty) Business Days of the issuance of the Invoking Notice at the Put/Call Option Fair Market Value, or such other date as mutually agreed between the Initiating Party and the Responding Party. If any Approval is required for the transfer the aforesaid period shall be extended until the receipt of such Approval. The date on which the Put/Call Option Closing takes place is herein after called the "Put/Call Option Closing Date". The Put/Call Option Closing shall be held at the registered office of the Company. At the Put/Call Option Closing Date, the Promoters shall pay the Put/Call Option Fair Market Value for the Equity Securities to the Investors and the Investors shall transfer the Equity Securities, free and clear of all Encumbrances to the Promoters.

#### 214. NON-COMPETE

- i. **Restriction.** The Company and its Subsidiaries shall be the exclusive vehicle through which the Promoters and their Affiliates shall pursue the Business and the Promoters shall not, and shall cause their Affiliates not to, directly, indirectly or beneficially, invest in or participate in or be financially engaged, concerned with or interested in any undertaking or in the management of any Person (including, but not limited to, any joint venture, partnership or other arrangement of whatsoever nature) engaged in business operations or activities similar to the business operations or activities conducted by the Company or its Subsidiaries or in any other manner competes with the Company or its Subsidiaries.

- ii. **Non-Solicitation:** The Promoters shall not, and shall cause its Affiliates not to, on its own behalf or on behalf of any person, entity or group, directly or indirectly: (i) hire or solicit the employment of (1) any current client or customer of the Company or its Subsidiary or (2) any officer, director, or employee of the Company or its Subsidiary; or (ii) solicit the business of any current client or customer of the Company or its Subsidiary.
- iii. **Reasonableness:** The Promoters agree that the covenants of non-competition and non-solicitation contained in this Article are reasonable covenants under the circumstances.
- iv. **Exception:** It is hereby clarified that in the event that the Promoters seek to engage in the business of port and jetty development with any Person ("Proposed Joint venture Partner"), the Company shall have a right of first offer in relation to such business, and the Promoters shall accordingly first bring such proposal before the Board of the Company, providing the Company with all reasonable details necessary to make an informed decision. Further, the Promoters shall provide such additional information as may the Company may reasonably require. In the event that such proposal is rejected by the Board (on account of the Investor Director not approving such a proposal), the Promoters shall be free to engage in the business of port and jetty development with the Proposed Joint Venture Partner. Further, the Promoters along with the Proposed Joint Venture Partner, and/or through any special purpose vehicle established by the Promoters and the Proposed Joint Venture Partner shall be free to undertake the business of port and jetty development. Provided that, in the event that the Promoters seek to engage in the business of port and jetty development with any Person other than the Proposed Joint Venture Partner ("New Proposed Joint Venture Partner"), the Company shall have a right of first offer in relation to such business, and the Promoters shall accordingly first bring such proposal before the Company (provided that the agreement between the Promoters and the Proposed Joint Venture Partner does not restrict the same) providing the Company with all reasonable details necessary to make an informed decision. Further, the Promoters shall provide such additional information as the Company may reasonably require. In the event that such proposal is rejected by the Board (on account of the Investor Director not approving such a proposal), the Promoters shall be free to engage in the business of port and jetty development with the New Proposed Joint Venture Partner (but not any other Person).

We, the several persons, whose names, addresses and occupations are subscribed hereunder are desirous of being formed into a Company in pursuance of these Articles of Association and we respectively agree to take the numbers of shares in the capital of the Company set opposite our respective names:

Names, Addresses, Description and occupation of each Subscriber	Number of Equity Shares taken by each subscriber	Signature of Subscriber	Signature of witness With Description and Occupation
SHRI SHASHI KIRAN SHETTY S/o Janardhan Shetty 303, Green Star, Rizvi Complex, Shirley Rajan Road, Bandra (W), Bombay 400 050	10 (Ten) Equity Shares	Sd/-	Witness to both Sd/- CHIMANLAL DANGI C/o Chammalal Dang S.C.Dangi & Associates Parker Building, 2 <sup>nd</sup> Floor, 12, Cawasji Patel Street, Fort, Mumbai 400 001 Chartered Accountant
SMT. ARATHI S. SHETTY W/o Shashi Kiran Shetty 303, Green Star, Rizvi Complex, Shirley Rajan Road, Bandra (W), Bombay 400 050	10 (Ten) Equity Shares	Sd/-	
	20 (Twenty) Equity Shares		

Bombay, Dated this 20<sup>th</sup> day of July 1993

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY PETITION NO. 158 OF 2008  
WITH  
COMPANY APPLICATION NO. 1347 OF 2007

Transindia freight Service Pvt. Ltd.

..... Petitioner

WITH

COMPANY PETITION NO. 157 OF 2008  
WITH  
COMPANY APPLICATION NO. 1346 OF 2007

Aircargo Global Logistics Ltd.

..... Petitioner

Mr. Kewick Setalwad with Ms. Sanidha Vedpathak I / b. Maneksha & Selina for petitioner in C.P. 158/ 08)  
Mr. Shyam Mehta I / b. Tayabji Dayabhai,  
Mr. C.J. Joy for R.D.

CORAM: S.C. DHARMADHIKARI J.  
DATE : 2<sup>nd</sup> May 2008

P.C.

1. Heard Learned Counsel for the parties.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956 to the Scheme of Arrangement between Transindia Freight Services Pvt. Ltd. (Transferor Company) with Aircargo Global Logistics Ltd. (Transferee Company)
3. Learned Counsel appearing on behalf of the petitioners has stated that they have complied with all requirements as per directions of this Court and they have filed necessary affidavits of compliances in the Court. However, petitioner companies also undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the rules made there under.
4. The Regional director has filed affidavit stating therein that the scheme is not prejudicial to the interest of creditors, shareholders and public.
5. Upon perusal of the entire material placed on records, the scheme appears to be fair and reasonable and is not violating of any provisions of law and is not contrary to any public policy. None of the parties concerned has come forward to oppose the scheme. Moreover, the Regional Director has stated that the scheme as proposed is not prejudicial to the interest of shareholders, creditors and the public.
6. There is no objection to the Scheme and since all the requisite statutory compliances have been fulfilled, Company Petitions No. 157 of 2008 filed by the Transferor Company is made absolute in terms of prayer clauses (a) to (e), Company Petition No. 157 of 2008 filed by the Transferee Company is made absolute in terms of prayer clauses (a) to (e).
7. Petitioner Companies to lodge a copy of this order and the scheme with the concerned superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 30 days of obtaining the certified copy and / or an authenticated copy of the order.
8. Petitioner in all the Company Petitions to pay cost of Rs. 5,000/- to the Regional Director. Costs to be paid within four weeks from today.
9. Filing and issuance of the drawn up order is dispensed with.
10. All Authorities concerned to act on a copy of this order along with scheme to be authenticated by the Company Registry.

(S.C. Dharmadhikari, J)

**SCHEME OF ARRANGEMENT  
BETWEEN  
TRANSINDIA FREIGHT SERVICES PRIVATE LIMITED  
ALLCARGO GLOBAL LOGISTICS LIMITED  
AND  
THEIR RESPECTIVE MEMBERS AND CREDITORS**

**A. BACKGROUND AND RATIONALE FOR THE SCHEME OF ARRANGEMENT**

- (a) Allcargo Global Logistics Limited (hereinafter referred to as 'AGL' or 'the Resulting Company') is engaged in the business of providing comprehensive logistic solutions for national and international trade. Its operations are spread across the globe. The present operations of AGL comprise of the following three key areas of the logistics business:
- Multi-modal Transport Operations
  - Container Freight Stations
  - Project Cargo Handling
- (b) Transindia Freight Services Private Limited (hereinafter referred to as 'TFSP' or 'the De-merged Company') is engaged in the business of, inter alia,
- Investment;
  - Car hire and
  - Hiring of material handling equipment and transportation of container and general cargo. (hereinafter referred to as "the Project and Equipment Division")
- (c) AGL is presently in the phase of integration and consolidation of the logistics business with a view to provide world class logistic services to various business constituents and the Society at large by spreading its footprint domestically and globally. In its process of integration and consolidation, AGL has successfully acquired various companies in the recent past. In furtherance to its aforesaid object and in view of existence of business synergies between AGL and TFSP and to enhance shareholders value, AGL intends to acquire the Project and Equipment Division of TFSP in accordance with the provision of this Scheme of Arrangement.
- (d) This Scheme of Arrangement (hereinafter referred to as "the Scheme"), inter-alia, provides for the demerger of the Project and Equipment Division of the Demerged Company in favour of the Resulting Company, and in consideration thereof, issue of equity shares by the Resulting Company to the members of the Demerged Company on a proportionate basis, pursuant to Section 394 and other relevant provisions of the Act.
- (e) The Scheme also makes provisions for various other matters consequential or related thereto and otherwise integrally connected therewith.

**II. PARTS OF THE SCHEME**

This Scheme of Arrangement is divided into the following parts:

- (i) PART I deals with the definitions and related aspects;
- (ii) PART II deals with transfer and vesting of demerged undertaking;
- (iii) PART III deals with the Remaining Business of the Demerged Company;
- (iv) PART IV deals with Re-organisation of Capital; and
- (v) PART V deals with general terms and conditions applicable to this Scheme of Arrangement.

**PART I – GENERAL**

**1. DEFINITIONS**

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- (a) "Act" means the Companies Act, 1956 or any statutory modification or reenactment thereof;
- (b) "Appointed Date" means, January 1 2007 or such other date as the Boards of the Resulting Company and the Demerged Company may decide and as approved by the High Court;
- (c) "Board" means Board of Directors of the Demerged Company and the Resulting Company, which will include any committees constituted by the Boards from time to time.

- (d) "Court" or "High Court" means the Hon'ble High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable.
- (e) "**Demerged Company**" means Transindia Freight Services Private Limited, a company registered under the Act and having its registered office at Survey No. 123/12(4)A, Village Kolke, Old Mumbai-Pune Road, Near Phalaspur Phata, Panvel – 410 206, District Raigad (Maharashtra);
- (f) "**Demerged Undertaking**" means the business of hiring of material handling equipment and transportation of container and general cargo carried on by the Demerged Company (referred as "the Project and Equipment Division") on a going concern basis and consisting inter alia of the assets and liabilities of the Project and Equipment Division including immoveable properties, if any, relating to or necessary for the carrying on of the business of hiring of material handling equipment and transportation of container and general cargo alongwith other assets and shall mean and include (without limitation):
- (i) all assets wherever situate, whether movable or immovable, tangible or intangible, including any plant and machinery, buildings, offices, furniture, fixtures, office equipment, appliances, accessories together with all present and future liabilities (including contingent liabilities) appertaining to or relating thereto;
  - (ii) all permits, quotas, rights, entitlements, including customs duty exemption certificates, essentiality certificates, industrial and other licenses, approvals, consents, municipal permissions, tenancies in relation to office and/or residential properties for the employees, offices, benefit of track record and past experience for the purposes of eligibility criteria, investments, cash balances, the benefit of any deposits, financial assets, funds belonging to or proposed to be utilized for the transport and logistics services business, bank balances, bank accounts, privileges, all other rights and benefits, industrial and other licences, power and facilities of every kind, nature and description whatsoever, right to use and avail of telephones, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating thereto;
  - (iii) all earnest moneys and/or security deposits paid or received by the Demerged Company in connection with or relating thereto; and
  - (iv) all necessary records, files, papers, engineering and process information, computer programmes, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records in connection with or relating to thereto,  
  
but shall not include the Intellectual Property Rights including trademarks, trade names, service marks, patents, designs, colour schemes, logo, copyright or otherwise howsoever whether concerning, relating to or otherwise necessary for the transport and logistics business;
  - (v) all permanent employees of the Demerged Company employed in the Demerged Undertaking.
- Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities of the Demerged Undertaking shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company.
- (g) "**Effective Date**" means the last date on which all the conditions and matters referred to in Clause 27 hereof have been fulfilled and all approvals and consents referred to therein have been obtained. References in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" shall mean the Effective Date;
- (h) "**IPR**" means Intellectual Property Rights including trademarks, trade names, service marks, patents, designs, colour schemes, logo, copyright or otherwise howsoever;
- (i) "**Record Date**" means the date to be fixed by the Board of the Demerged Company for the purpose of reckoning names of the members of the Demerged Company, who shall be entitled to receive equity shares of the Resulting Company pursuant to this Scheme;
- (j) "**Relatives**" means Relatives as defined under the Act;
- (k) "**Remaining Business**" means all the business and the divisions of the Demerged Company other than the Demerged Undertaking;
- (l) "**Resulting Company**" means Allcargo Global Logistics Limited, a company incorporated under the Act and having its registered office at 501, Diamond Square, CST Road, Kalina, Santacruz (East), Mumbai 400-098;
- (m) "**Scheme**" or "**Scheme of Arrangement**" means this composite Scheme of Arrangement in its present form or with any modification(s) made under Clause 25 of this Scheme.



## 2. SHARE CAPITAL

- (a) As on December 31, 2006, the share capital structure of the Demerged Company is as follows:

	Rs. in lacs
<b>Authorised</b>	
5,00,000 Equity Shares of Rs.10 each	50.00
	=====
<b>Issued, Subscribed and Paid Up</b>	
4,06,000 Equity Shares of Rs.10 each fully paid-up	40.60

- (b) Post December 31, 2006, there is no change in the share capital of the De-merged Company.
- (c) There will be no change in the share capital of the De-merged Company post implementation of the Scheme of Arrangement.
- (d) As on December 31, 2006, the share capital structure of the Resulting Company is as follows:
- |   | Rs. in lacs |
|---|-------------|
| <b>Authorised</b>                                     |             |
| 2,10,00,000 Equity Shares of Rs.10 each               | 2,100.00    |
| <b>Issued, Subscribed and Paid Up</b>                 |             |
| 2,02,55,845 Equity Shares of Rs.10 each fully paid-up | 2,025.58    |
- (e) In January 2006, the Company had formulated and adopted the Employees Stock Option Plan called Allcargo Employee Stock Option Plan 2006 (ESOP), comprising of 500,000 options, each equivalent to one equity share of Rs.10 each of the Company. Subsequent to adoption of ESOP Scheme and in accordance with the ESOP Scheme, the Company issued bonus options in the ratio of 1:4, thereby increasing options to 8,25,000 constituting about 3.09% of the paid-up capital of the Company. In accordance with the provisions of the ESOP Scheme, the options will be vested from January 2008 onwards. As on September 2007, 42,250 options have been granted.
- (f) Post December 2006, there is no change in the share capital of the Resulting Company. The equity shares of the Resulting Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

## 3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) as approved by the High Court of Judicature at Bombay, shall be effective from the Appointed Date but shall be operative from the Effective Date.

### PART II – TRANSFER AND VESTING OF DEMERGED UNDERTAKING

- 4(a) With effect from the Appointed Date, all the estate, assets, right, title and interest including any benefit, claim or amount which is received by the Demerged Company after the Appointed Date or at any time thereafter but which relates to the activities and operations of the Demerged Undertaking shall, subject to the provisions of this Clause in relation to the mode of vesting, and pursuant to Section 394(2) of the Act, be transferred to and vested in, at their book values as on the Appointed Date, the Resulting Company as a going concern so as to become as and from the Appointed Date, the estate, assets, right, title and interest of the Resulting Company.
- (b) The Demerged Undertaking shall be transferred to and vested in or be deemed to be transferred and vested in the Resulting Company in accordance with Section 2 (19AA) of the Income-tax Act, 1961 and all other applicable provision.
- (c) In respect of such of the assets of the Demerged Undertaking, including cash and bank balances, as are movable in nature or are otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, the same shall be so transferred by the Demerged Company, and shall become the property of the Resulting Company as an integral part of the Demerged Undertaking.
- (d) In respect of such of the assets belonging to the Demerged Undertaking other than those referred to in sub-clause (c) above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company on the Appointed Date, pursuant to the provisions of Section 394 of the Act.
- (e) All assets acquired by the Demerged Company after the Appointed Date and prior to the Effective Date for operations of the Demerged Undertaking shall also stand transferred to and vested in the Resulting Company, upon the coming into effect of the Scheme.

- (f) In so far as the assets comprised in the Demerged Undertaking are concerned, the security or charge over such assets relating to any loans, debentures or borrowings of the Demerged Company shall without any further act or deed be released and discharged from the same and shall no longer be available as security in relation to the liabilities of the Demerged Company, but shall be a security or charge over such assets in the Resulting Company.
- (g) It is clarified, for the removal of doubt, that, on and from the Effective Date, for the purposes of determining any eligibility criteria or for qualifying to bid for any project or contract or work relating to the Demerged Undertaking, only the Resulting Company shall have the benefit of the experience and track record of the Demerged Undertaking and the Demerged Company shall not be entitled to directly or indirectly claim or rely upon any such track record or past experience.
- (h) It is clarified, for the removal of doubt, that the transfer of any goods imported by the Demerged Company and transferred to the Resulting Company as per the Scheme shall not be deemed to have breached any condition of the import licences or the applicable clauses of the Import Policy or notifications under the relevant customs and/or any other applicable laws.
- (i) All duly free entitlements, concessions, benefits, income tax benefits, etc. which the Demerged Company is entitled to in respect of the Demerged Undertaking shall vest in and be available to the Resulting Company on the same terms and conditions thereof.
- (j) On and from the Appointed Date, if any certificate for tax deducted at source or any other tax credit certificate relating to the Demerged Undertaking is received in the name of the Demerged Company, it shall be deemed to have been received by the Resulting Company which alone shall be entitled to claim credit for such tax deducted or paid and the relevant tax authorities are hereby directed to permit the Resulting Company to claim the benefit of such tax credit even though such tax deducted at source or tax credit certificate stands in the name of the Demerged Company.
- (k) Notwithstanding anything contained herein the IPR shall continue to remain exclusively vested in the Demerged Company at all times. The Demerged Company alone shall have the right to use the IPR on its vehicles, assets, property, stationery or otherwise howsoever. "Colour Scheme" shall mean the use of the colours which are juxtaposed in the same or deceptively similar manner.
- 5(a) Upon the coming into effect of the Scheme, the following liabilities and obligations of the Demerged Company as on the Appointed Date, shall be deemed to have been transferred to the Resulting Company and to the extent they are outstanding on the Effective Date shall, without any further act or deed be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company which shall undertake to meet, discharge and satisfy the same:
- (i) the liabilities which directly or indirectly arose out of, or in relation to, the activities or operation of the Demerged Undertaking including but not restricted to any liability, contingent or otherwise, which becomes known or arises in the Demerged Company after the Appointed Date and/or the Effective Date;
- (ii) such of the general or multipurpose borrowings of the Demerged Company as identified by the Board of Directors of the Demerged Company and which in the aggregate stand in the same proportion of which the value of the assets transferred to the Resulting Company bear to the total assets of the Demerged Company on the Appointed Date.
- (b) Where any of the liabilities and obligations of the Demerged Company as on the Appointed Date deemed to be transferred to the Resulting Company have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company and all loans raised and used and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company which shall undertake to meet, discharge and satisfy the same.
- (c) The transfer of the general or multipurpose borrowings in terms of sub-clause (a) (ii) above shall be without prejudice to any agreements or arrangements including in respect of security entered into between the Demerged Company and the lenders existing on the Appointed Date which shall continue in full force notwithstanding that the liability for repayment of the principal amount and payments of interest is taken over by the Resulting Company. The Demerged Company shall make repayments of such principal amounts and payments of interest thereon on behalf of the Resulting Company, and the Resulting Company shall be under an obligation to place with the Demerged Company funds at the relevant time so as to enable the Demerged Company to make payments to the lenders on or before their respective due dates.
- (d) In respect of any liability mentioned hereinabove, if the Demerged Company is required to make payment to satisfy such liability, the Resulting Company shall be obliged to forthwith reimburse to the Demerged Company any such payment made.

6. All the assets and liabilities of the Demerged Undertaking shall be transferred at the values appearing in the books of accounts of the Demerged Company as at Appointed Date.

#### 7. CONTRACTS, DEEDS, ETC.

- (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, guarantees (financial and other), bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.
- (b) The Resulting Company shall immediately, after the coming into effect of this Scheme in accordance with the provisions hereof, whether or not required under any law or otherwise, execute deeds, confirmations, financial arrangements, or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Demerged Company may, if necessary, also be a party to the above.

#### 8. STAFF, WORKMEN & EMPLOYEES

- (a) On and from the Effective Date, and pursuant to Section 269 and other relevant provisions of the Act, the appointment of Mr. Umesh Kumar Shetty as Executive Director, shall without further act or deed be continued in the Resulting Company on the same remuneration and on the same terms and conditions for the residual period of his appointment, including terminal benefits on the basis of continuity in service without any hiatus; consequent upon which he shall cease to be the Executive Director of the Demerged Company.
- (b) The Resulting Company undertakes to engage, on and from the Effective Date, all employees of the Demerged Company who are working exclusively for the Demerged Undertaking and such other employees of the Demerged Company who are transferred to the Resulting Company, and which employees are in the employment of the Demerged Company as on the Effective Date ("Transferred Employees"), on the same terms and conditions on which they are engaged by the Demerged Company, without any interruption of service as a result of the demerger. The Resulting Company undertakes to continue to abide by any agreement or settlement entered into by the Demerged Company in respect of the Demerged Undertaking with any union/employee of the Demerged Company being the Transferred Employees. The Resulting Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of the Transferred Employees with the Demerged Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
- (c) In so far as the existing provident fund trusts, gratuity fund and pension and/or superannuation fund trusts created by the Demerged Company for its Employees (including the Transferred Employees) are concerned, the part of the funds referable to the Transferred Employees shall be continued for the benefit of the Transferred Employees pursuant to this Scheme in the manner provided hereinafter. The Resulting Company shall take all necessary steps to set up its own funds as soon as practicable from the Effective Date. In the event that the Resulting Company has set up its own funds in respect of any of the funds of the Demerged Company referred to above, the amounts in such funds in respect of contributions pertaining to the Transferred Employees of the Demerged Undertaking shall, subject to the necessary approvals and permissions, if any, be transferred to the relevant funds of the Resulting Company. Until such time that the Resulting Company creates its own fund, the Resulting Company may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the Transferred Employees to the relevant funds of the Demerged Company and at the time that the Resulting Company creates its own fund, the contributions pertaining to the Transferred Employees shall be transferred to the funds created by the Resulting Company.

#### 9. LEGAL PROCEEDINGS

- (a) Upon the coming into effect of the Scheme, all legal or any other proceedings (including arbitrations) by or against the Demerged Company, and as agreed between the Demerged Company and the Resulting Company, whether pending on the Appointed Date or which may be instituted in future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date and relating to the Demerged Undertaking shall be continued and enforced by or against the Resulting Company after the Effective Date.
- (b) If proceedings are taken against the Demerged Company in respect of the matters referred to in subclause (a) above, it shall defend the same in accordance with the advice of the Resulting Company and at the cost and risk of the Resulting Company, and the latter shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof. In respect of such defense, Resulting Company shall extend full and timely cooperation, including providing requisite information, personnel and the like, so as to enable Demerged Company to defend the same.

- (c) The Resulting Company undertakes to have all legal or other proceedings (including arbitrations) initiated by or against the Demerged Company referred to in sub-clause (a) above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company.

#### 10. TRANSACTIONS BETWEEN THE APPOINTED DATE AND EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date, the Demerged Company:

- (a) shall be deemed to have been carrying on and to be carrying on all business activities relating to the Demerged Undertaking and stand possessed of all the estate, assets, rights, title and interest of the Demerged Undertaking for and on account of, and in trust for, the Resulting Company;
- (b) all profits accruing to the Demerged Company, or losses arising or incurred by it (including the effect of taxes if any thereon), relating to the Demerged Undertaking shall for all purposes, be treated as the profits or losses, as the case may be, of the Resulting Company.
- (c) the Demerged Company hereby undertakes that it will from the date on which the Scheme is filed in the High Court up to and including the Effective Date preserve and carry on the business of the Demerged Undertaking with diligence, prudence and agrees that it will not, without the prior written consent of the Resulting Company, alienate, charge or otherwise deal with or dispose of the Demerged Undertaking or any part thereof or recruit new employees (in each case except in the ordinary course of business) or conclude settlements with any employers union or employees or undertake substantial expansion of the Demerged Undertaking other than expansions which have already been commenced as on the Appointed Date.
- (d) the transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking under Clause 3 & 4 and the continuance of the proceedings by or against the Resulting Company under Clause 8 hereof shall not affect any transactions or proceedings already completed by the Demerged Company on and after the Appointed Date to the end and intent that, subject to Clause 10, the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.

#### 11. TAXES

- (a) Any tax liabilities under the Income Tax Act, 1961, Fringe Benefit Tax Laws, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, Central Sales Tax Act, 1956 and any other state sales tax/value Added Tax laws, Service Tax or other applicable laws/regulations dealing with taxes/duties/levies/cess (hereinafter in this Clause referred to as "Tax Laws") allocable or related to the Demerged Undertaking to the extent not provided for or covered by tax provisions in the Accounts made as on date immediately preceding the Appointed Date shall be transferred to the Resulting Company. Any surplus in the provision for taxation/duties/levies accounts including advance tax and TDS as on the date immediately preceding the Appointed Date shall be transferred to account of and belong to the Resulting Company.
- (b) Any refund under the Tax Laws due to the Demerged Undertaking consequent to the assessments made on the Demerged Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall be also belong to and be received by the Resulting Company.
- (c) Without prejudice to the generality of the above, all benefits including under Income Tax, Excise (including CENVAT), Sales Tax (including deferment of sales tax), etc. to which the Demerged Undertaking is entitled to in terms of the applicable Tax Laws, shall be available to and vest in the Resulting Company.

#### PART III - REMAINING BUSINESS

12. The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company. The IPR of the Demerged Company, whether concerning, relating to or otherwise necessary for the transport and logistics business shall continue to belong to and remain vested in the Demerged Company.
13. All legal or other proceedings (including arbitrations) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future (whether or not in respect of any matter arising before the Effective Date) and relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company.

14. With effect from the Appointed Date and up to and including the Effective Date, the Demerged Company:
- (a) shall be deemed to have been carrying on and to be carrying on all business activities relating to the Remaining Business for and on its own behalf;
  - (b) all profits accruing to the Demerged Company thereon or losses arising or incurred by it (including the effect of taxes and advance taxes paid, if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits, taxes or losses, as the case may be, of the Demerged Company.

#### PART IV - REORGANISATION OF CAPITAL

The provisions of this Part shall operate notwithstanding anything to the contrary in this Scheme or in any other instrument, deed or writing.

15. In view of the demerger, and as an integral part of this Scheme, the share capital of the Demerged Company and Resulting Company shall be restructured and reorganised in the manner set out below.
16. Upon the coming into effect of the Scheme and in consideration for the demerger of the Demerged Undertaking, including the transfer and vesting thereof in the Resulting Company pursuant to Part II of the Scheme and based upon the Joint Valuation Report of Khimji Kurverji and Co. and Walker, Chandok and Co. duly approved by the Board of Directors of the Demerged Company and the Resulting Company, the Resulting Company shall, without any further act or deed and without any further payment, issue and allot on proportionate basis to each member of the Demerged Company whose name is recorded in the Register of Members of the Demerged Company on the Record Date, in the ratio (the "Entitlement Ratio") of 518 Equity Shares of Rs.10 each credited as fully paid up in cash in the Resulting Company for every 100 Equity Shares of Rs. 10/- each fully paid up held by such member in the Demerged Company.
17. Such equity shares to be issued and allotted by the Resulting Company in terms of Clause 16 above shall be subject to the Memorandum and Articles of Association of the Resulting Company and shall rank pari passu in all respects with the existing equity shares of the Resulting Company.
18. Unless otherwise determined by the Board of Directors of the Demerged Company and the Resulting Company, allotment of shares in terms of Clause 16 of this Part shall be done within 30 (thirty) days from the Effective Date.
19. Upon the approval of the Scheme by the members of the Resulting Company pursuant to Section 391 of the Act, no further approval of the Members of the Resulting Company under Section 81("A) of the Act or other provisions of the Act shall be required.
20. The Resulting Company shall issue its equity shares in accordance with the provisions of this Scheme in dematerialized form to the members of de-merged Company.
21. The equity shares of the Resulting Company issued in terms of Clause 16 will be listed and/or admitted to trading on the Bombay Stock Exchange and the National Stock Exchange. The Resulting Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with applicable laws or regulations for complying with the formalities of the said Stock Exchanges.

#### PART V - GENERAL TERMS & CONDITIONS

##### 22. ACCOUNTING TREATMENT

- I) **In the books of Demerged Company**
  - a) The book value of the assets and liabilities pertaining to Demerged Undertaking transferred to Resulting Company, shall be reduced from the book value of the assets and liabilities appearing in the books of Demerged Company.
  - b) Upon the coming into effect of this Scheme, an amount representing the excess of the amount representing the surplus of the assets over the liabilities of the Demerged Undertaking being transferred to the Resulting Company shall be debited in the books of the Demerged Company as follows:
    - i) an amount of Rs. 800.00 Lacs to the General Reserve Account, and
    - ii) the balance amount, if any, to the Profit and Loss Account.
- II) **In the books of Resulting Company**
  - a) The Resulting Company shall, upon the arrangement in Part II of this Scheme becoming operative, record all the assets and liabilities of the Demerged Undertaking, vested in it pursuant to this Scheme, at their respective book values as appearing in the books of the Demerged Company on the opening of business hours on the Appointed Date.

- b) The Resulting Company shall credit to its Share Capital Account, the aggregate face value of the equity shares issued by it pursuant to Clause 16 of this Scheme.
- c) The inter-corporate deposits / loans and advances outstanding between the Resulting Company and the Demerged Undertaking of Demerged Company will stand cancelled and there shall be no further obligation / outstanding in that behalf. For the removal of doubt, it is clarified that in view of the above there would be no accrual of interest or other charges in respect of any such inter-corporate deposits / loans and advances or other obligations.
- d) Upon the coming into effect of this Scheme, an amount representing the excess of (i) the amount representing the surplus of (A) assets over (B) the liabilities of the Demerged Undertaking of the Demerged Company in its books of accounts, over (ii) the aggregate face value of the share capital issued by the Resulting Company to the members of the Demerged Company, shall be credited by the Resulting Company to the General Reserve Account. In case of there being a shortfall, the same shall be debited to Goodwill Account.

#### 23. DIVIDEND AND PROFITS

- (a) Subject to the approval of the Resulting Company, the Demerged Company may declare and pay dividends, whether interim or final, to its members in respect of the accounting period prior to the Effective Date. The equity shares of the Resulting Company to be issued and allotted to the members of the Demerged Company as provided in Clause 16 hereof shall be entitled to dividends, if any declared by the Resulting Company, for the accounting period from the Appointed Date.
- (b) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Demerged Company and/or the Resulting Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Board of Directors of the Demerged Company and the Resulting Company.

#### 24. APPLICATION TO HIGH COURTS OR SUCH OTHER COMPETENT AUTHORITY

The Demerged Company and the Resulting Company shall make necessary applications / petitions before the High Court at Bombay or such other appropriate authority for the sanction of this Scheme under Sections 391 to 394 of the Act. The Demerged Company may in due course apply for one or more orders under Section 394 of the Act for vesting of the Demerged Undertaking under this Scheme.

#### 25. MODIFICATION OR AMENDMENTS TO THE SCHEME

- (a) The Demerged Company (by its Board of Directors) and the Resulting Company (by its Board of Directors), either by themselves or through a committee appointed by them in this behalf, may, in their full and absolute discretion, make and/or assent to any alteration or modification in this Scheme, including but not limited to those which the Court and/or any other authority may deem fit to approve or impose.
- (b) The Demerged Company (by its Board of Directors) and the Resulting Company (by its Board of Directors), either by themselves or through a committee appointed by them in this behalf, may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent members, depositors or debenture-holders of the respective companies), or to review the position relating to the satisfaction of various conditions to the Scheme and if necessary, to waive any of those (to the extent permissible under law).

#### 26. COSTS, CHARGES & EXPENSES

- (a) In the event of non-fulfillment of any or all obligations under the Scheme by any Company towards the other Company, inter se or to third parties and non-performance of which will put the other Company under any obligation, then such Company will indemnify all costs/interest, etc. to the other Company.
- (b) All past, present and future costs, charges, levies, duties (including any stamp duty) and expenses in relation to or in connection with or incidental to this Scheme or the implementation thereof (including in relation to the incorporation of the Resulting Company, issue of shares by the Resulting Company and all matters related thereto and also including in relation to the transfer of the Demerged Undertaking) shall be borne and paid for by the Resulting Company alone.

**27. SCHEME CONDITIONAL ON APPROVAL / SANCTIONS**

The Scheme is conditional upon and subject to:

- (a) the Scheme being agreed to by the respective requisite majorities of the various classes of members and creditors (where applicable) of the Demerged Company and the Resulting Company as required under the Act and the requisite orders of the High Court of Bombay referred to in Clause 27 hereof being obtained;
- (b) the approval of the Ministry of Finance and/or the Reserve Bank of India under the Foreign Exchange Management Act, 1999 being obtained in relation to certain matters referred to in terms of this Scheme for which such approval is necessary;
- (c) such other sanctions and approvals including sanction of any Governmental authority, as may be required by law or any contracting counterparty under a material contract in respect of the Scheme being obtained; and
- (d) the certified copies of the court orders referred to in this Scheme in respect of the Demerged Company and the Resulting Company being filed with the Registrar of Companies, Maharashtra.

Provided however, if all such approvals under (a), (b) and (c) above are not obtained on or before the expiry of 12 months from the date on which the High Court of Bombay has passed orders sanctioning this Scheme, the Board of Directors of the Demerged Company and the Resulting Company shall review the Scheme and take such decisions thereon as may be mutually acceptable.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO. 351 OF 2010  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 284 OF 2010

Allcargo Global Logistics Ltd

..... Petitioner

WITH

COMPANY SCHEME PETITION NO. 352 OF 2010  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 285 OF 2010

Sealand Terminals Pvt. Ltd

..... Petitioner

Mr. Cherag Balsara with Ms. Sanidha Vedpathak I/b Tyabji Dayabhai Advocates for the Petitioner in Company Scheme Petition No. 351 of 2010.  
Mr. Cherag Balsara with Ms. Sanidha Vedpathak I/b Maneksha & Selina, Advocates for the Petitioner in Company Scheme Petition No. 351 of 2010.  
Mr. N.D. Sharma I/b Mr. S.K. Mahapatra for Regional Director in both Petitions.  
Dr. T. Pandian, Dy. Official Liquidator present in Company Scheme Petition No. 352 of 2010.

CORAM: S. J. KATHAWALLA, J  
DATE: 30<sup>TH</sup> SEPTEMBER 2010

P.C.

1. Heard learned counsel for parties.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956, to the Scheme of Amalgamation of Sealand Terminals Pvt. Ltd. (Transferor Company) with Allcargo Global Logistics Ltd. (Transferee Company).
3. Counsel appearing on behalf of the Petitioner has stated that they have complied with all the requirements as per directions of this Court and they have filed necessary affidavits of compliance in the Court. Moreover, the Petitioner Company undertakes to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the Rules made thereunder. The undertaking is accepted.
4. The Regional Director has filed an Affidavit stating therein that save and except as stated in paragraph 6 of the Affidavit, the Scheme does not appear to be prejudicial to the interest of the shareholders and Public. In paragraph 6 of the Affidavit, the Regional Director has stated that:-

"Deponent further submit that, the Transferee Company has paid long term lease premium of Rs. 34.6 Crores to its Managing Director. This transaction relates to immovable property taken on lease for a period of 30 years and this huge consolidated amount was paid to the Managing Director by the Transferee Company which may attract the provisions of Section 295 of the Act and needs to be further examined. In this connection the Registrar of Companies is being directed to examine the provisions of Section 295 and other applicable provision of the Act in the matter. In view of the above liberty may be granted to the Registrar of Companies, Mumbai Regional Director to initiate necessary penal action against the Transferee Company and its Director if any violations are established. This is for the information of this Honble High Court."

5. So far as paragraph 6 is concerned, the Counsel for the Petitioner Company submits that the Regional Director/Registrar of Companies are at liberty to adopt such proceedings in accordance with law against the Transferee Company and its Director, if any violation under Section 295 and other applicable provisions of the Act are established. The Counsel further submits that the said alleged violations does not affect the proposed Scheme of Amalgamation.



6. The Official Liquidator has filed his report in Company Scheme Petition No. 352 of 2010 stating that the affairs of the Transferor Company have been conducted in a proper manner and the Transferor Company may be ordered to be dissolved.
7. The Counsel for the Petitioners states that the Transferee Company i.e. the Petitioner in Company Scheme Petition No. 351 of 2010 has received two objections. The first objection is dated 19<sup>th</sup> July 2010 from Darshan Roadlines Pvt. Ltd., one of the unsecured creditor of the Transferee Company, asking confirmation for the outstanding balance of Rs. 40,33,000/- The Counsel for the Petitioner Company submits that, by their letter dated 26<sup>th</sup> July 2010 the above outstanding balance is confirmed by them. The Counsel for the Petitioner has produced the said letter and the same are taken on file and marked as X and X1 respectively, for identification. The Counsel for the Petitioner Company further submits that the second objection is from MFC Transport Pvt. Ltd., one of unsecured trade creditor of the Transferee Company. The said objection is contained in an Affidavit dated 24<sup>th</sup> July 2010. The balance amount claimed by MFC Transport Pvt. Ltd. is Rs. 1,61,51,088/-. The Counsel submits that it is a running day to day business account. The Counsel submits that the Transferee Company is regular in making payments to its creditors and that it has not made any default and the Petitioner Company i.e. the Transferee Company through their Counsel undertakes that they will make the payments as and when the same become due and payable. The Counsel for the Petitioner Company submits that amount available for appropriation for the year is Rs. 268.84. Crores with the Transferee Company. Moreover, the Petitioner Company has made a profit of Rs. 28 Crores from 1<sup>st</sup> January 2010 to 31<sup>st</sup> March 2010 as shown in the Provisional Balance-Sheet. The Petitioner Company will remain in existence and the financial position of the Transferee Company after the amalgamation will be stronger and better.
8. The Regional Director has in paragraph No. 5 (vii) of his Affidavit stated that the Income Tax Department has raised a demand of Rs. 65 Crores against the Transferee Company for the Assessment year 2003-2004 to 2009-2010 from which an Appeal has been preferred to the Commissioner of Income Tax (Appeal) and the same is pending. The Petitioner's said Appeal will be pursued and in any event the Petitioner Company has adequate assets to meet the same.
9. From the material on record, the scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
10. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 351 of 2010 filed by the Transferee Company is made absolute in terms of prayer clauses (a) to (k) and Company Scheme Petition No. 352 of 2010 filed by the Transferor Company is also made absolute in terms of prayer clauses (a) to (k). The Regional Director/Registrar of Companies are at liberty to adopt proceedings in accordance with law against the Transferee Company and its Director. If any violation under Section 295 and other applicable provisions of the Act are established.
11. The Transferee Company to lodge a copy of this Order and the Scheme duly authenticated by the Company Registrar, High Court, Bombay, with the concerned Superintendent of Stamps for the purposes of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the Order.
12. The Petitioner in both the Petitions to pay costs of Rs. 10,000/- each to the Regional Director, Western Region, Mumbai, Petitioner in Company Petition No. 352 of 2010 to pay a sum of Rs. 10,000/- to the Official Liquidator, High Court, Bombay, towards his costs. Costs to be paid within four weeks from today.
13. Filing and issuance of the drawn up order is dispensed with.
14. All concerned authorities to act on a copy of this order alongwith Scheme duly authenticated by Company Registrar, High Court, Bombay.

(S.J. Kathawalla, J)

**SCHEME OF ARRANGEMENT  
BETWEEN  
SEALAND TERMINALS PRIVATE LIMITED AND ITS MEMBERS  
AND  
ALLCARGO GLOBAL LOGISTICS LIMITED  
AND ITS MEMBERS  
FOR AMALGAMATION OF  
SEALAND TERMINALS PRIVATE LIMITED  
WITH  
ALLCARGO GLOBAL LOGISTICS LIMITED**

**I. BACKGROUND AND RATIONALE FOR THE SCHEME OF ARRANGEMENT BY WAY OF AMALGAMATION**

(a) **Allcargo Global Logistics Limited** (hereinafter referred to as '**AGL**' or '**the Transferee Company**') is engaged in the business of providing comprehensive logistic solutions for national and international trade. Its operations are spread across the globe. The present operations of AGL comprise of the following key areas of the logistics business:

- Multi-modal Transport Operations
- Inland Container Depot / Container Freight Stations
- Project Cargo Handling
- Equipment Hiring
- Warehousing

(b) **Sealand Terminals Private Limited** (hereinafter referred to as '**STPL**' or '**the Transferor Company**') is engaged in the business of, inter alia,

- Construction, development, maintenance and dealing with the container freight stations and inland container depots and terminals.
- inland and sea transportation of goods and passengers.
- construct/erect/build ports.

(c) STPL is the wholly-owned subsidiary of Contech Transport Services Private Limited ("**Contech**"), which in turn is a wholly-owned subsidiary of AGL.

(d) AGL is presently in the phase of integration and consolidation of the logistics business with a view to provide world class logistic services to various business constituents and the society at large by spreading its footprint domestically and globally. In its process of integration and consolidation, AGL has successfully acquired various companies in the recent past.

In furtherance to its aforesaid objects and in view of existence of business synergies between AGL and STPL, and to enhance shareholders value, AGL intends to acquire the STPL in accordance with the provision of this Scheme of Arrangement.

(e) This Scheme of Arrangement (hereinafter referred to as '**the Scheme**'), inter-alia, provides for the amalgamation of **STPL** with **AGL** pursuant to Section 391 to 394 and other relevant provisions of the Act.

(f) The Scheme also makes provisions for various other matters consequential or related thereto and otherwise integrally connected therewith.

**II. PARTS OF THE SCHEME**

This Scheme of Arrangement is divided into the following parts:

- (vi) PART I deals with the definitions, Share Capital and related aspects;
- (vii) PART II deals with transfer and vesting of Transferor Company;
- (viii) PART III deals with General Clauses; and
- (ix) PART IV deals with other terms and conditions applicable to this Scheme of Arrangement.

## PART I GENERAL

## 1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- (a) "Act" means the Companies Act, 1956 or any statutory modification or reenactment thereof;
- (b) "The Appointed Date" means, 1<sup>st</sup> April 2009 or such date as the Boards of the Transferor Company and the Transferee Company may decide and as approved by the Hon'ble Bombay High Court.
- (c) "Board" means Board of Directors of the Transferor Company and the Transferee Company, which will include any committees constituted by the Boards from time to time.
- (d) "Court" or "High Court" means the Hon'ble High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable.
- (e) "Effective Date" means the later of the dates on which certified copies of the Orders of the Hon'ble Bombay High Court vesting the assets, properties, liabilities, rights, duties, obligations and the like of the Transferor Company in the Transferee Company are filed with the Registrar of Companies, Maharashtra after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary therefor.
- (f) "Scheme" means this Scheme of Amalgamation in its present form as submitted to the Honorable High Court of Judicature at Bombay or with any modification(s) approved or imposed or directed by the Hon'ble Bombay High Court with any modification(s) made under Clause 19 of this Scheme.
- (g) "Transferor Company" means Sealand Terminals Private Limited., a company incorporated under the Indian Companies Act, 1956, whose Registered Office is situated at Diamond Square, 5<sup>th</sup> floor, CST Road, Kalina, Santacruz (East), Mumbai – 400 098, Maharashtra, India.
- (h) "Transferee Company" means Allcargo Global Logistics Limited, a Company incorporated under the Companies Act, 1956, whose Registered Office is situated at Diamond Square, 5<sup>th</sup> floor, CST Road, Kalina, Santacruz (East), Mumbai – 400 098, Maharashtra, India.
- (i) "Undertaking" means all the undertakings and entire business of the Transferor Company as a going concern, including, without limitation:
- (i) all the assets and properties (whether moveable or immoveable, tangible or intangible, real, or personal, in possession or reversion, corporeal or incorporeal, present future or contingent of whatsoever nature) of the Transferor Company, whether situated in India or abroad, including, without limitation, All lands (whether leasehold or freehold), plants, machinery, equipment, buildings and structures, offices, residential and other premises, capital work-in-progress, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, all stocks, stocks of fuel, rolling stock, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, prospective licenses and mining leases (in each case including the benefit of any applications made therefor) and the surface rights in relation thereto, receivables and liabilities related thereto, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties for the employees or other persons, vehicles, D. G. sets, guest houses, godowns, warehouses, cement dumps, cement stocks and stores railway lines and sidings, water pipelines, depots, the power generation undertakings including power plants, fly ash handling systems, share of any joint assets, and other facilities, right to use jetties and piers, fixed and other assets, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;
  - (ii) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permission, approvals, consents, subsidies, privileges, income tax benefits and exemptions including the right to deduction under Section 80IA of the Income Tax Act, 1961 (or any statutory modification or re-enactment thereof

for the time being in force) in respect of the profits of the undertaking for the residual period, i.e. for the period remaining as on the Appointed Date out of the total period for which the deduction is available in law if the amalgamation pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company.

- (i) all earnest moneys and/or security deposits paid or deemed to have been paid by the Transferor Company;
- (iv) all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Indian rupees or foreign currency, whether provided for or not in the books of account or disclosed in the balance sheet of the Transferor Company; and
- (v) all intellectual property rights, trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmers', manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company.
- 1.2 All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.
- 1.3 References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.
- 1.4 The headings herein shall not affect the construction of this Scheme.
- 1.5 The singular shall include the plural and vice versa; and references to one gender include all genders.
- 1.6 Any phrase introduced by the terms 'include', 'in particular' or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 References to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).

## 2. SHARE CAPITAL AND SHAREHOLDING PATTERN

- (a) As on December 31, 2009, the share capital of the Transferor Company is as follows:

Share Capital	Rupees
<b>Authorized Share Capital</b>	
50,000 Equity Shares of Rs.10 each	500,000
<b>Issued, Subscribed and Paid Up</b>	
10,000 Equity Shares of Rs.10 each fully paid-up	100,000

- (b) Post December 31, 2009, there is no change in the share capital of the Transferor Company.

- (c) As on December 31, 2009, the share capital of the Transferee Company is as follows:

Share Capital	Rupees
<b>Authorized Share Capital</b>	
175,000,000 Equity Shares of Rs.2 each	350,000,000
<b>Issued, Subscribed and Paid Up</b>	
124,811,265 Equity Shares of Rs.2 each fully paid-up	249,622,530

- (d) During the year 2006, the Transferee Company had granted 51,300 stock options (256,500 after sub-division of shares from Rs.10 per equity share to Rs.2 per equity share) to its employees and employees of its subsidiary companies, which upon exercise and together with allotment of bonus shares entitled hereon will increase the issued, subscribed and paid up equity share capital of the Transferee Company.
- (e) Post December 2009, the Company has allotted 34,000 equity shares of Rs.2 each to its various employees on exercise of options granted to them under "Allcargo Employee Stock Option Plan 2006". The issued, subscribed and paid up capital after such allotment of shares is Rs.249,690,530 divided into 124,845,265 equity shares of Rs.2 each. The equity shares of the Transferee Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.
- (f) The 100% paid up share capital of the Transferor Company is held by Contech Transport Services Private Limited, whose registered office address is Wakefield House, 1<sup>st</sup> floor Sport Road, Ballard Estate, Mumbai 400 001.
- (g) The 100% paid up share capital of the said Contech Transport Services Private Limited is held by the Transferee Company; as such the said Contech Transport Services Private Limited is a wholly owned subsidiary of the Transferee Company; and consequently the Transferor Company is also a wholly owned subsidiary of the Transferee Company in terms of the provisions of Section 4(1)(c) of the Companies Act, 1956.
- (h) Post the Scheme there will be no change in the shareholding of the Transferee Company since under Section 42 & 77 of the Act, Contech Transport Services Private Limited, being wholly owned subsidiary of the Transferee Company, cannot hold shares of the Transferee Company (being its holding company), there will be no issue and allotment of shares of the Transferee Company to Contech Transport Services Private Limited in consideration of the transfer of the Transferor Company's undertaking contemplated by the Scheme.

### 3. DATE OF TAKING EFFECT AND OPERATIVE DATE OF THE SCHEME

The Scheme, set out herein in its present form or with any modification(s) as approved by the High Court of Judicature at Bombay, shall be effective from the Appointed Date but shall be operative from the Effective Date.

### PART II- TRANSFER AND VESTING OF THE UNDERTAKING OF THE TRANSFEROR COMPANY

- 4(a) With effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Company including all the estate, assets, right, title and interest including any benefit, claim or amount which is received by the Transferor Company after the Appointed Date or at any time pursuant to Section 394 of the Act, be transferred to and vested, at their book values as on the Appointed Date, in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, right, title and interest of the Transferee Company.
- (b) In respect of all of the assets of the Transferor Company, including cash and bank balances, as are movable in nature or are otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, the same shall be so transferred by the Transferor Company, and shall become the property of the Transferee Company.
- (c) In respect of all of the assets belonging to the Transferor Company, other than those referred to in sub-clause (b) above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company on the Appointed Date, pursuant to the provisions of Section 394 of the Act.
- (d) All assets acquired by the Transferor Company after the Appointed Date and prior to the Effective Date shall also stand transferred to and vested in the Transferee Company, upon the coming into effect of the Scheme.
- (e) In so far as the assets comprised in the Transferor Company is concerned, the security or charge over such assets relating to any loans, debentures or borrowings of the Transferor Company shall without any further act or deed be a security or charge over such assets in the Transferee Company.
- (f) It is clarified, for the removal of doubt, that, on and from the Effective Date, for the purposes of determining any eligibility criteria or for qualifying to bid for any project or contract or work relating to the Transferor Company, only the Transferee Company shall have the benefit of the experience and track record of the Transferor Company and shall not be entitled to directly or indirectly claim or rely upon any such track record or past experience.
- (g) It is clarified, for the removal of doubt, that the transfer of any goods imported by the Transferor Company and transferred to the Transferee Company as per the Scheme shall not be deemed to have breached any condition of the import licenses or the applicable clauses of the Import Policy or notifications under the relevant customs and/or any other applicable laws.
- (h) All duty free entitlements, concessions, benefits, income tax benefits, etc. which the Transferor Company is entitled to in respect of the Amalgamation shall vest in and be available to the Transferee Company on the same terms and conditions thereof.

- (i) On and from the Appointed Date, if any certificate for tax deducted at source or any other tax credit certificate relating to the Transferor Company is received in the name of the Transferor Company, it shall be deemed to have been received by the Transferee Company which alone shall be entitled to claim credit for such tax deducted or paid and the relevant tax authorities are hereby directed to permit the Transferee Company to claim the benefit of such tax credit even though such tax deducted at source or tax credit certificate stands in the name of the Transferor Company.
- 5(a) With effect from the appointed date, all debts, liabilities, contingent liabilities, duties and obligations of Transferor Company, as on the Appointed Date whether provided for or not in the books of accounts of Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or upto the day of the Appointed Date shall, pursuant to the Orders of the High Courts or such other competent authority as may be applicable under Section 394 and other applicable provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.
- (b) All of the liabilities and obligations of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company and all loans raised and used and all liabilities, after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company which shall undertake to meet discharge and satisfy the same.
- (c) The transfer of all debts in terms of sub-clause (a) above shall be without prejudice to any agreements or arrangements including in respect of security entered into between the Transferor Company and the lenders existing on the Appointed Date which shall continue in full force notwithstanding that the liability for repayment of the principal amount and payments of interest is taken over by the Transferee Company.
- (d) The Transferee Company shall make repayments of such principal amounts and payments of interest thereon on behalf of the Transferor Company in respect of any liability mentioned hereinabove. If the Transferee Company is required to make payment to satisfy such liability.
6. All the assets and liabilities of the Transferor Company shall be transferred at the values appearing in the books of accounts of the Transferor Company as at Appointed Date.
7. With effect from the Effective Date, and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company be required, the reserves of the Transferor Company will be merged with those of the Transferee Company in the same form as they appeared in the financial statements of the Transferor Company. In other words, the identity of the reserve of the Transferor Company will be preserved at the hands of the Transferee Company.

In case of any differences in accounting policy between the Companies, the impact of the same till the amalgamation will be quantified and adjusted in the Reserve Reserve(s) mentioned earlier to ensure that the financial statements of the Transferee Company reflects the financial position on the basis of consistent accounting policy.

8. With effect from the Appointed Date, all the said liabilities shall, without any further act or deed, be and stand transferred, to the Transferee Company pursuant to the applicable provisions of the said Act, so as to become as from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company.
9. **NON-ISSUE AND WAIVER OF SHARES BY THE TRANSFEE COMPANY**
- (a) Since the Transferor Company is a wholly owned subsidiary of Contech Transport Services Private Limited which, in turn, is a wholly owned subsidiary of the Transferee Company and since under Section 42 & 77 of the Act, Contech Transport Services Private Limited as a subsidiary company cannot hold shares of the Transferee Company (being its holding company), there will be no issue and allotment of shares of the Transferee Company to Contech Transport Services Private Limited in consideration of the transfer of the Transferor Company's undertaking contemplated by the Scheme.
- (b) In any event, the said Contech Transport Services Private Limited has waived its right to be allotted and receive any shares of the Transferee Company arising on amalgamation of Transferor Company with the Transferee Company.
- (c) For the purposes as aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the requisite consent or approval of the Appropriate Authorities concerned.

**10. ACCOUNTING TREATMENT**

**i) In the books of Transferee Company**

On the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books of accounts as under:

- (a) All the assets and liabilities recorded in the books of the Transferor Company shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book values;
- (b) All inter-company balances will stand cancelled;
- (c) The excess of the net assets value of the Transferor Company transferred to the Transferee Company, after making the adjustment as mentioned in sub-clauses (a) and (b) above, would be credited to the 'General Reserve'. In case of there being a deficit, the same shall be debited by the Transferee Company to its General Reserve.
- (d) If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Company and the Transferee Company the Transferee Company may make suitable adjustments and reflect the effect thereof in the General Reserve of the Transferee Company.

**ii) In the books of Contech Transport Services Pvt. Ltd.**

On the Scheme becoming effective, the following treatment relating to investment made by Contech Transport Services Pvt. Ltd. in the Transferor Company shall be given in its books of accounts:

- (a) The investment in the equity share capital of the Transferor Company as appearing in the books of accounts of Contech Transport Services Pvt. Ltd. shall stand cancelled and shall be written off and adjusted against its General Reserves.

**11. WINDING UP**

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up

**PART III – GENERAL CLAUSES**

**12. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

Subject to other provisions contained in the Scheme, all contracts, deeds, bonds, debentures, agreements and other instruments of whatever nature in which the Transferor Company is a party subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favor of the Transferee Company, as the case may be, and may be enforced as fully and as effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

**13. LEGAL PROCEEDINGS**

- (a) Upon the coming into effect of the Scheme, all legal or any other proceedings (including arbitrations) by or against the Transferor Company, and as agreed between the Transferor Company and the Transferee Company, whether pending on the Appointed Date or which may be instituted in future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date shall be continued and enforced by or against the Transferee Company after the Effective Date.
- (b) If proceedings are taken against the transferor Company in respect of the matters referred to in sub clause (a) above, it shall defend the same in accordance with the advice of the Transferee Company and at the cost and risk of the Transferee Company.
- (c) The Transferee Company undertakes to have all legal or other proceedings (including arbitrations) initiated by or against the Transferor Company referred to in sub-clause (a) above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company.

**14. TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES**

All the staff, workmen and other employees, if any, in the service of the Transferor Company immediately before the amalgamation of the Company under the Scheme shall become the staff, workmen and employee of the Transferee Company on the basis that :

- (a) Their service shall have been continuous and shall not have been interrupted by reason of the amalgamation of the Companies;

- (b) The terms and conditions of service applicable to the said staff, Workmen or employees after such transfer shall not in any way be less favorable to them than those applicable to them immediately before the transfer;
- (c) It is expressly provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Funds as per the terms provided in the respective Trust Deeds. It is aim and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees employed in different units of the Transferor Company under such Funds and Trusts shall be protected. It is clarified that the services of the employees of the Transferor Company will also be treated as having been continuous for the purpose of the aforesaid Funds or provisions.

**15. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY TILL EFFECTIVE DATE**

With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company:

- (a) shall carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company and all the profits accruing to the Transferor Company or losses arising or incurred by it shall, for all purposes, be treated as the profits or losses of the Transferee Company as the case may be;
- (b) hereby undertakes to carry on its business until the Effective Date with reasonable diligence and shall not, without the written consent of the Transferee Company, alienate, charge or otherwise deal with the said undertaking or any part thereof except in the ordinary course of its business;
- (c) shall not, without the written consent of the Transferee Company, undertake any new business.

**16. TAXES**

- (a) Any tax liabilities under the Income Tax Act, 1961, Fringe Benefit Laws, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, Central Sales Tax Act, 1956 and any other state sales tax/value Added Tax laws, Service Tax or other applicable laws/regulations, dealing with taxes/duties/levies/cess (hereinafter in this Clause referred to as "Tax Laws") allocable or related to the Transferor company to the extent not provided for or covered by tax provisions in the Accounts made as on date immediately preceding the Appointed Date shall be transferred to account of and belong to the Transferee Company.
- (b) Any refund under the Tax Laws due to the Transferor company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall be also belong to and be received by the Transferee Company.
- (c) Without prejudice to the generality of the above, all benefits including under Income Tax, Excise (including CENVAT), Sales Tax (including deferment of sales tax), act, to which the Transferor company is entitled to in terms of the applicable Tax Laws, shall be available to and vest in the Transferee Company.

**17. DIVIDEND AND PROFITS**

- (a) Subject to the approval of the Transferee Company, the Transferor Company may declare and pay dividends, whether interim or final, to its members in respect of the accounting period prior to the Effective Date.
- (b) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Directors of the Transferee Company.
- (c) The Transferor Company shall not declare any dividend for the period commencing from and after 1<sup>st</sup> April 2009 without the written consent of the Transferee Company.
- (d) Subject to the provisions of the Scheme, the profits of the Transferor Company for the period beginning from 1<sup>st</sup> April 2009 shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it think fit including declaration of dividend by the Transferee Company in respect of its financial year ending 31<sup>st</sup> December 2009 or any year thereafter.
- (e) The Transferor Company shall not issue or allot any Rights Shares or Bonus Shares, out of its Authorized or unissued Share Capital for the time being.

**18. SAVING OF CONCLUDED TRANSACTIONS**



The transfer of the entire business and the undertaking of the Transferor Company to the Transferee Company shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things done and/or executed by the Transferor Company in regard thereto as having been done or executed on behalf of the Transferee Company.

#### **PART V - GENERAL TERMS & CONDITIONS**

##### **19. APPLICATIONS TO HIGH COURT**

The Transferor Company and the Transferee Company hereto shall, with all reasonable despatch, make applications under Sections 391 and 394 of the said Act to the High Court of Judicature at Bombay separately for sanctioning the Scheme and for dissolution of the Transferor Company without winding up.

##### **20. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

- (a) The Transferor Company (by its Board of Directors or any duly authorised committee) and the Transferee Company (by its Board of Directors or any duly authorised committee) may assent to any modification or amendment to the Scheme or agree to any terms and/or conditions which the Courts and/or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect.
- (b) For the purpose of giving effect to the Scheme or to any modification thereof, the Directors of the Transferor Company are hereby Authorized to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

##### **21. EXPENSES CONNECTED WITH THE SCHEME**

All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with the Scheme and of carrying out and implementing/completing the terms and provisions of the Scheme and/or incidental to the completion of amalgamation of the Transferor Company in pursuance of the Scheme shall be borne and paid solely by the Transferee Company.

##### **22. SCHEME CONDITIONAL ON APPROVAL/SANCTIONS**

The Scheme is conditional upon and subjects to:

- (a) The Scheme being agreed to by the respective requisite majority in number and value of such classes of the members and creditors (where applicable) of the Transferor Company and the Transferee Company as required under the Act and the requisite orders of the Hon'ble Bombay High Court referred hereof being obtained.
- (b) The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- (c) The certified copies of the Orders of High Court of Judicature at Bombay under Sections 391 and 394 of the Act sanctioning the Scheme being filed with the Registrar of Companies, Mumbai, Maharashtra by the Transferor Company and the Transferee Company.
- (d) Any other sanction or approval of the Appropriate Authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the Transferor Company and the Transferee Company, being obtained and granted in respect of any of the matters for which such sanction or approval is required.

##### **23. EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of any of the said sanctions and approvals referred to in the preceding Clause 21 not being obtained and / or the Scheme not being sanctioned by the High Court or such other competent authority and / or the order or orders not being passed as aforesaid before December 31, 2010 or such other date as may be agreed by the respective Board of Directors of the Transferor Company and the Transferee Company, the Board of Directors of the Transferor Company and the Transferee Company shall review the Scheme and take such decisions thereon as may be mutually acceptable.

**AMENDMENT IN ARTICLES OF ASSOCIATION OF THE COMPANY**

**8<sup>th</sup> Annual General Meeting held on 26<sup>th</sup> September 2001**

"Resolved that pursuant to the applicable provisions of the Companies Act, 1956, as amended by the Companies (Amendment) Act, 2000, the Articles of Association of the Company be amended as follows:

Article 3(d) be inserted after article 3(c) as under-

(d) Prohibited any invitation or acceptance of deposit from persons other than its members, directors or their relatives."

**Extra-Ordinary General Meeting held on 28<sup>th</sup> February, 2005**

"RESOLVED FURTHER that pursuant to Section 31, Section 94(1) and other applicable provision(s), if any, of the Companies Act, 1956, Articles of Association of the Company be altered by substituting of Article IV, with the following new Article"

4. The Authorised Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 15,00,000 (Fifteen Lacs) Equity Shares of Rs.100/- (Rupees Hundred only) each and 5,00,000 (Five Lacs) 6% Non-Cumulative Redeemable Preference Shares of Rs.100/- (Rupees Hundred only) each. The Company has power from time to time to increase or reduce its capital and to divide the Shares in the Capital for time being into other classes and to attach thereto respectively such Preferential, deferred, qualified or other special rights, privileges or conditions or restrictions as may be determined by or in accordance with the Regulations of the Company and to vary, modify, or abrogate and such rights, privileges or conditions or restrictions in such manner as may for the time being be permitted by the Regulations of the Company or the legislative provision for the time being in force in that behalf and consolidate or subdivide the shares and issue shares of higher or lower denominations

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to do all such acts, deeds, matter and things as may be required to give effect to the above resolution."

**Extra-Ordinary General Meeting held on 9<sup>th</sup> December, 2005**

"RESOLVED THAT pursuant to provision of section 31 and all other applicable provisions, if any, of the Companies Act 1956 (including any statutory modification or re-enactment thereof for time being in force) the Articles of Association of the Company be and is hereby altered by substituting the existing Article 4 by the following new Article 4

- "4. The Authorised Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rupees Ten only) each with rights, privileges and conditions attaching thereto as are provided by the regulations of the Company from time to time being with power to increase or reduce its capital or divide the Capital into several classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges or conditions as regards payment of dividends, distribution of assets, repayments or reduction of capital, voting or otherwise sub-divide them as may be determined by or in accordance with the Regulations of the Company and to vary, modify, or abrogate and such rights, privileges or conditions or restrictions in such manner as may for the time being be permitted by the Regulations of the Company."

**Extra-Ordinary General Meeting held on 5th January, 2006**

"RESOLVED THAT pursuant to provisions of section 31 and all other applicable provisions of the Companies Act 1956 (including any statutory modification or re-enactment thereof for time being in force) the Articles of Association of the Company be and are hereby altered by substituting the existing Article No. 4 by the following new Article No. 4.

- "4. The Authorised Share Capital of the Company is Rs. 21,00,00,000/- (Rupees Twenty One Crores only) divided into 2,10,00,000 (Two Crores Ten Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each with rights, privileges and conditions attaching thereto as are provided by the Regulations of the Company from time to time being with power to increase or reduce its capital or divide the Capital into several classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges or conditions as regards payment of dividends, distribution of assets, repayments or reduction of capital, voting or otherwise sub-divide them as may be determined by or in accordance with the Regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions or restrictions in such manner as may for the time being be permitted by the Regulations of the Company."

**Extra-Ordinary General Meeting held on 14th January, 2006**

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions of the Companies Act, 1956 and subject to all other necessary regulatory/statutory approvals, the Articles of Association of the Company be and are altered by adopting a new set of Articles of Association duly incorporating all the provisions as applicable to a Public Limited Company and in compliance with the requirements of the Listing Agreement with the Stock Exchanges, consequent upon the conversion of the Company into a Public Limited Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take necessary steps to give effect to this resolution."

**14th Annual General Meeting held on 29th June, 2007**

"RESOLVED THAT in pursuance to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Article 4 of the Articles of Association of the Company be and is hereby altered by deleting the same and substituting in place thereof, the following as new Article 4.

4. The Authorised Share Capital of the Company is Rs. 300,000,000/- (Rupees Thirty Crores only) divided into 30,000,000 (Thirty Crores) equity shares of Rs. 10/- (Rupees Ten only) each, with rights, privileges and conditions attached thereto as are provided by the Regulations of the Company for the time being, with power to increase or reduce the Capital of the Company or to divide the shares of the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Regulations of the Company."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all the necessary steps and to do all such acts, deeds and things as may be deemed expedient to give effect to this Resolution."

**Extra Ordinary General Meeting held on 19<sup>th</sup> March, 2008**

"RESOLVED FURTHER THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the regulations contained in the Articles of Association of the Company amended to incorporate the relevant provisions of the Investment Agreement executed amongst the Company, the promoters of the Company (as defined therein), and the Investors ("Investment Agreement"), a draft of which approved by the Board is attached to the notice convening this general meeting, be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the previous articles hereof with effect from the date on which the Subscription Equity Shares, FCCDs and Warrants of the Company are allotted to the Investors."

**15<sup>th</sup> Annual General Meeting held on 12<sup>th</sup> August, 2008**

"RESOLVED FURTHER THAT upon approval accorded for amendment in the nominal value of FCCD from Rs.10 per FCCD to Rs.934 per FCCD and in accordance with the provisions of Section 31 of the Companies Act, 1956, the following Articles of the Articles of Association of the Company be altered in following manner.

- (a) In Article 2, the definition of "FCCD" shall be replaced with the following definition:

"FCCD" means unsecured, unlisted and unrated fully and compulsorily convertible debentures of the Company each of face value Rs. 934 per FCCD to be issued to the Investors in accordance with the terms of this Agreement."

- (b) Article 210 shall be deleted and replaced with the following:

Terms. The FCCDs issued to the Investors by the Company shall be on such terms and conditions as provided herein. Each FCCD shall have a face value of Rs. 934 and a tenure of 18 (eighteen) months and shall be mandatorily convertible in terms hereof in the ratio of 1 (one) Equity Share for every 1 (one) FCCD (as adjusted taking into account Adjustment Events that have occurred upto the date of conversion of the FCCDs)."

- (c) Article 211 shall be deleted and replaced with the following:

Interest. The FCCDs will carry an interest of 6.0% per annum on the face value. The first interest payment on the FCCDs shall be made on the date falling 12 (twelve) months from the Completion Date, and the balance interest shall be paid on the date falling 18 (eighteen) months from the Completion Date. All interest amounts payable by the Company to the Investors will be made free and clear of and without deduction for or on account of any tax, surcharge, cess or levy. In the event that the Company is required to make any deduction or withholding on account of any present or future taxes, duties, assessments or governmental charges imposed upon such payments by any governmental authority, the Company shall pay the Investors such additional amounts as would be necessary in order that the Investors receive the same net amount they would have received, had no such taxes, duties, assessments or charges been applicable to such interest payments."

**Extraordinary General Meeting held on October 15, 2009**

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactments thereof for the time being in force), the following regulations contained in the Articles of Association of the Company be amended in the manner hereinafter mentioned so as to incorporate the relevant provisions of the second amendments to the Investment Agreement executed amongst the Company, the Promoters of the Company (as defined therein), and the Investors ("Amendment Agreement")."

- (i) Definition of "Additional Investment Trigger Event" in Article 2 be deleted in its entirety;
- (ii) Definition of "Consolidated Recurring Operational EBITDA" in Article 2 be deleted in its entirety;
- (iii) Definition of "Exercise Price" in Article 2 be deleted in its entirety and replaced with following new definition:

"Exercise Price" means Rs. 934 per Equity Share.;"

- (iv) Article No. 215 to be deleted in its entirety and replaced with the following new Article No. 215:

**"Conversion.** The Warrants shall be optionally convertible into Equity Shares, at the sole option of the Investors within 18 (eighteen) months from the Warrant Completion Date ("Warrant Conversion Period"). If during the Warrant Conversion Period any of the Investors choose to convert part or all of the Warrants held by it (and/or its Affiliates), the Investors shall issue a written notice (the "Warrant Conversion Notice") to the Company, which written notice shall state the number of Warrants held by the Investors and/or their Affiliates which they propose to convert into Equity Shares.

(a) One day prior to the expiry of the Warrant Conversion Period, the Investors shall credit (or shall procure that the same is credited) the Aggregate Balance Amount to the bank account of the Company (as notified by the Company five days prior to such date).

(b) Until the Warrant Conversion Date, the Aggregate Balance Amount shall be retained in the bank account of the Company as share application money and shall not be utilized for any purpose.

(c) Within 35 days of the Warrant Conversion Notice ("Warrant Conversion Date"), the Company shall:

- (i) obtain all requisite approval(s) relating to issue and allotment of Warrant Shares to the Investors;
- (ii) allot and issue to the Investor(s) (and/or their Affiliates) one Equity Share for every Warrant (as adjusted taking into account Adjustment Events that have occurred upto the date of conversion of the Warrants) held by the Investors and/or their Affiliates ("Warrant Shares");
- (iii) issue to the Investors (and/or their Affiliates) a duly stamped letter of allotment confirming the issue and allotment of the Warrant Shares, each duly completed in the name of the Investors (or such Affiliates, as the case may be). The Warrant Shares shall rank pari passu with the Equity Shares, and shall be free and clear of any Encumbrances and the Company shall so represent and warrant;
- (iv) pay the requisite amount of stamp duty in respect of the Warrant Shares;
- (v) duly register the Warrant Shares, in the name of the Investors (and/or their Affiliates), in the Company's register of members and provide evidence thereof to the Investors; and
- (vi) credit the depository account of the Investors and/or their Affiliates (the details of which shall be notified by the Investors to the Company in advance) with the Warrant Shares."

(d) If the Warrant Shares are not allotted and the actions in clause (c) of Article No. 215 are not completed within 35 days from the date of the Warrant Conversion Notice, the Company shall immediately refund the Aggregate Balance Amount to the Investors by transferring such amount to such bank accounts of the Investors as the Investors instruct."

- (v) Article No.216 be deleted in its entirety;
- (vi) Clause (xi) shall be added at the end of Article No. 219 as follows:

**"Company Covenants for Investor Exit.** The Company covenants that in the event the Investors propose to Transfer, subject to the provisions of Article 59 and 220, their Equity Securities to any person or group of persons, including but not limited to a sale of Equity Securities through a public offering (whether on a secondary basis or not), the Company shall use its best endeavours to facilitate such Transfer and provide information in respect of the Company or any subsidiary of the Company that is necessary for such person or group of persons to evaluate the Business or the business of such subsidiary. Such actions by the Company shall include, without limitation:

conducting road shows;

procuring that management shall be available for discussions with investors/analysts;

facilitating an offer for sale,

subject to execution of confidentiality undertakings by the recipients, providing all necessary documents relating to the Company and subsidiaries of the Company;

appointment of reputed investment banks and/or placement agents;

preparation and filing of offer documents;

making necessary applications, registrations and filings with Governmental Authorities and other persons;

The investors shall pay all fees and expenses including without limitation registration fees, listing fees, fees for placement agents and investment bankers in exercise and performance, both by the Company and the Investors, of the provisions of this clause (xi)."

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid matters, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable for such purpose and with power on behalf of the Company to agree, make, accept all such term(s), condition(s), as it may deem fit including condition(s), modification(s) and alteration(s) stipulated or required by any relevant authority or by their bye laws, rules, regulations or guidelines and the Board is also hereby authorized to resolve and settle all questions, difficulties, or doubts that may arise, including to finalise and execute all agreement(s), document(s) and writing(s) and to do all acts, deeds and things in this connection and incidental as the Board may in its absolute discretion deem fit without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly under the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it through this resolution to a committee of Directors of the Company, to any director or directors, or to any other officer or officers of the Company to give effect to the aforesaid resolutions.

RESOLVED FURTHER THAT the Company acknowledges that the Exercise Price of Rs. 931 per Equity Share is in accordance with the special resolution passed at the Extra Ordinary General Meeting held on March 19, 2008."

#### **Resolution passed by way of Postal Ballot on November 9, 2009**

"RESOLVED THAT pursuant to Section 31 and other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, permissions, sanctions, confirmations, as may be required under any law for the time being in force, the existing Article 4 of the Articles of Association of the Company relating to the Share Capital be and is hereby altered by deleting the same and substituting in its place and stead, the following new Article 4.

4. The Authorized Share Capital of the Company is as set out in Clause V of the Memorandum of Association of the Company with the rights, privileges and conditions attaching thereto as are provided by these Articles and the legislative provisions for the time being in force in this behalf, and with the power of the Company to increase, reduce, sub-divide or to repay or divide, the share capital into several classes and to attach thereto any rights, privileges or conditions, and to consolidate or subdivide or reorganize the shares, and to vary, modify or abrogate any such rights, privileges or conditions, subject to the provisions of the Act and in accordance with these Articles of the Company."

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters and things and to delegate all or any of the powers vested in the Board to any Director(s), Officer(s) of the Company as may be required to give effect to the above resolutions."

#### **Extraordinary General Meeting held on November 30, 2009**

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactments thereof for the time being in force), the following regulations contained in the Articles of Association of the Company be amended in the manner hereinafter mentioned.

- (i) Word "Rs.10" appearing in the definition of "Share" or "Equity Share(s)" in Article 2 be replaced with word "Rs.2"

- (ii) Article No.221 to be deleted in its entirety and replaced with the following new Article No. 221

#### **221 PRE-EMPTIVE RIGHTS**

- (i) The Company shall not issue any Equity Securities of any type or class to any Person (the "Proposed Recipient") unless the Company has offered to the Investors in accordance with the provisions of this Article the right to purchase such Investors Pro Rata Share of such issuance for a per unit consideration, payable solely in cash, equal to the per unit consideration to be paid by the Proposed Recipient and otherwise on the same terms and conditions as are offered to the Proposed Recipient; provided, however, that the foregoing restriction shall not apply to any issuance of Equity Securities (i) pursuant to the terms of an employee stock option plan provided that

- such issuance of Equity Securities do not exceed in the aggregate 5% of the Share Capital on a fully diluted basis, or (ii) which upon exercise of the Investors' rights under this Article would result in the Investors triggering the "open offer" requirements under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997.
- (ii) **Notice.** Not less than 45 Business Days before a proposed issuance of securities by the Company other than in connection with an issuance permitted under sub-clauses (i) and (ii) of clause (j) of this Article (a "Proposed Issuance"), the Company shall deliver to each Investor written notice of the Proposed Issuance setting forth (i) the number, type and terms of the securities to be issued, (ii) the consideration to be received by the Company in connection with the Proposed Issuance and (iii) the identity of the Proposed Recipients.
- (iii) **Exercise of Rights.** Within 30 Business Days following delivery of the notice referred to in Clause (ii) of this Article, each Investor electing to exercise its rights under this Article shall give written notice to the Company specifying the number of securities to be purchased by such Investor and the calculation by such Investor of its Pro Rata Share. Except as provided in the next succeeding sentence, failure by any Investor to give such notice within such 30 Business Day period shall be deemed a waiver by such Investor of its rights under this Article with respect to such Proposed Issuance. If any Investor fails to give the notice required under this Article solely because of the Company's failure to comply with the notice provisions of this Article, then the Company shall not issue securities pursuant to this Article and if purported to be issued, such issuance of securities shall be void. An Investor may assign to its Affiliate the right to acquire the securities pursuant to this Article, provided that such Affiliate complies with the provisions of Article 8.3(a) of the Agreement as if it were a Permitted Transferee.
- (iv) **Failure to Subscribe.** Subject to the Company's compliance with the notice provisions of this Article, in the event that any Investor (a "Non-Subscribing Investor") notifies the Company that it declines to exercise its right to subscribe to its Pro Rata Share of the Proposed Issuance, in part or in whole, is deemed to have waived its right in accordance with this Article, or fails to settle the payment of the consideration required for the Proposed Issuance within the 45 Business Day period following delivery of the notice referred to in this Article (except where such 45 Business Day period is extended for an additional period necessary to obtain any Governmental Approvals required for such subscription and payment), the other Investor shall be entitled to subscribe to such securities not subscribed to by any Non-Subscribing Investor, consistent with applicable Law."

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters and things and to delegate all or any of the powers vested in the Board to any Director(s), Officer(s) of the Company as may be required to give effect to the above resolutions."

**AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY BY WAY OF POSTAL BALLOT PASSED ON NOVEMBER 9, 2009**

"RESOLVED THAT pursuant to Sections 16, 94 and other applicable provisions of the Companies Act, 1956, (including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals, permissions, sanctions, confirmations, as may be required under any law for the time being in force, the existing Clause V of the Memorandum of Association of the Company relating to the Share Capital be and is hereby altered by deleting the same and substituting in its place and stead, the following new Clause V,

- "V. The Authorized Share Capital of the Company is Rs. 300,000,000 (Rupees Thirty Crore only) divided into 150,000,000 (Fifteen Crore) Equity Shares of Rs. 2 (Rupees Two only) each, with rights, privileges and conditions attached thereto as are provided by the regulations of the Company for the time being, with power to increase or reduce the capital of the Company or to divide the shares of the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company."

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters and things and to delegate all or any of the powers vested in the Board to any Director(s), Officer(s) of the Company as may be required to give effect to the above resolution."

**AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

**Extraordinary General Meeting held on November 30, 2009**

"RESOLVED THAT pursuant to Sections 16, 94 and other applicable provisions of the Companies Act, 1956, (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of the Members for sub-division of the face value of existing equity shares of Rs.10 each into 5 equity shares of Rs.2 each of the Company through postal ballot voting and subject to such other approvals, permissions, sanctions, confirmations, as may be required

under any law for the time being in force, the Authorized Share Capital of the Company be and is hereby increased from Rs.300,000,000 (Rupees Thirty Crore only) divided into 150,000,000 (Fifteen Crore) equity shares of Rs.2 each to Rs.350,000,000 (Rupees Thirty Five Crore only) divided into 175,000,000 (Seventeen Crore Fifty Lacs) equity shares of Rs.2 each and that the existing Clause V of the Memorandum of Association of the Company relating to the Share Capital be and is hereby altered by deleting the same and substituting in its place and stead, the following new Clause V.

- "V. The Authorized Share Capital of the Company is Rs. 350,000,000 (Rupees Thirty Five Crore only) divided into 175,000,000 (Seventeen Crore Fifty Lacs) Equity Shares of Rs. 2 (Rupees Two only) each, with rights, privileges and conditions attached thereto as are provided by the regulations of the Company for the time being, with power to increase or reduce the capital of the Company or to divide the shares of the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company."

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds and things as may be considered necessary, proper and expedient for the purpose of giving effect to this resolution and for the matters connected therein or incidental thereto."

#### **AMENDMENT TO THE ARTICLES OF ASSOCIATION OF THE COMPANY**

##### 17<sup>th</sup> Annual General Meeting held on May 20, 2010

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactments thereof for the time being in force), the following regulations contained in the Articles of Association of the Company be amended in the manner hereinafter mentioned:

- (i) In Article 2 of the Articles of Association of the Company:
  - a) The existing definition of "Agreement" shall be substituted with the following new definition.  
 "Agreement" means the Investment Agreement dated February 20, 2006 entered into between the Promoters, the Company and the Investors, as amended from time to time;
  - b) The existing definition of "Allotment Price" shall be deleted
  - c) The existing definition of "Balance Amount" shall be deleted
  - d) The following new definition of "Business" shall be inserted after the definition of "Board" and before the definition of "Business Day"  
 "Business" means multi-modal transport operators owning and operating multi-modal transport operators owning and operating container freight station/ inland container depots, project cargo handling, auto logistics, third party logistics, fourth party logistics, rail wagon owning, warehousing, port and jetty development and operations, rail-road transportation, not restricted and limited to owning and operating of distribution centers, logistics parks, cold storages, cranes and equipment hiring, rail heads and rail terminals operations, and any other mode of supply chain logistics management.
  - e) The following new definition of "Code" shall be inserted after the definition of "Chief Executive Officer" or "CEO" and before the definition of "The Company" or "this Company"  
 "Code" means the United States Internal Revenue Code of 1986.
  - f) The following new definition of "Deed of Adherence" shall be inserted after the definition of "Debenture" and before the definition of "Encumbrance"  
 "Deed of Adherence" shall have the meaning ascribed to it in the Agreement
  - g) The existing definition of "Exercise Price" shall be deleted
  - h) The following new definition of "ESOP Plan" shall be inserted after the definition of "Equity Securities" and before the definition of "Extraordinary General Meeting"  
 "ESOP Plan" means Employee Stock Option Plan announced by the Company in January 2006 vesting the option to subscribe to up to 8,25,000 Equity Shares.

- i) The existing definition of "FCCD" shall be deleted.
- ii) The existing definition of "Investor" shall be substituted with the following new definition:  
 "Investor" means each of Blackstone GPV Capital Partners (Mauritius) V-K Ltd., Blackstone GPV Capital Partners (Mauritius) V-L Ltd., Blackstone GPV Capital Partners (Mauritius) V-M Ltd., Blackstone GPV Capital Partners (Mauritius) V-N Ltd., and any Person to whom Blackstone GPV Capital Partners (Mauritius) V-K Ltd., Blackstone GPV Capital Partners (Mauritius) V-L Ltd., Blackstone GPV Capital Partners (Mauritius) V-M Ltd., Blackstone GPV Capital Partners (Mauritius) V-N Ltd. or their Affiliates Transfer any Equity Securities of the Company, provided such Person executes a Deed of Adherence and "Investors" means all of them.
- k) The following new definition of "Negotiated Deal" shall be inserted after the definition of "Month" and before the definition of "Office":  
 "Negotiated Deal" shall mean any negotiated sale on a stock exchange (whether in any specially designated bulk deal window or otherwise) or off the stock exchange where the investors are aware of the identity of the purchaser.
- l) The following new definitions of "Plan Asset Regulations" and "Prohibited Transferee" shall be inserted after the definition of "Person" and before the definition of "Promoters":  
 "Plan Asset Regulations" means the United States Department of Labor Regulation published at 29 C.F.R. Section 2510.3-101.  
 "Prohibited Transferee" means any Person who does not provide a representation and warranty to the Investors that the purchase of any Equity Securities of the Company (in one transaction, or a series of connected transactions) by it would trigger the "open offer" requirements under the Securities and Exchange Board of India (Substantial Acquisition Of Shares And Takeovers) Regulations 1997.
- m) The following new definition of "Pro Rata Share" shall be inserted after the definition of "Promoters" and before the definition of "Proxy":  
 "Pro Rata Share" means, with respect to any Investor, the proportion that the number of Equity Securities of the Company held by such Investor bears to the aggregate number of Equity Securities of the Company held by all shareholders of the Company, in each case on a fully diluted basis.
- n) The following new definition of "Put / Call Option Fair Market Value" shall be inserted after the definition of "Proxy" and before the definition of "The Register" or "The Register of Members":  
 "Put/Call Option Fair Market Value" per Equity Security shall mean the higher of:  
 (a) the twenty six week weekly average (immediately prior to date of issue of the Invoking Notice), or the fourteen day daily average (immediately prior to date of issue of the Invoking Notice) of the Equity Shares on the National Stock Exchange Limited;  
 (b) the Subscription Price per Equity Security plus 20% per annum on a compounded basis; and the Subscription Price per Equity Security multiplied by 2.25.
- o) The existing definitions of "Subscription Agreement", "Warrants", "Warrant Completion" and "Warrant Completion Date" shall be deleted.
- (ii) The existing clause iv of Article 59 of the Articles of Association of the Company shall be substituted with following new clause iv of Article 59:  
 "59.  
 iv. No Sale to Competitor/Prohibited Transferee. The Investors shall not Transfer any Equity Shares to a Competitor or a Prohibited Transferee. For the avoidance of doubt it is clarified that the aforesaid restriction shall not be applicable if any investors sells their Equity Shares on the stock exchange otherwise than by way of a Negotiated Deal, without being aware of the identity of the buyer of such Equity Shares at the time of execution of such sale."
- (iii) In existing clause vi (a) of Article 59 of the Articles of Association of the Company words "FCCDs or Warrants or" and "FCCDs, and/or Warrants, and/or" shall be deleted.
- (iv) The existing Articles 210 to Articles 218 of the Articles of Association of the Company shall be deleted.
- (vi) The existing Articles 219, 220, 221, 222 & 223 shall be renumbered as Articles 210, 211, 212, 213 & 214 respectively and any reference to the existing Articles 219, 220, 221, 222 & 223 in the Articles of Association of the Company shall be substituted with new Article nos. 210, 211, 212, 213 & 214 respectively.



IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 435 OF 2013  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 58 OF 2013

In the matter of Sections 391 to 394 r/w,  
Sections 78, 100 to 103 of the  
Companies  
Act, 1956;

And

In the matter of Allcargo Logistics Ltd.,  
And

In the matter of Scheme of Arrangement  
between MHTC Logistics Pvt. Limited  
and Allcargo Logistics Ltd.,

MHTC Logistics Private Limited

... Petitioner  
(Company)

AND  
COMPANY SCHEME PETITION NO. 436 OF 2013  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 59 OF 2013

In the matter of Sections 391 to 394 r/w,  
Sections 78, 100 to 103 of the  
Companies  
Act, 1956;

And

In the matter of MHTC Logistics Pvt.  
Ltd.,

And

In the matter of Scheme of Arrangement  
between MHTC Logistics Pvt. Limited  
and Allcargo Logistics Ltd.,

Allcargo Logistics Limited

... Petitioner  
(Company)

Mr. Zal Andhyarajina a/with Ms. Sanidha Vedparthak i/By M/s. Maneksha & Sethna for the Petitioner in both the CSPs.

Mrs. J. S. Satuja for the Regional Director in both CSPs.

Mrs. Rupa Sutar, Assistant Official Liquidator is present.

Mr. Nitin Mehta for the Objectors viz - Kataria Logistics Pvt. Ltd., (A Division of Kataria Automobiles Pvt. Ltd.) K. Log Global Pvt. Ltd. and Mr. Myoho Transmodal Pvt. Ltd.

Ms. S. M. Dakdkami i/By S. M. Khaire

CORAM : N. M. JAMDAR, J.  
DATE : 06 DECEMBER, 2013

P.C.:

- 1 Heard learned counsels for the parties.
- 2 By these scheme petitions, the sanction of the court is sought under Sections 391 to 394 of the Companies Act, 1956, to the Scheme of Arrangement between MHTC Logistics Private Limited with Allcargo Logistics Limited.
- 3 Learned counsel for the Petitioner states that the Transferor Company is engaged in the business of Project Logistics and Freight Forwarding and the Transferee Company is engaged in the business of warehousing, transportation and handling of all kinds of cargo, running container freight stations, shipping agents and logistics business. The amalgamation of Transferor Company with Transferee Company would result in synergies and managing the Project Logistics and Freight Forwarding Business through a single network. The amalgamation of the two entities would result in combining the Project Logistics and Freight Forwarding business of the Transferor Company with Transferee Company under one umbrella without incurring available expenditure on infrastructure and staff and will enable the Transferee Company to avail ventures of the industrial and commercial nature. The merged entity will be able to expand the business operations with minimum additional cost and in shortest possible time. The financial position of the merged entity will be better as compared to that of the stand-alone entities. The integration as proposed in the Scheme would enable cost savings, optimum utilization of available resources which will enhance the management focus thereby not only leading to higher profitability but will also increase the shareholders value of both companies. Amalgamation would further result in economies of scale in procurement, administration and marketing operations, avoiding duplication of efforts, costs and resources, lesser regulatory / procedural compliance, integrate, rationalize and streamline the management structure of the merged business. Combined capital resources would strengthen the financial position of the merged entity and result in increasing leveraging capacity of the merged entity i.e. its capacity to borrow funds for business purposes, pooling of the human talents in terms of manpower, management, administration and marketing which would result in savings of costs. Amalgamation of the companies would eliminate duplication of work, administrative services and will result in cost savings. Cost saving in fees / duties payable on statutory and procedural compliance. Facilitate inter transfer of resources and costs and optimum utilization of assets. Synchronizing of efforts to achieve uniform corporate policy. Ease in decision making. To reflect the consolidated net worth of these companies in one balance sheet.
- 4 The Petitioner Companies approved the said Scheme by passing resolution in their respective Board meetings which are annexed to the respective Company Scheme Petitions.
- 5 The Counsel for the Petitioner companies\* states that the Transferee Company i.e. Petitioner in Company Petition No. 436 of 2013 has received seven (7) objections from following unsecured creditors. The Transferee Company's view on the said objections is mentioned in detail in the Affidavit dated 19th November 2013. The objections raised by the following unsecured creditors :
  - (a) K Log Global Logistics Pvt. Ltd., (b) Kataria Logitrans (a division of Kataria Automobiles Pvt. Ltd.), (c) Myoho Transmodal Pvt. Ltd., (d) Gaurav Logistics Pvt. Ltd., (e) Western Carriers, (f) Krishna Motors, (g) R. R. Roadways Pvt. Ltd.
- 6 The Objectors namely, Kataria Logitrans Limited, K. Log Global Pvt. Ltd. and Myoho Transmodal Pvt. Ltd. (Kataria Group) have appeared through one Advocate and the Credence Logistic has appeared through its Advocate.
- 7 The Katana group has claimed an amount of approximately Rs. 7,00,00,000/- while the Credence Logistics has claimed approximately Rs. 65.81,000/-
- 8 Learned counsel for the Kataria Group sought time to file an affidavit when the matter came up on Board on 18 November 2013. Then on 22 November, 2013, the learned counsel was granted further time to file reply till

today. Today, again a request is made on behalf of the Kataria Group for filing reply - affidavit. This request is opposed on behalf of the learned counsel for the petitioners as it was opposed on the last occasion. The learned counsel for the petitioners submitted that sufficient opportunity was given to the objectors and no further indulgence needs to be shown and prays that sanction of the Scheme of Arrangement between the MHTC Logistics Private Limited with Allcargo Logistics Limited be granted forthwith.

9. The learned counsel Group was called upon to indicate the challenge to the Scheme since the learned counsel for the Petitioner was right in opposing adjournment. The learned counsel for Kataria Group submits that the balance sheet submitted by the petitioners is improper and it does not reflect dues of all the creditors. He submitted that under the Scheme itself, the only those objectors, who are mentioned in the balance sheet will be entitled to pursue their claims against the transferor company and all names are not referred. He submitted that there are various aspects of this matter which require a detailed investigation. The learned counsel submitted that objections to the scheme are fundamental and the proposed scheme of arrangement between the petitioner company and the transferee company shall not be granted.
10. The learned counsel for Credence Logistics submitted that a petition for winding up is filed against transferor company and therefore, the Scheme should not be sanctioned.
11. The Regional Director has found that the scheme proposed is not prejudicial to the public interest nor to the interest of the shareholders. The official liquidator has also filed a report in which it is stated that the Chartered Accountants and Auditors have examined the accounts of the company and other relevant records of the transferor company. Neither the Chartered Account or the auditors have found any objections with the balance sheet of the transferor company. Merely on the suggestion that the balance sheet is improper, the sanction of the scheme cannot be deferred that too, at the instance of a creditor.
12. Though the learned counsel for the Kataria Group has sought to urge various grounds on behalf of other creditors, all of these objectors, who have filed summary suits are actively pursuing the suits. It is, therefore, clear that the said Kataria Group is using the present proceeding to pressurise the company to pay its debts. The summary suit filed by these objectors obviously will be pursued against the transferee company. As far as the apprehension of the learned counsel that only those creditors whose name are reflected in the balance sheet will be able to pursue their claim against the transferor company is misplaced. The relevant clauses of the scheme make it abundantly clear that all the creditors will be entitled to prosecute their claim against the transferee company, irrespective of their names being in the balance sheet. The learned counsel appearing for the petitioners has reiterated this position. It is also made clear that irrespective of what is stated in the balance sheet, the creditors of the company would be entitled to prosecute their legitimate claims against the transferee company. This would take care of the interest of the creditors.
13. As far as the objections regarding the form of affidavit is concerned, the Company Registrar has not found it to be objectionable. In any case if the Company Registrar finds that the affidavit annexed to the petition is not in proper form as prayed under the Company Courts Rules, the Company Registrar will call upon the petitioner to file a correct affidavit and on this ground alone the Company Scheme Petition cannot be dismissed.
14. As far as the objection raised by the Credence Logistics is concerned, the said objector has also filed a summary suit for recovery of the money. As far as winding a petition against the transferor company is concerned, by grant of the scheme the transferor company will merge into the transferee company and the company, thus effectively will be wound up. The winding up petition need not be an impediment in granting the Scheme. This objector will be entitled to pursue its claim against the transferee company.
15. As far as the claim of the other three organizations, namely, Myoho Transmodal Pvt. Ltd., Gaurav Logistics Pvt. and R.R. Roadways Pvt. Ltd. is concerned, their claims are pending adjudication in the various forums. It is clarified that these proceedings will continue on their own merits and these objectors will be entitled to pursue their claims against the transferee company. As far as Krishna Motors is concerned, it is stated on affidavit by the petitioner that the dues of Krishna Motors have been paid. None has appeared on behalf of Krishna Motors to controvert this assertion.
16. It has been placed on record by the petitioners that the net worth of the transferee company after the merger would be approximately to the tune of Rs. 1150/- crores. The total assets, liabilities and profit and loss account of MHTC Logistics Pvt. Ltd. for the financial years is stated below as per the audited balance sheet of the company for the past three years :

	2012 - 2013	2011 - 2012	2010 - 2011
Total Assets	29,00,35,000/-	35,39,92,619/-	43,42,71,596/-
Total Liabilities	29,00,35,000/-	35,39,92,619/-	43,42,71,596/-
Profit & Loss	{-} 87,76,000/-	95,73,685/-	2,72,80,182/-

As far as Allcargo Logistics Limited is concerned the financial position as per the audited balance of the company for the past three years is set out as under :

	2012 - 2013	2011 - 2012	2010 - 2011
Total Assets	1997,53,00,000/-	1967,16,00,000/-	1274,69,71,000/-
Total Liabilities	1997,53,00,000/-	1967,16,00,000/-	1274,69,71,000/-
Profit & Loss	115,55,00,000/-	164,06,00,000/-	121,12,59,000/-

The above mentioned figures indicate that this amount will be sufficient to take care of interest of all the creditors, such as objectors. It is also a settled law that the scheme cannot be held up merely on the objections of the creditors, who are entitled to prosecute their claim against the transferee company. Since all other authorities have found the Scheme to be proper, I cannot exercise appellate jurisdiction over the Scheme particularly when it is found to be beneficial to all. The observations and clarifications made above, in my opinion, are sufficient to take care of the interest of the creditors who have already prosecuted their claims in the various courts.

- 17 It is obvious that all the creditors will be entitled to prosecute their legitimate claims as per the remedy available in law.
- 18 As observed above, the Regional Director has filed an Affidavit on 31st August 2013 stating therein that save and except as stated in paragraph 6 of the Affidavit, the Scheme does not appear to be prejudicial to the interest of the shareholders and Public. In paragraph 6 of the Affidavit, the Regional Director has stated that :-

"Deponent further submits that, Clause 11.1(f) of the Scheme states that the Excess of the net assets value of the Transferor Company transferred to the Transferee Company, after making the adjustment as mentioned in sub-clause 11.1(a), (b) & (e), would be credited to the General Reserve Account. In this regard, it is submitted that the Reserve, if any, arising out of this Scheme, be credited to Capital Reserve Account of Transferee Company."

- 19 So far as the observation made in paragraph 6 of the Regional Director's Affidavit is concerned, the learned counsel for the Petitioner Company on behalf of the Petitioner Company undertakes that, the Surplus, if any, arising out of this Scheme, will be credited to the Capital Reserve Account of the Transferee Company and in case of Deficit, if any, arising out of the Scheme the same will be debited to the Goodwill Account of the Transferee Company.
- 20 The Official Liquidator has filed his report dated 4th October 2013 in Company Scheme Petition No. 435 of 2013 stating therein that the affairs of the Transferor Company have been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved by this Court.
- 21 From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
- 22 Thus taking overall view of the matter, I do not think that the objections raised by the objectors will defeat the scheme. The scheme cannot be called as irrational and in operational. The dispute raised by the objectors cannot be decided in the present proceedings. The statement of the learned counsel for the petitioners, accepted as above, protects the interest of the objectors. Thus from the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
- 23 Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 435 of 2013 filed by the Transferor Company is made absolute in terms of prayer clauses (a) to (d) and (g). Company Scheme Petition No 435 of 2013 filed by the Transferee Company is made absolute in terms of prayer clauses (a) to (d) and (g).
- 24 The Petitioner Companies to lodge a copy of this order and the Scheme, duly authenticated by the Company Registrar, High Court (O.S.), Bombay with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the Order.

25. Petitioner Companies are directed to file certified copy of this order along with a certified copy of the Scheme with the concerned Registrar of Companies, electronically, along with E- Form 21 in addition to physical copy as per relevant provisions of law.
26. The Petitioners in both the Company Petitions to pay costs of Rs. 10,000/- each to the Regional Director, Western Region, Mumbai, and the Petitioner in the Company Scheme Petition No. 435 of 2013 filed by the Transferor Company to pay costs of Rs. 10,000/- to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from today.
27. Filing and issuance of the drawn up order is dispensed with.
28. All concerned authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay.

(M. M. JAMDAR, J.)

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**SCHEME OF AMALGAMATION  
OF  
MHTC LOGISTICS PRIVATE LIMITED  
WITH  
ALLCARGO LOGISTICS LIMITED**

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**I. BACKGROUND AND RATIONALE FOR THE SCHEME OF AMALGAMATION**

- (a) **Allcargio Logistics Limited** (hereinafter referred to as '**ALL**' or '**the Transferee Company**') is engaged in the business of providing comprehensive logistic solutions for national and international trade. Its operations are spread across the globe. The present operations of AGL comprise of the following key areas of the logistics business:
- Multi-modal Transport Operations
  - Inland Container Depot / Container Freight Stations
  - Project & Engineering Solution
  - Warehousing
- (b) **MHTC Logistics Private Limited** (hereinafter referred to as '**MHTC**' or '**the Transferor Company**') is engaged in the business of Project Logistics and Freight Forwarding
- (c) **MHTC** is the wholly-owned subsidiary of **ALL**.
- (d) **ALL** is in the phase of integration and consolidation of its logistics business with a view to provide world class logistic services to various business constituents and the society at large by spreading its footprint domestically and globally. In its process of integration and consolidation, **ALL** has successfully acquired various companies in the recent past.
- (e) There exist synergies in the business of **ALL** and **MHTC** and the amalgamation of the two entities would consequently result in managing the Project Logistic and Freight Forwarding Business through a single network. It will thus be possible to combine the business of **MHTC** with the business of **ALL** under one umbrella without incurring avoidable expenditure on infrastructure and staff and will enable the **ALL** to avail ventures of an industrial and commercial nature.
- (f) **ALL** will be in a better position to avail of the financial, managerial, technical, distribution and marketing and other capital resources of **MHTC** and its expertise in the Project Cargo and Freight Forwarding business. Such an arrangement will enable the merged entity to expand the business operations with minimum additional cost and shortest possible time;
- (g) The financial position of the merged entity will be better as compared to that of the stand-alone entities; and
- (h) The integration proposed would enables cost savings, optimum utilization of available resources, will make management control systems more efficient and effective which will enhance the management focus thereby not only leading to higher profitability but will also increase the shareholder's value of both companies.
- (i) In furtherance to its aforesaid objects and in view of existence of business synergies between **ALL** and **MHTC**, and to enhance shareholders value, **ALL** intends to acquire **MHTC** in accordance with the provision of this Scheme of Amalgamation.
- (j) This Scheme of Amalgamation (hereinafter referred to as "**the Scheme**"), inter-alia, provides for the amalgamation of **MHTC** with **ALL** pursuant to Section 391 to 394 read with sections 78, 103 to 103 of the Companies Act, 1956 and other relevant provisions of the Act.
- (k) The Scheme also makes provisions for various other matters consequential or related thereto and otherwise integrally connected therewith.

## II. PARTS OF THE SCHEME

This Scheme of Arrangement is divided into the following parts:

- (x) PART I deals with the definitions, Share Capital and related aspects;
- (xi) PART II deals with transfer and vesting of Transferor Company;
- (xii) PART III deals with General Clauses; and
- (xiii) PART IV deals with other terms and conditions applicable to this Scheme of Arrangement.

### PART I – GENERAL

#### I. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- (a) "Act" means the Companies Act, 1956 or any statutory modification or reenactment thereof;
- (b) "The Appointed Date" means, 1<sup>st</sup> April 2012 or such date as the Boards of the Transferor Company and the Transferee Company may decide and as approved by the Hon'ble Bombay High Court;
- (c) "Board" means Board of Directors of the Transferor Company and the Transferee Company, which will include any committees constituted by the Boards from time to time.
- (d) "Court" or "High Court" means the Hon'ble High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable;
- (e) "Effective Date" means the later of the dates on which certified copies of the Orders of the Hon'ble Bombay High Court vesting the assets, properties, liabilities, rights, duties, obligations and the like of the Transferor Company in the Transferee Company are filed with the Registrar of Companies, Maharashtra after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary therefore;
- (f) "Scheme" means this Scheme of Amalgamation in its present form as submitted to the Honorable High Court of Judicature at Bombay or with any modification(s) approved or imposed or directed by the Hon'ble Bombay High Court with any modification(s) made under Clause 21 of this Scheme;
- (g) "Transferor Company" means MHTC Logistics Private Limited., a company incorporated under the Indian Companies Act, 1956, whose Registered Office is situated at Avashya House, 3<sup>rd</sup> Floor, CST Road, Kalina, Santacruz (E), Mumbai – 400 096, Maharashtra, India;
- (h) "Transferee Company" means Alcarga Logistics Limited, a Company incorporated under the Companies Act, 1956, whose Registered Office is situated at Avashya House, 6<sup>th</sup> Floor, CST Road, Kalina, Santacruz (East), Mumbai – 400 096, Maharashtra, India;
- (i) "Undertaking" means all the undertakings and entire business of the Transferor Company as a going concern, including, without limitation:
  - (vi) all the assets and properties (whether moveable or immovable, tangible or intangible, real, or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company, whether situated in India or abroad, including, without limitation, all lands (whether leasehold or freehold), plants, machinery, equipment, buildings and structures, offices, residential and other premises, capital work-in-progress, furniture, fixtures, office equipments, computers, appliances, accessories, power lines, all stocks, stocks of fuel, rolling stock, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, prospective licenses and leases (in each case including the benefit of any applications made therefore) and the surface rights in relation thereto, receivables and liabilities related thereto, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions,

- (viii) powers, tenancies in relation to the office and/or residential properties for the employees or other persons, vehicles, guest houses, go-downs, warehouses, and stores, share of any joint assets, and other facilities, right to use jetties and ports, fixed and other assets, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;
- (ix) all permits, quotas, rights, entitlements, industrial and other licenses, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permission, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertaking for the residual period, i.e. for the period remaining as on the Appointed Date out of the total period for which the deduction is available in law if the amalgamation pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
- (x) all earnest moneys and/or security deposits paid or deemed to have been paid by the Transferor Company;
- (xi) all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the Liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Indian rupees or foreign currency, whether provided for or not in the books of account or disclosed in the balance sheet of the Transferor Company; and
- (xii) all intellectual property rights, trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmers', manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company.
- 1.2 All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.
- 1.3 References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.
- 1.4 The headings herein shall not affect the construction of this Scheme.
- 1.5 The singular shall include the plural and vice versa; and references to one gender include all genders.
- 1.6 Any phrase introduced by the terms "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 References to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).



## 2. SHARE CAPITAL AND SHAREHOLDING PATTERN

(a) As on March 31, 2012, the share capital of the Transferor Company is as follows:

Share Capital	Rupees
<b>Authorized Share Capital</b>	
495,000 Equity Shares of Rs.10 each	4,950,000
500 4% Cumulative Redeemable Preference Shares of Rs.100 each	50,000
<b>TOTAL</b>	<b>5,000,000</b>
<b>Issued, Subscribed and Paid Up</b>	
200,000 Equity Shares of Rs.10 each fully paid-up	2,000,000

(b) Post March 31, 2012, there is no change in the share capital of the Transferor Company.

The Transferor Company holds 373,491 equity shares of Rs.2 each fully paid of the Transferee Company.

(c) As on March 31, 2012, the share capital of the Transferee Company is as follows:

Share Capital	Rupees
<b>Authorized Share Capital</b>	
175,000,000 Equity Shares of Rs. 2/- each	350,000,000
<b>Issued, Subscribed and Paid Up</b>	
130,547,322 Equity Shares of Rs. 2/- each fully paid-up	261,094,644

- (d) During the year 2006, the Transferee Company had granted 51,300 stock options (256,500 after sub-division of shares from Rs.10 per equity share to Rs.2 per equity share) to its employees and employees of its subsidiary companies, which upon exercise and together with allotment of bonus shares entitled thereon will increase the issued, subscribed and paid up equity share capital of the Transferee Company.
- (e) Post March 31, 2012, the Transferee Company has announced the buyback of its equity shares from the open market through stock exchanges in accordance with the provisions of Sections 77A, 77AA and 77B of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended. Pursuant to the buyback of shares, the Company has bought back 2,543,310 equity shares of Rs.2 each from the shareholders of the Company. Consequently, the issued, subscribed and paid up capital after such buyback of shares is Rs. 256,008,024 divided into 128,004,012 equity shares of Rs.2 each. The equity shares of the Transferee Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.
- (f) The 100% paid up share capital of the Transferor Company is held by the Transferee Company.
- (g) Post the Scheme and subject to Clause (e) above, there will be no change in the shareholding of the Transferee Company as there will be no issue and allotment of shares of the Transferee Company in consideration of the transfer of the Transferor Company's undertaking contemplated by the Scheme.
- (h) Upon sanction of the Scheme, the Authorized Share Capital of the Transferor Company of the face value of Rs.10/- per Equity Share shall be automatically stand sub-divided to face value of Rs.2/- per Equity Share, and the Authorized Capital of the Transferee Company shall automatically stand increased by the Authorized Share Capital of the Transferor Company as on the Effective Date without any further act, instrument or deed (including payment of stamp duty and fees payable to Registrar of Companies) on the part of the Transferee Company. The provisions of the Memorandum of Association and Articles of Association of the Transferee Company relating to its Authorized Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Sections 16, 31, 84 and 394 and other applicable provisions of the Act, as the case may be, and for this purpose the stamp duties and fees paid on the Authorized Share Capital of the Transferor Company shall be utilized and applied to the increased Authorized Share Capital of the Transferee Company and no payment of any further stamp duty and/or fee shall be payable by the Transferee Company for increase in its Authorized Share Capital to that extent.
- (i) It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

### 3. DATE OF TAKING EFFECT AND OPERATIVE DATE OF THE SCHEME

The Scheme, set out herein in its present form or with any modification(s) as approved by the High Court of Judicature at Bombay, shall be effective from the Appointed Date but shall be operative from the Effective Date.

#### PART II- TRANSFER AND VESTING OF THE UNDERTAKING OF THE TRANSFEROR COMPANY

- 4(a) With effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Company including all the estate, assets, right, title and interest including any benefit, claim or amount which is received by the Transferor Company after the Appointed Date or at any time pursuant to Section 394 of the Act, be transferred to and vested, at their book values as on the Appointed Date, in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, right, title and interest of the Transferee Company.
- (b) In respect of all of the assets of the Transferor Company, including cash and bank balances, as are movable in nature or are otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, the same shall be so transferred by the Transferor Company, and shall become the property of the Transferee Company.
- (c) In respect of all of the assets belonging to the Transferor Company, other than those referred to in sub-clause (b) above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company on the Appointed Date, pursuant to the provisions of Section 394 of the Act.
- (d) All assets acquired by the Transferor Company after the Appointed Date and prior to the Effective Date shall also stand transferred to and vested in the Transferee Company, upon the coming into effect of the Scheme.
- (e) In so far as the assets comprised in the Transferor Company is concerned, the security or charge over such assets relating to any loans, debentures or borrowings of the Transferor Company shall without any further act or deed be a security or charge over such assets in the Transferee Company.
- (f) It is clarified, for the removal of doubt, that, on and from the Effective Date, for the purposes of determining any eligibility criteria or for qualifying to bid for any project or contract or work relating to the Transferor Company, only the Transferee Company shall have the benefit of the experience and track record of the Transferor Company and shall not be entitled to directly or indirectly claim or rely upon any such track record or past experience.
- (g) It is clarified, for the removal of doubt, that the transfer of any goods imported by the Transferor Company and transferred to the Transferee Company as per the Scheme shall not be deemed to have breached any condition of the import licenses or the applicable clauses of the Import Policy or notifications under the relevant customs and/or any other applicable laws.
- (h) All duty free entitlements, concessions, benefits, income tax benefits, etc. which the Transferor Company is entitled to in respect of the Amalgamation shall vest in and be available to the Transferee Company on the same terms and conditions thereof.
- (i) On and from the Appointed Date, if any certificate for tax deducted at source or any other tax credit certificate relating to the Transferor Company is received in the name of the Transferor Company, it shall be deemed to have been received by the Transferee Company which alone shall be entitled to claim credit for such tax deducted or paid and the relevant tax authorities are hereby directed to permit the Transferee Company to claim the benefit of such tax credit even though such tax deducted at source or tax credit certificate stands in the name of the Transferor Company.
- 5(a) With effect from the appointed date, all debts, liabilities, contingent liabilities, duties and obligations of Transferor Company, as on the Appointed Date whether provided for or not in the books of accounts of Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or upto the day of the Appointed Date shall, pursuant to the Orders of the High Courts or such other competent authority as may be applicable under Section 394 and other applicable provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.
- (b) All of the liabilities and obligations of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company and all loans raised and used and all liabilities, after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company which shall undertake to meet discharge and satisfy the same.

- (c) The transfer of all debts in terms of sub-clause (a) above shall be without prejudice to any agreements or arrangements including in respect of security entered into between the Transferor Company and the lenders existing on the Appointed Date which shall continue in full force notwithstanding that the liability for repayment of the principal amount and payments of interest is taken over by the Transferee Company.
- (d) The Transferee Company shall make repayments of such principal amounts and payments of interest thereon on behalf of the Transferor Company in respect of any liability mentioned hereinabove, if the Transferor Company is required to make payment to satisfy such liability.
6. All the assets and liabilities of the Transferor Company shall be transferred at the values appearing in the books of accounts of the Transferor Company as at Appointed Date.
7. With effect from the Effective Date, and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company be required, the reserves of the Transferor Company will be merged with those of the Transferee Company in the same form as they appeared in the financial statements of the Transferor Company. In other words, the identity of the reserve of the Transferor Company will be preserved at the hands of the Transferee Company.

In case of any differences in accounting policy between the Companies, the impact of the same till the amalgamation will be quantified and adjusted in the Revenue Reserve(s) mentioned earlier to ensure that the financial statements of the Transferee Company reflects the financial position on the basis of consistent accounting policy.

8. With effect from the Appointed Date, all the said liabilities shall, without any further act or deed, be and stand transferred, to the Transferee Company pursuant to the applicable provisions of the said Act, so as to become as from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company.
9. With effect from the Appointed Date, the ceiling in terms of Section 372A of the Act for the purpose of inter corporate loans, investments, security, guarantee, etc. shall, if required without further act or deed, stand increased to the extent of inter corporate loans & investments made, security & guarantee given by the Transferor Company notwithstanding that the amount invested/loan granted, security/guarantee provided (existing and proposed) may exceed 60% of the paid-up capital and free reserves of the Transferee Company or 100% of the free reserves of the Transferor Company. It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval also to the enhancement of the limit of inter corporate loans, investments, security, guarantee, etc. as required under Section 372A and other applicable provisions of the Act.

#### 10. CANCELLATION OF SHARE CAPITAL OF THE TRANSFEROR COMPANY

The entire share capital of the Transferor Company is held by the Transferee Company. Upon coming into effect of the Scheme, all the shares of the Transferor Company held by the Transferee Company shall, without any further application, act, instrument or deed be deemed to have been automatically cancelled/extinguished and be of no effect and no new shares of the Transferee Company shall be issued to the shareholders of the Transferor Company in consideration of the transfer of and vesting of the Undertaking and the Liabilities of the Transferor Company to the Transferee Company in terms hereof.

#### 11. ACCOUNTING TREATMENT

##### 1) In the books of Transferee Company

- 11.1 On the Scheme becoming effective, the Transferee Company shall account for the merger in its books of accounts as under:
- (e) The investments in the equity share capital of the Transferor Company as appearing in the books of accounts of the Transferee Company, shall stand cancelled;
- (f) Inter-company balances will stand cancelled;
- (g) All the assets and liabilities recorded in the books of the Transferor Company shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book value;
- (h) 373,491 Equity Shares of Rs. 2/- each fully paid held by the Transferor Company in the Transferee Company shall stand cancelled and the issued, subscribed and paid up share capital of the Transferee Company shall stand reduced by Rs.746,982. The balance investment amount of Rs.63,619,943 made by the Transferor Company in Transferee Company shall stand cancelled and the same shall be debited to Securities Premium Account of the Transferee Company.

- (i) The identity of the reserves of the Transferor Company, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Company prior to this Scheme becoming effective.
- (j) The excess of the net assets value of the Transferor Company transferred to the Transferee Company, after making the adjustment as mentioned in sub-clauses (a), (b) and (e) above, would be credited to the 'General Reserve Account'. In case of there being a deficit, the same shall be debited by the Transferee Company to its 'General Reserve Account'.
- (k) Reduction of issued, subscribed and paid up share capital and the application and reduction of the Securities Premium Account, as per sub-clause (d) above, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.
- (l) If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Companies and the Transferor Company, the Transferee Company may make suitable adjustments and reflect the effect thereof in the statement of the Profit and Loss of the Transferee Company in accordance with the applicable Accounting Standards.

## 12. DISSOLUTION

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

### PART III – GENERAL CLAUSES

## 13. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

Subject to other provisions contained in the Scheme, all contracts, deeds, bonds, debentures, agreements and other instruments of whatever nature to which the Transferor Company is a party subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favor of the Transferee Company, as the case may be, and may be enforced as fully and as effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

## 14. LEGAL PROCEEDINGS

- (a) Upon the coming into effect of the Scheme, all legal or any other proceedings (including arbitrations) by or against the Transferor Company, and as agreed between the Transferor Company and the Transferee Company, whether pending on the Appointed Date or which may be instituted in future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date shall be continued and enforced by or against the Transferee Company after the Effective Date.
- (b) If proceedings are taken against the transferor Company in respect of the matters referred to in sub-clause (a) above, it shall defend the same in accordance with the advice of the Transferee Company and at the cost and risk of the Transferee Company.
- (c) The Transferee Company undertakes to have all legal or other proceedings (including arbitrations) initiated by or against the Transferor Company referred to in sub-clause (a) above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company.

## 15. TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES

All the staff, workman and other employees, if any, in the service of the Transferor Company immediately before the amalgamation under the Scheme shall become the staff, workmen and employee of the Transferee Company on the basis that:

- (a) Their service shall have been continuous and shall not have been interrupted by reason of the amalgamation of the Companies;
- (b) The terms and conditions of service applicable to the said staff, Workmen or employees after such transfer shall not in any way be less favorable to them than those applicable to them immediately before the transfer;

- (c) It is expressly provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Funds as per the terms provided in the respective Trust Deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees employed in different units of the Transferor Company under such Funds and Trusts shall be protected. It is clarified that the services of the employees of the Transferor Company will also be treated as having been continuous for the purpose of the aforesaid Funds or provisions.

**16. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY TILL EFFECTIVE DATE**

With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company:

- (d) shall carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company and all the profits accruing to the Transferor Company or losses arising or incurred by it shall, for all purposes, be treated as the profits or losses of the Transferee Company as the case may be;
- (e) hereby undertakes to carry on its business until the Effective Date with reasonable diligence and shall not, without the written consent of the Transferee Company, alienate, charge or otherwise deal with the said undertaking or any part thereof except in the ordinary course of its business;
- (f) shall not, without the written consent of the Transferee Company, undertake any new business.

**17. TAXES**

- (a) Any tax liabilities under the Income Tax Act, 1961, Fringe Benefit Laws, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, Central Sales Tax Act, 1956 and any other state sales tax/value Added Tax laws, Service Tax or other applicable laws/regulations, dealing with taxes/duties/levies/cess (hereinafter in this Clause referred to as 'Tax Laws') allocable or related to the Transferor company to the extent not provided for or covered by tax provisions in the Accounts made as on date immediately preceding the Appointed Date shall be transferred to account of and belong to the Transferee Company.
- (b) Any refund under the Tax Laws due to the Transferor company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall be also belong to and be received by the Transferee Company.
- (c) Without prejudice to the generality of the above, all benefits including under Income Tax, Excise (including CENVAT), Sales Tax (including deferment of sales tax), act, to which the Transferor company is entitled to in form of the applicable Tax Laws, shall be available to and vest in the Transferee Company.

**18. DIVIDEND AND PROFITS**

- (a) Subject to the approval of the Transferee Company, the Transferor Company may declare and pay dividends, whether interim or final, to its members in respect of the accounting period prior to the Effective Date.
- (b) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company in demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Directors of the Transferee Company.
- (c) The Transferor Company shall not declare any dividend for the period commencing from and after 1<sup>st</sup> April 2012 without the written consent of the Transferee Company.
- (d) Subject to the provisions of the Scheme, the profits of the Transferor Company for the period beginning from 1<sup>st</sup> April 2012 shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it think fit including declaration of dividend by the Transferee Company in respect of its financial year ending 31<sup>st</sup> March 2012 or any year thereafter.
- (e) The Transferor Company shall not issue or allot any Rights Shares or Bonus Shares, out of its Authorized or unissued Share Capital for the time being.

**19. SAVING OF CONCLUDED TRANSACTIONS**

The transfer of the entire business and the undertaking of the Transferor Company to the Transferee Company shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things done and/or executed by the Transferor Company in regard thereto as having been done or executed on behalf of the Transferee Company.

**PART V - GENERAL TERMS & CONDITIONS****20. APPLICATIONS TO HIGH COURT**

The Transferor Company and the Transferee Company hereto shall, with all reasonable despatch, make applications under Sections 391 and 394 of the said Act to the High Court of Judicature at Bombay separately for sanctioning the Scheme and for dissolution of the Transferor Company without winding up.

**21. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

- (c) The Transferor Company (by its Board of Directors or any duly authorised committee) and the Transferee Company (by its Board of Directors or any duly authorised committee) may assent to any modification or amendment to the Scheme or agree to any terms and/or conditions which the Courts and/or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect.
- (d) For the purpose of giving effect to the Scheme or to any modification thereof, the Directors of the Transferee Company are hereby Authorized to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

**22. EXPENSES CONNECTED WITH THE SCHEME**

All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with the Scheme and of carrying out and implementing/completing the terms and provisions of the Scheme and/or incidental to the completion of amalgamation of the Transferor Company in pursuance of the Scheme shall be borne and paid solely by the Transferee Company.

**23. SCHEME CONDITIONAL ON APPROVAL/SANCTIONS**

The Scheme is conditional upon and subjects to,

- (e) The Scheme being agreed to by the respective requisite majority in number and value of such classes of the members and creditors (where applicable) of the Transferor Company and the Transferee Company as required under the Act and the requisite orders of the Hon'ble Bombay High Court referred herof being obtained.
- (f) The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- (g) The certified copies of the Orders of High Court of Judicature at Bombay under Sections 391 and 394 of the Act sanctioning the Scheme being filed with the Registrar of Companies, Mumbai, Maharashtra by the Transferor Company and the Transferee Company.
- (h) Any other sanction or approval of the Appropriate Authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the Transferor Company and the Transferee Company, being obtained and granted in respect of any of the matters for which such sanction or approval is required.

**24. EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of any of the said sanctions and approvals referred to in the preceding Clause 21 not being obtained and / or the Scheme not being sanctioned by the High Court or such other competent authority and / or the order or orders not being passed as aforesaid before March 31, 2013 or such other date as may be agreed by the respective Board of Directors of the Transferor Company and the Transferee Company, the Board of Directors of the Transferor Company and the Transferee Company shall review the Scheme and take such decisions thereon as may be mutually acceptable.

**Certified True Copy  
For Allcargo Logistics Limited**



**Devanand Mojdra  
Company Secretary**

  
Devanand Mojindra  
Company Secretary

IN THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH  
C.P.(CAA)/2535/MB/2019  
Under Section 230-232 of the Companies Act,  
2013

In the matter of Scheme of Amalgamation  
(Merger by Absorption) of Allcargo Shipping  
Co. Private Limited ("ASCPL" or "the Transferor  
Company") with Allcargo Logistics Limited  
("ALL" or "the Transferee Company") and their  
respective shareholders

Allcargo Shipping Co. Private Limited  
... Petitioner Company No. 1  
Allcargo Logistics Limited  
... Petitioner Company No. 2

Order delivered on: 27<sup>th</sup> September, 2019

Coram:  
Hon'ble Rajasekhar V.K, Member (J)  
Hon'ble V. Nallasenapathy, Member (T)

For the Petitioner(s): Mr. Rajesh Shah, Advocate along with Ahmed M.  
Chunawala, Advocate I/b Rajesh Shah & Co., Advocates for the Petitioner

Per: Rajasekhar V.K, Member (J)

**ORDER**

1. Heard learned counsel for parties. No objector has come before this  
Tribunal to oppose the Scheme of Amalgamation (Merger by  
Absorption) of Allcargo Shipping Co. Private Limited ("ASCPL" or  
"the Transferor Company") with Allcargo Logistics Limited ("ALL" or  
"the Transferee Company") and their respective shareholders nor  
has any party controverted any averments made in the Petition to  
the Scheme.



2. The sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 to the Scheme of Amalgamation (Merger by Absorption) of Allcargo Shipping Co. Private Limited ("ASCPL" or "the Transferor Company") with Allcargo Logistics Limited ("ALL" or "the Transferee Company") and their respective shareholders ("Scheme").
3. The Counsel for the Petitioner Companies submit that ASCPL and ALL have approved the Scheme by passing the Board Resolution dated 10<sup>th</sup> August, 2018 which are annexed to the Company Scheme Petition.
4. The Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all the directions passed in Company Scheme Application No. 1020 of 2018 and that the Company Scheme Petition has been filed in consonance with the order passed in Company Scheme Application dated 22<sup>nd</sup> April, 2019.
5. The Counsel appearing on behalf of the Petitioners further states that the Petitioner Companies have complied with all requirements as per direction of the National Company Law Tribunal, Mumbai Bench and they have filed necessary affidavits of compliance in the National Company Law Tribunal, Mumbai Bench dated 16<sup>th</sup> September, 2019.
6. The Learned Counsel for the Petitioners states that the Transferor Company is engaged in carrying on the business of owning and operating of ships.
7. The Learned Counsel for the Petitioners states that the Transferee Company is engaged in providing integrated logistics solutions and offers specialized logistics services across Multimodal Transport Operations, Inland Container Depot/Container Freight Station Operations, Project and Engineering Solutions and Logistics Park and activities thereto.





8. The rationale for the Scheme is as under:

- a) The amalgamation of the Transferor Company with the Transferee Company will enable the Transferee Company to integrate its business operations and provide impetus to the operations of the Transferee Company and would enable it to operate under single brand umbrella;
- b) Enable Transferee Company to use the resources of Transferor Company and generate synergy in operations;
- c) Reduce the operational, financial and administrative costs to achieve economy of operations;
- d) Facilitate administrative convenience and ensure optimum utilization of available services and resources;
- e) Efficient and Focused management control and system; and
- f) Provide mutual operational benefits to both the companies which would be in the best interest of all the stakeholders.

9. The Regional Director had filed a Report dated 20<sup>th</sup> September, 2019 ("Report") stating therein, save and except as stated in paragraph IV, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph IV of the Report, the Regional Director has stated that:-

- a) *In addition to compliance of AS-14(IND AS-103) the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc;*
- b) *The Petitioners under provisions of Section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Amalgamation. Further, the approval of the Scheme by this Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such authorities is binding on the Petitioner Company(s).*



c) As per Part-A - Clause 1.3 Definitions of the scheme "Appointed Date" means April 1, 2018 or such other date as the Tribunal may direct or fix;

As per Part-A - Clause 1.5 Definitions of the scheme "Effective Date" means last of the dates on which the certified copies of the order sanctioning this Scheme, passed by the National Company Law Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, are filed with the Registrar of Companies, by the Transferor Company and the Transferee Company. All references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date;

In this regard, it is submitted that Section 232(6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.

Further, the Petitioners may be asked to comply with the requirements and clarified vide circular no. F. No. 7/12/2019/CL-1 dated 21-08-2019 issued by the Ministry of Corporate Affairs.

d) As regards Part B- Clause 6 (6.1 to 6.7) of the Scheme (Accounting Treatment it is stated that

(i) The difference between the value of assets over the value of liabilities including reserves of the Transferor Company transferred to the Transferee Company pursuant to the Tribunal order, after adjusting the book value of the investments in the shares of the Transferor Company shall



be adjusted in the Capital reserves or Goodwill as the case may be of the Transferee Company.

(ii) In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference shall be quantified and adjusted in the books of the Transferee Company.

In this regard it is submitted that the surplus if any arising out of the Scheme shall be credited to Capital Reserve and deficit if any arising out of the same shall be debited to Goodwill Account of the Transferee Company and will not be adjusted as mentioned in the above clause(s) of the Scheme.

e) As regards Clause 13 (13.1 to 13.5) of the Scheme - Combination of authorized Share Capital, it is submitted that of the fee if any payable by Transferee Company shall be in accordance with the provisions of Section 232(3)(i) of the Companies Act, 2013.

f) As regards Clause -14 (14.1& 14.2) Amendment to the Object Clause of the Transferee Company, in this regards it is submitted that the same is subject to compliance with the provisions of Section 13(9) of the Companies Act, 2013 r/w relevant rule(s) of the Company (Incorporation) Rules, 2014.

g) Hon'ble NCLT may kindly direct the petitioners to file an affidavit to the extent that the Scheme enclosed to Company Application & Company Petition, are one and the same and there is no discrepancy/any change/changes are made, for changes if any, liberty be given to Central Government to file further report if any required;

h) Petitioner Company have to undertake to comply with Section 232(3)(i) of the Companies Act, 2013, where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorized capital shall be set-off against any fee



payable by the transferee company on its authorized capital subsequent to the amalgamation and therefore, petitioners to affirm that they comply the provisions of the section.

1) Allcargo Logistics Limited ("ALL" or "the Transferee Company") is a listed Company, in view of the provisions of Section 230(5) of the Companies Act, 2013 r/w rule 8 of the Companies (Compromise, Arrangement and Amalgamations) Rules, 2016, Hon'ble NCLT may kindly issue notice to other sectorial regulators or authorities (The Securities and Exchange Board of India, Bombay Stock Exchange Limited and National Stock Exchange of India and/or pass appropriate order/orders as deem fit;"

10. So far as the observation made in paragraph IV(a) of the Report of Regional Director is concerned, the Transferee Company through Learned Counsel undertake to comply with IND AS 14 (IND AS-103) and other applicable Indian Accounting Standards such as AS-5 (IND AS-8) as may be applicable.
11. So far as observation made in paragraph IV(b) of the Report of Regional Director is concerned, it is submitted that the Petitioner Companies have served notices required under provisions of Section 230(5) of the Companies Act, 2013 to all the concerned authorities which are likely to be affected by the Scheme. Further, the approval of the Scheme by the Hon'ble Tribunal will not deter such authorities to deal with any of the issues arising by giving effect to the scheme. The decision of such authorities will be binding on the Petitioner Company(s) and all issues arising out of the Scheme will be met and answered in accordance with law.
12. So far as the observation made in paragraph IV(c) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the Appointed Date has been fixed as April 1, 2018, as mentioned in clause 1.3 of the Scheme which is in compliance with section 232(6) of the Companies Act, 2013. Thus, the Petitioner Companies will be complying with the



requirement vide circular no F.No.7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.

13. So far as the observation made in paragraph IV(d) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the Transferee Company undertakes that the surplus if any arising out of the scheme shall be credited to Capital Reserve and deficit if any arising out of the scheme shall be debited to Goodwill Account of the Transferee Company.

14. So far as observation made in paragraph IV(e) of the Report of Regional Director is concerned, the Transferee Company through its Counsel undertakes to comply with the applicable provisions of Section 232(3)(i) of the Companies Act, 2013 for combination of Authorized Share Capital.

15. So far as observation made in paragraph IV(f) of the Report of Regional Director is concerned, the Transferee Company through its Counsel undertakes to comply with the applicable provisions of Section 13(9) of the Companies Act, 2013 r/w relevant rule(s) of the Companies (Incorporation) Rules, 2014 for amendment to the Object Clause of Transferee Company.

16. So far as observation made in paragraph IV(g) of the report of Regional Director is concerned, the Petitioner Companies confirms that the Scheme enclosed to the Company Scheme Application No. 1020 of 2018 and the Company Scheme Petition No. 2535 of 2019 are one and the same and there is no discrepancy or change in the Scheme.

17. So far as observation made in paragraph IV(h) of the Report of Regional Director is concerned, the Transferee Company through their Learned Counsel undertake to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 for combination of Authorized Share Capital.



18. So far as observation made in paragraph IV(i) of the Report of Regional Director is concerned, it is submitted that the Transferee Company have served notices required under provisions of Section 230(5) of the Companies Act, 2013 to all the concerned sectorial regulators or authorities (Including The Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India).
19. The observations made by the Regional Director have been explained by the Petitioner Companies in Para 10 to 18 above. The clarifications and undertakings given by the Petitioner Companies are hereby accepted.
20. The Official Liquidator has filed his report on 18<sup>th</sup> day of September, 2019 stating that the affairs of the Transferor Company have been conducted in proper manner and that the Transferor Company may be ordered to be dissolved without winding up.
21. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
22. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition 2535 of 2019 is made absolute in terms of prayer of the petition mentioned therein.
23. The Petitioner Companies are directed to lodge a copy of this order with the concerned Registrar of Companies, electronically along with E-Form INC-28 as per the relevant provisions of the Companies Act, 2013, within 30 days from the date of receipt of the order.
24. The Petitioner Companies to lodge a copy of this order by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, within 60 days from the date of receipt of the order.



25. The Transferor Company to pay costs of Rs. 25,000/- to the Official Liquidator, High Court, Bombay. The cost is to be paid within four weeks from the date of the receipt of order.
26. The Petitioner Companies to pay costs of Rs.25,000/- each to the Regional Director, Western Region, Mumbai. Cost to be paid within four weeks from the date of receipt of the Order.
27. All concerned regulatory authorities to act on a copy of this order duly authenticated by the Deputy Registrar or Assistant Registrar, National Company Law Tribunal, Mumbai.

Sd/-

V. NALLASENAPATHY  
Member (Technical)

Sd/-

RAJASEKHAR V.K  
Member (Judicial)

Certified True Copy  
For Allcargo Logistics Limited

Devanand Mojdra  
Company Secretary

Certified True Copy  
Date of Application 07-10-2019  
Number of Pages 9  
Fee Paid Rs 45  
Applicant called for collection copy on 24-10-2019  
Copy prepared on 24-10-2019  
Copy Issued on 24-10-2019

Assistant Registrar  
National Company Law Tribunal, Mumbai Bench



Certified True Copy  
For Allcargo Logistics Limited

Devanand Mojindra  
Company Secretary

**SCHEME OF AMALGAMATION  
(MERGER BY ABSORPTION)**

OF

**ALLCARGO SHIPPING CO. PRIVATE LIMITED**  
[ASCPL or Transferor Company]

WITH

**ALLCARGO LOGISTICS LIMITED**  
[ALL or Transferee Company]

AND

**THEIR RESPECTIVE SHAREHOLDERS**

**UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND  
RULES FRAMED THEREUNDER AS AMENDED FROM TIME TO TIME**

**(A) PREAMBLE**

This Scheme of Amalgamation (Merger by Absorption) ("Scheme") is presented pursuant to Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and National Company Law Tribunal Rules, 2016 or such other Rules framed there under and Regulations 11, 37 and other applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and all other applicable laws, if any, for the amalgamation of Allcargo Shipping Co. Private Limited ("ASCPL" or "the Transferor Company") with Allcargo Logistics Limited ("ALL" or "the Transferee Company"). This Scheme also provides for various other matters incidental, consequential or otherwise integrally connected therewith.





**(B) DESCRIPTION OF COMPANIES**

1. The Transferee Company is a public company, limited by shares, incorporated under the provisions of the Companies Act, 1956 and validly existing under the provisions of the Companies Act, 2013 having its Registered Office at 6<sup>th</sup> floor, Avashya House, Kalina, CST Road, Santacruz (East), Mumbai - 400 098 and listed on BSE Limited and National Stock Exchange of India Limited. It is a leading Indian multinational Company engaged in providing integrated logistics solutions and offers specialised logistics services across Multimodal Transport Operations, Container Freight Station/Inland Container Depot operations, Project and Engineering Solutions and activities related thereto.
2. The Transferor Company is a private company, limited by shares, incorporated under the provisions of the Companies Act, 1956 and validly existing under the provisions of the Companies Act, 2013 having its Registered Office at 5<sup>th</sup> floor, Avashya House, Kalina, CST Road, Santacruz (East), Mumbai - 400 098 and a wholly owned subsidiary of the Transferee Company (Hence, it is deemed as Public Company) and is engaged in carrying on the business of owning and operating of ships.

**(C) RATIONALE**

Based on rationale mentioned herein, the Board of Directors of Transferor And Transferee Company have considered and approved this Scheme of Amalgamation (Merger by Absorption) under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Rationale for the proposed Scheme of Amalgamation is as under:

- a) The amalgamation of the Transferor Company with the Transferee Company will enable the Transferee Company to integrate its business operations and provide impetus to the operations of the Transferee Company and would enable it to operate under single brand umbrella;
- b) Enable Transferee Company to use the resources of Transferor Company and generate synergy in operations;
- c) Reduce the operational, financial and administrative costs to achieve economy of operations;
- d) Facilitate administrative convenience and ensure optimum utilization of available services and resources;
- e) Efficient and Focused management control and system; and
- f) Provide mutual operational benefits to both the companies which would be in the best interest of all the stakeholders.



(D) PARTS OF THE SCHEME

The Scheme is divided into following parts:

1. Part A deals with the Definitions, Interpretation and Share Capital;
2. Part B deals with the amalgamation of Allcargo Shipping Co. Private Limited with Allcargo Logistics Limited; and
3. Part C deals with the General Terms and Conditions that would be applicable to the Scheme.

(E) The amalgamation under this Scheme will be effected under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder. The amalgamation of Transferor Company with the Transferee Company shall be in compliance with the provisions of Section 2(1B) of the Income Tax Act, 1961.

PART A  
DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1 DEFINITIONS

In this Scheme (as defined hereunder), unless inconsistent with the subject or context, the following expression shall have the meanings respectively assigned against them:

- 1.1 "Accounting Standards" means the generally accepted accounting principles in India notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and to the extent in force and other relevant provisions of the Act;
- 1.2 "Act" or "The Act" means the Companies Act, 2013, the Rules and Regulations framed thereunder and will include any statutory modification(s) or re-enactment(s) thereof for the time being in force;
- 1.3 "Appointed Date" means April 1, 2018 or such other date as the Tribunal may direct / fix;
- 1.4 "Board" means the Board of Directors of in relation to the Transferor Company and the Transferee Company, as the case may be, and shall include a committee duly constituted and authorised thereby for the purpose of matters pertaining to the Scheme and/or any other consequential or incidental matter in relation thereto;



- 1.5 "Effective Date" means last of the dates on which the certified copies of the order sanctioning this Scheme, passed by the National Company Law Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, are filed with the Registrar of Companies, by the Transferor Company and the Transferee Company. All references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date;
- 1.6 "Registrar of Companies" means the Registrar of Companies, Mumbai;
- 1.7 "Scheme" or "the Scheme" or "this Scheme" or "Scheme of Amalgamation (Merger by Absorption)" means this Scheme of amalgamation in its present form or this Scheme with such modification(s), if any made, as per the Scheme;
- 1.8 "Transferee Company" means Allcargo Logistics Limited (CIN: L63010MH2004PLC073508), a Company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 having its Registered Office at 6<sup>th</sup> Floor, Avashya House, CST Road, Kalina, Santacruz (E), Mumbai - 400098;
- 1.9 "Transferor Company" means Allcargo Shipping Co. Private Limited (CIN:U45205MH2008PTC179478), a Company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 having its Registered Office at 5<sup>th</sup> Floor, Avashya House, CST Road, Kalina, Santacruz (E), Mumbai - 400098;
- 1.10 "Tribunal" or "NCLT" means the National Company Law Tribunal of Mumbai constituted and authorized as per the provisions of the Act;
- 1.11 "Undertaking" shall mean the entire business and all the undertakings of the Transferor Company as a going concern, all its assets, rights, licenses and powers, and all its debts, outstandings, liabilities, duties, obligations and employees as on the Appointed Date including, but not in any way limited to, the following:
- (a) All the assets and properties (whether movable or immovable, freehold or leasehold, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including, without being limited to, Vessels, Spares, Hull, plant and machinery, computers, equipment, lands, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, furniture, fixtures, interiors, office equipment, vehicles, appliances, accessories, power lines, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scripts, stocks, bonds,



units), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including but not limited to lease rights of the Transferor Company), hire purchase contracts and assets, landing contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, bank guarantees, buyers credit, letter of credit, bill of lading, shipping receipts, reversions, powers, municipal permissions, tenancies or licenses in relation to the office and/or residential properties (including for the employees or other persons), guest houses, godowns, warehouses, licenses, fixed and other assets, intangible assets (including but not limited to software), trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including tax benefits), tax holiday benefit, special economic zone related benefits, incentives, credits (including tax credits), Minimum Alternate Tax Credit entitlement ("MAT Credit") whether recognized or not, unutilized deposits or credits, benefits under the GST Law, VAT/Sales Tax Law, VAT/Sales Tax set off, benefits of any unutilized MODVAT/CENVAT/Service Tax credits etc., tax losses, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad.

- (b) All agreements, rights, contracts (including customer contracts), entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, development of rights including properties located in Special Economic Zone (SEZ), if any, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company business activities and operations.



- (c) All intellectual property rights, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Company business activities and operations.
- (d) Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment.
- (e) Right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India.
- (f) All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Company and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised. Provided that, any reference in the security documents or arrangements entered into by the Transferor Company and under which, the assets of the Transferor Company stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that Undertaking of the Transferor Company only as are vested in the Transferee Company by virtue of the Scheme.
- (g) All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment.

All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the SEBI Act, 1992, Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, Listing Regulations and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.



2 **DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein in its present form or with any modifications and amendments made under Clause 17 of the Scheme shall be effective from the Appointed Date for amalgamation of the Transferor Company into the Transferee Company, but shall be operative from the Effective Date.

3 **SHARE CAPITAL**

3.1 The share capital of the Transferor Company as on March 31, 2018 is as under:

Share Capital	Amount in Rs.
<b>Authorized Share Capital</b>	
50,000 Equity Shares of Rs.10/- each	5,00,000
5,45,000 Preference Shares of Rs.100/- each	5,45,00,000
<b>TOTAL</b>	<b>5,50,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
10,000 Equity Shares of Rs.10 each, fully paid up	1,00,000
73,930, 1% Non-Cumulative Redeemable Preference Shares of Rs.100/- each	73,93,000
33,700 10% Non-Cumulative Redeemable Preference Shares of Rs.100/- each	33,70,000
<b>TOTAL</b>	<b>1,08,63,000</b>

Subsequent to above date there is no change in the issued, subscribed and paid up share capital of the Transferor Company. Transferor Company is wholly owned subsidiary of the Transferee Company.

3.2 The share capital of the Transferee Company as on March 31, 2018 is as under:

Share Capital	Amount in Rs
<b>Authorized Share Capital</b>	
27,49,75,000 Equity Shares of Rs.2/- each	54,99,50,000
500, 4% Cumulative Redeemable Preference Shares of Rs.100/- each	50,000
<b>TOTAL</b>	<b>55,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
245,695,524 Equity Shares of Rs. 2/- each Fully Paid	49,13,91,048
<b>TOTAL</b>	<b>49,13,91,048</b>



Subsequent to above date there is no change in the issued, subscribed and paid up share capital of the Transferee Company.

**PART B**  
**AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE**  
**TRANSFEEEE COMPANY**

**4 TRANSFER AND VESTING OF UNDERTAKING**

- 4.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Company (including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature such as investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, development of rights including properties located in SEZ, if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever) shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
- 4.2 The amalgamation of the Transferor Company with the Transferee Company will combine the business, activities and operations of the Transferor Company and the Transferee Company into a single company with effect from the Appointed Date and shall be in compliance with the provisions of the Income Tax Act, 1961, including Section 2(1B) thereof or any amendments thereto. If any term of provision of this Scheme is found or interpreted to be inconsistent with the said provisions at a current date or later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said sections of the Income-tax Act, 1961 shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax, 1961. Such modification will however not affect the other parts of the Scheme.
- 4.3 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:
- a. All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties (moveable and immoveable, whether freehold or leasehold) which are acquired / constructed / developed by the Transferor



Company on or after the Appointed Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.

- b. In so far as the immovable properties held by the Transferor Company is concerned, parties shall register the true copy of the order of the Tribunal approving the Scheme with the offices of the relevant Sub-Registrar of Assurances or similar registering authority. All the rights of the Transferor Company in the immovable properties shall stand transferred to the Transferee Company pursuant to this Scheme, automatically without requirement of execution of any further documents for registering the name of the Transferee Company as owner thereof and the regulatory authorities, including Sub-Registrar of Assurances or similar authorities by whatever name(s) called may rely on this Scheme along with the copy of the Order passed by the Tribunal, to make necessary mutation entries and changes in the land or revenue records to reflect the name of the Transferee Company as owner of the immovable properties.
- c. In respect of such assets owned and belonging to the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company, and shall become the property of the Transferee Company in pursuance of the provisions of Section 230 to 232 and other applicable provisions of the Act.
- d. In respect of movables other than those dealt with in Clause 4.3(c) above including the sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit, as a part of this Scheme stands transferred and vested in the Transferee Company), without any further act, instrument or deed by the Transferee Company.
- 4.4 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:





a. All the liabilities including all secured and unsecured debts, liabilities including contingent liabilities, leases, sundry creditors, duties, obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company without any further act, instrument or deed, along with any charge, lien, encumbrance or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme. Provided that, any reference in the security documents or arrangements entered into by the Transferor Company and under which, the assets of the Transferor Company stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that Undertaking of the Transferor Company only as are vested in the Transferee Company by virtue of the Scheme.

4.5 The Transferor Company may be entitled to various benefits under incentive schemes and policies under various laws, regulations and notifications. Pursuant to this Scheme it is declared that the benefits under all of such schemes and policies shall be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including tax concessions (not limited to income tax, tax holiday, special economic zone related benefits, tax losses, fringe benefit tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs, goods and service tax, Minimum Alternate Tax Credit entitlement ("MAT Credit") whether recognized or not, unutilized deposits or credits, benefits under the GST Law, VAT/Sales Tax Law, VAT/Sales Tax set off, benefits of any unutilized MODVAT/CENVAT/Service Tax credits etc. and others) and incentives shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive scheme and policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under the incentive schemes and policies were made available to the Transferor Company. Further, easements, privileges, liberties and advantages of whatsoever nature and whatsoever situate belonging to or in the ownership, power or possession of the Transferor Company shall be transferred to and vest in the Transferee Company.



control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad shall stand transferred and vested with the Transferee Company.

- 4.6 Upon the coming into effect of this Scheme, all agreements, rights, contracts (including customer contracts), entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, development of rights including properties located in SEZ, if any, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company business activities and operations shall stand transferred and vested with the Transferee Company.
- 4.7 Upon the coming into effect of this Scheme, all intellectual property rights, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Company's business activities and operations shall stand transferred and vested with the Transferee Company.
- 4.8 Upon the coming into effect of this Scheme, amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment shall stand transferred and vested with the Transferee Company.
- 4.9 Upon the coming into effect of this Scheme, right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India shall stand transferred and vested with the Transferee Company.



4.10 All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees, or the employees of any of their subsidiaries, with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment shall stand transferred and vested with the Transferee Company.

4.11 Upon the coming into effect of this Scheme, the resolutions, and other actions undertaken by the Transferor Company including the approvals that may have been obtained by Transferor Company from its shareholders under provisions of Sections 180, 185, 186 and 188 of the Act, approvals that may be obtained under the Act and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

## 5 CONSIDERATION FOR AMALGAMATION

5.1 Entire issued, subscribed and paid up equity share capital of the Transferor Company is held by the Transferee Company and its nominee. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the holding of shares in Transferor Company and the entire share capital of the Transferor Company shall stand cancelled.

5.2 Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form representing the equity shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed or instrument by the Transferee Company.

## 6 ACCOUNTING TREATMENT

Upon the coming into effect of this Scheme the Transferee Company shall account for the amalgamation in its books as per the applicable accounting principles prescribed under Indian Accounting Standard (Ind AS) 103 and / or any other applicable Ind AS, as the case may be.

6.1 The Transferee Company shall upon the Scheme coming into effect, record the assets and liabilities, if any, of the Transferor Company vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Company.



- 6.2 The identity of the reserves of the Transferor Company shall be preserved and the Transferee Company shall record the reserves of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company.
- 6.3 Pursuant to the amalgamation of the Transferor Company with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company, if any appearing in the books of the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf.
- 6.4 The value of investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to amalgamation.
- 6.5 The difference between the value of assets over the value of liabilities including reserves of the Transferor Company transferred to the Transferee Company pursuant to the Tribunal order, after adjusting the book value of the investments in the shares of the Transferor Company shall be adjusted in the Capital reserves or Goodwill as the case may be of the Transferee Company.
- 6.6 In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference shall be quantified and adjusted in the books of the Transferee Company.
- 6.7 In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

## 7 CONDUCT OF BUSINESS TILL EFFECTIVE DATE

During the period between the Appointed Date and the Effective Date:

- 7.1 The Transferor Company shall carry on and deemed to have carried on its business and activities and shall stand possessed of their entire business and Undertakings, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- 7.2 All the income or profits accruing or arising to the Transferor Company and all costs, charges, expenses or losses incurred including tax losses and MAT credits earned by the Transferor Company shall for all purposes be treated the income, profits, costs, charges, expenses and losses as the case may be of the Transferee Company.



7.3 The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of the Transferor Company and the Transferee Company.

7.4 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require to carry on the business of the Transferor Company.

#### 8 PROFITS AND DIVIDENDS

8.1 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.

8.2 The shareholders of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

8.3 For the avoidance of doubt, it is hereby clarified that nothing in this Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the record date for the purpose of dividend.

8.4 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company respectively, and subject to the approval, if required, of the shareholders of the Transferor Company and the Transferee Company respectively.

#### 9 LEGAL PROCEEDINGS

9.1 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the amalgamation by anything contained in this Scheme, but the said suit, appeal or other legal



proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

- 9.2 On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to any business or matter relating to the Transferor Company.

#### 10 CONTRACTS, DEEDS, ETC.

- 10.1 Subject to the other provisions contained in this Scheme, all applications with regulatory authorities, contracts, deeds, bonds, agreements and other instruments of whatever nature to which, the Transferor Company is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of the Transferee Company, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

- 10.2 As a consequence of the Amalgamation of Transferor Company into the Transferee Company in accordance with or pursuant to this Scheme, the recording of change in name in the records of the statutory or regulatory authorities from the Transferor Company to the Transferee Company, whether relating to any license, permit, approval or any other matter, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority, subject to appropriate documentation by the Transferee Company.

#### 11 SAVING OF CONCLUDED TRANSACTIONS

- 11.1 The transfer of Business, assets, properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferee Company under Clause 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

#### 12 STAFF, WORKMEN & EMPLOYEES

- 12.1 On the Scheme becoming operative, all staff and employees of the Transferor Company, if any, in service on the Effective Date shall be deemed to be



become staff and employees of the Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date.

- 12.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff and employees of the Transferor Company, if any, shall become the trusts/ funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company. It is clarified that the services of the staff and employees of the Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.

### 13 COMBINATION OF AUTHORISED SHARE CAPITAL

- 13.1 Upon this Scheme becoming effective and upon the transfer and vesting of the Transferor Company into Transferee Company pursuant to this Scheme, the entire Authorized Share Capital of the Transferor Company equal to Rs.5,50,00,000 (divided into 50,000 Equity Shares of Rs.10/- each and 5,45,000 Preference Shares of Rs.100/- each) shall stand merged with the Authorized Share Capital of the Transferee Company, without any further act, deed and instrument by the Transferee Company.
- 13.2 Accordingly, upon this Scheme becoming effective, the Authorized Share Capital of the Transferee Company of Rs.55,00,00,000 shall stand increased by Rs. 5,50,00,000 to Rs. 60,50,00,000 as below :

Authorized Capital	Amount in Rs.
<b>Authorized Share Capital</b>	
27,52,25,000 Equity Shares of Rs. 2/- each	55,04,50,000
500, 4% Cumulative Redeemable Preference Shares of Rs.100/- each	50,000
5,45,000 Preference Shares of Rs.100/- each	5,45,00,000
<b>TOTAL</b>	<b>60,50,00,000</b>



13.3 Upon sanction of this Scheme, without any further act, instrument or deed on the part of the Transferee Company and without any further payment of stamp duty and fees payable to Registrar of Companies, Maharashtra at Mumbai, the Memorandum of Association and Articles of Association (relating to the authorized share capital) of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under any provisions of the Act would be required to be separately passed and for this purpose the stamp duties and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorized share capital to that extent mentioned above.

13.4 It is further clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval of the shareholders also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

Clause 'V' of the Memorandum of Association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

Clause 'V' of the Memorandum of Association:

V. \*The Authorized Share Capital of the Company is Rs. 60,30,00,000/- (Rupees Sixty Crore Fifty Lakh only) divided into 27,52,25,000 (Twenty Seven Crore Fifty Two Lakh Twenty Five Thousand) Equity Shares of Rs. 2/- (Rupees Two only) each and 300 (Five Hundred) 4% Cumulative Redeemable Preference Shares of Rs. 100/- (Rupees Hundred only) each and 5,45,000 (Five Lakh Forty Five Thousand) Preference Shares of Rs. 100/- (Rupees Hundred only) each, with rights, privileges and conditions attached thereto as are provided by the regulations of the Company for the time being, with power to increase or reduce the capital of the Company or to divide the shares of the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.





13.5 It is clarified that the approval of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under Sections 13, 14, 61, 64 and other applicable provisions of the Act and all other applicable laws, if any.

**14 AMENDMENT TO THE OBJECT CLAUSE OF THE TRANSFEREE COMPANY:**

14.1 Upon this Scheme becoming effective, the Object Clause of Memorandum of Association of Transferee Company shall be deemed to have been altered and amended without any act or deed or instrument, to include the objects as required for the purpose of carrying on the business activities of the Transferor Company pursuant to the provisions of Sections 13, 14 and any other applicable provisions of the Act. Accordingly, the Memorandum of Association of the Transferee Company shall be altered and amended and necessary numbering of the clause inserted shall be carried out. The following clause 1(d) shall be inserted after the existing clause III (A) (1)(a) to the Memorandum of Association of Transferee Company and shall read as under:

*1(d). To construct, develop, maintain, build, equip, hire or otherwise deal with the ports, shipyard, jetties, harbours, docks, ship breaking, ship repair, ship building at any port in India or otherwise.*

14.2 It is clarified that the approval of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under Sections 13, 14 and any other applicable provisions of the Act.

**15 WINDING UP**

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and its name shall be struck off from the records of the appropriate Registrar of companies.

**PART C**

**GENERAL TERMS AND CONDITIONS**

**16 APPLICATION TO TRIBUNAL OR ANY OTHER COMPETENT AUTHORITY OR ANY OTHER APPROPRIATE AUTHORITY UNDER THE APPLICABLE PROVISIONS OF THE ACT, AS MAY BE APPLICABLE**



The Transferee Company and the Transferor Company shall, as may be required, make all necessary applications and /or petitions to the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, under Sections 230 to 232 and any other applicable provisions of the Act and all the other matters ancillary or incidental thereto.

#### 17. MODIFICATION OR AMENDMENTS TO THE SCHEME

17.1 Subject to approval of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, the Transferee Company and the Transferor Company with the approval of their respective Boards of Directors which includes the Committee of Directors may consent, from time to time, on behalf of all persons concerned, to any modifications/amendments or additions/deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Boards of Directors to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds matters, and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, may deem fit to approve of, to direct and or impose. The aforesaid powers of the Transferee Company and the Transferor Company to give effect to the modification / amendments to the Scheme may be exercised by their respective Boards of Directors or any person authorised in that behalf by the concerned Board of Directors subject to approval of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable.

17.2 The Transferor Company and Transferee Company shall be at liberty to withdraw from this Scheme, in case any condition or alteration is / are imposed by the Tribunal or any other authority is unacceptable to them or otherwise if so mutually agreed.

#### 18. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

18.1 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law or regulations or otherwise may be necessary for the implementation of this Scheme.

18.2 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and / or creditors of the Transferor Company and the Transferee Company, as may be directed by the



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For Allcargo Logistics Limited**

**Devanand Mojdra  
Company Secretary**

Tribunal or any other competent authority or any other appropriate authority, under the applicable provisions of the Act, as may be applicable.

- 18.3 The Scheme being sanctioned by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, including Sections 230 to 232 of the Act.
- 18.4 Certified copies of the Orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, being filed with the Registrar of Companies, Mumbai by the Transferor Company and the Transferee Company.

**19 EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and / or the Scheme not being sanctioned by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and / or the Order not being passed as aforesaid before March 31, 2019 or within such further period or periods as may be agreed upon between the Transferee Company and the Transferor Company by their Board of Directors (and which the Board of Directors of the Transferee Company and the Transferor Company are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect.

**20 SEVERABILITY**

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

**21 COSTS, CHARGES AND EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

Certified True Copy  
Date of Application 03-10-2019  
Number of Pages 20  
Fee Paid Rs. 100  
Applicant called for collection copy on 24-10-2019  
Copy prepared on 24-10-2019  
Copy Issued on Page 20 of 20 24-10-2019

  
Assistant Registrar  
National Company Law Tribunal, Mumbai Bench



BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

MUMBAI BENCH

COMPANY SCHEME PETITION NO. 2535 OF 2019

IN

COMPANY SCHEME APPLICATION NO. 1020 OF 2018

In the matter of the Companies Act, 2013 (18 of 2013)

AND

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder as in force from time to time;

AND


In the matter of Scheme of Amalgamation (Merger by Absorption) of Allcargo Shipping Co. Private Limited ("ASCPL" or "the Transferor Company") with Allcargo Logistics Limited ("ALL" or "the Transferee Company") and their respective shareholders;

ALLCARGO LOGISTICS LIMITED,


... Petitioner Company No.2.

CERTIFIED COPY OF THE MINUTES OF THE ORDER  
DATED 27TH SEPTEMBER, 2019 ALONG WITH  
SCHEME OF AMALGAMATION

**Certified True Copy**  
**For Allcargo Logistics Limited**

  
Devanand Mojindra  
Company Secretary

M/S. RAJESH SHAIK & CO  
Advocates for the Petitioner  
16, Oriental Building,  
30, Nagindas Master Road,  
Flora Fountain,  
Mumbai-400 001.



IN THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH, COURT-III

C.P. (CAA) No.1061 of 2020  
Connected with  
C.A. (CAA) No. 804 of 2020

In the matter of Sections 230 to 232 and  
other applicable provisions of the  
Companies Act, 2013 and Rules framed  
thereunder as in force from time to time;

And

In the matter of Scheme of Amalgamation  
(Merger by Absorption) of Hindustan  
Cargo Limited ("HCL" or "the Transferor  
Company") with Allcargo Logistics Limited  
("ALL" or "the Transferee Company") and  
their respective shareholders.

**HINDUSTAN CARGO LIMITED**  
CIN: U63010MH1993PLC075480

... First Petitioner Company/  
Transferor Company

**ALLCARGO LOGISTICS LIMITED**  
CIN: L63010MH2004PLC073508

... Second Petitioner Company/  
Transferee Company

**Order delivered on 16<sup>th</sup> July, 2021**

**Coram**

Hon'ble Shri H.V. Subba Rao : Member (Judicial)  
Hon'ble Shri Chandra Bhan Singh : Member (Technical)

*Appearances (via videoconferencing):*

For the Petitioner(s) : Mr. Ahmed M Chunawala i/b M/s. Rajesh Shah &  
Co., Advocate.

*Per Shri H.V. Subba Rao, Member (Judicial)*

**Certified True Copy**  
**For Allcargo Logistics Limited**

*Devanand*

**Devanand Mojdra**  
**Company Secretary**



**ORDER**

1. Heard the Learned Counsel for the Petitioner Companies. No objector has come before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in the Petitions to the said Scheme.
2. The sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed there under for the Scheme of Amalgamation (Merger by Absorption) of HINDUSTAN CARGO LIMITED, the Amalgamating Company with Allcargo Logistics Limited, the Amalgamated Company and their respective shareholders.
3. The Petitioner Companies have approved the said Scheme of Amalgamation by passing the Board Resolutions dated 8<sup>th</sup> November, 2019 which are annexed to the Company Scheme Petition.
4. The Learned Advocate appearing on behalf of the Petitioners states that the Petitions have been filed in consonance with the Order dated 27<sup>th</sup> July, 2020 passed in the Company Scheme Application No. 804 of 2020 of the Hon'ble Tribunal.
5. The Learned Advocate appearing on behalf of the Petitioners further states that the Petitioner Companies have complied with all requirements as per directions of the National Company Law Tribunal, Mumbai Bench and they have filed necessary affidavits of compliance in the National Company Law Tribunal, Mumbai Bench.
6. The Learned Counsel for the Petitioner Companies states that as per main objects clause in Memorandum of Association of respective



Applicant Companies, the First Petitioner Company is engaged in the business which includes arranging of transportation of freight and cargo; and that the Second Petitioner Company is engaged in providing integrated logistics solutions and offers specialized logistics services across Multimodal Transport Operations, Inland Container Depot/Container Freight Station operations, Project and Engineering Solutions, Logistics Parks and activities thereto.

7. The rationale for the Scheme of Amalgamation (Merger by Absorption) of the Petitioner Companies is as under:

The amalgamation of the Transferor Company with the Transferee Company will:

- a) reduce the operational, financial and administrative costs to achieve economy of operations;
  - b) facilitate administrative convenience and ensure optimum utilization of available services and resources;
  - c) lead to efficient and focused management control and system; and
  - d) provide mutual operational benefits to both the companies which would be in the best interest of all the stakeholders.
8. The Regional Director has filed his Report dated 4<sup>th</sup> March, 2021 *inter-alia* making the following observations in Paragraphs IV (a) to (d) which are reproduced hereunder

Para	Observation by the Regional Director	Undertaking of the Petitioner Company/ Rejoinder
------	--------------------------------------	--



IV(a)	<p>In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS - 8) etc.</p>	<p>So far as the observation in paragraph IV (a) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the Transferee Company undertakes that in addition to compliance of IND AS-103 for accounting treatment, the Transferee Company shall pass such accounting entries as may be necessary in connection with the Scheme to comply with other applicable accounting standards such as IND AS-8 as applicable.</p>
IV(b)	<p>As per Definition of the Scheme, <b>"Appointed Date"</b> means April 1, 2020 or such other date as the Tribunal may direct / fix;</p> <p><b>"Effective Date"</b> means last of the dates on which the certified copies of the order sanctioning this Scheme, passed by the National Company Law Tribunal or any other competent authority or any other</p>	<p>So far as the observation in paragraph IV (b) of the Report of the Regional Director is concerned, the Petitioner Companies through their Counsel hereby confirm that the appointed date mentioned in the Scheme is 1<sup>st</sup> April, 2020. In this regard, the Petitioner Companies confirm and undertake that upon the Hon'ble National Company Law Tribunal, Mumbai Bench approving the Scheme, the Scheme shall take</p>





	<p>appropriate authority under the applicable provisions of the Act, as may be applicable, are filed with the Registrar of Companies, by the Transferor Company and the Transferee Company. All references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date.</p> <p>Further, the Petitioners may be asked to comply with the requirements and clarified vide circular no. F. No. 7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>	<p>effect from the Appointed Date i.e. 1<sup>st</sup> April, 2020 in terms of provisions of Section 232(6) of the Companies Act, 2013. Further, the Petitioner Companies through their Counsel undertake that they will comply with the provisions and requirements clarified vide circular no. F. No. 7/12/2019/CL-1 dated 21-08-2019 issued by the Ministry of Corporate Affairs, if required.</p>
IV(c)	<p>As per Clause 6 of the Scheme; the difference between the value of assets over the value of liabilities including reserves of the Transferor Company transferred to the Transferee</p>	<p>So far as the observation in paragraph IV (c) of the Report of the Regional Director is concerned, the Petitioner Companies undertake that the difference between the value of assets over the value of liabilities</p>



<p>Company pursuant to the Tribunal order, after adjusting the book value of the investments in the shares of the Transferor Company and after adjustment under clause 6.3, if any shall be adjusted to the Capital Reserves of the Transferee Company.</p> <p>In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference shall be quantified and adjusted in the reserves of the Transferee Company.</p> <p>In this regard, the Petitioner Companies have to undertake that the surplus shall be credited to Capital Reserve Account arising out of amalgamation and deficits shall be debited to Goodwill Account.</p>	<p>including reserves of the Transferor Company transferred to the Transferee Company pursuant to the Tribunal order, after adjusting the book value of the investments in the shares of the Transferor Company and after adjustment under clause 6.3 of the Scheme, if any shall be adjusted to the Capital Reserves of the Transferee Company.</p> <p>In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference shall be quantified and adjusted in the reserves of the Transferee Company.</p> <p>Further, such Capital Reserve arising shall not be considered as free reserve and not be available for distribution of dividend.</p>
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	Further Petitioner Companies have to undertake that reserves shall not be available for distribution of dividend.	
IV(d)	<p>ROC, Mumbai Report dated 19.01.2021 has interalia mentioned that there are no prosecutions, no technical scrutiny, no inquiry, no inspection but one complaint is pending regarding fraud raised by Shri. Neera Agarwal vide SR NO. 100056999 dated 15.12.2020.</p> <p>Further mentioned that :-</p> <ol style="list-style-type: none"><li>1. As per Master Data of Transferee Company's Authorised Share Capital and Paid-Up Share Capital is Rs. 60,50,00,000/- and Rs. 49,14,00,000/- which does not match with the Scheme.</li><li>2. Transferor Company is</li></ol>	<p>So far as the observation in paragraph IV (d) of the Report of the Regional Director is concerned, the Petitioner Companies state that:</p> <p>(a) Second Petitioner Company have acquired substantial equity stake of 46.86% in Gati Limited through preferential issue, market purchase and open offer in FY 2019-2020 and have complied with all laws and regulations of SEBI, Companies Act, 2013 and other acts as applicable. The complaint raised by Shri Neera Agarwal vide SRN No.10056999 dated 15.12.2020 appear to be case of family dispute inter se Mahendra Kumar Agarwal (former Promoter of Gati Limited), his wife Neera Agrawal</p>



<p>wholly owned subsidiary of Transferee Company.</p> <p>3. Interest of the creditors shall be protected.</p>	<p>(Trustee of Neera and Children Trust), and two children. The Second Petitioner Company is not concerned with these personal disputes between them. The Second Petitioner Company denies the allegations made against it and has filed the detailed reply to the Asst. Registrar of Companies Ministry of Corporate Affairs vide letter submitted on 6<sup>th</sup> January 2021, which is a self-explanatory. The allegations/ fraud complaint made are malicious, false and defamatory and with a view to malign the name of the Second Petitioner Company. The complaint raised is not prejudicial to the Scheme of Amalgamation (Merger by Absorption) between of Hindustan Cargo Limited with Allcargo Logistics Limited and their respective Shareholders (Scheme).</p> <p>(b) the Authorised Share Capital of the Transferee Company of</p>
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		<p>Rs. 55,00,00,000/- as mentioned in the Scheme is as on 31<sup>st</sup> March 2019. Subsequently, Hon'ble National Company Law Tribunal, Mumbai Bench, vide its order dated 27<sup>th</sup> September 2019 has approved the Scheme of Amalgamation (Merger by Absorption) between Allcargo Shipping Co. Private Limited (a wholly owned subsidiary of the Allcargo Logistics Limited) and Allcargo Logistics Limited under Sections 230 to 232 of the Act which became effective from 5<sup>th</sup> November 2019. Pursuant to said order, the Authorised Share Capital of the Transferee Company was combined and increased to Rs. 60,50,00,000/-. The Second Petitioner Company has filed the copy of the order with Registrar of Companies, Mumbai vide SRN R10798965 dated 5<sup>th</sup> November 2019 which has been approved by Registrar of Companies, Mumbai on 27<sup>th</sup></p>
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		<p>February 2020.</p> <p>However, there is no discrepancy as regards to the issued, subscribed and paid up share capital of the Transferee Company amounting to Rs. 49,13,91,048/- which remains unchanged.</p> <p>(c) the Petitioner Companies agree that Hindustan Cargo Limited, the Transferor Company, is the wholly owned subsidiary of Allcargo Logistics Limited, the Transferee Company.</p> <p>(d) the interest of the creditors shall be protected.</p>
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9. The Petitioner Companies have filed the Rejoinder on 8<sup>th</sup> day of March, 2021. Thereafter, the Regional Director has filed his Supplementary Report with NCLT, Mumbai Bench on 9<sup>th</sup> day of March, 2021 stating that the undertaking is accepted by the Regional Director.
10. The Official Liquidator has filed his report on 24<sup>th</sup> March, 2021 in the Company Scheme Petition No. 1061 of 2020, *inter alia*, stating therein that the affairs of the Transferor Company have been conducted in a proper manner not prejudicial to the interest of the Shareholders of



the Transferor Company and that the Transferor Company may be ordered to be dissolved by this Tribunal.

11. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 1061 of 2020 is made absolute in terms of clauses (a) to (d) of the Company Scheme Petition. Hence ordered.

**ORDER**

- a. The said Scheme of Amalgamation Merger by Absorption is hereby sanctioned and declared the same to be binding on the ("Transferor Company") and ("Transferee Company") AND their respective shareholders.
- b. Petitioners are directed to file a copy of this Order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically along with E-Form INC-28, in addition to physical copy within 30 days from the date of receipt of the Order from the Registry.
- c. The Petitioner Companies to lodge a copy of this Order and the Scheme duly authenticated by the Joint/Deputy/Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable within 60 days from the date of receipt of the Order, if any.



d. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Joint/ Deputy/ Assistant Registrar, National Company Law Tribunal, Mumbai.

12. The Appointed Date is 1<sup>st</sup> April, 2020.

2. Ordered Accordingly.

Sd/-

**CHANDRA BHAN SINGH**  
MEMBER (TECHNICAL)

Sd/-

**H. V. SUBBA RAO**  
MEMBER (JUDICIAL)

Certified True Copy  
Date of Application: 16.07.2024  
Number of Pages: 12  
Fee Paid Rs. 00  
Applicant called for collection copy on 17.08.2024  
Copy prepared on 17.08.2024  
Copy Issued on 19.08.2024

*[Signature]*  
Registrar

National Company Law Tribunal, Mumbai Bench

**Certified True Copy**  
For Allcargo Logistics Limited

*[Signature]*  
Devanand Mojdra  
Company Secretary

Page 12 of 12





**SCHEME OF AMALGAMATION  
(MERGER BY ABSORPTION)**

**OF**

**HINDUSTAN CARGO LIMITED  
[HCL or Transferor Company]**

**WITH**

**ALLCARGO LOGISTICS LIMITED  
[ALL or Transferee Company]**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS  
UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND RULES  
FRAMED THEREUNDER AS AMENDED FROM TIME TO TIME**

**(A) PREAMBLE**

This Scheme of Amalgamation (Merger by Absorption) ("Scheme") is presented pursuant to Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and National Company Law Tribunal Rules, 2016 or such other Rules framed there under and Regulations 11, 37 and other applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and all other applicable laws, if any, for the amalgamation of Hindustan Cargo Limited ("HCL" or "the Transferor Company") with Allcargo Logistics Limited ("ALL" or "the Transferee Company"). This Scheme also provides for various other matters incidental, consequential or otherwise integrally connected therewith.

**(B) DESCRIPTION OF COMPANIES**

1. The Transferor Company is a public company, limited by shares, incorporated under the provisions of the Companies Act, 1956 and validly existing under the provisions of the Companies Act, 2013 having its Registered Office at 3<sup>rd</sup> Floor, A Wing, Avashya House CST Road, Kalina, Santacruz (East), Mumbai-400098. The Transferor Company is a wholly owned subsidiary of the Transferee

Page 1 of 19

**Certified True Copy  
For Allcargo Logistics Limited**



**Devanand Mojindra  
Company Secretary**



Company and it has been incorporated with an object of arranging of transportation of freight and cargo.

2. The Transferee Company is a public company, limited by shares, incorporated under the provisions of the Companies Act, 1956 and validly existing under the provisions of the Companies Act, 2013 having its Registered Office at 8<sup>th</sup> floor, Avashya House, Kalina, CST Road, Santacruz (East), Mumbai - 400 098 and listed on BSE Limited and National Stock Exchange of India Limited. It is a leading Indian multinational Company engaged in providing integrated logistics solutions and offers specialised logistics services across Multimodal Transport Operations, Container Freight Station/Inland Container Depot operations, Project and Engineering Solutions, Logistics Park and activities related thereto.

### (C) RATIONALE

Based on rationale mentioned herein, the Board of Directors of Transferor and Transferee Company have considered and approved this Scheme of Amalgamation (Merger by Absorption) under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Rationale for the proposed Scheme of Amalgamation is as under:

The amalgamation of the Transferor Company with the Transferee Company will:

- a) reduce the operational, financial and administrative costs to achieve economy of operations;
- b) facilitate administrative convenience and ensure optimum utilization of available services and resources;
- c) lead to efficient and focused management control and system; and
- d) provide mutual operational benefits to both the companies which would be in the best interest of all the stakeholders.

### (D) PARTS OF THE SCHEME

The Scheme is divided into following parts:

1. Part A deals with the Definitions, Interpretation and Share Capital;
2. Part B deals with the amalgamation of Hindustan Cargo Limited with Aircargo Logistics Limited; and
3. Part C deals with the General Terms and Conditions that would be applicable to the Scheme.

- (E) The amalgamation under this Scheme will be effected under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder. The amalgamation of Transferor Company with the Transferee Company shall be in compliance with the provisions of Section 2(1B) of the Income Tax Act, 1961.



**PART A**  
**DEFINITIONS, INTERPRETATION AND SHARE CAPITAL**

**1 DEFINITIONS**

In this Scheme (as defined hereunder), unless inconsistent with the subject or context, the following expression shall have the meanings respectively assigned against them:

- 1.1 "Accounting Standards" means the generally accepted accounting principles in India notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and to the extent in force and other relevant provisions of the Act;
- 1.2 "Act" or "The Act" means the Companies Act, 2013, the Rules and Regulations framed thereunder and will include any statutory modification(s) or re-enactment(s) thereof for the time being in force;
- 1.3 "Appointed Date" means April 1, 2020 or such other date as the Tribunal may direct / fix;
- 1.4 "Board" means the Board of Directors or in relation to the Transferor Company and the Transferee Company, as the case may be, and shall include a committee duly constituted and authorised thereby for the purpose of matters pertaining to the Scheme and/or any other consequential or incidental matter in relation thereto;
- 1.5 "Effective Date" means last of the dates on which the certified copies of the order sanctioning this Scheme, passed by the National Company Law Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, are filed with the Registrar of Companies, by the Transferor Company and the Transferee Company. All references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date;
- 1.6 "Registrar of Companies" means the Registrar of Companies, Mumbai;
- 1.7 "Scheme" or "the Scheme" or "this Scheme" or "Scheme of Amalgamation (Merger by Absorption)" means this Scheme of amalgamation in its present form or this Scheme with such modification(s), if any made, as per the Scheme;
- 1.8 "Transferee Company" means Allcargo Logistics Limited (CIN: L63010MH2004PLC073508), a Company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 having its Registered Office at 6<sup>th</sup> Floor, Avashya House, CST Road, Kalfina, Santacruz (E), Mumbai - 400096;



- 1.9 "Transferor Company" means Hindustan Cargo Limited (CIN: U63010MH1993PLC075480), a Company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 having its Registered Office at 3<sup>rd</sup> Floor, A Wing, Avashya House CST Road, Kalina, Santacruz (East), Mumbai-400098;
- 1.10 "Tribunal" or "NCLT" means the National Company Law Tribunal of Mumbai constituted and authorized as per the provisions of the Act;
- 1.11 "Undertaking" shall mean the entire business and all the undertakings of the Transferor Company as a going concern, all its assets, rights, licenses and powers, and all its debts, outstandings, liabilities, duties, obligations and employees as on the Appointed Date including, but not in any way limited to, the following:
- (a) All the assets and properties (whether movable or immovable, freehold or leasehold, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including, without being limited to, Vessels, Spares, Hull, plant and machinery, computers, equipment, lands, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, furniture, fixtures, interiors, office equipment, vehicles, appliances, accessories, power lines, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scripts, stocks, bonds, units), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including but not limited to lease rights of the Transferor Company), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, bank guarantees, buyers credit, letter of credit, bill of lading, shipping receipts, reversions, powers, municipal permissions, tenancies or licenses in relation to the office and/or residential properties (including for the employees or other persons), guest houses, godowns, warehouses, licenses, fixed and other assets, intangible assets (including but not limited to software), trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including tax benefits), tax holiday benefit, special economic zone related benefits, incentives, credits (including tax credits), Minimum Alternate Tax Credit entitlement ("MAT Credit") whether recognized or not, unutilized deposits or credits, benefits under the GST Law, VAT/Sales Tax Law, VAT/Sales Tax set off, benefits of any unutilized MODVAT/CENVAT/Service Tax/GST credits etc., tax losses, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to



or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad.

- (b) All agreements, rights, contracts (including customer contracts), entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, development of rights, if any, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company business activities and operations.
- (c) All intellectual property rights, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Company business activities and operations.
- (d) Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment.
- (e) Right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India.
- (f) All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Company and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized. Provided that, any reference in the security documents or arrangements entered into by the Transferor Company and under which, the assets of the Transferor Company stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the



assets pertaining to that Undertaking of the Transferor Company only as are vested in the Transferee Company by virtue of the Scheme.

- (g) All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment.

All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the SEBI Act, 1992, Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, Listing Regulations and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.

## 2 DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modifications and amendments made under Clause 17 of the Scheme shall be effective from the Appointed Date for amalgamation of the Transferor Company into the Transferee Company, but shall be operative from the Effective Date. Notwithstanding the above, the accounting treatment to be adopted to give effect to the provisions of the Scheme would be in consonance with Indian Accounting Standards, 103 (Ind AS 103) and mere adoption of such accounting treatment will not in any manner effect the amalgamation of the Transferor Company with the Transferee Company from the Appointed Date.

## 3 SHARE CAPITAL

- 3.1 The share capital of the Transferor Company as on March 31, 2019 is as under:

Share Capital	Amount in Rs.
<u>Authorized Share Capital</u>	
10,00,000 Equity Shares of Rs.10/- each	1,00,00,000
2,90,000 Preference Shares of Rs.100/- each	2,90,00,000
<b>TOTAL</b>	<b>3,90,00,000</b>
<u>Issued, Subscribed and Paid-up Share Capital</u>	
2,50,000 Equity Shares of Rs.10 each, fully paid up	25,00,000
95,855 1% Redeemable Non-Cumulative Non-Convertible Preference Shares of Rs.100/- each	95,85,500
2,500 10% Redeemable Non-Cumulative Non-Convertible Preference Shares of Rs.100/- each	2,50,000
<b>TOTAL</b>	<b>1,23,35,500</b>



Subsequent to above date there is no change in the issued, subscribed and paid up share capital of the Transferor Company. Transferor Company is wholly owned subsidiary of the Transferee Company.

- 3.2 The share capital of the Transferee Company as on March 31, 2019 is as under:

Share Capital	Amount in Rs
<b>Authorized Share Capital</b>	
27,49,75,000 Equity Shares of Rs 2/- each	54,99,50,000
500, 4% Cumulative Redeemable Preference Shares of Rs.100/- each	50,000
<b>TOTAL</b>	<b>55,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
245,695,524 Equity Shares of Rs. 2/- each Fully Paid	49,13,91,048
<b>TOTAL</b>	<b>49,13,91,048</b>

Subsequent to above date there is no change in the issued, subscribed and paid up share capital of the Transferee Company.

**PART B**  
**AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY**

**4 TRANSFER AND VESTING OF UNDERTAKING**

- 4.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date, the entire business and whole of the Undertaking of the Transferor Company (including all its properties and assets whether movable or immovable, tangible or intangible) of whatsoever nature such as investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, development of rights, if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever) shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
- 4.2 The amalgamation of the Transferor Company with the Transferee Company will combine the business, activities and operations of the Transferor Company and the Transferee Company into a single company with effect from the Appointed Date and shall be in compliance with the provisions of the



Income Tax Act, 1961, including Section 2(1B) thereof or any amendments thereto. If any term or provision of this Scheme is found or interpreted to be inconsistent with the said provisions at a current date or later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said sections of the Income-tax Act, 1961 shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax, 1961. Such modification will however not affect the other parts of the Scheme.

- 4.3 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:
- a. All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties (moveable and immoveable, whether freehold or leasehold) which are acquired / constructed / developed by the Transferor Company on or after the Appointed Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.
  - b. In respect of such assets owned and belonging to the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company, and shall become the property of the Transferee Company in pursuance of the provisions of Section 230 to 232 and other applicable provisions of the Act.
  - c. In respect of movables other than those dealt with in Clause 4.3(b) above including the sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit, as a part of this Scheme stands transferred and vested in the Transferee Company), without any further act, instrument or deed by the Transferee Company.
- 4.4 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:





- a. All the liabilities including all secured and unsecured debts, liabilities including contingent liabilities, leases, sundry creditors, duties, obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company without any further act, instrument or deed, along with any charge, lien, encumbrance or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme. Provided that, any reference in the security documents or arrangements entered into by the Transferor Company and under which, the assets of the Transferor Company stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that Undertaking of the Transferor Company only as are vested in the Transferee Company by virtue of the Scheme.
- 4.5 The Transferor Company may be entitled to various benefits under incentive schemes and policies under various laws, regulations and notifications. Pursuant to this Scheme it is declared that the benefits under all of such schemes and policies shall be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including tax concessions (not limited to income tax, tax holiday, special economic zone related benefits, tax losses, fringe benefit tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs, goods and service tax, Minimum Alternate Tax Credit entitlement ("MAT Credit") whether recognized or not, unutilized deposits or credits, benefits under the GST Law, VAT/Sales Tax Law, VAT/Sales Tax set off, benefits of any unutilized MODVAT/CENVAT/Service Tax, GST credits etc. and others) and incentives shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive scheme and policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under the incentive schemes and policies were made available to the Transferor Company. Further, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company.



whether in India or abroad shall stand transferred and vested with the Transferee Company.

- 4.6 Upon the coming into effect of this Scheme, all agreements, rights, contracts (including customer contracts), entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, development of rights, if any, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company business activities and operations shall stand transferred and vested with the Transferee Company.
- 4.7 Upon the coming into effect of this Scheme, all intellectual property rights, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Company's business activities and operations shall stand transferred and vested with the Transferee Company.
- 4.8 Upon the coming into effect of this Scheme, amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment shall stand transferred and vested with the Transferee Company.
- 4.9 Upon the coming into effect of this Scheme, right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India shall stand transferred and vested with the Transferee Company.
- 4.10 All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees or the employees of any of their subsidiaries, with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment shall stand transferred and vested with the Transferee Company.
- 4.11 Upon the coming into effect of this Scheme, the resolutions, and other actions undertaken by the Transferor Company including the approvals that may have been obtained by Transferor Company from its shareholders under



provisions of Sections 180, 185, 186 and 188 of the Act, approvals that may have been obtained under the Act and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

#### 5. CONSIDERATION FOR AMALGAMATION

- 6.1 Entire issued, subscribed and paid up equity share capital and preference share capital of the Transferor Company is held by the Transferee Company and its nominee. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the holding of shares in Transferor Company and the entire share capital of the Transferor Company shall stand cancelled.
- 6.2 Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form representing the equity and preference shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed or instrument by the Transferee Company.

#### 6. ACCOUNTING TREATMENT

- Upon the coming into effect of this Scheme the Transferee Company shall account for the amalgamation of the Transferor Company in accordance with the 'Pooling of Interest Method' as laid down in Appendix C of Indian Accounting Standard (Ind AS) 103 (Business Combinations of entities under common control), notified under the provisions of the Act, read with relevant rules framed thereunder and / or any other applicable Ind AS, as the case may be.
- 6.1 The Transferee Company shall upon the Scheme coming into effect, record the assets and liabilities, if any, of the Transferor Company vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Company.
- 6.2 The identity of the reserves of the Transferor Company shall be preserved and the Transferee Company shall record the reserves of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company.
- 6.3 Pursuant to the amalgamation of the Transferor Company with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company, if any appearing in the books of the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf.



- 6.4 The value of all investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to amalgamation.
- 6.5 The difference between the value of assets over the value of liabilities including reserves of the Transferor Company transferred to the Transferee Company pursuant to the Tribunal order, after adjusting the book value of the investments in the shares of the Transferor Company and after adjustment under clause 6.3, if any shall be adjusted to the Capital Reserves of the Transferee Company.
- 6.6 In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference shall be quantified and adjusted in the reserves of the Transferee Company.
- 6.7 In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

## 7 CONDUCT OF BUSINESS TILL EFFECTIVE DATE

During the period between the Appointed Date and the Effective Date:

- 7.1 The Transferor Company shall carry on and deemed to have carried on its business and activities and shall stand possessed of their entire business and Undertakings, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- 7.2 All the income or profits accruing or arising to the Transferor Company and all costs, charges, expenses or losses incurred including tax losses and MAT credits earned by the Transferor Company shall for all purposes be treated the income, profits, costs, charges, expenses and losses as the case may be of the Transferee Company.
- 7.3 The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of the Transferor Company and the Transferee Company.
- 7.4 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require to carry on the business of the Transferor Company.



## 8 PROFITS AND DIVIDENDS

- 8.1 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.
- 8.2 The shareholders of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- 8.3 For the avoidance of doubt, it is hereby clarified that nothing in this Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the record date for the purpose of dividend.
- 8.4 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company respectively, and subject to the approval, if required, of the shareholders of the Transferor Company and the Transferee Company respectively.

## 9 LEGAL PROCEEDINGS

- 9.1 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the amalgamation by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.
- 9.2 On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to any business or matter relating to the Transferor Company.

## 10 CONTRACTS, DEEDS, ETC.

- 10.1 Subject to the other provisions contained in this Scheme, all applications with regulatory authorities, contracts, deeds, bonds, agreements and other instruments of whatever nature to which, the Transferor Company is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of the Transferee Company, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.



- 10.2 As a consequence of the Amalgamation of Transferor Company into the Transferee Company in accordance with or pursuant to this Scheme, the recording of change in name in the records of the statutory or regulatory authorities from the Transferor Company to the Transferee Company, whether relating to any license, permit, approval or any other matter, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority, subject to appropriate documentation by the Transferee Company.

#### 11 SAVING OF CONCLUDED TRANSACTIONS

- 11.1 The transfer of Business, assets, properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferee Company under Clause 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

#### 12 STAFF, WORKMEN & EMPLOYEES

- 12.1 On the Scheme becoming operative, all staff and employees of the Transferor Company, if any, in service on the Effective Date shall be deemed to have become staff and employees of the Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date.
- 12.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff and employees of the Transferor Company, if any, shall become the trusts/ funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company. It is clarified that the services of the staff and employees of the Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.



13 **COMBINATION OF AUTHORISED SHARE CAPITAL**

- 13.1 Upon this Scheme becoming effective and upon the transfer and vesting of the Transferor Company into Transferee Company pursuant to this Scheme, the entire Authorized Share Capital of the Transferor Company equal to Rs.3,90,00,000 (divided into 10,00,000 Equity Shares of Rs.10/- each and 2,90,000 Preference Shares of Rs.100/- each) shall stand merged with the Authorized Share Capital of the Transferee Company, without any further act, deed and instrument by the Transferee Company.
- 13.2 Accordingly, upon this Scheme becoming effective, the Authorized Share Capital of the Transferee Company of Rs.65,00,00,000 shall stand increased by Rs. 3,90,00,000 to Rs. 68,90,00,000 as below:

Authorised Capital	Amount in Rs.
<u>Authorized Share Capital</u>	
20,44,75,000 Equity Shares of Rs. 2/- each	58,89,50,000
500, 4% Cumulative Redeemable Preference Shares of Rs.100/- each	50,000
<b>TOTAL</b>	<b>58,90,00,000</b>

- 13.3 Upon sanction of this Scheme, without any further act, instrument or deed on the part of the Transferee Company and without any further payment of stamp duty and fees payable to Registrar of Companies, Maharashtra at Mumbai, the Memorandum of Association and Articles of Association (relating to the authorized share capital) of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under any provisions of the Act would be required to be separately passed and for this purpose the stamp duties and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorized share capital to that extent mentioned above.
- 13.4 It is further clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval of the shareholders also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

Clause 'V' of the Memorandum of Association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

Clause 'V' of the Memorandum of Association:



V. *The Authorised Share Capital of the Company is Rs. 58,90,00,000/- (Rupees Fifty Eight Crore Ninety Lakh only) divided into 29,44,75,000 (Twenty Nine Crore Forty Four Lakh Seventy Five Thousand) Equity Shares of Rs. 2/- (Rupees Two only) each and 500 (Five Hundred) 4% Cumulative Redeemable Preference Shares of Rs.100/- (Rupees Hundred only) each, with rights, privileges and conditions attached thereto as are provided by the regulations of the Company for the time being, with power to increase or reduce the capital of the Company or to divide the shares of the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.*

- 13.5 For the avoidance of doubt, it is hereby clarified that if the authorized share capital of the Transferor Company or the Transferee Company undergoes any change either as a consequence of any corporate action or otherwise, then this clause shall automatically stand modified to take into account such change.
- 13.6 It is clarified that the approval of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under Sections 13, 14, 61, 64 and other applicable provisions of the Act and all other applicable laws, if any.

**14 AMENDMENT TO THE OBJECT CLAUSE OF THE TRANSFEREE COMPANY:**

- 14.1 Upon this Scheme becoming effective, the Object Clause of Memorandum of Association of Transferee Company shall deemed to have been altered and amended without any act or deed or instrument, to include the objects as required for the purpose of carrying on the business activities of the Transferor Company pursuant to the provisions of Sections 13, 14 and any other applicable provisions of the Act. Accordingly, the Memorandum of Association of the Transferee Company shall be altered and amended and necessary numbering of the clause inserted shall be carried out. The following clause 1(e) shall be inserted after the existing clause III (A) (1)(a) to the Memorandum of Association of Transferee Company and shall read as under:

*1(e) To establish, acquire, maintain and operate the business of carriers, transporters, handlers of cargo, goods, luggage and any material of whatsoever description by road, rail, sea and air transport or any other mode of transport and for these purposes or as independent undertakings to acquire, charter, purchase, take in exchange, hire and to own aircraft, ships, boats, launches, trollers, barges, drifters, tugs and vessels, motor lorries, tractors, tankers, trucks, cranes and forklifts, and*





*other vehicles and all accessories thereto like trailers, chassis, forklifts, motor and other vehicles, with all necessary and convenient equipment, engines, tackle, gear stores and to employ the same in the carriage or conveyance by sea, road and air at any place or places, ports, airports, railheads, roadheads for carrying on such business.*

- 14.2 It is clarified that the approval of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under Sections 13, 14 and any other applicable provisions of the Act.

**15 WINDING UP**

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and its name shall be struck off from the records of the appropriate Registrar of companies.

**PART C**

**GENERAL TERMS AND CONDITIONS**

**16 APPLICATION TO TRIBUNAL OR ANY OTHER COMPETENT AUTHORITY OR ANY OTHER APPROPRIATE AUTHORITY UNDER THE APPLICABLE PROVISIONS OF THE ACT, AS MAY BE APPLICABLE**

The Transferee Company and the Transferor Company shall, as may be required, make all necessary applications and /or petitions to the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, under Sections 230 to 232 and any other applicable provisions of the Act and all the other matters ancillary or incidental thereto.

**17 MODIFICATION OR AMENDMENTS TO THE SCHEME**

- 17.1 Subject to approval of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, the Transferee Company and the Transferor Company with the approval of their respective Boards of Directors which includes the Committee of Directors may consent, from time to time, on behalf of all persons concerned, to any modifications/amendments or additions/deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Boards of Directors to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds matters, and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, may deem fit to approve of, to direct and or impose. The aforesaid powers of the Transferee Company and the Transferor Company to give effect to the modification /



amendments to the Scheme may be exercised by their respective Boards of Directors or any person authorised in that behalf by the concerned Board of Directors subject to approval of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable.

- 17.2 The Transferor Company and Transferee Company shall be at liberty to withdraw from this Scheme, in case any condition or alteration is / are imposed by the Tribunal or any other authority is unacceptable to them or otherwise if so mutually agreed.

## 18 CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 18.1 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law or regulations or otherwise may be necessary for the implementation of this Scheme.
- 18.2 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and / or creditors of the Transferor Company and the Transferee Company, as may be directed by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable.
- 18.3 The Scheme being sanctioned by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, including Sections 230 to 232 of the Act.
- 18.4 Certified copies of the Orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, being filed with the Registrar of Companies, Mumbai by the Transferor Company and the Transferee Company.

## 19 EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and / or the Scheme not being sanctioned by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and / or the Order not being passed as aforesaid before March 31, 2021 or within such further period or periods as may be agreed upon between the Transferee Company and the Transferor Company by their Board of Directors (and which the Board of Directors of the Transferee Company and the Transferor Company are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, canceled and be of no effect.

## 20 SEVERABILITY



If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

## 21 COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

\*\*\*\*\*

Certified True Copy  
Date of Application 16.07.2024  
Number of Pages 19  
Fee Paid Rs. 95  
Applicant called for collection copy on 17.08.2024  
Copy prepared on 17.08.2024  
Copy Issued on 17.08.2024

*R. S. Senanayake*  
Registrar

National Company Law Tribunal, Mumbai Bench

Certified True Copy  
For Allcargo Logistics Limited

*Devanand Mojidra*

Devanand Mojidra  
Company Secretary

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**NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

**COURT III**

38. C.P.(CAA)/215/MB/2022

IN

C.A.(CAA)/193/MB/2022

CORAM: SH. H. V. SUBBA RAO, MEMBER (J)  
MS. MADHU SINHA, MEMBER (T)

ORDER SHEET OF THE HEARING OF MUMBAI BENCH OF THE NATIONAL  
COMPANY LAW TRIBUNAL ON **05.01.2023**

NAME OF THE PARTIES: All Cargo Logistics Limited

SECTION 230(I) OF COMPANIES ACT, 2013

---

**ORDER**

Mr. Hemant Sethi, counsel for the Petitioner and Ms. Rupa Sutar,  
representative of Regional Director, are present through virtual hearing.

**C.P.(CAA)/215/MB/2022**

Heard both sides and the above Company Petition **is allowed. Detail order  
would follow:**

Sd/-  
MADHU SINHA  
Member (Technical)  
//SGP//

Sd/-  
H. V. SUBBA RAO  
Member (Judicial)

Certified True Copy

Date of Collection

05/01/2023

Number of Copies

1

For

5/-

By

10/03/2023

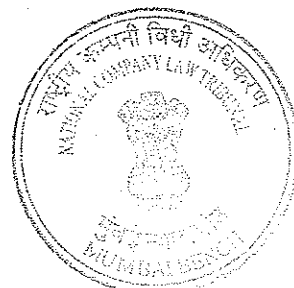
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10/03/2023

10/03/2023

*R. S. Srinawane*  
10/03/2023

National Company Law Tribunal, Mumbai Bench



IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT-III

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Connected with  
C.A. (CAA)/193/MB /2022

IN THE NATIONAL COMPANY LAW TRIBUNAL,  
BENCH, AT MUMBAI, COURT III

C.P.(C.A.A.)/215/MB/2022

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230 to 232 read with Sections 52 and 66 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; and other relevant provisions of the Companies Act 2013;

And

In the matter of Scheme of Arrangement in respect of demerger of Allcargo Logistics Limited ("Demerged Company") into Allcargo Terminals Limited (formerly known as Allcargo Terminals Private Limited, this company was converted from



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private limited to public limited w.e.f. January 10,  
2022) ("Resulting Company 1") and TransIndia  
Realty & Logistics Parks Limited ("Resulting  
Company 2") and their respective shareholders.

Allcargo Logistics Limited CIN: )  
L63010MH2004PLC073508, having its )  
registered office at 6<sup>th</sup> Floor, Allcargo )  
House, CST Road, Kalina, Santacruz )  
(East), Mumbai 400098, Maharashtra, )  
India. )

... First Petitioner

Company/ Demerged

Company

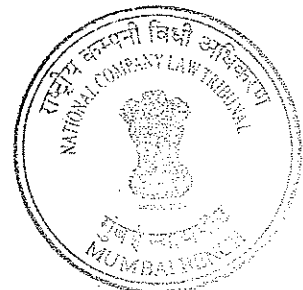


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Allcargo Terminals Limited (formerly )  
known as Allcargo Terminals Private )  
Limited, this company was converted )  
from private limited to public limited )  
w.e.f. January 10, 2022) CIN: )  
U60300MH2019PLC320697, having its )  
registered office at 4<sup>th</sup> Floor, A Wing, )  
Allcargo House CST Road, Kalina, San- ) Second Petitioner Com-  
tacruz East, Mumbai 400098, Maharash- ) pany/ Resulting Com-  
tra, India. ) pany 1

TransIndia Realty & Logistics Parks )  
Limited (CIN: )  
U61200MH2021PLC372756, having its )  
registered office at 4<sup>th</sup> Floor, A Wing, ) Third Petitioner Com-  
Allcargo House, CST Road, Kalina, San- ) pany/ Resulting Com-  
tacruz East, Mumbai 400098, ) pany 2



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Connected with  
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Maharashtra, India. )

Order Delivered on: 05.01.2023

**Coram:**

Hon'ble Shri H.V Subba Rao : Hon'ble Member (Judicial)  
Hon'ble Smt. Madhu Sinha : Hon'ble Member (Technical)

**Appearances (by video-conferencing):**

**For the Petitioners** : Mr. Hemant Sethi, Ms. Devanshi Sethi,  
Ms. Tanaya Sethi, i/b Hemant Sethi &  
Co., Advocates for Petitioner Compa-  
nies

**For the Regional Director** : Ms. Rupa Sutar, Deputy Director, in  
the Office of Regional Director, MCA  
(WR), Mumbai.

**ORDER**

1. The court is convened via video conferencing today (05/01/2023).
2. Heard the learned Counsel for the Petitioners and the representative of the Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai. No objector has come before this Tribunal to oppose the Scheme nor has any party controverted any averments made in the Petition.

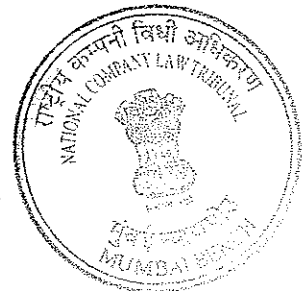




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3. The sanction of the Tribunal is sought under sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, to the Scheme of demerger of business of Container Freight Station (CFS), Inland Container Depot (ICD) on a going concern basis of Allcargo Logistics Limited ("First Petitioner Company"/"Demerged Company") into Allcargo Terminals Limited (formerly known as Allcargo Terminals Private Limited, this company was converted from private limited to public limited w.e.f. 10<sup>th</sup> January, 2022) ("Second Petitioner Company"/"Resulting Company 1") and demerger of construction & leasing of Logistics Parks, leasing of land & commercial properties, Engineering Solutions (hiring & Leasing of equipment's) of Demerged Company to TransIndia Realty & Logistics Parks Limited ("Third Petitioner Company"/"Resulting Company 2") and their respective Shareholders ("Scheme").
4. The Scheme envisages the following:
  - a) Demerger under the present Scheme is in accordance with Sections 230 to 232 and other applicable provisions of the Companies Act,



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2013 ("Act"). Upon the coming into effect of this Scheme and in consideration of the demerger of the Demerged Undertaking 1 in the Resulting Company 1 pursuant to this Scheme, the Resulting Company 1 shall, without any further act or deed and without any further payment, issue and allot equity shares (hereinafter also referred to as the "New Equity Shares of Resulting Company 1") at par on a proportionate basis to each member of the Demerged Company, whose name is recorded in the register of members of the Demerged Company as holding shares on the Record Date, in the ratio of 1 equity share of Rs 2 each fully paid up of Resulting Company 1 for every 1 equity share of Rs 2 each fully paid up held in the Demerged Company;

- b) Upon the coming into effect of this Scheme and in consideration of the demerger of the Demerged Undertaking 2 in the Resulting Company 2 pursuant to this Scheme, the Resulting Company 2 shall, without any further act or deed and without any further payment, issue and allot equity shares (hereinafter also referred to as the "New Equity Shares of Resulting Company 2") at par on a proportionate basis to each member of the Demerged Company, whose name is recorded



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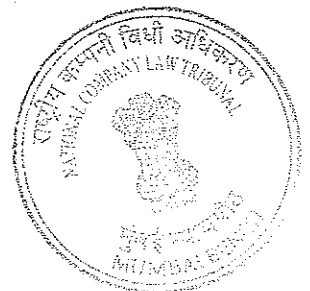
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in the register of members of the Demerged Company as holding shares on the Record Date, in the ratio of 1 equity share of Rs 2 each fully paid up of Resulting Company 2 for every 1 equity shares of Rs 2 each fully paid up held in the Demerged Company.

c) Cancellation of shares of the Resulting Companies:

- i) Simultaneous with the issuance and allotment of the equity shares by the Resulting Company 1 in accordance with Clause 13.1 of the Scheme, the initial issued and paid up equity share capital of the Resulting Company 1, comprising of 7 equity shares of Rs. 10 each, aggregating to Rs. 70 shall be cancelled.
- ii) Simultaneous with the issuance and allotment of the equity shares by the Resulting Company 2 in accordance with Clause 13.1 of the Scheme, the initial issued and paid up equity share capital of the Resulting Company 2, comprising of 7 equity shares of Rs. 10 each, aggregating to Rs. 70 shall be cancelled.

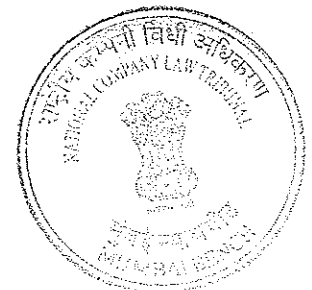
5. The Learned Counsel for the Petitioner Companies further submits that:



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- a) the First Petitioner Company is a listed public limited company and is engaged *inter-alia* in the business of (i) Multimodal Transport Operations; (ii) Container Freight Stations/Inland Container Depots; (iii) Project and Engineering Solutions; (iv) Logistics Park; (v) Express Logistics business; (vi) Contract Logistics; and (vii) other related logistics businesses.
- b) the Second Petitioner Company is an unlisted public limited company incorporated on 5<sup>th</sup> February, 2019 and is engaged *inter-alia* in the business of Container Freight Stations/Inland Container Depots and any other related logistics businesses.
- c) the Third Petitioner Company is an unlisted public limited company incorporated on 3<sup>rd</sup> December, 2021 and is engaged *inter-alia* in the business of Engineering and equipment leasing and hiring solutions, Logistics Park, Warehousing, real estate development and leasing activities and other related businesses.
6. The Counsel for the Petitioner Companies submits that the Board of Directors of the First Petitioner Company, the Second Petitioner Company

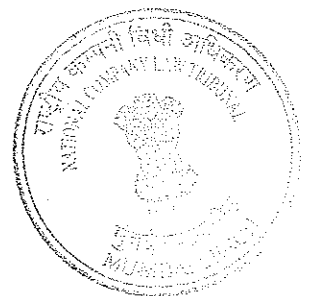


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and the Third Petitioner Company have approved the Scheme of Arrangement in their respective meetings held on 23<sup>rd</sup> December, 2021. The Appointed Date of Scheme is 1<sup>st</sup> April 2022.

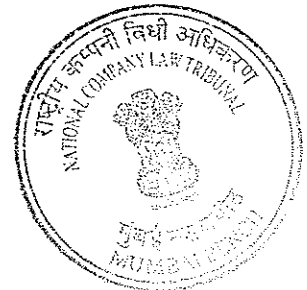
7. The Counsel for the Petitioner Companies further submits that the shares of First Petitioner Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). Pursuant to the Securities Exchange Board of India ("SEBI") circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time ("SEBI Circular") read with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), First Petitioner Company had applied to BSE and NSE for their "Observation Letter" / "No Objection Letter" to file the Scheme for sanction of the Tribunal. BSE vide its letter dated 24<sup>th</sup> March, 2022 and NSE by its letter dated 25<sup>th</sup> March, 2022, have respectively given their "Observation Letter" to the First Petitioner Company, to file the Scheme with the Tribunal.



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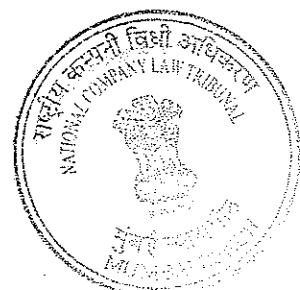
8. The Petitioners submit that the Petition has been filed in consonance with the order dated 28<sup>th</sup> July, 2022, passed by this Hon'ble Tribunal in the connected Company Scheme Application bearing C.A.(CAA)/193/MB/2022.
9. The Learned Counsel for the Petitioner Companies states that the rationale for the Scheme is as follows:
- a) The Demerged Undertakings and the Remaining Business have both achieved scale and experience to sustain business based on their own strengths. Additionally, both businesses deal with different sets of industry dynamics in the form of nature of risks, competition, challenges, opportunities and business methods. Hence, segregation of the two undertakings would enable focused managements to explore the potential business opportunities more effectively and efficiently.
- b) Demerger will enable both Demerged Company and the Resulting Companies to enhance business operations by streamlining operations, cutting costs, more efficient management control and outlining independent growth strategies.



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- c) Each undertaking will be able to target and attract new investors with specific knowledge, expertise and risk appetite corresponding to their own businesses. Thus, each undertaking will have its own set of like-minded investors, thereby providing the necessary funding impetus to the long-term growth strategies of each business.
- d) Demerger will enhance efficiencies and will have different business interest into separate corporate entity, resulting in operational synergies, simplification, focused management, streamlining and optimization of the group structure and efficient administration.
- e) Pursuant to the Scheme, the equity shares issued by the Resulting Companies would be listed on BSE Limited and National Stock Exchange of India Limited and will unlock the value of the Demerged Undertakings for the shareholders of the Demerged Company. Further the existing shareholders of the Demerged Company would hold the shares of three (3) listed entities after the Scheme becoming effective; giving them flexibility in managing their investments in the three businesses having differential dynamics.



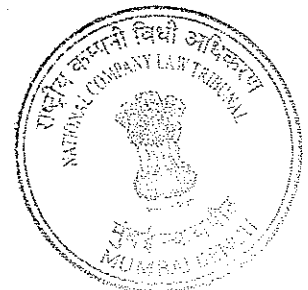
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f) The Board of Directors of the Demerged Company and the Resulting Companies believe that the Scheme is in the best interests of the respective entities and their respective stakeholders including its shareholders.

10. The Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai has filed its Report dated 15<sup>th</sup> December 2022, inter alia stating therein the observations on the Scheme as stated in paragraph 2 (a) to (l) of the said Report. In response to the observations made by the Regional Director, the Petitioner Companies have filed reply affidavit cum rejoinder on 4<sup>th</sup> January 2023. The observations made by the Regional Director and the clarifications and undertakings given by the Petitioner Companies are summarized in the table below:

Sr. No. Para (2)	RD Report/Observations	Response of the Petitioner Companies
a)	<i>That on examination of the report of the Registrar of Companies, Mumbai dated 11.11.2022 for Petitioner Companies (Annexed as Annexure A-1) that the Petitioner</i>	As regards the observation made in Paragraph 2(a) of the said Report is concerned, it is submitted that the Form AOC-4 XBRL for financial year ended March 31,





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	<p><i>Companies fall within the jurisdiction of ROC, Mumbai. It is submitted that no representation regarding the proposed scheme of Amalgamation has been received against the Petitioner Companies. Further, the Petitioner Demerged Company has filed Financial Statements up to 31.03.2022, Resulting Company -1 has filed till 31.03.2021 &amp; Resulting Company -2 is incorporated on 03.12.2021. The ROC has further submitted that in his report dated 11.11.2022 which are as under:-</i></p>	<p>2022 for Resulting Company 1 and Resulting Company 2, have been filed on October 19, 2022 (SRN: F31482391) and November 02, 2022 (SRN: F39172622), respectively and no further response is required to that extent.</p>
	<p><i>1. That the ROC Mumbai in his report dated 11.11.2022 has stated that no Inquiry, investigation, inspection, prosecution, technical scrutiny, complaints are pending against the Petitioner companies.</i></p>	<p>As regards the observation made in Paragraph 2(a)(1) and 2(a)(2) of the said Report is concerned, it is submitted that the observations made by the ROC is merely factual in nature and no further response is required to that extent.</p>
	<p><i>2. BSE and NSE have given their no objection certificate vide their letter dated 24.03.2022.</i></p>	<p>As regards the observation made in Paragraph 2(a)(1) and 2(a)(2) of the said Report is concerned, it is submitted that the observations made by the ROC is merely</p>



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		factual in nature and no further response is required to that extent.
	<i>3. Interest of the Creditors should be protected.</i>	As regards the observation made in Paragraph 2(a)(3) of the said Report is concerned, The Petitioner Companies hereby undertake that the interest of the creditors shall be duly protected under the Scheme. There is no compromise or arrangement with creditors.
	<i>4. It is submitted that as per the provisions of Section 232(3)(i) of the Companies Act, 2013, where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorized capital shall be set-off against any fees payable by the Transferee company on its authorized capital subsequent to the amalgamation. Therefore, remaining fee, if any after setting-off the fees already paid by the transferor company on its authorized capital, must be paid by the transferee company on the increased authorized capital subsequent to the amalgamation.</i>	As regards the observation made in Paragraph 2(a)(4) of the said Report is concerned, the Petitioner Companies clarify that the present Scheme is the Scheme of Arrangement involving demerger and not amalgamation. The Petitioner Companies are not seeking any set-off of fees on increase of capital subsequent to the sanctioning of the Scheme.



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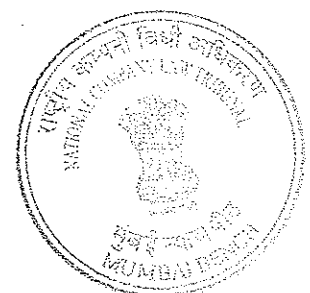
	<p>5. Form GNL-1 has not been filed by Resulting Company 1&amp;2.</p> <p>Hence, the Petitioner Companies shall undertake to submit detail reply against observations mentioned above.</p>	<p>As regards the observation made in Paragraph 2(a)(5) of the said Report is concerned, Form GNL-1 has been filed on November 18, 2022 for Resulting Company 1 (SRN F45239100) and Resulting Company 2 (SRN F45230976) respectively.</p>
c)	<p>Transferee Company should undertake to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 through appropriate affirmation in respect of fees payable by Transferee Company for increase of share capital on account of merger of transfer of companies.</p>	<p>As regards the observation made in Paragraph 2(c) of the said Report is concerned, the Petitioner Companies clarify that the present Scheme is the Scheme of Arrangement involving demerger and not amalgamation. The Petitioner Companies are not seeking any set-off of fees on increase of capital subsequent to the sanctioning of the Scheme.</p>
d)	<p>In compliance of Accounting Standard -14 or IND AS-103, as may be applicable, the Resultant Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards including AS-5 (IND AS-8) etc.;</p>	<p>As regards the observation made in Paragraph 2(d) of the said Report is concerned, it is submitted that in addition to compliance with IND AS-103 (AS-14 not applicable), in connection with the Scheme, the Petitioner Companies shall pass such accounting entries which are necessary to comply with all other applicable Accounting Standards such as IND AS-8 etc. to the extent applicable.</p>



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e)	<i>The Hon'ble Tribunal may direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there in no discrepancy, or no change is made.</i>	As regards the observation made in Paragraph 2(e) of the said Report is concerned, the Petitioner Companies submit and confirm that the Scheme enclosed in the Company Application and Company Petition are one and the same and there is no discrepancy, or no change is made.
f)	<i>The Petitioner Companies under the provisions of Section 230(5) of the Companies Act, 2013 have served notices to concerned authorities which are likely to be affected by the Amalgamation or arrangement. Further, the approval of the Scheme by the Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the Scheme. The decision of such authorities shall be binding on the Petitioner companies concerned.</i>	As regards the observation made in Paragraph 2(f) of the said Report is concerned, the Petitioner Companies submit that notices have been duly served upon all the concerned authorities viz., the concerned Income Tax Authorities, the office of Regional Director, Registrar of Companies, concerned GST Authorities, National Stock Exchange of India Limited, BSE Limited and the Securities Exchange Board of India. Further the compliance affidavit proving the dispatch of the notices has been filed with this Tribunal.
g)	<i>As per Definitions of the Scheme, "Appointed Date" means 1st April 2022;</i>	As regards the observation made in Paragraph 2(g) of this Report is concerned, the



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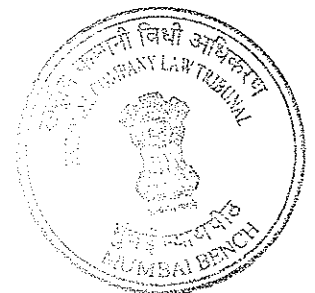
	<p><i>“Effective Date” means the date on which all the conditions and matters in relation to the scheme referred in clause 19 of the scheme have been fulfilled;</i></p> <p><i>“Record Date 1” shall means in relation to demerger of Business Division 1 of Demerged Company into Resulting Company-1, such date to be fixed by the Board of directors of Demerged Company or a committee there of/ person duly authorised by board of directors after the effective date for the purpose of determining the members of Demerged Company to whom shares of Resulting Company - 1 will be allotted pursuant to this scheme in terms of clause 13.1.</i></p> <p><i>“Record Date 2” shall means in relation to demerger of Business Division 2 of Demerged Company into Resulting Company - 2, such date to be fixed by the Board of directors of Demerged</i></p>	<p>Petitioner Companies confirm that the Appointed Date is April 1, 2022 as mentioned in the Scheme which is in compliance with Section 232(6) of the Companies Act, 2013 and the Scheme shall take effect from such Appointed Date. The Petitioner Companies undertake to comply with the requirements clarified vide circular No.7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>
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IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT-III

C.P. (CAA)/215/MB /2022  
Connected with  
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	<p><i>Company or a committee thereof/person duly authorised by board of directors after the effective date for the purpose of deterring the members of Demerged Company to whom shares of Resulting Company - 2 will be allotted pursuant to this scheme in terms of clause 13.1.</i></p> <p><i>It is submitted that the Petitioners may be asked to comply with the requirements as clarified vide circular no. F. No.7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</i></p>	
<p><i>h)</i></p>	<p><i>Petitioner Companies shall undertake to comply with the directions of the concerned sectoral Regulatory, if so required.</i></p>	<p>As regards the observation made in Paragraph 2(h) of this Report is concerned, it is submitted that the Petitioner Companies hereby undertake to ensure compliance of all directions of the concerned sectoral regulators. Further, the approval of the Scheme by this Tribunal may not deter the sectoral regulators to deal with any issues arising after giving effect to the Scheme</p>



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		and all issues arising out of the Scheme shall be met and answered in accordance with law.
i)	<i>Petitioner Companies shall undertake to comply with the directions of Income tax Department, if any.</i>	As regards the observation made in Paragraph 2(i) of this Report is concerned, it is submitted that in pursuance of section 230(5) of the Companies Act, 2013, notices have been given to the concerned income tax department and no representation has been received. It is further submitted that the Petitioner Companies undertake to ensure compliance of all the provisions of the Income tax Act and Rules pursuant to the Scheme. Further, the approval of the Scheme by this Tribunal may not deter Income-tax authorities to deal with Income-tax related issues arising after giving effect to the Scheme and the Petitioner Companies submit that any Income-tax related issues arising out of the Scheme will be met and answered during the course of regular Income-tax assessment in accordance with the provisions of the Income-tax Act, 1961.



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j)	<i>Petitioner Companies shall undertake to comply with the guidelines of RBI, FEMA and FERA as Petitioner Companies has foreign shareholders.</i>	As regards the observation made in Paragraph 2(j) of this Report is concerned, it is submitted that the Petitioner Companies hereby undertake to ensure compliance with the Rules & regulations of FEMA (FERA) & RBI guidelines if applicable. However, in the instance case the issue and allotment of shares is through automatic route and therefore no permission is required. The Resulting Company shall file form FC-GPR in compliance with RBI regulations post sanctioning of the scheme and allotment of shares.
k)	<i>Petitioner Demerged Company is Listed with NSE and BSE and NSE &amp; BSE have given their observations vide their letter dated 24.03.2022, further the demerged company shall undertake to comply with SEBI Regulations.</i>	As regards the observation made in Paragraph 2(k) of this Report is concerned, the Petitioner Companies confirm that BSE & NSE have given their observations vide letter dated 24.03.2022 and 25.03.2022, respectively and that the Demerged Company shall undertake to comply with SEBI Regulations, to the extent applicable.
l)	<i>The Demerged Company may be asked to give statement of assets and liabilities to be transferred to</i>	As regards the observation made in Paragraph 2(l) of this Report is concerned the Demerged Company has filed affidavit in





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<p><i>Resulting Company No. 1 &amp; 2 along with book value and estimated value as the Petitioner have not given value of assets and liabilities to be transferred to Resulting Companies at page no. 536 to 539 in respect of Annexure A &amp; B of the Scheme and Petitioner Companies shall undertake to service debts/creditors as on the appointed date to protect the interest of creditors.</i></p>	<p>rejoinder and given particulars of statement of assets and liabilities.</p>
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11. The Observations made by the Regional Director have been explained and the clarifications and undertakings given by the Petitioner Companies have been explained in above table. The Ld. Authorized representative for the Regional Director Ms. Rupa Sutar appeared in person and reported that most of the observations made by the Regional Director are routine in nature, and the Regional Director has no serious objection for approving the above Scheme. The clarifications and undertakings given by the



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Petitioner Companies in response to the said Report are accepted by this Tribunal.

12. From the material on record, the Scheme appears to be fair and reasonable and is not in violation of any provisions of law and is not contrary to public policy.
13. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition bearing C.P.(CAA)/215/MB /2022 filed by the Petitioner Companies is made absolute in terms of prayers clause of the said Company Scheme Petition.
14. The Petitioner Companies are directed to file a certified copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with e-Form INC-28, within 30 (thirty) days from the date of receipt of order, duly certified by the Designated Registrar of this Tribunal.
15. The Petitioner Companies to lodge a certified copy of this order and the Scheme duly certified by the Designated Registrar of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication



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of stamp duty payable, if any, on the same within 60 (sixty) days from the date of receipt of certified copy of the order.

16. All concerned regulatory authorities to act on a copy of this Order duly certified by the designated Registry of this Tribunal, along with a copy of the Scheme.
17. The Scheme of Arrangement of Demerger is hereby sanctioned.
18. Ordered accordingly. Pronounced in open court today.

Sd/-

**Madhu Sinha**  
(Member Technical)

Sd/-

**H.V. Subba Rao**  
(Member Judicial)

Certified True Copy  
Date of Application 08/01/2023  
Number of Cases 23  
Fee Paid 115/-  
Appointed Date 10/03/2023  
Copy of 10/3/2023  
Copy of 10/03/2023

*P. S. Sonawane*  
10/3/2023

National Company Law Tribunal, Mumbai Bench



Annexure A

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**SCHEME OF ARRANGEMENT AND DEMERGER**

BETWEEN

Allcargo Logistics Limited

.... Demerged Company

**Certified True Copy  
For Allcargo Logistics Limited**

AND

Allcargo Terminals Limited

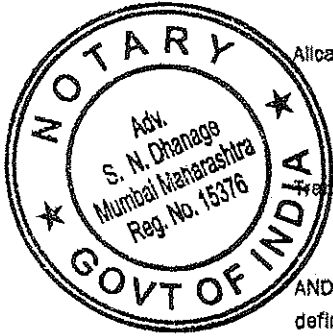
.... Resulting Company 1

**Devanand Mojdra  
Company Secretary**

AND

Transindia Realty & Logistics Parks Limited

.... Resulting Company 2



AND THEIR RESPECTIVE SHAREHOLDERS IN RESPECT OF DEMERGER OF THE DEMERGED UNDERTAKING 1 (as defined hereinafter) AND THE DEMERGED UNDERTAKING 2 (as defined hereinafter) OF ALLCARGO LOGISTICS LIMITED INTO ALLCARGO TERMINALS LIMITED AND TRANSINDIA REALTY & LOGISTICS PARKS LIMITED RESPECTIVELY UNDER SECTIONS 230 TO 232 READ WITH OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013.

**OVERVIEW, OBJECTS AND BENEFITS OF THE SCHEME**

- A. Allcargo Logistics Limited (hereinafter referred to as the "Demerged Company") is a listed public limited company incorporated on August 18, 1993 under the Companies Act, 1956 with CIN L63010MH2004PLC073508 having its registered office at 6th Floor, Avashya House, CST Road, Kalina, Santacruz (East), Mumbai 400098, Maharashtra, India. The equity shares of Demerged Company are listed on BSE and NSE. The Demerged Company is engaged inter-alia in the business of (i) Multimodal Transport Operations; (ii) Container Freight Stations/Inland Container Depots; (iii) Project and Engineering Solutions; (iv) Logistics Park; (v) Express Logistics business; (vi) Contract Logistics; and (vii) other related logistics businesses, as specified in its Memorandum of Association.
- B. Allcargo Terminals Limited (hereinafter referred to as the "Resulting Company 1") is a public limited company incorporated on February 5, 2019 under the Companies Act, 2013 with CIN U60300MH2019PLC320697 and having its registered office at 4th Floor, A Wing, Avashya House CST Road, Kalina, Santacruz East, Mumbai 400098, Maharashtra, India. The Resulting Company 1 is engaged inter-alia in the business of Container Freight Stations/Inland Container Depots and any other related logistics businesses, as specified in its Memorandum of Association.
- C. Transindia Realty & Logistics Parks Limited (hereinafter referred to as the "Resulting Company 2") is a public limited company incorporated on December 3, 2021 under the Companies Act, 2013 with CIN U61200MH2021PLC372756 and having its registered office at 4th Floor, A Wing, Avashya House CST Road, Kalina, Santacruz East, Mumbai 400098, Maharashtra, India. The Resulting Company 2 is engaged inter-alia in the business of Engineering and equipment leasing and hiring solutions, Logistics Park, Warehousing, real estate development and leasing activities and other related businesses, as specified in its Memorandum of Association.

The Resulting Company 1 and the Resulting Company 2 shall hereinafter collectively be referred to as "Resulting Companies".

D. This Scheme of Arrangement (hereinafter referred to as the "Scheme") provides for:

- (i) the transfer by way of demerger of the Demerged Undertaking 1 (as defined hereinafter) of the Demerged Company to the Resulting Company 1, and the consequent issue of equity shares by the Resulting Company 1 to the shareholders of the Demerged Company pursuant to Section 230 to 232 and other relevant provisions of the Act (as defined hereinafter) in the manner provided for in the Scheme and in compliance with Section 2(19AA) of IT Act, and reduction and cancellation of equity shares of Resulting Company 1 held by existing shareholders of Resulting Company 1 (without payment of consideration), and listing of the equity shares of Resulting Company 1 on the Stock Exchanges (as defined hereinafter) along with various other matters consequential or otherwise integrally connected therewith; and
- (ii) the transfer by way of demerger of the Demerged Undertaking 2 (as defined hereinafter) of the Demerged Company to the Resulting Company 2, and the consequent issue of equity shares by the Resulting Company 2 to the shareholders of the Demerged Company pursuant to Section 230 to 232 and other relevant provisions of the Act (as defined hereinafter) in the manner provided for in the



*Devanand Mojdra*

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Scheme and in compliance with Section 2(19AA) of IT Act, and reduction and cancellation of equity shares of Resulting Company 2 held by existing shareholders of Resulting Company 2 (without payment of consideration), and listing of the equity shares of Resulting Company 2 on the Stock Exchanges (as defined hereinafter) along with various other matters consequential or otherwise integrally connected therewith.

After the effectiveness of this Scheme, the Share Capital of (i) Resulting Company 1 consisting of the fully paid-up New Equity Shares of Resulting Company 1 issued as consideration in terms of Section B of this Scheme to the shareholders of Demerged Company; and (ii) Resulting Company 2 consisting of the fully paid-up New Equity Shares of Resulting Company 2 issued as consideration in terms of Section B of this Scheme to the shareholders of Demerged Company; each shall be listed on the Stock Exchanges in accordance with the provisions of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time. Further, as an integral part of the Scheme, existing Equity Shares of Resulting Company 1 and Resulting Company 2 (presently held by the Demerged Company) shall stand cancelled and reduced (without payment of consideration) without any further act and deed, and hence this Scheme contemplates approval of the NCLT in terms of Section 66 of the 2013 Act, in addition to Sections 230-232 of the 2013 Act.

**E. RATIONALE AND BENEFITS OF THIS SCHEME**

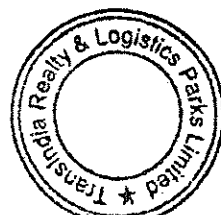
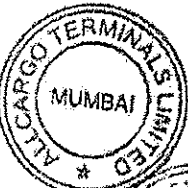
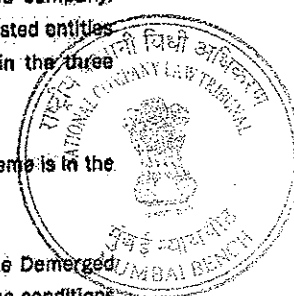
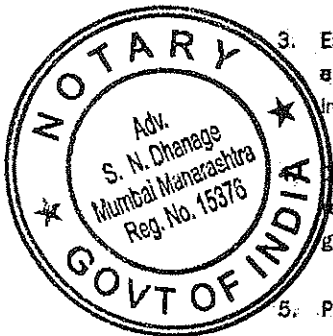
This Scheme for the demerger and veiling of the Demerged Undertakings (as defined hereinafter) of the Demerged Company to Resulting Companies, results in the following benefits:

1. The Demerged Undertakings and the Remaining Business have both achieved scale and experience to sustain business based on their own strengths. Additionally, both businesses deal with different sets of industry dynamics in the form of nature of risks, competition, challenges, opportunities and business methods. Hence, segregation of the two undertakings would enable focused managements to explore the potential business opportunities more effectively and efficiently;
2. Demerger will enable both Demerged Company and the Resulting Companies to enhance business operations by streamlining operations, cutting costs, more efficient management control and outlining independent growth strategies.
3. Each undertaking will be able to target and attract new investors with specific knowledge, expertise and risk appetite corresponding to their own businesses. Thus, each undertaking will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of each business;
4. Demerger will enhance efficiencies and will have different business interest into separate corporate entity, resulting in operational synergies, simplification, focused management, streamlining and optimization of the group structure and efficient administration.
5. Pursuant to the Scheme, the equity shares issued by the Resulting Companies would be listed on BSE and NSE and will unlock the value of the Demerged Undertakings for the shareholders of the Demerged Company. Further the existing shareholders of the Demerged Company would hold the shares of three (3) listed entities after the Scheme becoming effective, giving them flexibility in managing their investments in the three businesses having differential dynamics.

The Board of Directors of the Demerged Company and the Resulting Companies believe that the Scheme is in the best interests of the respective entities and their respective stakeholders including its shareholders.

F. The restructuring as embodied in this Scheme is intended to provide greater business focus both in the Demerged Company and Resulting Companies. The provisions of this Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under section 2(19AA) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income Tax Act, 1961. Such modifications will however not affect the other parts of the Scheme such that:

- (a) All the assets and properties of the Demerged Undertakings (as defined hereinafter) being transferred/hived off by the Demerged Company immediately before the demerger become the properties of the Resulting Companies by virtue of the demerger;



- (b) All the liabilities relating to the Demerged Undertakings being transferred by the Demerged Company immediately before the demerger become the liabilities of the respective Resulting Companies by virtue of the demerger;
- (c) The properties and the liabilities, if any, relating to the Demerged Undertakings being transferred by Demerged Company are transferred to the respective Resulting Companies at the values appearing in the books of accounts of the Demerged Company immediately before the demerger;
- (d) All shareholders of the Demerged Company shall become the shareholders of the Resulting Companies by virtue of the demerger; and
- (e) The transfer of the Demerged Undertakings will be on a going concern basis.
- (f) the shareholders holding not less than three-fourths in value of the shares in the Demerged Company (other than shares already held therein immediately before the demerger, or by a nominee for, the Resulting Companies or their respective subsidiaries) become shareholders of the Resulting Companies by virtue of the demerger.

Accordingly, this Scheme is divided into three sections, as follows:

- Section A: Demerger of the Demerged Undertakings
- Section B: Issue of shares / Reorganisation of share capital
- Section C: Other provisions

1. DEFINITIONS

1.1. "2013 Act" or "the Act" means the Companies Act, 2013, as notified, and ordinances and rules made thereunder and shall include any statutory modification(s), re-enactment(s) and/or amendment(s) thereof for the time being in force.

"Applicable Law" means (a) all the applicable statutes, notifications, enactments, acts of legislature, bye-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinances, orders, or other instruments having force in law enacted or issued by any Government or Governmental Authority(ies) including any statutory modifications, amendments or re-enactments thereof for the time being in force; and (b) administrative interpretations, writs, injunctions, directions, directives, judgments, arbitral awards, orders, decrees, as may be in force from time to time.

1.3. "Appointed Date" means the 1<sup>st</sup> day of April, 2022.

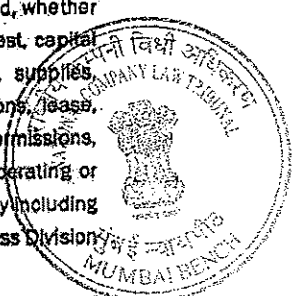
1.4. "Board of Directors" or "Board" means and includes the respective boards of directors of Demerged Company, Resulting Company 1 and Resulting Company 2 or any committee constituted by such board of directors.

1.5. "BSE" means BSE Limited.

1.6. "CIN" means Company Identification Number.

1.7. "Demerged Undertaking 1" means the business of Container Freight Station (CFS), Inland Container Depot (ICD) business of Demerged Company ("Business Division 1"), on a going concern basis, and shall include (without limitation):

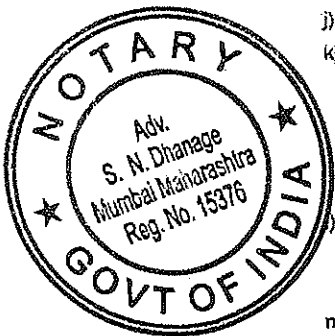
- a) all assets (except freehold land and building as specified in Schedule I hereto) wherever situated, whether movable or immovable, tangible or intangible, buildings, vehicles, offices, investments, interest, capital, work-in-progress, furniture, fixtures, office equipment, appliances, accessories (including supplies, advertisement and promotional material), licenses, permits, quotas, approvals, registrations, lease, tenancy rights in relation to office and residential properties, incentives if any, municipal permissions, consents, or powers of every kind, nature and description whatsoever in connection with operating or relating to the Business Division 1. Without limiting the generality of the aforesaid, specifically including some common assets pertaining to Demerged Company but not specifically relating to Business Division 1 and as more particularly listed in Schedule II hereto;
- b) all other permissions, rights (including rights under any contracts or agreements or memorandum of understanding, government contracts, etc.), entitlements, copyrights, patents, royalties, trademarks, trade names, domain names, and other designs, trade secrets, or Intellectual Property Rights of the Business Division 1 of any nature and all other interest exclusively relating to the services/ products being dealt with by the Business Division 1; and
- c) all deposits, advances and or moneys paid or received by Demerged Company in connection with or pertaining or relating to the Business Division 1, all statutory licenses and/or permissions to carry on the



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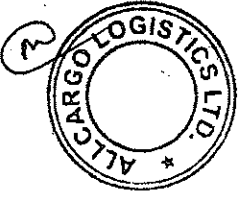
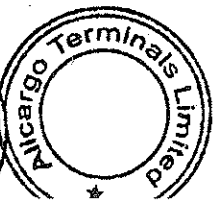
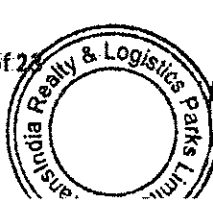
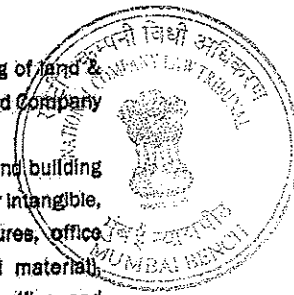
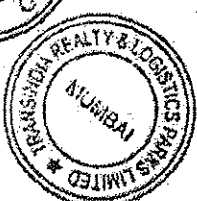
operations of the Business Division 1 and any financial assets, corporate guarantees issued by the Demerged Company and the benefits of any bank guarantees issued in relation to and for the benefit of the Business Division 1, deferred tax benefits, privileges, all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Business Division 1;

- d) all shares and securities held by the Demerged Company in relation to Business Division 1;
- e) all debts, liabilities, duties and obligations pertaining to the Business Division 1 and in particular the following:
  - (i) The liabilities, which arise out of the activities or operations of the Business Division 1;
  - (ii) Specific loans and borrowings raised, incurred and utilized for the activities or operations of the Business Division 1;
  - (iii) Liabilities other than those referred to in (i) and (ii) above and not directly relatable to the remaining business of Demerged Company being the amounts of general or multipurpose borrowings of Demerged Company shall be allocated to the Business Division 1 in the same proportion which the value of the assets transferred under this clause bears to the total value of Demerged Company immediately before giving effect to this Scheme;
- f) all deposits and balances with Government, Semi Government, Local and other authorities and bodies, customers and other persons, earnest moneys and / or security deposits paid or received by the Demerged Company directly or indirectly in connection with or relating to the Business Division 1;
- g) all necessary books, records, files, papers, product specification, engineering and process information, records of standard operating procedures, computer programmes along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Business Division 1;
- h) All permanent and/or temporary employees of Demerged Company substantially engaged in the Business Division 1 and those permanent and/or temporary employees that are determined by the Board of Directors of the Demerged Company, to be substantially engaged in or relatable to the Business Division 1;
- i) all legal or other proceedings, claims, notices, demands and obligations of whatsoever nature and whether known or unknown, contingent or otherwise, present or future relating to the Business Division 1, excluding those related to the Remaining Business;
- j) All insurance policies related to the Business Division 1;
- k) all the credits for taxes such as sales tax, value added tax, service tax, CENVAT, GST and other indirect taxes, advance tax, tax credits (including but not limited to: minimum alternate tax credit, pre-deposits made in indirect taxes), deferred tax benefits, tax deduction at source, accumulated losses and unabsorbed depreciation as per books if any as well as per the IT Act, enjoyed by the Demerged Company pertaining to the Business Division 1;
- l) all exemption, benefits, allowance, rebates, etc. under IT Act (including right to admissibility of claim under the IT Act or such provisions becoming admissible in the period after the Appointed Date on discharging liabilities pertaining to Business Division 1);
- m) Any question that may arise as to whether a specified asset or liability pertains to Business Division 1 or whether it arises out of the activities or operations of the Business Division 1 shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company 1. The designated list of assets, liabilities and intangibles as agreed upon between Demerged Company and Resulting Company 1 is enclosed in Annexure A hereto.



1.8. "Demerged Undertaking 2" means the business of construction & leasing of Logistics Parks, leasing of land & commercial properties, Engineering Solutions (hiring and leasing of equipment's) business of Demerged Company ("Business Division 2") on a going concern basis, and shall include (without limitation):

- a) all assets wherever situated, whether movable or immovable (specifically the freehold land and building of CFS JNPT 2 and Chennai CFS, details of which are provided in Schedule III hereto), tangible or intangible, buildings, vehicles, offices, investments, interest, capital work-in-progress, furniture, fixtures, office equipment, appliances, accessories (including supplies, advertisement and promotional material), licenses, permits, quotas, approvals, registrations, lease, tenancy rights in relation to office and residential properties, incentives if any, municipal permissions, consents, or powers of every kind, nature and description whatsoever in connection with operating or relatable to the Business Division 2. Without limiting the generality of the aforesaid, specifically including some common assets pertaining to Demerged Company but not specifically relatable to Business Division 2 and as more particularly listed in Schedule IV hereto;



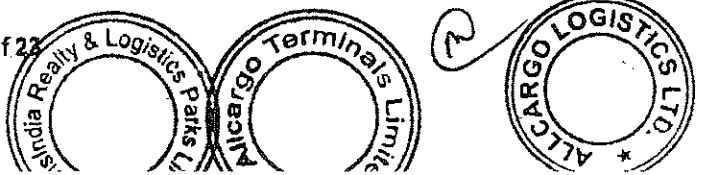
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- b) all other permissions, rights (including rights under any contracts or agreements or memorandum of understanding, government contracts, etc.), entitlements, copyrights, patents, royalties, trademarks, trade names, domain names, and other designs, trade secrets, or Intellectual Property Rights of the Business Division 2 of any nature and all other interest exclusively relating to the services/ products being dealt with by the Business Division 2; and
- c) all deposits, advances and or moneys paid or received by Demerged Company in connection with or pertaining or relating to the Business Division 2, all statutory licenses and/or permissions to carry on the operations of the Business Division 2 and any financial assets, corporate guarantees issued by the Demerged Company and the benefits of any bank guarantees issued in relation to and for the benefit of the Business Division 2, deferred tax benefits, privileges, all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Business Division 2;
- d) all shares and securities held by the Demerged Company in relation to Business Division 2;
- e) all debts, liabilities, duties and obligations pertaining to the Business Division 2 and in particular the following:
  - (i) The liabilities, which arise out of the activities or operations of the Business Division 2, except liabilities pertaining to projects solutions business of Resulting Company 2;
  - (ii) Specific loans and borrowings raised, incurred and utilized for the activities or operations of the Business Division 2;
  - (iii) Liabilities other than those referred to in (i) and (ii) above and not directly relating to the remaining business of Demerged Company being the amounts of general or multipurpose borrowings of Demerged Company shall be allocated to the Business Division 2 in the same proportion which the value of the assets transferred under this clause bears to the total value of Demerged Company immediately before giving effect to this Scheme;
- f) all deposits and balances with Government, Semi Government, Local and other authorities and bodies, customers and other persons, earnest moneys and/ or security deposits paid or received by the Demerged Company directly or indirectly in connection with or relating to the Business Division 2;
- g) all necessary books, records, files, papers, product specification, engineering and process information, records of standard operating procedures, computer programmes along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Business Division 2;
- h) All permanent and/or temporary employees of Demerged Company substantially engaged in the Business Division 2 and those permanent and/or temporary employees that are determined by the Board of Directors of the Demerged Company, to be substantially engaged in or relating to the Business Division 2;
- i) all legal or other proceedings, claims, notices, demands and obligations of whatsoever nature and whether known or unknown, contingent or otherwise, present or future relating to the Business Division 2, excluding those related to the Remaining Business;
- j) All insurance policies related to the Business Division 2;
- k) all the credits for taxes such as sales tax, value added tax, service tax, CENVAT, GST and other indirect taxes, advance tax, tax credits (including but not limited to minimum alternate tax credit, pre-deposits made in indirect taxes), deferred tax benefits, tax deduction at source, accumulated losses and unabsorbed depreciation as per books if any as well as per the IT Act, enjoyed by the Demerged Company pertaining to the Business Division 2;
- l) all exemption, benefits, allowance, rebates, etc. under IT Act (including right to admissibility of claim under the IT Act or such provisions becoming admissible in the period after the Appointed Date on discharging liabilities pertaining to Business Division 2);
- m) Any question that may arise as to whether a specified asset or liability pertains to Business Division 2 or whether it arises out of the activities or operations of the Business Division 2 shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company 2. The designated list of assets, liabilities and intangibles as agreed upon between Demerged Company and Resulting Company 2 is enclosed in Annexure B hereto.



1.9. "Demerged Undertakings" means the Demerged Undertaking 1 and Demerged Undertaking 2 collectively.

1.10. "Demerger" means the transfer by way of demerger of the Demerged Undertakings to the Resulting Companies, and the consequent issue of equity shares by the Resulting Companies to the Shareholders of the Demerged Company as set out in Section B hereof and shall have the same meaning as defined under section 2(19AA) of





the Income-tax Act, 1961.

- 1.11. "Effective Date" means the date on which all the conditions and matters in relation to the Scheme referred to in clause 19 of this Scheme have been fulfilled.
- 1.12. "IT Act" means the Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force.
- 1.13. "Intellectual Property" shall mean all forms of intellectual property subsisting under the laws of India and all analogous rights subsisting under the laws of each and every jurisdiction throughout the world. Intellectual Property includes patents, trademarks, service marks, trade names, registered designs, copyrights, rights of privacy and publicity, and other forms of intellectual or industrial property, know how, inventions, formulae, confidential or secret processes, trade secrets, any other protected rights or assets, and any licenses and permission in connection therewith, in each and every part of the world and whether or not registered or registrable and for the full period thereof, and all extensions and renewals thereof, and all applications for registration in connection with the foregoing.
- 1.14. "Intellectual Property Rights" shall mean all rights arising out of or in relation to the Intellectual Property.
- 1.15. "NCLT" means the National Company Law Tribunal, Mumbai Bench.
- 1.16. "NSE" means National Stock Exchange of India Limited.
- 1.17. "Remaining Business" means all other businesses, divisions, assets and liabilities of the Demerged Company that shall remain with the Demerged Company and shall not be transferred to the Resulting Companies as part of this Scheme.
- 1.18. "Resulting Companies" means Resulting Company 1 and Resulting Company 2, collectively.
- 1.19. "Rupees" or "Rs." or "INR" means the lawful currency of India.

"Record Date 1" shall mean in relation to demerger of Business Division 1 of Demerged Company into Resulting Company 1, such date to be fixed by the Board of Directors of Demerged Company or a committee thereof/person duly authorized by the Board of Directors, after the Effective Date for the purpose of determining the members of Demerged Company to whom shares of Resulting Company 1 will be allotted pursuant to this Scheme in terms of Clause 13.1.

1.21. "Record Date 2" shall mean in relation to demerger of Business Division 2 of Demerged Company into Resulting Company 2, such date to be fixed by the Board of Directors of Demerged Company or a committee thereof/person duly authorized by the Board of Directors, after the Effective Date for the purpose of determining the members of Demerged Company to whom shares of Resulting Company 2 will be allotted pursuant to this Scheme in terms of Clause 13.1.

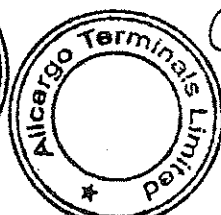
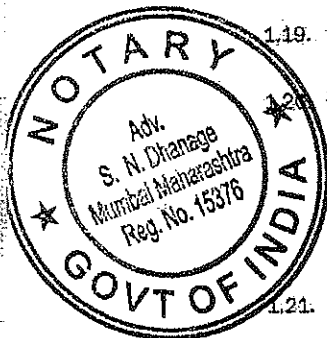
1.22. "Scheme" means this scheme of arrangement among Demerged Company and the Resulting Companies and their respective shareholders pursuant to the provisions of sections 230 to 232 and other applicable provisions of the Act, as the case may be, in its present form or with any modification(s) made under clause 17 of the Scheme, by the Board of Directors of Demerged Company and Resulting Companies, and/ or as approved or directed by the NCLT.

1.23. "SEBI" means the Securities and Exchange Board of India.

1.24. "SEBI Circular" means (i) circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (as amended) on Schemes of Arrangement by Listed Entities and Relaxation under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, as amended by the circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021 Issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time.

1.25. "Shareholders" means the persons registered (whether registered owner of the shares or beneficial owner of the shares) as holders of equity shares of company concerned.

1.26. "Stock Exchanges" means the BSE and NSE.



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**2. INTERPRETATION**

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, Income-tax Act, 1961 and other Applicable Laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

In this Scheme, unless the context otherwise requires:

- (i) the words "including", "include" or "includes" shall be interpreted in a manner as though the words "without limitation" immediately followed the same;
- (ii) any document or agreement includes a reference to that document or agreement as varied, amended, supplemented, substituted, novated or assigned, from time to time, in accordance with the provisions of such a document or agreement;
- (iii) the words "other", "or otherwise" and "whatsoever" shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to;
- (iv) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of the relevant provisions of this Scheme;
- (v) the term "Clause" or "Sub-Clause" refers to the specified clause of this Scheme, as the case may be;
- (vi) reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to legislation or statute includes any subordinate legislation made from time to time under such a legislation or statute and regulations, rules, notifications or circulars issued under such a legislation or statute;
- (vii) Words in the singular shall include the plural and vice versa,

**3. DATE OF COMING INTO EFFECT**

The Scheme shall come into operation from the Appointed Date, though it shall be effective from the Effective Date.

**4. SHARE CAPITAL**

4.1 The authorized, issued, subscribed and paid up capital of the Demerged Company as on December 15, 2021 is as follows:

PARTICULARS	AMOUNT (Rs.)
<b>AUTHORIZED CAPITAL</b>	
27,52,25,000 Equity Shares of Rs 2 /- each	55,04,50,000
500 4% Cumulative Redeemable Preference Shares of Rs 100 /- each	50,000
5,45,000 Redeemable Preference shares of Rs 100 /- each	5,45,00,000
	60,50,00,000
<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>	
245,695,524 Equity Shares of Rs 2 /- each fully paid up	49,13,91,048
<b>TOTAL</b>	49,13,91,048

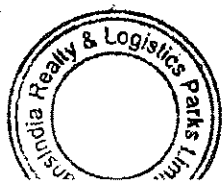
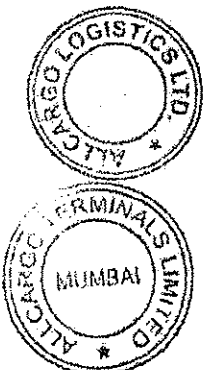
After December 15, 2021, there has been no change in the authorized, issued, subscribed and paid-up share capital of Demerged Company.

4.2 The authorized, issued, subscribed and paid up capital of the Resulting Company 1 as on December 15, 2021 is as follows:

PARTICULARS	AMOUNT (Rs.)
<b>AUTHORIZED CAPITAL</b>	
1,00,000 Equity Shares of Rs 10/- each	10,00,000
<b>TOTAL</b>	10,00,000
<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>	
7 Equity Shares of Rs 10/- each fully paid up	70
<b>TOTAL</b>	70

After December 15, 2021, there has been no change in the authorized, issued, subscribed and paid-up share capital of Resulting Company 1. There shall be no change in the shareholding pattern or control of the Resulting Company 1 between the Record Date and the listing of the Equity Shares.

4.3 The authorized, issued, subscribed and paid up capital of the Resulting Company 2 as on December 15, 2021 is as follows:



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PARTICULARS	AMOUNT (Rs.)
<b>AUTHORIZED CAPITAL</b>	
10,000 Equity Shares of Rs 10/- each*	1,00,000
<b>TOTAL</b>	<b>1,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>	
7 Equity Shares of Rs 10/- each fully paid up	70
<b>TOTAL</b>	<b>70</b>

After December 15, 2021, there has been no change in the authorized, issued, subscribed and paid-up share capital of Resulting Company 2. There shall be no change in the shareholding pattern or control of the Resulting Company 2 between the Record Date and the listing of the Equity Shares.

**SECTION A: DEMERGER OF BUSINESS DIVISION 1 AND BUSINESS DIVISION 2**

**5. TRANSFER AND VESTING OF DEMERGED UNDERTAKINGS**

5.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date, (i) the Demerged Undertaking 1 shall, in accordance with Section 2(19AA) of the Income Tax Act, 1961, pursuant to the provisions contained in sections 230 to 232 of the Act and other provisions of law for the time being in force and without any further act or deed, be demerged from the Demerged Company and be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 1 on the Appointed Date, on a going concern basis, so as to vest in the Resulting Company 1 all the rights, title, interest or obligations of the Demerged Company therein; and (ii) the Demerged Undertaking 2 shall, pursuant to the provisions contained in sections 230 to 232 of the Act and other provisions of law for the time being in force and without any further act or deed, be demerged from the Demerged Company and be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 2 on the Appointed Date, on a going concern basis, so as to vest in the Resulting Company 2 all the rights, title, interest or obligations of the Demerged Company therein.

It is hereby clarified that notwithstanding anything stated herein, the Demerged Company shall not transfer the Remaining Business (in whole or part) to any of the Resulting Companies and the same shall continue in Demerged Company.

The Demerged Company and the Resulting Companies, if required, shall enter into transitional arrangements and shall be deemed to be authorized to execute any such arrangements and to carry out or perform all such formalities or compliances as may be deemed proper and necessary for effecting the transfer and vesting of the properties of (i) the Demerged Undertaking 1 with the Resulting Company 1; and (ii) the Demerged Undertaking 2 with the Resulting Company 2.

5.4 All assets (including fixed assets, intangible assets, current assets, cash and bank balances etc.) acquired by Demerged Company after the Appointed Date and prior to the Effective Date for operation of the Demerged Undertaking 1/ Demerged Undertaking 2 or pertaining to the Demerged Undertaking 1/ Demerged Undertaking 2 shall be deemed to have been acquired for and on behalf of the respective Resulting Company.

5.5 In respect of such of the respective assets of the Demerged Undertakings as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery, the same may be so delivered, paid over, or endorsed and delivered, by the Demerged Company and shall become the property of the Resulting Company 1/ Resulting Company 2 (as applicable) as an integral part of the Demerged Undertaking 1/ Demerged Undertaking 2 transferred to it. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of Demerged Company and the Board of Directors (or a duly authorized committee) of the Resulting Companies within sixty days from the Effective Date.

5.6 In respect of movables of the respective Demerged Undertakings other than those specified in Clause 5.5 above, which are to be transferred to the Resulting Companies, including sundry debtors, future receivables, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, deposits and balances, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, it shall not be necessary to obtain the consent of any third party or other person in order to give effect to the provisions of this sub-clause, and such transfer shall be effected by notice to the concerned persons, or in any manner as may be mutually agreed between the Demerged Company and the Resulting Companies.



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5.7 In respect of such of the assets of the respective Demerged Undertakings other than those referred to in Clause 5.5 and 5.6 above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company on the Appointed Date pursuant to the provisions of section 230/232 of the Act or other provisions of law as applicable.

5.8 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, in accordance with the provisions of relevant laws, consents, permissions, licenses, registrations, certificates, authorities (including for the operation of bank accounts), powers of attorneys given by, issued to or executed in favour of Demerged Company and the rights and benefits under the same shall, in so far as they relate to the Demerged Undertaking 1/ Demerged Undertaking 2 and all certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other Intellectual Property Rights of the Business Division 1/ Business Division 2, and all other interests relating to the respective Demerged Undertakings, be transferred to and vested in the respective Resulting Companies.

5.9 In so far as the various incentives, subsidies (including applications for subsidies), grants, special status and other benefits or privileges granted by any Government body, local authority or by any other person, enjoyed or availed of by the Demerged Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Demerged Undertaking 1/ Demerged Undertaking 2, vest with and be available to the Resulting Company 1/ Resulting Company 2 (as applicable) on the same terms and conditions.

5.10 It is clarified that, upon the coming into effect of the Scheme, the following liabilities and obligations of the Demerged Company as on the Appointed Date and being a part of the Demerged Undertaking 1 / Demerged Undertaking 2 shall, without any further act or deed be and shall stand transferred to the Resulting Company 1/ Resulting Company 2 (as applicable), and all rights, powers, duties and obligations in relation thereto shall stand transferred to and vested in and shall be exercised by or against the Resulting Company 1/ Resulting Company 2 (as applicable) as if it had entered into such loans or incurred such borrowings and the Resulting Company 1/ Resulting Company 2 (as applicable) undertakes to meet, discharge and satisfy the same:

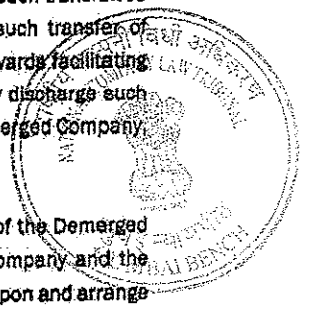
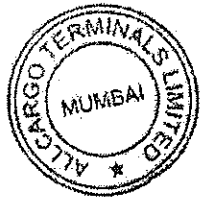
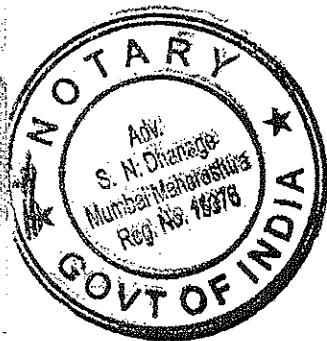
- (i) the liabilities which directly and specifically arose out of the activities or operations of the respective Demerged Undertaking,
- (ii) specific loans or borrowings raised, incurred and utilized solely for the activities or operations of the respective Demerged Undertaking,
- (iii) in cases other than those referred to in sub-clauses (i) and (ii) above, proportionate part of the general or multipurpose borrowings and liabilities of Demerged Company allocable to the Demerged Undertaking 1/ Demerged Undertaking 2 in the same proportion in which the value of the assets of Demerged Company transferred under this Scheme bears to the total value of the assets of Demerged Company immediately before the demerger.

5.11 All loans raised and used and all liabilities and obligations incurred by Demerged Company for the operations of the Demerged Undertakings after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the respective Resulting Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the respective Resulting Company and shall become its liabilities and obligations.

5.12 Upon the coming into effect of this Scheme, the balances as on the Appointed Date, of general or multipurpose borrowings shall be transferred to and assumed by the Resulting Company 1/ Resulting Company 2 (as applicable) in the proportion provided in Clause 5.10 above. Thus, the primary obligation to redeem or repay such transferred liabilities shall be that of the respective Resulting Company. However, without prejudice to such transfer of proportionate liability amount, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, Resulting Company 1/ Resulting Company 2 (as applicable) may discharge such liability (including accretions thereto) by making payments on the respective due dates to the Demerged Company, which in turn shall make payments to the respective creditors.

5.13 Upon the coming into effect of this Scheme, in so far as the security in respect of the liabilities of the Demerged Company as on the Appointed Date is concerned, it is hereby clarified that the Demerged Company and the Resulting Companies shall, subject to confirmation by the concerned creditor(s), mutually agree upon and arrange for such security as may be considered necessary to secure such liabilities.

Provided however, any reference in any security documents or arrangements (to which the Demerged Company is a party) to the assets of Demerged Company offered or agreed to be offered as security for any financial assistance



or obligations pertaining to the Demerged Undertakings, shall be construed as reference only to the assets pertaining to the Demerged Undertakings as are vested in the Resulting Company 1/ Resulting Company 2 (as applicable) by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Demerged Company or any of the assets of the respective Resulting Companies, save and except as may be otherwise agreed between the Demerged Company, the Resulting Companies and the respective lender(s). It is further clarified that upon the coming into effect of this Scheme, in the event any security, charge and/ or mortgage is extended over the assets of the Demerged Company in respect of any financial assistance or obligations pertaining to the Demerged Undertakings vested in the respective Resulting Companies, such security, charge and/ or mortgage shall be deemed to be carried out as an integral part of the Scheme and no separate compliances/ clearances/ permissions of regulatory authorities shall be required.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Resulting Companies shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of Demerged Company vested in the respective Resulting Companies.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Demerged Company which shall vest in the Resulting Companies by virtue of the demerger of the Demerged Undertakings into the Resulting Companies and the Resulting Companies shall not be obliged to create any further or additional security thereof after the Scheme has become operative.

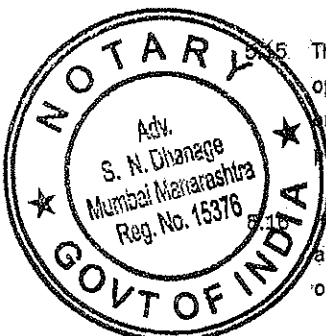
5.14 Upon the coming into effect of this Scheme, the borrowing limits of the Resulting Companies in terms of Section 180(1)(c) of the Act shall be deemed without any further act or deed to have been enhanced by the aggregate liabilities of the Demerged Company which are being transferred to the Resulting Companies pursuant to the Scheme, such limits being incremental to the existing limits of the respective Resulting Companies, with effect from the Appointed Date.

5.15 The provisions of this Clause insofar as they relate to the transfer of liabilities to the Resulting Companies shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue of any security document, all of which instruments shall stand modified and/ or superseded by the foregoing provisions.

5.16 It shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause.

5.17 It is hereby clarified that all assets and liabilities of the Demerged Undertakings shall be transferred at values appearing in the books of account of the Demerged Company as on the Appointed Date which are set forth in the closing balance sheet of the Demerged Company as of the close of business hours on the date immediately preceding the Appointed Date. For the avoidance of doubt it is hereby clarified that Resulting Company 1/ Resulting Company 2 shall record the value of the property and the liabilities of the Demerged Undertakings at a value different from the value appearing in the books of account of the Demerged Company, immediately before the demerger, if required, in compliance to the Indian Accounting Standards specified in Annexure to the Companies (Indian Accounting Standards) Rules, 2015, and as amended from time to time.

5.18 All cheques and other negotiable instruments, payment order, electronic fund transfers (like NEFT, RTGS, etc.) received or presented for encashment which are in the name of the Demerged Company (in relation to Business Division 1/ Business Division 2) after the Effective Date shall be accepted by the bankers of Resulting Company 1/ Resulting Company 2 (as applicable) and credited to the account of Resulting Company 1/ Resulting Company 2 (as applicable), if presented by Resulting Company 1/ Resulting Company 2 (as applicable) or received through electronic transfers. Similarly, the banker of Resulting Company 1/ Resulting Company 2 (as applicable) shall honour all cheques / electronic fund transfer instructions issued by Resulting Company 1/ Resulting Company 2 (as applicable) (in relation to their respective Business Division) for payment after the Effective Date. If required, the bankers of the Demerged Company and Resulting Companies shall allow maintaining and operating of the bank accounts (including banking transactions carried out electronically) in the name of Demerged Company for such time as may be determined to be necessary by the Resulting Companies for presentation and deposition of cheques, pay order and electronic transfers that have been issued/made in the name of Resulting Companies.



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5.19 Benefits of any and all corporate approvals as may have already been taken by the Demerged Company in connection with the Demerged Undertakings, including approvals under Sections 42, 62(1A), 180, 185, 186 and 188 of the 2013 Act shall stand transferred to the respective Resulting Company and the said corporate approvals and compliances shall be deemed to have been taken / complied with by the respective Resulting Company.

5.20 Upon this Scheme coming into effect, all receivables and payables between the Demerged Undertakings and the Remaining Business or Inter-se between the Demerged Undertakings (entered into by them and as recorded in the books of the Demerged Company) except third party trade receivables/ payables and related balances, if any, shall stand cancelled with effect from the Effective Date and neither the Demerged Undertakings nor the Remaining Business shall have any obligation or liability against each other with respect to the same.

**6 LEGAL PROCEEDINGS**

All legal or other proceedings of whatsoever nature by or against the Demerged Undertakings pending and/ or arising on or after the Appointed Date and relating to the Demerged Undertakings or its properties, assets, debts, liabilities, duties and obligations, shall be continued and/ or enforced until the Effective Date as desired by the Resulting Companies (and the costs thereof to be reimbursed by the Resulting Companies to Demerged Company) and as and from the Effective Date shall be continued and enforced by or against the Resulting Companies in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. On and from the Effective Date, the Resulting Companies shall and may, if required, initiate any legal proceedings in its name in relation to the respective Demerged Undertakings in the same manner and to the same extent as would or might have been initiated by the Demerged Company.

**7 CONTRACTS AND DEEDS**

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, insurance policies and other instruments, if any, of whatsoever nature to which the Demerged Company (to the extent related to the Demerged Undertakings) is a party and subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of the Resulting Company 1/ Resulting Company 2 (as applicable), as the case may be, and may be enforced by or against Resulting Company 1/ Resulting Company 2 (as applicable) as fully and effectually as if, instead of the Demerged Company, Resulting Company 1/ Resulting Company 2 (as applicable) had been a party thereto. The Resulting Companies may enter into and/ or issue and / or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmation or novation, to which the Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Resulting Companies shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of this Scheme.

**8 BUSINESS AND PROPERTY IN TRUST**

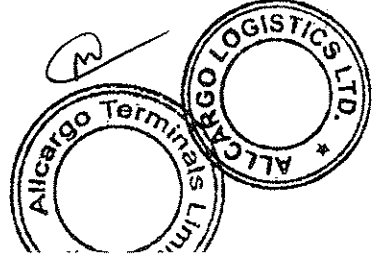
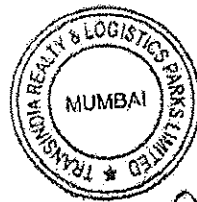
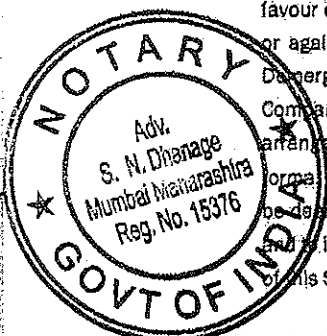
As and from the Appointed Date, upto and including the Effective Date:

- (i) The Demerged Company (to the extent of the Demerged Undertakings), shall carry on and be deemed to have carried on its business and activities and shall stand possessed of all the assets and properties, in trust for the respective Resulting Companies and shall account for the same to such Resulting Company,
- (ii) Income or profit accruing or arising to the Demerged Undertakings and all costs, charges, expense and losses or taxes incurred by the Demerged Undertaking shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the respective Resulting Companies and shall be available to the respective Resulting Companies for being disposed off in any manner as it thinks fit.

**9 CONDUCT OF BUSINESS**

9.1 With effect from Appointed Date and up to and including the Effective Date:

- (i) The Demerged Company (to the extent related to the Demerged Undertakings) shall carry on its business with reasonable diligence and in the same manner as it had been doing hitherto, and the Demerged Company shall not alter or substantially expand the business of the Demerged Undertakings, except with the written concurrence of respective Resulting Company.
- (ii) The Demerged Company shall not, without the written concurrence of the respective Resulting Company, transfer, alienate, charge or encumber any business activity of the Demerged Undertakings, or properties (including Intellectual Property), rights or assets of the Demerged Undertakings, except in the ordinary course of business or pursuant to any pre-existing obligations undertaken prior to the date of acceptance of the Scheme by the Board of Directors of the Demerged Company.



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It is further clarified that upon receipt of the written concurrence of the Resulting Companies, the Demerged Company may transfer, alienate, charge or encumber any business activity of the Demerged Undertaking, or properties (including Intellectual Property), rights or assets of the Demerged Undertakings, for cash or any other consideration. Further, any such consideration received by the Demerged Company shall constitute a part of the respective Demerged Undertaking.

- (iii) The Demerged Company (to the extent of the Demerged Undertakings) shall not without the written concurrence of respective Resulting Company, vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of the Demerged Company, the terms and conditions of employment of any of its employees, nor shall it conclude settlement with employees.
- (iv) All profits or income arising or accruing to or received in regard to the respective Demerged Undertakings and all taxes paid thereon (including advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, securities transaction tax, taxes withheld / paid in a foreign country, value added tax, sales tax, service tax etc.) or losses arising in or incurred in regard to the respective Demerged Undertakings shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the respective Resulting Company.

10. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Demerged Undertakings and the continuance of proceedings by or against the Resulting Companies shall not affect any transaction or proceedings already concluded by the Demerged Undertakings on or before the date when the Demerged Company adopts the Scheme in its Board meeting, and after the date of such adoption till the Effective Date, to the end and intent that the Resulting Companies accept and adopt all acts, deeds and things done and executed by the respective Demerged Undertakings in respect thereto as done and executed on behalf of itself.

11. STAFF AND EMPLOYEES

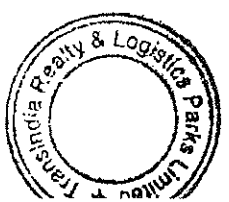
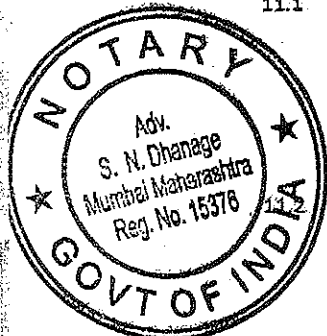
11.1 Upon the Scheme coming into effect, all staff and employees of the Demerged Undertakings shall be deemed to have become staff and employees of the respective Resulting Company (with effect from Appointed Date) without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with the respective Resulting Company shall not be less favourable than those applicable to them with reference to the Demerged Company as on the Effective Date.

Upon the Scheme coming into effect, the accounts of the employees of the Demerged Undertakings relating to provident fund, gratuity and any other trusts/ funds (as per amounts outstanding as on Appointed Date) shall be identified, determined and transferred to the respective funds/ trusts of the Resulting Company 1/ Resulting Company 2 (as applicable) and the employees shall be deemed to have become members of such funds/ trusts of Resulting Company 1/ Resulting Company 2 (as applicable). The Demerged Company shall take all steps necessary for the transfer of the provident fund, gratuity trust and any other fund of employees, pursuant to the Scheme, to the respective Resulting Company. The obligation to make contributions to the said fund or funds shall be transferred to the Resulting Companies from the Effective Date in accordance with the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Demerged Company (to the extent related to the Demerged Undertakings) in relation to such fund or funds shall become those of Resulting Company 1/ Resulting Company 2 (as applicable) and all the rights, duties and benefits of the employees employed in the Demerged Company (to the extent related to the Demerged Undertakings) under such funds and trusts shall be protected, subject to the provisions of law for the time being in force.

Upon the Scheme coming into effect, until such time that the Resulting Companies creates its own funds, the Resulting Companies may continue to make contributions pertaining to the employees of the respective Demerged Undertakings to the relevant funds of the Demerged Company and such contributions pertaining to the employees of the Demerged Undertakings shall be transferred by the Demerged Company to the funds of the respective Resulting Company as and when created. The Demerged Company shall take all steps necessary for the transfer of the provident fund, gratuity trust and any other fund of employees, pursuant to the Scheme, to the respective Resulting Company.

12 TREATMENT OF TAX

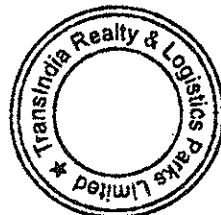
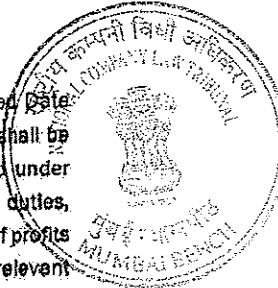
12.1 The Resulting Companies will be the successor of the Demerged Company vis-a-vis the respective Demerged Undertaking. Hence, it will be deemed that the benefits of any tax credits whether central, state, or local, availed vis-a-vis the Demerged Undertakings and the obligations, if any, for payment of taxes on any assets of the Demerged Undertakings or their erection and/or installation, etc. shall be deemed to have been availed by the



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respective Resulting Company, or be deemed to be the obligation of the respective Resulting Company, as the case may be.

- 12.2 Any refund, under the income tax, GST, service tax laws, excise duty laws, central sales tax, applicable state Value added tax laws or other Applicable Law, dealing with taxes/ duties/ levies due to Demerged Undertakings consequent to the assessment made on the Demerged Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the respective Resulting Company upon this Scheme becoming effective.
- 12.3 The tax payments (including, without limitation income tax, GST, service tax, excise duty, central sales tax, applicable state value added tax, etc.) whether by way of TDS, advance tax, all earnest monies, security deposits provisional payments, payment under protest, or otherwise howsoever, by the Demerged Company with respect to the Demerged Undertakings after the Appointed Date, shall be deemed to be paid by the respective Resulting Company and shall, in all proceedings, be dealt with accordingly.
- 12.4 Further, any TDS of the Demerged Company/Resulting Company 1/Resulting Company 2 with respect to Demerged Undertaking on transactions with Demerged Company/Resulting Company 1/Resulting Company 2, if any (from Appointed Date to Effective Date) shall be deemed to be tax paid by Demerged Company/Resulting Company 1/Resulting Company 2 and shall, in all proceedings, be dealt with accordingly.
- 12.5 Obligation for deduction of tax at source on any payment made by or to be made by the Demerged Company shall be made or deemed to have been made and duly complied with by the Demerged Company.
- 12.6 Any actions taken by the Demerged Company to comply with Tax Laws (including payment of Taxes, maintenance of records, payments, returns, Tax filings, etc.) in respect of the Demerged Undertakings on and from the Appointed Date up to the Effective Date shall be considered as adequate compliance by the Demerged Company with such requirements under Tax Laws and such actions shall be deemed to constitute adequate compliance by the Resulting Companies with the relevant obligations under such Tax Laws.
- 12.7 Upon the Scheme becoming effective, all un-availed credits and exemptions, benefit of carried forward losses, unabsorbed depreciation and other statutory benefits, including in respect of Income tax (including MAT credit), goods and service tax, cess, customs, applicable state value added tax, sales tax, service tax etc. relating to the Demerged Undertakings on or after the Appointed Date which remain unutilized by the Demerged Company shall be available to and vest in the respective Resulting Company, without any further act or deed.
- 12.8 The Board of Directors of the Demerged Company shall be empowered to determine if any specific tax liability or any tax proceeding relates to the Demerged Undertakings and whether the same would be transferred to the respective Resulting Company.
- 12.9 Upon this Scheme becoming effective, the accounts of the Demerged Undertakings as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme. The respective Resulting Company shall be entitled to revise its income tax returns, TDS returns, and other statutory returns as may be required under respective statutes pertaining to direct taxes or indirect taxes, such as sales tax, value added tax, excise duties, service tax, etc. Further, any deduction available under Section 80-IA of the Act (i.e. Deductions in respect of profits and gains from industrial undertakings or enterprises engaged in infrastructure development, etc.) to the relevant Demerged Undertaking shall be extended to and be available to the relevant Resulting Company.





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SECTION B - ISSUE OF SHARES

13 ISSUE OF SHARES

13.1 (i) Upon the coming into effect of this Scheme and in consideration of the demerger of the Demerged Undertaking 1 in the Resulting Company 1 pursuant to this Scheme, the Resulting Company 1 shall, without any further act or deed and without any further payment, issue and allot equity shares (hereinafter also referred to as the "New Equity Shares of Resulting Company 1") at par on a proportionate basis to each member of the Demerged Company, whose name is recorded in the register of members of the Demerged Company as holding shares on the Record Date, in the ratio of 1 equity share of Rs 2 each fully paid up of Resulting Company 1 for every 1 equity shares of Rs 2 each fully paid up held in the Demerged Company; (ii) Upon the coming into effect of this Scheme and in consideration of the demerger of the Demerged Undertaking 2 in the Resulting Company 2 pursuant to this Scheme, the Resulting Company 2 shall, without any further act or deed and without any further payment, issue and allot equity shares (hereinafter also referred to as the "New Equity Shares of Resulting Company 2") at par on a proportionate basis to each member of the Demerged Company, whose name is recorded in the register of members of the Demerged Company as holding shares on the Record Date, in the ratio of 1 equity share of Rs 2 each fully paid up of Resulting Company 2 for every 1 equity shares of Rs 2 each fully paid up held in the Demerged Company;

13.2 Cancellation of shares of the Resulting Companies:

- (i) Simultaneous with the issuance and allotment of the equity shares by the Resulting Company 1 in accordance with the Clause 13.1 above, the initial issued and paid up equity share capital of the Resulting Company 1, comprising of 7 equity shares of Rs. 10 each, aggregating to Rs. 70 shall be cancelled. (ii) Simultaneous with the issuance and allotment of the equity shares by the Resulting Company 2 in accordance with the Clause 13.1 above, the initial issued and paid up equity share capital of the Resulting Company 2, comprising of 7 equity shares of Rs. 10 each, aggregating to Rs. 70 shall be cancelled.

13.3 The exchange ratios have been determined by the Boards of Directors of the Demerged Company and the Resulting Companies based on the valuation report provided by independent registered valuer as per the terms of the present proposed Scheme.

13.4 The issue and allotment of new equity shares by Resulting Companies to the members of Demerged Company pursuant to Clause 13.1 above is an integral part of this Scheme,

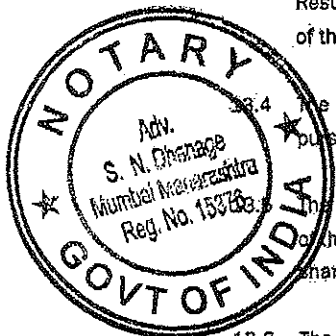
The approval of this Scheme by the shareholders of Resulting Companies shall be deemed to be due compliance of the provisions of Section 62 and other applicable provisions of the Act, for the issue and allotment of new equity shares by the Resulting Companies to the shareholders of the Demerged Company, as provided in this Scheme.

13.6 The New Equity Shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of each Resulting Company.

13.7 The approval of this Scheme by the shareholders under Sections 230 and 232 of the Act shall be deemed to have the approval under (i) Sections 13, 14 and other applicable provisions of the Act, and (ii) any other consents/permissions as may be required in this regard.

13.8 In the event that the Demerged Company, changes its capital structures prior to the Effective Date, either by way of any increase (by issue of equity shares, bonus shares, convertible securities or otherwise), decrease, reduction, reclassification, sub-division, consolidation, or re-organisation in any other manner except as specifically provided in this Scheme itself, which would have the effect of bringing some change to the capital structure of such Demerged Company, the Share Entitlement Ratio and / or number of consideration shares to be issued (as applicable) shall stand modified / adjusted accordingly to take into account the effect of such corporate actions.

13.9 Subject to Applicable Laws, the fully paid-up New Equity Shares of Resulting Company 1 and New Equity Shares of Resulting Company 2 that are to be issued in terms of Clause 13.1 shall be issued in dematerialised form, unless a shareholder of the Demerged Company gives a notice to the Demerged Company and the Resulting Companies on or before the Record Date, requesting for issuance of such Equity Shares in physical form. The shareholders of the Demerged Company shall provide such confirmation, information and details as may be required by each Resulting Company to enable it to issue the aforementioned Equity Shares. However, if as of the date of allotment by the respective Resulting Company, the Demerged Company is unable to provide the details of the demat account of any shareholder, subject to applicable law, then such Resulting Company shall allot the



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appropriate number of respective New Shares to such shareholder in physical form. Notwithstanding the above, if as per Applicable Laws, any Resulting Company is not permitted to issue and allot the respective New Equity Shares in physical form, and it has still not received the demat account details of certain shareholders of the Demerged Company, it shall issue and allot such shares in lieu of the respective New Equity Share entitlement of such shareholders, into a demat suspense account, which shall be operated by one of the directors of Resulting Company 1/ Resulting Company 2 (as applicable); duly authorised in this regard, who shall upon receipt of appropriate evidence from such shareholders regarding their entitlement, will transfer from such demat suspense account into the individual demat accounts of such claimant shareholders, such number of shares as may be required in terms of this Scheme.

13.10 Equity shares to be issued by Resulting Company 1/ Resulting Company 2 (as applicable) pursuant to Clause 13.1 in respect of Equity Shares of the shareholders of the Demerged Company which are held in abeyance shall continue to be kept in abeyance by the Resulting Company 1/ Resulting Company 2.

13.11 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor / transferee of the shares in the Demerged Company and in relation to the Equity Shares issued by respective Resulting Company upon the effectiveness of this Scheme. The Board of Directors of the Demerged Company and the Resulting Companies shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the respective Resulting Company on account of difficulties faced in the transition period.

13.12 If the allotment of shares pursuant to this Clause 13.1 will result in any shareholders being issued fractional shares, the Board of the respective Resulting Company shall, at its absolute discretion, decide to take any or a combination of the following actions:

- (a) consolidate all such fractional entitlements and thereupon allot equity shares in lieu thereof to a person/ trustee authorized by the Board of the Resulting Company 1/ Resulting Company 2 (as applicable) in this behalf who shall hold the shares in trust on behalf of the shareholders of the Demerged Company entitled to fractional entitlements with the express understanding that such person shall sell the shares of the Resulting Company 1/ Resulting Company 2 (as applicable) so allotted on the Stock Exchanges at such time or times and at such price or prices and to such person, as such person/trustee deems fit, and shall distribute the net sale proceeds, subject to tax deductions and other expenses been carrying as applicable, to the shareholders of the Demerged Company in proportion to their respective fractional entitlements. In case the number of such new shares to be allotted to a person authorized by the Board of the Resulting Company 1/ Resulting Company 2 (as applicable) by virtue of consolidation of fractional entitlement is a fraction, it shall be rounded off to the next higher integer.
- (b) deal with such fractional entitlements in such other manner as they may deem to be in the best interests of the shareholders of the Demerged Company.

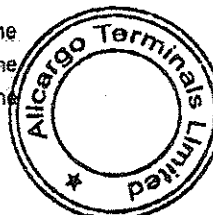
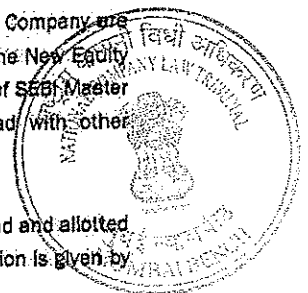
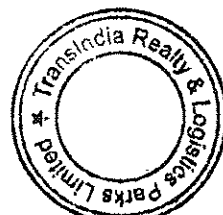
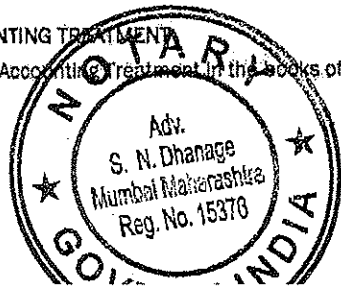
13.13 The Resulting Companies shall apply to all the Stock Exchanges (where the shares of Demerged Company are listed) and SEBI for listing and admission of all the Equity Shares of The Resulting Companies (the New Equity Shares of Resulting Company 1/ New Equity Shares of Resulting Company 2) to trading in terms of SEBI Master Circular, No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000865 dated November 23, 2021 read with other Applicable Laws (as amended from time to time).

13.14 The New Equity Shares of Resulting Company 1/ New Equity Shares of Resulting Company 2 issued and allotted pursuant to the Scheme shall remain frozen in the depository system until listing/trading permission is given by the Stock Exchanges for the Equity Shares of Resulting Company 1/ Resulting Company 2.

13.15 The Resulting Companies shall, if and to the extent required, apply for and obtain any approvals from the appropriate authorities including the Reserve Bank of India, for the issue and allotment of Equity Shares of the Resulting Companies by to non-resident equity shareholders of the Demerged Company, if any, in terms of the Applicable Laws, including rules and regulations applicable to foreign investment.

14 ACCOUNTING TREATMENT

14.1 Accounting Treatment in the books of Demerged Company



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The Demerged Company shall account for the demerger of Demerged Undertakings in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, in its books of accounts from the Appointed Date, such that:

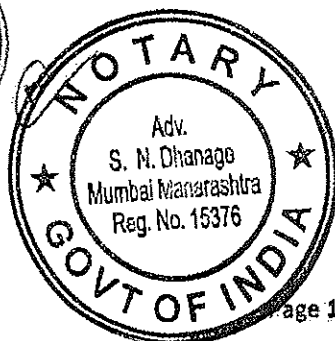
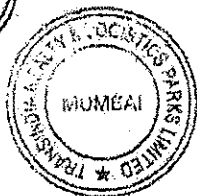
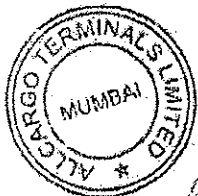
- (a) All the assets and the liabilities of the Demerged Undertakings as appearing in the books of accounts of the Demerged Company shall stand transferred to and vested in the Resulting Companies pursuant to the Scheme and shall be reduced from the respective book value of assets and liabilities of the Demerged Company.
- (b) The difference, if any, between the book value of assets of the Demerged Undertakings of the Demerged Company transferred to Resulting Companies less the book value of the liabilities of the Demerged Undertakings of the Demerged Company transferred to the Resulting Companies, shall be recognized in equity, and will be adjusted firstly against the amount lying to the credit of the Capital Reserve Account; balance, if any remaining after adjustment of entire credit of Capital Reserve Account, against the amount lying to the credit of the Securities Premium Account; and balance, if any, remaining after adjustment of entire credit balance of the Securities Premium Account, against the amount lying to the credit of the Retained Earnings.

14.2 Accounting treatment in the books of Resulting Company 1/ Resulting Company 2

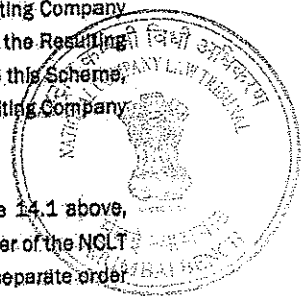
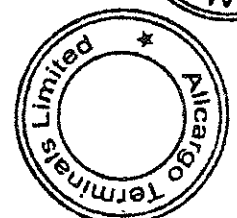
The Resulting Company 1/ Resulting Company 2 shall account for the demerger of Demerged Undertakings in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, in its books of accounts from the Appointed Date, such that:

- (a) All the assets and the liabilities of the Demerged Undertakings as appearing in the books of the Demerged Company shall be accounted in the books of the Resulting Company 1/ Resulting Company 2 at book values as appearing in the books of the Demerged Company as on the close of business on the day immediately prior to the Appointed Date. For the avoidance of doubt it is hereby clarified that Resulting Company 1/ Resulting Company 2 shall record the value of the property and the liabilities of the Demerged Undertakings at a value different from the value appearing in the books of account of the Demerged Company, immediately before the demerger, in compliance to the Indian Accounting Standards specified in Annexure to the Companies (Indian Accounting Standards) Rules, 2015, and as amended from time to time.
- (b) The Resulting Company 1/ Resulting Company 2 shall credit its Share Capital Account in its books of account with the aggregate face value of the respective number of New Equity Shares issued to the shareholders of the Demerged Company by it in terms of Clause 13.1 and reduce its Share Capital Account which are reduced and cancelled in terms of Clause 13.2.
- (c) The surplus or deficit, if any, of the value of the assets over the value of the liabilities of the respective Demerged Undertaking acquired pursuant to this Scheme by the Resulting Company 1/ Resulting Company 2, shall, after adjusting for the value of the respective number of New Equity Shares issued by the Resulting Company 1/ Resulting Company 2 to the Shareholders of the Demerged Company, pursuant to this Scheme, shall be credited to the Capital Reserve Account in the books of the Resulting Company 1/ Resulting Company 2.

14.3 The utilization of the Securities Premium Account of the Demerged Company pursuant to Clause 14.1 above, being consequential in nature, is proposed to be affected as an integral part of the Scheme. The order of the NCLT sanctioning the Scheme shall in view of explanation to Section 66 of the Act be sufficient and no separate order under Section 66 is required. Accordingly, the Demerged Company shall not be required to separately comply with Section 52 read with Section 66 or any other provision of the Act with respect to this corporate action.



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SECTION C - OTHER PROVISIONS

GENERAL TERMS & CONDITIONS

15 APPOINTED DATE

The Appointed Date shall be deemed to be the 'acquisition date' for all purposes, including for the purposes of accounts of Demerged Company/ Resulting Companies.

16 APPLICATION TO THE NCLT

The Demerged Company and the Resulting Companies shall, with all reasonable dispatch, make necessary applications/petitions under sections 230 to 232 of the Act and other applicable provisions of the Act to the NCLT for seeking sanction of this Scheme.

17 ALTERATION OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE RESULTING COMPANIES

Increase in authorized Share Capital of the Resulting Company 1.

- a) As an integral part of Scheme, and, upon coming into effect of the Scheme, the authorized share capital of Resulting Company 1 shall stand suitably increased, without any further act, instrument or deed on the part of the Resulting Company 1 for the purpose of issue of shares as per Clause 13.1, as on the Effective Date such that upon the effectiveness of the Scheme, the authorized share capital of the Resulting Company 1 shall be Rs. 55,00,00,000 (Rupees Fifty Five Crores) divided into 27,50,00,000 (Twenty Seven Crore Fifty Lakhs) equity shares of Rs. 2 (Rupees Two) each. Clause 5 of the memorandum of association of the Resulting Company 1 shall be altered as set-out below, upon coming into effect of the Scheme and without any further act or deed:

"Clause 5. The Authorized Share Capital of the Company is Rs. 55,00,00,000 (Rupees Fifty Five Crores) divided into 27,50,00,000 (Twenty Seven Crore Fifty Lakhs) equity shares of Rs. 2 (Rupees Two) each"

- b) As an integral part of the Scheme, and upon coming into effect of the Scheme, the articles of association of the Resulting Company 1 shall stand amended and reinstated to replicate the articles of a listed company and in such form as the Board of the Resulting Company 1 may determine.

Increase in authorized Share Capital of the Resulting Company 2.

- a) As an integral part of Scheme, and, upon coming into effect of the Scheme, the authorized share capital of Resulting Company 2 shall stand suitably increased, without any further act, instrument or deed on the part of the Resulting Company 2 for the purpose of issue of shares as per Clause 13.1, as on the Effective Date such that upon the effectiveness of the Scheme, the authorized share capital of the Resulting Company 2 shall be Rs. 55,00,00,000 (Rupees Fifty Five Crores) divided into 27,50,00,000 (Twenty Seven Crore Fifty Lakhs) equity shares of Rs. 2 (Rupees Two) each. Clause 5 of the memorandum of association of the Resulting Company 2 shall be altered as set out below, upon coming into effect of the Scheme and without any further act or deed:

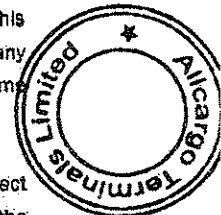
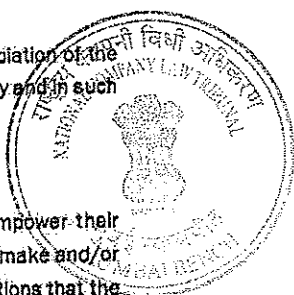
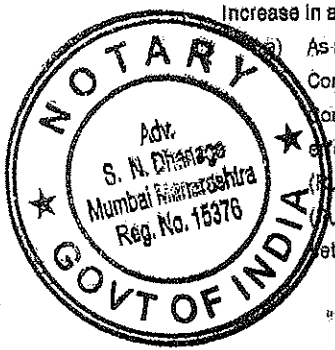
"Clause 5. The Authorized Share Capital of the Company is Rs. 55,00,00,000 (Rupees Fifty Five Crores) divided into 27,50,00,000 (Twenty Seven Crores Fifty Lakhs) equity shares of Rs. 2 (Rupees Two) each"

- b) As an integral part of the Scheme, and upon coming into effect of the Scheme, the articles of association of the Resulting Company 2 shall stand amended and reinstated to replicate the articles of a listed company and in such form as the Board of the Resulting Company 2 may determine.

18 MODIFICATION OR AMENDMENTS TO THE SCHEME

- 18.1 Subject to approval of NCLT, the shareholders of Demerged Company/ Resulting Companies, empower their respective Boards of Directors or by a person authorized by the Boards of Directors, may assent to/make and/or consent to any modifications/amendments of any kind to the Scheme or to any conditions or limitations that the NCLT, as the case may be, as applicable and/or any other authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events, and the Demerged Company/ Resulting Companies through their Board of Directors are hereby authorized to take such steps and do all such acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and resolve any doubts, difficulties or questions whether by reason of any orders of the NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or virtue of this Scheme and/or any matters concerning or connected therewith.

- 18.2 If any provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the respective Boards of Directors of Demerged Company/ Resulting Companies, affect the adoption or validity or interpretation of the other parts and/or provisions of this Scheme.



**19 CONDITIONALITY OF THE SCHEME**

This Scheme is and shall be conditional upon and subject to:

- 19.1 The requisite consents, no-objections and approvals of the Stock Exchanges and SEBI to the Scheme in terms of the SEBI Circular, on terms acceptable to Demerged Company/ Resulting Companies.
- 19.2 The approval of the Scheme by the respective requisite majorities in number and value of the shareholders of the Demerged Company/ Resulting Companies in accordance with section 230 to 232 of the Act;
- 19.3 The Demerged Company/ Resulting Companies (as the case may be) complying with other provisions of the SEBI Circular, including seeking approval of the shareholders of the Demerged Company through e-voting;
- 19.4 The Scheme being sanctioned by the NCLT in terms of Sections 230 to 232 and other relevant provisions of the Act; and
- 19.5 Certified copies of the orders of the NCLT sanctioning this Scheme being filed with the relevant Registrar of Companies by Demerged Company/ Resulting Companies as per the provisions of the Act.

**20 EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS**

20.1 In the event any of the said sanctions and approvals referred to in Clause 19 are not obtained, and/ or complied with, and/or satisfied, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

20.2 In the event of revocation under Clause 20.1, no rights and liabilities whatsoever shall accrue to or be incurred inter se to Demerged Company/ Resulting Companies or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with Applicable Law and in such case, each company shall bear its own costs unless otherwise mutually agreed.

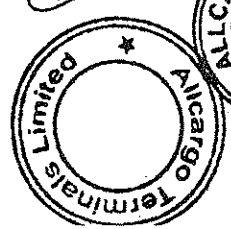
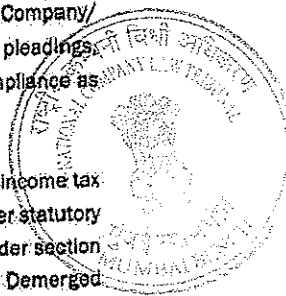
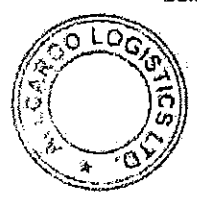
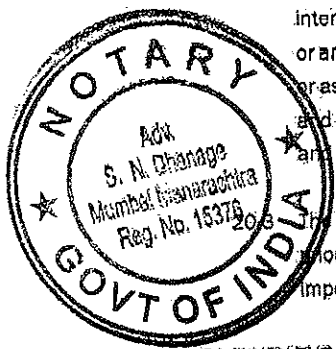
The Board of Directors of the Demerged Company/ Resulting Companies shall be entitled to withdraw this Scheme prior to the Effective Date for any reason (s) including, but not limited to, in case any condition or alteration imposed by the NCLT or any other authority is not on terms acceptable to them.

**21 WHEN THE SCHEME COMES INTO OPERATION**

21.1 It is clarified that the Scheme shall come into operation from the Appointed Date and shall become effective on and from the Effective Date in terms of the Scheme.

21.2 The Demerged Company/ Resulting Companies shall carry on and shall be authorized to carry on, with effect from the Effective Date, the business pertaining to the Demerged Company (to the extent of Remaining Business)/ Resulting Companies (to the extent of the Demerged Undertakings) respectively. The Demerged Company/ Resulting Companies are and shall always be deemed to have been authorized to execute any pleadings, applications, forms as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of the Scheme.

21.3 The Demerged Company/ Resulting Companies shall be entitled to, amongst others, file/ or revise its income tax returns, TDS/TCS returns, excise duty returns, GST returns, entry tax, cess, professional tax or any other statutory returns, if required, credit for advance tax paid, tax deducted at source, claim for sum prescribed under section 43B of the Income Tax Act on payment basis, claim for deduction of provisions written back by the Demerged Company/ Resulting Companies previously disallowed in the hands of the Demerged Company/ Resulting Companies (relating to the Business Divisions) respectively under the Income Tax Act, credit of foreign taxes paid / withheld, if any, pertaining to Demerged Company/ Resulting Companies (relating to the Business Divisions) as may be required consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum.



**22 DIVIDENDS**

- 22.1 The Demerged Company/ Resulting Companies shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period after the Appointed Date and prior to the Effective Date.
- 22.2 The holders of the shares of the Demerged Company/ Resulting Companies shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends.
- 22.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Demerged Company/ Resulting Companies to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of Directors of the Demerged Company/ Resulting Companies and subject to the approval of the shareholders of the Demerged Company/ Resulting Companies respectively, if applicable.

**23 COSTS, CHARGES AND EXPENSES**

All past, present and future costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Demerged Company/ Resulting Companies, arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto, shall be borne by the resulting Company and such expenses shall be entitled to be amortized in terms of Applicable Laws.

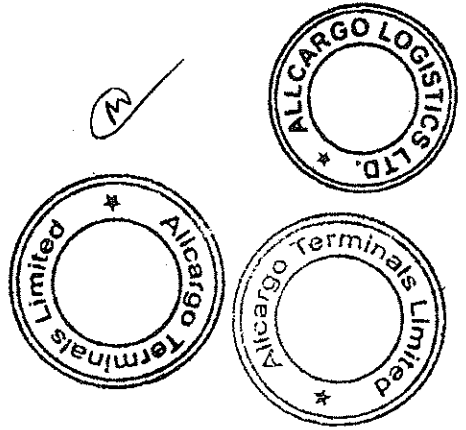
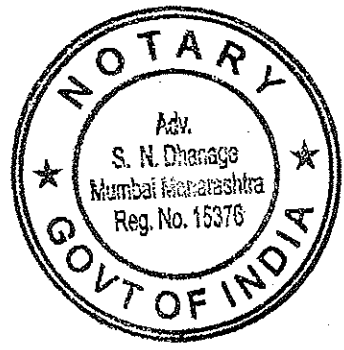
**24 BINDING EFFECT**

Upon this Scheme becoming effective it shall be binding on the Demerged Company and Resulting Companies and, their respective shareholders, creditors and all other stakeholders.



Certified True Copy  
For Allcargo Logistics Limited

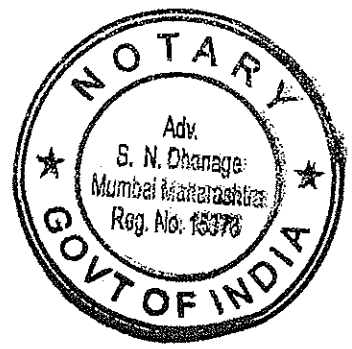
*Devanand*  
Devanand Mojdra  
Company Secretary



**Annexure A**

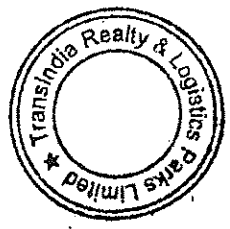
**List of CFS assets & liabilities being moved from Demerged Company to Resulting Company 1**

Particulars
<b>Assets</b>
Unamortised lease premium pertaining to CFS JNPT I
Building at CFS JNPT I
Building at CFS Mundra
Building at CFS Kolkata
Right of use of the assets recognised under Ind AS for CFS Mundra
Right of use of the assets recognised under Ind AS for CFS Kolkata
Leasehold improvements
Plant and machinery
Heavy equipments (Forklifts, stackers, trailers etc.)
Other vehicles
Office equipments
Computers
Furniture, fixtures and fittings
Softwares
Loans and advances
Other financial assets
MAT Credit entitlement transferred from Allcargo Logistics Ltd Demerged Co.
Inventories
Trade receivables
Cash and bank
Contract asset recognised under Ind AS
Other current assets (excluding Input tax credits)
<b>Liabilities</b>
Lease liabilities recognised under Ind AS for CFS Mundra
Lease liabilities recognised under Ind AS for CFS Kolkata
Trade and other payables
Contract liabilities recognised under Ind AS
Other current liabilities
Others



**List of Investments in Joint ventures and Subsidiaries being moved from Demerged Company to Resulting Company 1**

Particulars
Investments in shares of Transnepsal Freight services Pvt Ltd
Investments in shares of Allcargo Logistics Park Pvt Ltd



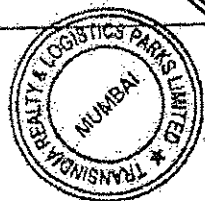
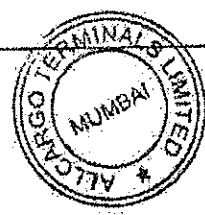
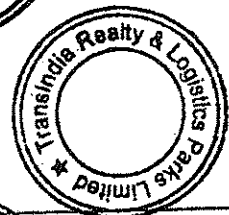
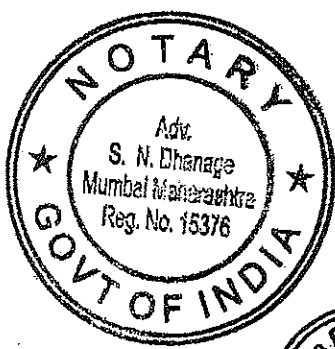
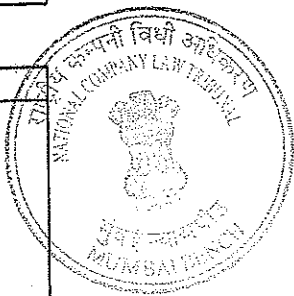
*Handwritten initials/signatures.*

**Annexure B**

**List of assets and liabilities of Equipment hiring division as well as Warehousing & Logistics parks being moved from Demerged Company to Resulting Company 2**

Particulars
<b>Assets pertaining to Equipment hiring and leasing division</b>
Leasehold land of Equipment Panvel office
Equipment Office and R&D Centre at Panvel
Plant & machinery
CWIP Plant and machinery
Heavy equipments (Cranes, forklifts, Stackers and trailers)
CWIP heavy equipments
Other Vehicles
Office equipments
Computers
Furniture, fixtures and fittings
Right of use of the assets recognised under Ind AS
Computer Softwares
CWIP Software
Loans and other advances
Other financial assets
Trade receivables
Other assets (excluding Input tax credits)
Contract asset recognised under Ind AS
Bank OD
Stores and spared inventories
<b>Liabilities pertaining to Equipment hiring and leasing division</b>
Lease liabilities recognised under Ind AS
Trade and other payables
Contract liabilities recognised under Ind AS
Other liabilities

Particulars
<b>Assets pertaining to Warehousing and Logistics park</b>
Matar Freehold land
Khopla, Uran Freehold land
Khopla warehouse building
Plant and machinery
Fixtures and fittings
Computers
Other financial assets
Other assets excluding financial assets
Loans and advances
Cash and bank
Contract asset recognised under Ind AS
<b>Liabilities pertaining to Warehousing and Logistics park</b>
Borrowings (including allocated from Demerged Co.)
Other financial liabilities
Trade and other payables
Other liabilities

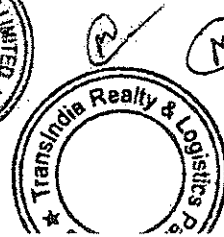
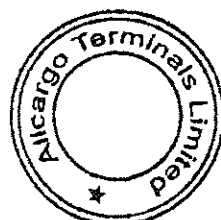
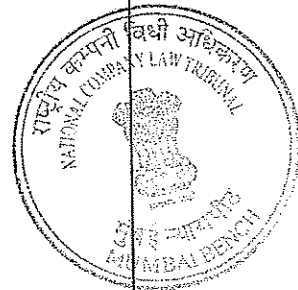
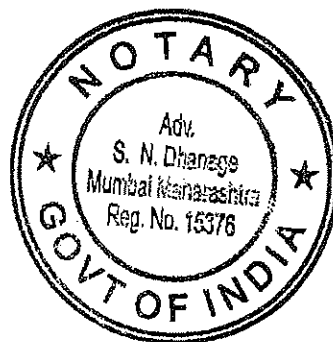




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**List of Investments in subsidiaries and other companies being moved from Demerged Company to Resulting Company 2**

Particulars
Investments in Malur Logistics and Industrial Parks Pvt.Ltd.(equity)
Investments in Venkatapura Logistics and Industrial Parks Pvt. Ltd.(equity)
Investments in Kalina Warehousing Pvt.Ltd (equity)
Investments in Panvel Warehousing Pvt.Ltd (equity)
Investments in Allcargo Logistics & Industrial Park Pvt.Ltd. (equity)
Investments in Madanahati Logistics and Industrial Parks Pvt.Ltd.(equity)
Investments in Allcargo Multimodal Pvt.Ltd.(equity)
Investments in Allcargo Inland Park Pvt.Ltd (equity)
Investments in Koperli Warehousing Pvt. Ltd. (equity) (less than Rs 1 lakhs) (Rs 20)
Investments in Bhiwandi multimodal Pvt.Ltd (equity) (less than Rs 1 lakhs) (Rs 20)
Investments in Allcargo warehousing Management Pvt. Ltd.(equity) (less than Rs 1 lakhs) (Rs 20)
Investments to Marasandra Logistics & Industrial Parks Pvt.Ltd (equity) (less than Rs 1 lakhs) (Rs 20)
Investments in Avvashya Projects Pvt. Ltd. (equity) (less than Rs 1 lakhs) (Rs 20)
Investments in Avvashya Inland Park Pvt.Ltd (equity) (less than Rs 1 lakhs) (Rs 20)
Investments in Panvel industrial parks Pvt.Ltd. (equity) (less than Rs 1 lakhs) (Rs 20)
Investments in dankuni Industrial parks Pvt.Ltd. (equity) (less than Rs 1 lakhs) (Rs 20)
Investments in hoskote Warehousing Pvt. Ltd. (equity) (less than Rs 1 lakhs) (Rs 20)
Investments in Jhajjar Warehousing Pvt.Ltd. (equity) (less than Rs 1 lakhs) (Rs 20)
Investments in Malur Logistics and Industrial Parks Pvt.Ltd.(Optionally Convertible Debentures - B series)
Investments in Venkatapura Logistics and Industrial Parks Pvt. Ltd.(Optionally Convertible Debentures - B series)
Investments in Kalina Warehousing Pvt.Ltd.(Optionally Convertible Debentures - B series)
Investments in Panvel Warehousing Pvt.Ltd.(Optionally Convertible Debentures - B series)
Investments in Allcargo Logistics & Industrial Park Pvt.Ltd. (Optionally Convertible Debentures - B series)
Investments in Madanahati Logistics and Industrial Parks Pvt.Ltd.(Optionally Convertible Debentures - B series)
Investments in Allcargo Multimodal (Optionally Convertible Debentures - B series)
Investments in Allcargo Inland Park Pvt.Ltd.(Optionally Convertible Debentures - B series)
Loans and advances given to aforesaid companies including interest receivable due thereon as well as Interest receivable on Optionally Convertible Debentures B Series



**Schedule I**

**Demerged undertaking 1 assets not being moved to Resulting Co.1**

Particulars
Freehold Land (CFS Chennai)
Building (CFS Chennai)
Freehold Land (CFS Annex)
Building (CFS Annex)

**Schedule II List of common assets of Demerged Co. being moved to Resulting Co.1**

Particulars
Softwares and Servers which is for common usage

**Schedule III**

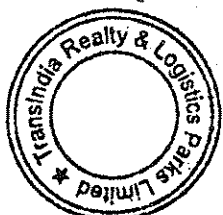
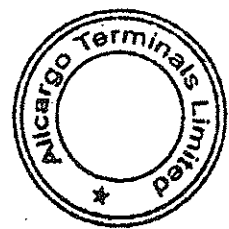
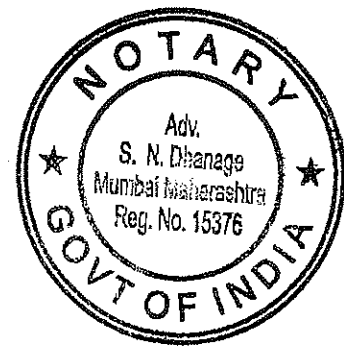
**Demerged Undertaking 1 assets being moved to Resulting Co.2**

Particulars
Freehold Land (CFS Chennai)
Building (CFS Chennai)
Freehold Land (CFS Annex)
Building (CFS Annex)

**Schedule IV**

**List of common assets of Demerged Co. being moved to Resulting Co.2**

Particulars
6th floor A & B wing of Ayyashya House (Kalina)
Nagpur land
Softwares and Servers which is for common usage



Certified True Copy  
 Allcargo Logistics Limited  
*Devanand*  
 Devanand Mojdra  
 Company Secretary

Certified True Copy  
 Date of Application 05/01/2023  
 Number of Pages 23  
 Fee Paid Rs. 115/-  
 Applicant called for collection copy on 10/03/2023  
 Copy prepared on 10/3/2023  
 Copy issued on 10/03/2023

*P. S. Sonawale*  
 Deputy Registrar 10/3/2023