

**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.

**Certified True Copy
For Allcargo Logistics Limited**

(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 6th 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 5th 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 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 6th 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 5th 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, 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 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 unabsorbed 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:

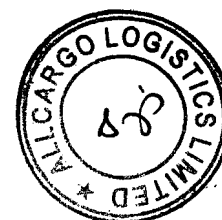
Share Capital	Amount in Rs.
<u>Authorized Share Capital</u>	
50,000 Equity Shares of Rs.10/- each	5,00,000
5,45,000 Preference Shares of Rs.100/- each	5,45,00,000
TOTAL	5,50,00,000
<u>Issued, Subscribed and Paid-up Share Capital</u>	
10,000 Equity Shares of Rs.10 each, fully paid up	1,00,000
73,930, 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
TOTAL	1,08,63,000

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
<u>Authorized Share Capital</u>	
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
TOTAL	55,00,00,000
<u>Issued, Subscribed and Paid-up Share Capital</u>	
245,695,524 Equity Shares of Rs. 2/- each Fully Paid	49,13,91,048
TOTAL	49,13,91,048

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



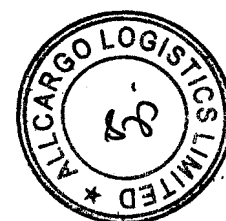
Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the 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 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 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 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

- 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 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.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 :

Authorised Capital	Amount in Rs.
<u>Authorized Share Capital</u>	
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
TOTAL	60,50,00,000

- 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 authorised share capital to that extent mentioned above.

- 13.4 It 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. 60,50,00,000/- (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 500 (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 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(b) 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(b). 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.
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- 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, 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
For Allcargo Logistics Limited**


Shruti Sanghavi
Company Secretary