

**SCHEME OF AMALGAMATION**  
**OF**  
**ROOPSANGAM HOLDINGS LIMITED**  
**WITH**  
**TRADE-WINGS LIMITED**

**1. PREAMBLE**

This Scheme of Amalgamation provides for amalgamation of ROOPSANGAM HOLDINGS LIMITED (hereinafter referred to as “the **Transferor Company**” or “**RHL**”) with TRADE WINGS LIMITED (hereinafter referred to as “the **Transferee Company**” or “**TWL**”), pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956.

**2. DEFINITIONS**

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- 2.1 ROOPSANGAM HOLDINGS LIMITED (hereinafter referred to as “the **Transferor Company**” or “**RHL**”) means a Company incorporated under the Companies Act, 1956, whose Registered Office is situated at 18/20 K Dubash Marg, Kalaghoda, Fort, Mumbai -400 023 and shall include its successors and assigns.
- 2.2 TRADE-WINGS LIMITED (hereinafter referred to as “the **Transferee Company**” or “**TWL**”) a Company incorporated under the Companies Act, 1913 whose Registered Office is situated at 6, Mascarenhas Building, M. G. Road, Panaji, Goa- 403001 and shall include its successors and assigns.
- 2.3 “**Act**” means the Companies Act, 1956 including any statutory modification or re – enactment thereof for the time being in force.
- 2.4 “**Appointed Date**” or “**Transfer Date**” means 1<sup>st</sup> April, 2013 or such other date as the High Court at Bombay or High Court at Goa may direct.



2.5 “Assets” shall mean and include the entire business of the Transferor Company and shall include without limitation the following:

- (a) all properties wherever situate, whether movable or immovable, tangible or intangible, corporeal or incorporeal, intellectual property, whether in possession or reversion, present or contingent, fixed assets including land, building whether on lease or not, capital work-in-progress including expenses incurred to be capitalized and advances for assets, debtors, current assets, investments, deposits, buildings, electronic installations, offices, furniture, fixtures, office equipment, appliances, accessories, claims, bank accounts and all cash appertaining or relatable to the Transferor Company as on the Appointed Date and such additional assets pertaining to the Transferor Company acquired since the Appointed Date;
- (b) all permits, rights, entitlements including import quotas, industrial and other licenses, sales tax and excise duty licenses, and licenses with export-import authority including advance licenses and all other licenses, duty entitlement pass books, duty refund against export obligations, rights of way, powers, authorities, allotments, approvals and consents, permits, quotas, subsidies and incentives, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power, use or possession and in the control of or vested in or granted in favor of or enjoyed by the Transferor Company, including but without being limited to all patents, trade marks, trade names, copy rights, brands, goodwill and other commercial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases of land properties, tenancy rights, ownership flats, authorizations, registrations and entitlements like electricity, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water, gas connections, other fuel and power, and electronic and other services, reserves, provisions, funds, financial assets, benefits of all agreements and deposits, any tax benefits direct or indirect including advance tax paid or any tax deducted in respect of any income received and all other interests belonging to or in the ownership, power or possession or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company as on the Appointed Date; and all records, files, papers, computer programmes, manuals, data, catalogues, quotations, sales and advertising materials, sales/ credit/ pricing information, and other records, whether in



physical form or electronic form in connection with or relating to the Transferor Company as on the Appointed Date.

2.6 **“Effective Date”** means the dates on which certified copies of the Order(s) of the High Court at Bombay and High Court at Goa vesting the assets, property, liabilities, rights, duties, obligations and the like of the Transferor Company in the Transferee Company are adjudicated, stamped, if necessary and filed with the Registrar of Companies, Maharashtra, Mumbai & the Registrar of Companies, Goa after obtaining the consents, approvals, permissions, resolutions, agreements, sanction and orders necessary are obtained. However, for the purpose of Income Tax Act, the Effective Date shall be 1<sup>st</sup> April 2013.

2.7 **“Liabilities”** in relation to the Transferor Company shall mean and include all debts, liabilities, loans, borrowings, bills payable, public deposits, security deposits, interest accrued, contingent liabilities and all other liabilities, duties, undertakings, contractual obligations, guarantees given and obligations of the Transferor Company as on the Appointed Date along with any charge, encumbrance, lien or security thereon including:

- (a) liabilities on account of loans and advances from unsecured creditors, contingent liabilities not provided in the books of the Transferor Company, and such additional liabilities pertaining to the Transferor Company incurred since the Appointed Date.
- (b) Obligations of whatsoever kind including liabilities for payment of gratuity, pension benefits, provident fund or compensation in the event of retrenchment.

2.8 **“Undertaking”** shall mean and include the entire business of the Transferor Company on a going concern and shall include Assets and Liabilities of the Transferor Company.

(Without prejudice to the generality of the above, the undertaking of the Transferor Company shall include entire business as going concern and all the Transferor Company’s movable and immovable properties, investments, assets, loans and advances including lease-hold rights, tenancy rights, Industrial and other licenses, permits, authorizations, deposits, quota rights, and other intangible rights, trade marks, patents and other Industrial and intellectual properties, import quotas, statutory permissions, approvals and consents, of any kind whatsoever, rights and benefits to all agreements and

other interests including rights, entitlements to any amount claimable from Government (whether or not recorded in the books), right to claim refund of any tax, duty, cess or other charges, including right to refund or adjustment of any erroneous or excess payments and any interest thereon under any scheme or statute made by Government, right to deductions, exemptions, rebates, allowances, amortization benefit, etc. under the Income Tax Act, 1961, or any other benefits /incentives/ exemption given under any policy announced, issued or promulgated by the Government of India, any State Government, or any other governmental body or authority or any other like benefits under any statute and advantages of whatsoever nature belonging to or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, telephones, telex, facsimile and other communication facilities and equipments, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals of whatsoever nature belonging to or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company

2.9 **“The Scheme”** means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by the Hon’ble High Court of Judicature at Bombay and Hon’ble High Court of Judicature at Goa.

2.10 **“Court”** or **“The Court”** or **“The High Court”** means High Court of Judicature at Bombay and High Court of Judicature at Goa.

The words importing the singular include the plural; words importing any gender include every gender.

Any words or expressions used and not defined in the Scheme but defined in the Act shall have meaning respectively assigned to them in the Act.

### **3. PRELIMINARY**

3.1 This Scheme of Amalgamation is made for the amalgamation of “RHL into TWL.

3.2 Business and other details:

(a) RHL was originally incorporated as a private limited company under the Companies Act, 1956 (1 of 1956) on February 26, 1987 and was registered



with the Registrar of Companies, Maharashtra, under the name of “Roopsangam Holdings Private Limited”. The word “Private” was then deleted under Section 43A (2) of the Companies Act, 1956 on May 21, 1990 (deemed public limited company to public limited company) and the status was once again changed from deemed public to public on June 4, 2010, by passing a Special Resolution to that effect and the name was changed to its present name viz. “Roopsangam Holdings Limited”. The Transferor Company was incorporated with the main object to act as an Investment Company as set out more particularly in Clause 3(A) (1) of Memorandum of Association which runs as:

“To carry on the business of an Investment Company and to buy, underwrite, invest, acquire and hold shares, stocks, debentures, debenture stocks, bonds, notes, obligations and securities issued or guaranteed by any company or body corporate and debentures, debenture-stocks, bonds, obligations, savings certificates and securities issued or guaranteed by any State or Central Government, public body or authority, municipal, local or otherwise whether in India or elsewhere, and to invest funds in post-office savings account, Unit Trust or in such other bonds.” engaged *inter-alia* in the business of an investment company. RHL is a wholly owned subsidiary of TWL.”

However the above object clause was abandoned by the shareholders of the Transferor Company in its Extra Ordinary General Meeting held on June 4, 2010 and incorporated the new object in Clause III C of the Memorandum of Association to enable the company to start the new business activity of running of hotels, restaurants, cafes and the other activities incidental thereto. RHL is a wholly owned subsidiary of TWL.

- (b) TWL was originally incorporated as a limited company under the Indian Companies Act, VII of 1913 on November 29, 1949 and was registered with the Registrar of Companies, Maharashtra, Mumbai, under the name of “Trade-Wings Limited”. The Transferee Company was subsequently converted from public limited company to private limited company and later converted again from private limited company to public limited company and the name was changed to its present name viz. “Trade-Wings Limited” with effect from 26<sup>th</sup> June 1973. The Transferee Company is engaged *inter-alia* in the business of travel, tourism, full fledged money changers (FFMC), logistics and the activities incidental thereto. TWL is the holding company of RHL.



#### 4. RATIONALE FOR THE AMALGAMATION

4.1 RHL is ultimately owned by TWL. The objective of the Scheme of Amalgamation is thus to consolidate the holdings of the parent company and the subsidiary company into a single company, TWL which would help in better management of operations, reduction of cost and increase in profitability.

4.2 The Scheme of Arrangement of the companies would *inter alia* have the following benefits:

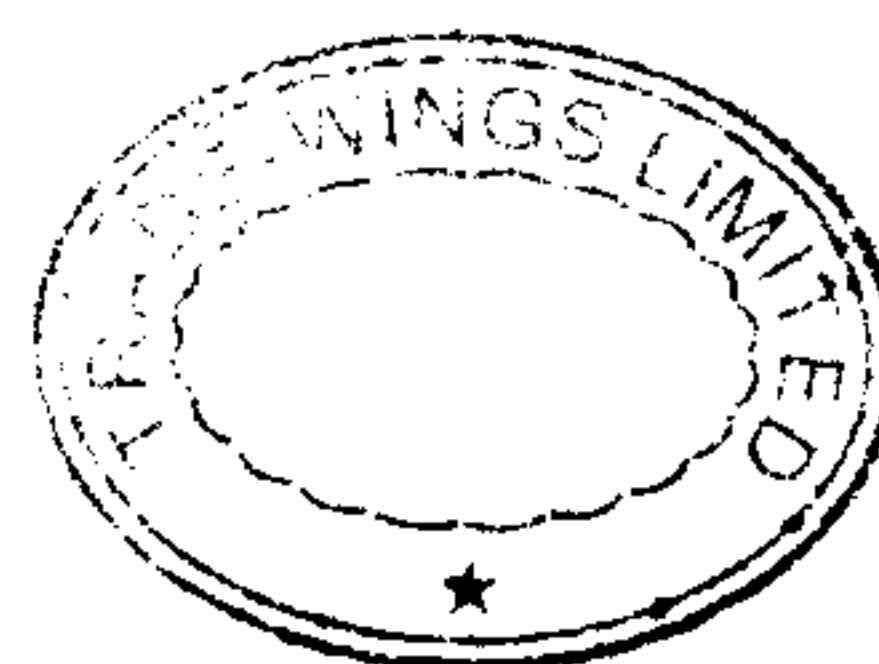
- (a) Garnering the benefits arising out of lower operating costs.
- (b) Pooling of the management, and administration to result in savings of costs.
- (c) Combined capital resources will result into increasing the leveraging capacity of the merged entity i.e. its capacity to borrow funds for business purposes.
- (d) Eliminating duplication of work in areas like Accounts, Company Law and Tax Assessments, common administrative services and resulting in cost savings.
- (e) Facilitating consolidation of operations and optimum utilization of assets.
- (f) Improving the servicing of equity capital in the merged entity.
- (g) Synchronizing of efforts to achieve uniform corporate policy.
- (h) Ease in decision making at the Group level.
- (i) Reflecting the consolidated net worth of the companies in one balance sheet.

#### 5. OPERATIVE DATE

This Scheme, although effective from the Appointed Date, shall become operative from the Effective Date. Reference in this Scheme to the date of “coming into effect of this Scheme” or “Effectiveness of this Scheme” shall be Effective Date.

#### 6. SHARE CAPITAL

The details of Share capital of the Transferor Company and the Transferee Company as on 31<sup>st</sup> March, 2013 are as under:



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- (a) The Authorised Share Capital of the Transferor Company (RHL) is Rs.1,00,00,000/- (Rupees One Crore only) divided into 99,100 (Ninety Nine Thousand One Hundred) equity shares of Rs.100/- (Rupees One Hundred only) each and 100 (One Hundred) 9% Redeemable Cumulative Preference Shares of Rs.100/- (Rupees One Hundred only) each and 800 (Eight Hundred) Unclassified Shares of 100/- each. The issued, subscribed and paid-up capital of the company was Rs.7510200/- (Rupees Seventy Five Lakh Ten Thousand Two Hundred Only) divided into 75002 (Seventy Five Thousand Two only) equity shares of Rs.100/- (Rupees One Hundred only) each and 100 (One Hundred) 9% Redeemable Cumulative Preference Shares of Rs.100/- (Rupees One Hundred only) each fully paid up.
- (b) The Authorised Share Capital of the Transferee Company (TWL) is Rs.8,50,00,000/- (Rupees Eight Core Fifty Lakhs only) divided into 30,00,000/- (Thirty Lakh) equity shares of Rs.10/- (Rupees Ten) each aggregating to Rs. 3,00,00,000/- ( Three Cores) and 200,000 (Two Lakh) 6% Preference Shares (reclassified) of Rs.100/- (Rupees One Hundred only) each aggregating to Rs. 2,00,00,000/- ( Two Cores) and 3,50,000 ( Three Lakh Fifty Thousand) 6% preference shares (fresh) of Rs. 100/- (One Hundred) each aggregating to Rs. 3,50,00,000/- ( Three cores Fifty Lakh). The issued, subscribed and paid-up capital of the Company is Rs.3,00,00,000/- (Rupees Three Core only) divided into 30,00,000/- (Thirty Lakh) equity shares of Rs.10/- (Rupees Ten) each fully paid up.
- (c) The Transferor Company (RHL) is a wholly owned subsidiary of the Transferee Company (TWL) as the entire share capital of the Transferor Company is held by the Transferee Company and its nominees.

## **7. TRANSFER OF UNDERTAKING**

7.1 On and with effect from the Appointed Date and subject to the provisions of the Scheme in relation to mode of transfer and vesting, the Undertaking of the Transferor Company as a going concern shall stand transferred to and vested in or deemed to have been transferred to or vested in the Transferee Company in the following manner:

- (a) With effect from the Appointed Date the whole of the businesses and the Undertaking of the Transferor Company and all the Assets of the Transferor Company of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 391 to 394 and all other applicable

provisions, if any of the Act, without any further act or deed be transferred to and vested in and deemed to be transferred to and vested in the Transferee Company on a "going concern" basis so as to become, as from the Appointed Date, the Assets and Liabilities of the Transferee Company and shall vest along with all the rights, title and interest therein to the Transferee Company.

- (b) Without prejudice to sub-clause (a) above and with effect from the Appointed Date, all the moveable assets including, investments, cash in hand etc. of the Transferor Company, capable of transfer by manual delivery or by endorsement and/ or delivery shall be so delivered or endorsed and/ or delivered as the case may be to the Transferee Company to the end and intent that the property therein passes to the Transferee Company, on such delivery or endorsement and/ or delivery in pursuance of the provisions of Sections 391 to 394 and other applicable provisions of the Act.
- (c) In respect of the movable properties of the Transferor Company [other than those specified in Clause 6.1 (b) above] including sundry debtors, receivables, bills, credits, loans and advances, recoverable in cash or in kind or for value to be received, bank balances and deposits with government, semi-government authorities, local and other authorities and bodies 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 if it so deems appropriate give notice in such form as it may deem fit and proper, to each of such person, debtor or depositor, as the case may be, that pursuant to the High Court having sanctioned the Scheme, such debt, loan, advance, bank balance, or deposit be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Company to recover or realize all such debts (including the debts payable by such person or depositor to the Transferor Company) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in its books to record the aforesaid change.]
- (d) The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation/ notice in favour of any



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other party to any contract or arrangement to which the Transferor Company are party of any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.

- (e) The registrations in the name of the Transferor Company, shall, if permitted by law and unless otherwise directed by the Court, without any further act, deed, matter or thing, be transferred in the name of the Transferee Company from the effective date.

7.2 With effect from the Appointed Date, all the said Liabilities of the Transferor Company 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. The transfer and vesting of the Undertaking of the Transferor Company and continuance of the proceedings by the Transferee Company shall not affect any transactions or proceedings already concluded by the Transferor Company in the ordinary course of business on and after the Appointed Date to the end and intent that the Transferee Company accepts on behalf of itself all acts, deeds and things done and executed and all transactions or proceedings already concluded by the Transferor Company.

7.3 With effect from the Appointed Date, all debts, liabilities, dues, duties and obligations including all income taxes, excise duty, customs duty, sales tax, value added tax, service tax and other Government and Semi-Government liabilities of the Transferor Company shall pursuant to the applicable provisions of the Act and without any further act or deed be also transferred or be deemed to be transferred to and vest in and be assumed by the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company. 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, duties and obligations have arisen, in order to give effect to the provisions of this Clause.

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

- 8.1 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 or subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour 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.
- 8.2 The Transferee Company shall enter into and/or issue and/or execute deeds, writings, or confirmation or enter into any tripartite arrangement, confirmations or novations in order to give formal effect to the provisions of this clause, if so required or if it becomes necessary and the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company.
- 8.3 For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of such Transferee Company, and such Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to such Transferee Company. For this intent and purpose, if required, pending sanction of the Scheme, the Transferor Company shall make applications to and obtain relevant approvals from the concerned governmental authorities as may be necessary in this behalf.
- 8.4 Upon the coming into effect of this Scheme the resolutions, if any, of the respective Transferor Company, 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, resolutions passed by the Transferee Company and the limits applicable to the Transferee Company shall be the aggregate of the said limits in the Transferee Company.





## **9. LEGAL PROCEEDINGS**

If any suit, writ petition, appeal, revision or other proceedings of whatever nature (hereinafter called "the Proceedings") by or against the Transferor Company are pending, the same shall not abate, be discontinued or be in any way prejudicially be affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in the Scheme, but the 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 be or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made. On and from the Effective Date, the Transferee Company shall and may initiate any legal proceedings for and on behalf of the Transferor Company notwithstanding the fact that the Transferor Company has been dissolved without winding up.

## **10. EMPLOYEE OF TRANSFEROR COMPANY**

All employees of the Transferor Companies on the Effective Date will, from that date, become the employees of the Transferee Company without any break in their employment and terms and conditions of service applicable to them immediately after the Effective Date will not be any way less favourable to them, than those applicable to them immediately before the Effective Date.

## **11. OPERATIVE DATE OF THE SCHEME**

The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date.

## **12. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY TILL EFFECTIVE DATE**

With effect from the Appointed Date and upto the Effective Date, the Transferor Company:

12.1 shall carry on and be deemed to carry on all their business and activities and stand possessed of their 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;

12.2 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 their business;

12.3 shall not, without the written consent of the Transferee Company, undertake any new business or reorganize any existing business;

### 13. ISSUE OF SHARES BY THE TRANSFEREE COMPANY

Since the entire Equity Shares and 9% Redeemable Cumulative Preference Shares of Roopsangam Holdings Limited (the Transferor Company), are held by Trade Wings Limited (the Transferee Company), on Amalgamation of Roopsangam Holdings Limited, into Trade Wings Limited, all these shares shall stand cancelled and no allotment of shares shall be made against shares held in Roopsangam Holdings Limited.

14. The shareholding pattern of the Transferor Company and the Transferee Company as on 30<sup>th</sup> day of June 2013 is as under:

#### SHAREHOLDING PATTERN OF ROOPSANGAM HOLDINGS LIMITED (TRANSFEROR COMPANY)

Sr. No.	Type of Shareholder	Shareholding (in %)
1.	Government (Central & State(s))	Nil
2.	Government Companies	Nil
3.	Public Financial Institutions	Nil
4.	Nationalized / Other Banks	Nil
5.	Mutual Funds	Nil
6.	Venture Capital	Nil
7.	Foreign Holdings (FIIs / FCs / FFIs / NRIs / OCBs)	Nil
8.	Bodies Corporate(Not Mentioned above)	100
9.	Directors/Relatives of Directors	Nil
10.	Other shareholders (Other than those listed above)	Nil
11.	Public	Nil
	<b>TOTAL</b>	<b>100.00</b>





**SHAREHOLDING PATTERN OF TRADE WINGS LIMITED  
(TRANSFEREE COMPANY)**

Sr. No.	Type of Shareholder	Shareholding (in %)
<b>A.</b>	<b>Promoter and Promoter Group Shareholding</b>	
1.	Central / State Government (s)	Nil
2.	Financial Institutions / Banks	Nil
3.	Bodies Corporate	74.48
4.	Foreign Holdings (FIIs/FCs/FFIs/NRIs/OCBs)	Nil
5.	Directors/Relatives of Directors	0.32
6.	Any Other	0.04
	<b>TOTAL [A = A1+A2+A3+A4+A5+A6]</b>	<b>74.84</b>
<b>B.</b>	<b>Public Shareholding</b>	
1.	Government (Central & State(s))	Nil
2.	Government Companies	Nil
3.	Financial Institutions / Banks	Nil
4.	Mutual Funds / UTI	Nil
5.	Venture Capital Funds	Nil
6.	Foreign Holdings (FIIs/FCs/FFIs/NRIs/OCBs)	Nil
7.	Bodies Corporate (Not Mentioned above)	20.97
8.	Individuals	4.18
9.	Any Other	Nil
	<b>TOTAL [B=B1+B2+B3+B4+B5+B6+B7+B8+B9]</b>	<b>25.15</b>
	<b>TOTAL (A+B)</b>	<b>100.00</b>

**15. ACCOUNTING TREATMENT**

15.1 The Transferee Company shall record all assets and liabilities recorded in the Books of Accounts of transferor, which are transferred to and vested in the Transferee Company pursuant to the Scheme at their book values as on the Appointed Date.

15.2 The difference if any, of the value of the Assets over the value of the Liabilities of Transferor Company, shall be adjusted by Transferee Company to its Capital Reserve Account.



15.3 The shortfall, if any, of the value of the assets over the value of the liabilities of Transferor Company upon their transfer to and vesting in the Transferee Company, after adjusting the cost of investment of shares of the Transferor Company held by the Transferee Company shall be debited to goodwill account in the books of the Transferee Company.

15.4 To the extent, there are inter-corporate loans or balances between the Transferor Company inter se and /or the Transferee Company, the obligations in respect thereof shall come to an end.

15.5 Adjustment for differences in accounting policies

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

15.6 The Companies shall comply with the applicable Accounting Standard as in force time to time.

## **16. AUTHORISED CAPITAL**

16.1 Upon sanction of this Scheme, the Authorized Share Capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the Authorized Share Capital of Transferor Company amounting to Rs. 1,00,00,000 (Rupees One Crore Only) comprising of 99,100 (Ninety Nine Thousand One Hundred) Equity Shares of Rs.100/- (Rupees One Hundred) each and 100 (One Hundred) 9% Redeemable Cumulative Preference Shares of Rs.100/- (Rupees One Hundred) each and 800 Unclassified Shares of Rs.100/- each and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the Authorized Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Sections 16, 31, 94 and 394 and 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 extra stamp duty and/or fee shall be payable by Transferee Company for increase in the Authorized Share Capital to that extent.

16.2 Consequent upon the amalgamation, the Authorized Share Capital of the Transferee Company will be as under:

<b>AUTHORIZED SHARE CAPITAL</b>	<b>AMOUNT IN RS.</b>
39,91,000 Equity Shares of Rs. 10/- each	3,99,10,000
2,00,000 6% Preference Shares of Rs.100/- each (re-classified)	2,00,00,000
3,50,000 6 % Preference Shares of Rs.100/- each (fresh)	3,50,00,000
100 9% Redeemable Cumulative Preference Shares of Rs.100/- each.	10,000
800 Unclassified Shares of Rs. 100/- each	80,000
<b>Total</b>	<b>9,50,00,000</b>

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

## **17. APPLICATIONS TO THE HIGH COURTS**

The Transferee Company hereto shall, with all reasonable dispatch, make applications and other filings under Sections 391 to 394 of the said Act to the High Court of Judicature at Goa for seeking orders for dispensing with or convening, holding and conducting of the meetings of the members and/or creditors of the Transferee Company as may be directed by the High Court of Judicature at Goa and Transferor Company shall file to the High Court of Judicature at Bombay for dissolution of the Transferor Company without winding up under the provisions of law, and obtain all approvals as may be required under law.

## **18. DECLARATION OF DIVIDEND**

18.1 The Transferor Company and the Transferee Company will be at liberty to declare dividend until the Effective Date. 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. However, the shareholders of the Transferor Company will be entitled to dividends only if declared by the Transferee Company after the Effective Date. Shareholders of the Transferor Company shall be entitled to dividends that are declared upto the Effective Date by the Transferor Company.

- a. Until the coming into effect of this Scheme, the holders of equity shares 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.
- b. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, 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 Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company and the Transferee Company, respectively.

#### **19. BOARD OF DIRECTORS OF THE TRANSFEROR COMPANY**

The Board of Directors (or any committee/ sub-committee thereof) of the Transferor Company, upon the Scheme becoming effective, shall without any further act, instrument and deed stand dissolved. All the Directors of the Transferor Company shall cease to be Directors of the Transferor Company on coming into effect of this Scheme without affecting their rights as shareholders, if any, in the Transferor Company. However, if any such director is a director of the Transferee Company he would continue to hold his office in such Transferee Company until replaced by its shareholders by due legal procedure.

#### **20. DISSOLUTION OF THE TRANSFEROR COMPANY**



On the Scheme becoming effective, the Transferor Company shall be dissolved without winding up under Section 394 of the Act.

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

21.1 The Transferor Company (by its Directors) and the Transferee Company (by its Directors) 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.

21.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the Directors of the Transferee Company or such other person who are so authorized may give and is/ are authorized to give all such directions as are necessary including directions for settling any question of doubt or difficulty that may arise after the dissolution of the Transferor Company.

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

The Scheme is conditional on and subject to:

22.1 The Transferee Company shall obtain the approval of shareholders. If consider necessary through such mode and manner as directed by the Hon'ble High Court of Judicature at Goa

22.2 The approval to the Scheme by the requisite majorities of the members and Secured creditors/Unsecured creditors/Trade creditors of the Transferor Company and Transferee Company as may be directed by the High Court of Judicature at Bombay and High Court of Judicature at Goa on applications made for directions under sections 391 to 394 of the said Act for calling or dispensing with meetings and necessary resolutions being passed under the Act for the purpose.

22.3 The sanction of the High Court of Judicature at Bombay and High Court of Judicature at Goa under Sections 391 to 394 of the said Act, in favour of the Transferor Company and the Transferee Company and to the necessary Order or Orders under Section 394 of the said Act, being obtained and filing of the

certified copies of the Court order referred to in the Scheme being filed with the concerned Registrar of Companies.

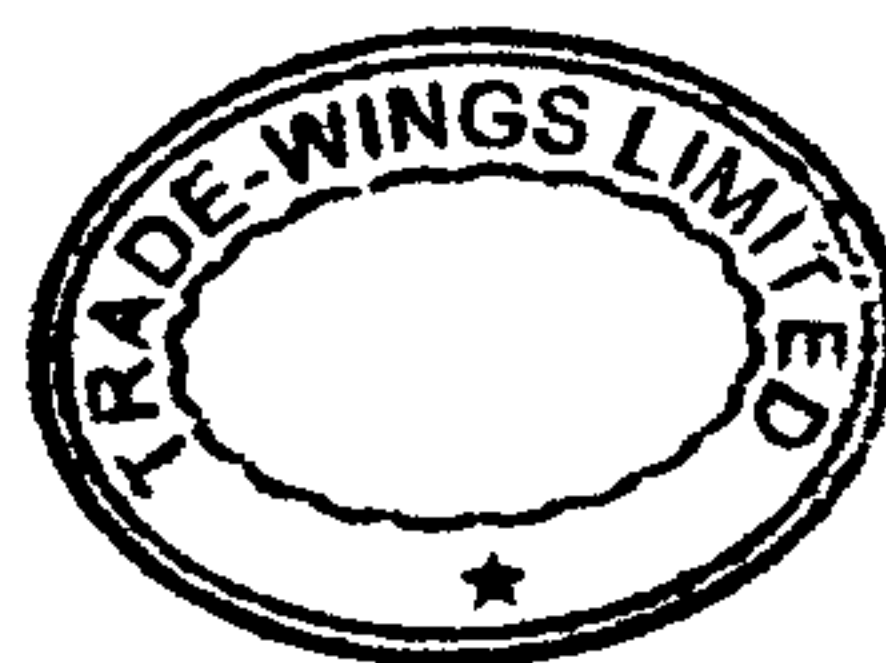
22.4 The requisite consent, approval or permission of any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

### **23. EFFECT OF NON RECEIPT OF APPROVALS/SANCTIONS**

In the event of any approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of the Transferee Company and the Transferor Company shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme not being sanctioned by the Hon'ble High Courts, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

### **24. 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 said Undertaking of the Transferor Company in pursuance of the Scheme shall be borne and paid solely by the Transferee Company.



A handwritten signature in black ink, appearing to be "Nigam".