

October 18, 2025

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Scrip Code: 532345

Symbol: ACLGATI

Dear Sir / Madam,

Sub: Intimation under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) regarding hearing of the Composite Scheme of Arrangement

Pursuant to Regulations 30 of the Listing Regulations and further to our intimation dated October 13, 2025 October 11, 2025, September 24, 2025, August 14, 2025, July 11, 2025, July 3, 2025 and May 9, 2025 we wish to inform you that Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') has sanctioned the Scheme on Friday i.e. October 10, 2025 in connection with the Composite Scheme of Arrangement among Allcargo Logistics Limited ("Allcargo" or "Transferee Company 2" or "Demerged Company") and Allcargo Supply Chain Private Limited ("Transferor Company 1" or "ASCPL"), a wholly owned subsidiary of the Demerged Company, Gati Express & Supply Chain Private Limited ("Transferor Company 2" or "GESCPL"), Allcargo Gati Limited ("Transferee Company 1" or "Transferor Company 3" or "Gati") and Allcargo Global Limited (Formerly known as Allcargo Worldwide Limited, formerly known as Allcargo Ecu Limited) ("Resulting Company" or "AGL"), a wholly owned subsidiary of the Demerged Company and their respective Shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

We enclose herewith the Certified True Copy (CTC) of the Order of the Hon'ble NCLT, issued on October 17, 2025, sanctioning the aforesaid Scheme.

As per the Scheme:

- The Appointed Date 1 is October 1, 2023, in respect of the Demerger and Amalgamation 1; and
- The Appointed Date 2 is the Effective Date, being the date on which the Certified True Copy of the NCLT Order is filed with the Registrar of Companies, Mumbai, in respect of Amalgamation 2.



The Scheme shall accordingly become effective on and from the date of filing of the said NCLT Order with the Registrar of Companies, Mumbai, in accordance with the terms thereof.

The above information is also being made available on the Company's website at www.allcargogati.com.

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For **Allcargo Gati Limited**
(Formerly known as "Gati Limited")

Shekhar R Singh
Company Secretary
Membership No. – F 12881

Encl: As above

NATIONAL COMPANY LAW TRIBUNAL

COURT-V. MUMBAI BENCH

4. C.P.(CAA)/80(MB)2025 C.A.(CAA)/235(MB)2024

IN THE MATTER OF

Allcargo Logistics Limited

U/s 230-232 of the Companies Act, 2016

Order Delivered on 10.10.2025

CORAM:

SH. MOHAN PRASAD TIWARI
MEMBER (J)

SH. CHARANJEET SINGH GULATI
MEMBER (T)

Appearance through VC/Physical/Hybrid Mode:

For the Petitioner:

For the Respondent:

ORDER

C.P.(CAA)/80(MB)2025: The above Company Petition is listed for pronouncement of the order. The same is pronounced in open court, vide a separate order.

Sd/-

CHARANJEET SINGH GULATI
Member (Technical)
//Rahul//

Sd/-

MOHAN PRASAD TIWARI
Member (Judicial)

Certified True Copy

Date of Application 13/10/2025

Number of Pages 1

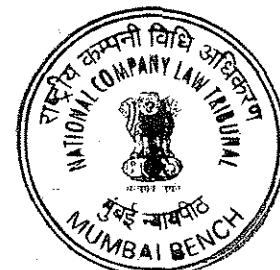
Fee Paid Rs. 5/-

Applicant called for collection copy on 17/10/2025

Copy prepared on 17/10/2025

Copy Issued on 17/10/2025

R *XH/011* *17/10/25*
Assistant Registrar
National Company Law Tribunal Mumbai Bench



NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH-COURT-V

CP(CAA)/ 80/MB/ 2025
CONNECTED WITH
(CAA) NO. 235 OF 2024

IN THE MATTER OF:

SECTIONS 230 TO 232 READ
WITH SECTIONS 52 AND 66 AND
OTHER APPLICABLE
PROVISIONS, IF ANY, OF THE
COMPANIES ACT, 2013 READ
WITH THE COMPANIES
(COMPROMISES,
ARRANGEMENTS AND
AMALGAMATIONS) RULES,
2016
AND

IN THE MATTER OF:

COMPOSITE SCHEME OF
ARRANGEMENT BETWEEN
ALLCARGO LOGISTICS
LIMITED ("ALLCARGO" OR
"TRANSFeree COMPANY 2"
OR "DEMERGED COMPANY")
AND ALLCARGO SUPPLY
CHAIN PRIVATE LIMITED
("TRANSFEROR COMPANY 1"
OR "ASCPL"), A WHOLLY
OWNED SUBSIDIARY OF THE
DEMERGED COMPANY, GATI
EXPRESS & SUPPLY CHAIN
PRIVATE LIMITED
("TRANSFEROR COMPANY 2"
OR "GESCPL"), ALLCARGO
GATI LIMITED ("TRANSFeree
COMPANY 1" OR
"TRANSFEROR COMPANY 3"
OR "GATI") AND ALLCARGO
GLOBAL LIMITED (FORMERLY



KNOWN AS ALLCARGO WORLDWIDE LIMITED AND ORIGINALLY INCORPORATED AS ALLCARGO ECU LIMITED) ("RESULTING COMPANY" OR "AGL"), A WHOLLY OWNED SUBSIDIARY OF THE DEMERGED COMPANY AND THEIR RESPECTIVE SHAREHOLDERS (THE "SCHEME")

ALLCARGO LOGISTICS LIMITED
(CIN: L63010MH2004PLC073508),
HAVING ITS REGISTERED
OFFICE AT 6TH FLOOR,
ALLCARGO HOUSE, CST ROAD,
KALINA, SANTACRUZ (EAST),
MUMBAI 400098,
MAHARASHTRA, INDIA.

**... PETITIONER COMPANY 1/ FIRST
APPLICANT COMPANY
DEMERGED COMPANY /
TRANSFeree COMPANY 2**

ALLCARGO GLOBAL LIMITED
(FORMERLY KNOWN AS
ALLCARGO WORLDWIDE
LIMITED AND ORIGINALLY
INCORPORATED AS ALLCARGO
ECU LIMITED)
CIN: U52220MH2023PLC408966,
HAVING ITS REGISTERED
OFFICE AT 6TH FLOOR,
ALLCARGO HOUSE, CST ROAD,
KALINA, VIDYANAGARI,
MUMBAI 400098,
MAHARASHTRA, INDIA.

**... PETITIONER COMPANY 2/ SECOND
APPLICANT COMPANY/ RESULTING
COMPANY**



CP(CAA)/ 80/MB/ 2025
CONNECTED WITH
(CAA) NO. 235 OF 2024

ALLCARGO SUPPLY CHAIN
PRIVATE LIMITED
CIN: U45200MH2008PTC179557
HAVING ITS REGISTERED
OFFICE AT 6TH FLOOR,
ALLCARGO HOUSE, CST ROAD,
KALINA, SANTACRUZ (EAST),
MUMBAI 400098,
MAHARASHTRA, INDIA.

... PETITIONER COMPANY 3/ THIRD
APPLICANT COMPANY/ TRANSFEROR
COMPANY 1

GATI EXPRESS & SUPPLY CHAIN
PRIVATE LIMITED
CIN: U62200MH2007PTC390900,
HAVING ITS REGISTERED
OFFICE AT 4TH FLOOR, A WING,
ALLCARGO HOUSE, CST ROAD,
KALINA, SANTACRUZ (EAST),
MUMBAI CITY, MUMBAI,
MAHARASHTRA, INDIA, 400098

... PETITIONER COMPANY 4/ FOURTH
APPLICANT COMPANY/ TRANSFEROR
COMPANY 2

ALLCARGO GATI LIMITED
CIN: L63011MH1995PLC420155,
HAVING ITS REGISTERED
OFFICE AT 4TH FLOOR B WING
ALLCARGO HOUSE, CST ROAD
KALINA SANTACRUZ EAST,
VIDYANAGARI, MUMBAI,
MAHARASHTRA, INDIA, 400098

... PETITIONER COMPANY 5 / FIFTH
APPLICANT COMPANY/ TRANSFEREE
COMPANY 1/ TRANSFEROR COMPANY 3



Order delivered on: 10.10.2025

Coram:

Sh. Mohan Prasad, Hon'ble Member (Judicial)

Sh. Charanjeet Singh Gulati, Hon'ble Member (Technical)

Appearances:

For the Petitioner: Adv. Hemant Sethi, Adv. Tanaya Sethi,

For Income Tax: Adv. Mahesh Rajpopat

For the Regional Director: Ms. Rujuta Bankar

ORDER

1. We have heard the Ld. Counsel appearing for the Petitioner Companies and the officer of the Regional Director, Western Region, Mumbai ("Regional Director"). No objector has come before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in the petition to the Scheme.
2. The present Joint Company Petition is filed to obtain sanction of this Tribunal to the Composite Scheme of Arrangement between Allcargo Logistics Limited ("Allcargo" or "Transferee Company 2" or "Demerged Company") and Allcargo Supply Chain Private Limited ("Transferor Company 1" or "ASCPL"), a wholly owned subsidiary of the Demerged Company, Gati Express & Supply Chain Private Limited ("Transferor Company 2" or "GESCPL"), Allcargo Gati Limited ("Transferee Company 1" or "Transferor Company 3" or "Gati") and Allcargo Global Limited (Formerly known as Allcargo Worldwide Limited and originally incorporated as Allcargo ECU Limited) ("Resulting Company" or "AGL"), a wholly owned subsidiary of the Demerged Company and their respective shareholders (the "Scheme") under the provisions of Section 230 to 232 of the Companies Act, 2013 read with sections 52 and 66 and other applicable provisions, if any, of the

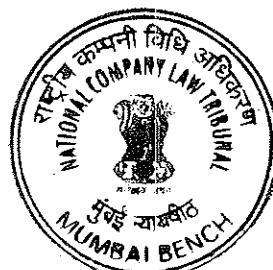


Companies Act, 2013 (“Companies Act”) read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“CAA Rules”).

3. The Board of Directors of the Demerged Company, Resulting Company, Transferor Company 1, Transferor Company 2 and Transferee Company 1 have approved the Composite Scheme of Arrangement in their respective board meetings conducted on **December 21, 2023** have approved the Scheme.
4. The Appointed Date 1 fixed under the Scheme is **October 1st 2023** with respect to the Demerger and Amalgamation 1 and Appointed Date 2 fixed under the Scheme is effective date with respect to Amalgamation 2.
5. The Counsel for the Petitioner Companies submits that by order dated December 11, 2024 passed by this Tribunal in Company Application (CAA) No. 235 of 2024, this Tribunal directed convening meetings of the equity shareholders of the Petitioner Company 1 and Petitioner Company 5 and dispensing with the meetings of the respective shareholders of Petitioner Company 2, Petitioner Company 3 and Petitioner Company 4 and dispense with the requirement of convening meetings of the secured creditors and unsecured creditors of the Petitioner Companies.
6. The Counsel for the Petitioner Companies submits that the Petitioner Companies have complied with all requirements as per the directions of this Tribunal contained in order dated December 11, 2024 and they have made requisite filings. Moreover, the Petitioner Companies undertake to comply with all statutory / regulatory requirements, if and to the extent applicable, as may be required under the Companies Act and the CAA Rules.

Nature of Business of Petitioner Companies:

7. The Demerged Company is *inter alia* engaged in the business of international supply chain, related logistics businesses, and other support functions. The



Resulting Company is *inter alia* engaged *inter-alia* in the business of logistics services. The Transferor Company 1 is *inter alia* engaged *inter-alia* in the business of contract logistics and warehousing services. The Transferor Company 2 is *inter alia* engaged *inter-alia* in the business of express distribution and supply chain. The Transferee Company 1 is engaged *inter-alia* in the business of domestic express and supply chain logistics.

8. The Counsel for the Petitioner Companies submits that the proposed Scheme would accomplish the following benefits –
 - (a) *The Demerged Company is presently engaged, directly, & indirectly through subsidiaries, in the International Supply Chain Business as well as Express Logistics and Contract Logistics businesses through the Transferee Company 1, Transferor Company 1 and Transferor Company 2. These businesses are distinct, with different business models, industry dynamics and have unique financial and management requirements. The purpose of this Scheme is to make these businesses achieve strategic independence and financial flexibility.*
 - (b) *Section B of the Scheme (relating to Demerger of the International Supply Chain Business) would enable creation of an independent company focusing on the International Supply Chain Business (in the Resulting Company).*
 - (c) *The businesses of Transferee Company 1, Transferor Company 1 and Transferor Company 2 are complementary in nature, with similar strategies, target markets, growth opportunities, industry dynamics, competition, risks, and challenges. Due to close synergies between these companies, these businesses would benefit from a unified management structure. Due to legacy reasons, these businesses are undertaken by different entities and have different ownership structure. Section C of the Scheme (relating to Amalgamation 1) would bring all these synergistic*



businesses under one entity focusing on Express Logistics and Contract Logistics businesses (in Transferee Company 1).

(d) *This Scheme will result in simplification of the corporate structure and reducing the number of legal entities. The International Supply Chain Business will be undertaken by the Resulting Company, which will be directly owned by the shareholders. Pursuant to the Amalgamation 1 and Amalgamation 2, the Ex-press Logistics and Contract Logistics Businesses will be undertaken by the Transferee Company 2, which will be directly owned by the shareholders.*

(e) *This will lead to focused and efficient management control, independent growth plans, financial independence, streamlining operations, and optimising costs.*

(f) *The Resulting Company and Transferee Company 2 will be able to attract investors with specific knowledge, expertise and risk appetite corresponding to the business in the respective entities. Thus, each entity will have like-minded investors, thereby providing the necessary funding impetus to long-term growth strategies of each of the businesses.*

(g) *The existing equity shares of the Transferor Company 3 and Transferee Company 2 are already listed on BSE and NSE. Pursuant to the Scheme, the New Equity Shares of the Resulting Company will be issued to shareholders of Demerged Company. The Scheme will also result in New Equity Shares of the Transferee Company 2 to be issued to shareholders of Transferor Company 3. These new equity shares will be listed on BSE and NSE. This Scheme will unlock value for shareholders.*

(h) *The Board of Directors of the Demerged Company, Resulting Company, Transferor Companies and Transferor Company 3 believe that the Scheme is in the best interests of the respective entities / stakeholders including its shareholders.*



9. Consideration

A. Section B of the Composite Scheme of Arrangement

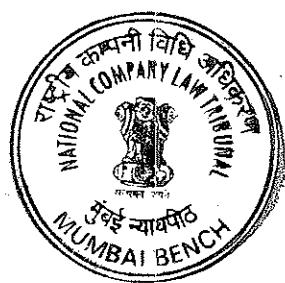
1. Upon the coming into effect of this Scheme and in consideration of the Demerger of the Demerged Undertaking in the Resulting Company pursuant to this Scheme, the Resulting Company shall, without any further act or deed and without any further payment, issue and allot equity shares (hereinafter also referred to as the "**New Equity Shares of Resulting Company**") 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 Record Date 1, in the ratio of 1 equity share of Rs 2 each fully paid up of Resulting Company for every 1 equity share of Rs 2 each fully paid up held in the Demerged Company.

2. Cancellation of shares of the Resulting Company:

Simultaneous with the issuance and allotment of the equity shares by the Resulting Company in accordance with the Clause 13.1 of the Scheme, the initial issued and paid-up equity share capital of the Resulting Company, comprising of 7 equity shares of Rs. 2 each, aggregating to Rs. 14 shall be cancelled.

B. Section C of the Composite Scheme of Arrangement

1. Upon the coming into effect of this Scheme, in consideration of the Amalgamation of the Transferor Company 1 and Transferor Company 2 with the Transferee Company 1 pursuant to this Scheme, the Transferee 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 Transferee Company 1**") at par on a proportionate basis to each member of the Transferor Company 1 and Transferor Company 2 (excluding with respect to shares held by the Transferee Company 1 in Transferor Company 2), whose name is recorded in the register of members of the Transferor Company 1 and



Transferor Company 2 and as holding shares on Record Date 1, in the ratio of 2 equity shares of Rs 2 each fully paid up of Transferee Company 1 for every 10 equity shares of Rs 10 each fully paid up held in the Transferor Company 1 and, in the ratio of 3475 equity shares of Rs 2 each fully paid up of Transferee Company 1 for every 10 equity shares of Rs 10 each fully paid up held in the Transferor Company 2 respectively.

2. Cancellation of shares:

It is hereby further clarified that any shares held by the Transferee Company 1 in Transferor Company 2 shall stand cancelled without any further act, application or deed.

C. Section D of the Composite Scheme of Arrangement

1. Upon the coming into effect of this Scheme, in consideration of the Amalgamation of the Transferor Company 3 with the Transferee Company 2 pursuant to this Scheme, the Transferee 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 Transferee Company 2**") at par on a proportionate basis to each member of the Transferor Company 3 (excluding with respect to shares held by the Transferee Company 2 in Transferor Company 3), whose name is recorded in the register of members of the Transferor Company 3 as holding shares on Record Date 2, in the ratio of 63 equity shares of Rs 2 each fully paid up of Transferee Company 2 for every 10 equity shares of Rs 2 each fully paid up held in the Transferor Company 3.
2. Cancellation: It is hereby clarified that any shares held by the Transferee Company 2 in Transferor Company 3 (including the shares issued pursuant to Amalgamation 1) shall hereby stand cancelled without any further action, or deed. Upon this Scheme coming into effect, all Transferee Company 1 redeemable preference shares (RPS) shall stand cancelled and neither the

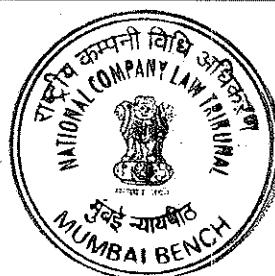


Transferor Company 3 (severally) nor the Transferee Company 2 shall have any rights, obligation or liability against each other with respect to the same.

Response to the observations of RD

10. The Regional Director has filed its report dated July 1, 2025 ("RD Report"). In paragraph nos. 2(a) to 2(l) of the RD Report, the Regional Director has made certain observations with respect to the Scheme. In response to the observations made by the Regional Director, the Petitioner Companies have given necessary undertakings and clarification as per affidavit in reply dated July 2, 2025 ("RD Reply"). The observations of the Regional Director and responses of the Petitioner Companies are as under:

SR. NO.	RD REPORT	REPLY TO RD REPORT
1.	Paragraph no.2(a) <i>That on examination of the report of the Registrar of Companies, Mumbai dated 21.05.2025 for Petitioner Companies (Annexed as Annexure A-1) that the Petitioner Companies fall within the jurisdiction of ROC, Mumbai. It is stated that no complaint and/or representation regarding the proposed scheme of Amalgamation has been received in the matter of Petitioner Companies. Further, Petitioner Companies have filed Financial Statements up to 31.03.2024.</i>	Paragraph no.4.1 <i>As regards the observation made in Paragraph 2(a) 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</i>



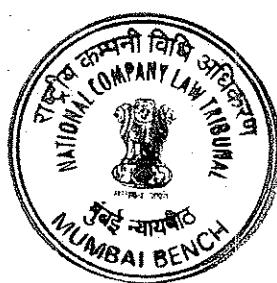
SR. NO.	RD REPORT	REPLY TO RD REPORT
2.	<p>Paragraph no.2(a)(1)</p> <p><i>From the Financials of the Resulting Company as at 31.03.2024, it is observed that the company is having negative networth. Even when the company has negative networth the Financials are prepared on going concern basis.</i></p>	<p>Paragraph no.4.2</p> <p><i>As regards the observation made in Paragraph 2(a)(1) of the said Report is concerned, the Petitioner Companies clarifies that the Resulting Company had negative net worth on 31.03.2024 as it had yet to commence operations. Further, it was fully supported by its parent company i.e., Allcargo Logistics Ltd. As on 31 Mar 2025, the Resulting Company has a positive net worth of INR 2,98,51,361 (Indian Rupees Two Crore Ninety Eight Lacs Fifty One Thousand Three Hundred Sixty One) and a profitable business. Further, the list of assets and liabilities that are to be transferred from the Demerged company to the Resulting company along with the certificate by a chartered accountant are annexed hereto and marked as Annexure B.</i></p>
3.	<p>Paragraph no.2(a)(2)</p> <p><i>With reference to clause No. Section E Para 38 of the scheme, it is stated that such clause overrides the</i></p>	<p>Paragraph no.4.3</p> <p><i>As regards the observation made in Paragraph 2(a)(2) of the said Report is concerned, the respective</i></p>



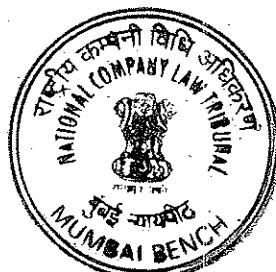
SR. NO.	RD REPORT	REPLY TO RD REPORT
	<p><i>provision of Companies Act, 2013 namely section 232(3)(i) which inter alia provides that, if a company is dissolved the fee paid by such company on its Authorised Capital shall be set off against any fees payable by the transferee Company on its Authorised Capital. The Transferee Company may be directed to pay differential fees, if any, after setting of the fees already paid by the Transferor.</i></p>	<p><i>Transferee Companies hereby undertakes to pay the remaining fee, if any, after setting off the fees already paid by the respective transferor companies on the increased authorized share capital subsequent to the amalgamation</i></p>
4.	<p>Paragraph no.2(a)(3)</p> <p><i>Interest of the creditors & Employees should be protected.</i></p>	<p>Paragraph no.4.4</p> <p><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 and employees shall be duly protected under the Scheme. There is no compromise or arrangement with creditors</i></p>
5.	<p>Paragraph no.2(b)</p> <p><i>Transferee Company should undertake to comply with the provisions of section 232(3)(i) of the Companies Act, 2013 through</i></p>	<p>Paragraph no.4.5</p> <p><i>As regards the observation made in Paragraph 2(b) of the said Report is concerned, the respective Transferee Companies hereby undertakes to pay</i></p>



SR. NO.	RD REPORT	REPLY TO RD REPORT
	<p><i>appropriate affirmation in respect of fees payable by Transferee Company for increase of share capital on account of merger of transfer of companies.</i></p>	<p><i>the remaining fee, if any, after setting off the fees already paid by the respective transferor companies on the increased authorized share capital subsequent to the amalgamation.</i></p>
6.	<p>Paragraph no.2(c)</p> <p><i>In compliance with Accounting Standard-14 or IND-AS 103, as may be applicable, the resultant company shall pass on such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards including AS-5 or IND AS-8 etc.</i></p>	<p>Paragraph no.4.6</p> <p><i>As regards the observation made in Paragraph 2(c) of the said Report it is concerned, it is submitted that in addition to compliance with IND AS-103 (AS-14 not applicable), in connection with the Scheme, the Resultant Company 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.</i></p>
7.	<p>Paragraph no.2(d)</p> <p><i>The Hon'ble Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed with the Company Application and Company Petition</i></p>	<p>Paragraph no.4.7</p> <p><i>As regards the observation made in Paragraph 2(d) 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</i></p>



SR. NO.	RD REPORT	REPLY TO RD REPORT
	<p><i>are one and same and there is no discrepancy, or no change is made.</i></p>	<p><i>same and there is no discrepancy, or no change is made.</i></p>
8.	<p>Paragraph no.2(e)</p> <p><i>The Petitioner Companies 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 the Amalgamation or arrangement. Further, the approval of the scheme by the Hon'ble Tribunal may not deter such authorities from dealing 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></p>	<p>Paragraph no.4.8</p> <p><i>As regards the observation made in Paragraph 2(e) 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, Concerned Nodal Officer, the office of Regional Director, Registrar of Companies, Official Liquidator, concerned GST Authorities, National Stock Ex-change 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.</i></p>
9.	<p>Paragraph no.2(f)</p> <p><i>As per Definition of the Scheme, “Appointed Date 1” means the 1st day of October, 2023, with respect to the Demerger and Amalgamation 1;</i></p>	<p>Paragraph no.4.9</p> <p><i>As regards the observation made in Paragraph 2(f) of the said Report is concerned, the Petitioner Companies confirm that the Appointed Date 1 means the 1st day of October, 2023, with respect to the Demerger and</i></p>



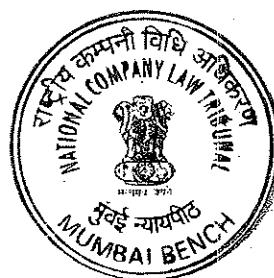
SR. NO.	RD REPORT	REPLY TO RD REPORT
	<p><i>"Appointed Date 2"</i> means the Effective Date, with respect to Amalgamation 2;</p> <p><i>"Effective Date"</i> means the date on which all the conditions and matters in relation to the Scheme referred to in clause 40 of this Scheme have been fulfilled.</p> <p><i>"Record Date 1"</i> shall mean in relation to Demerger and Amalgamation 1, such date to be fixed by the Board of Directors of Demerged Company (in the context of Demerger)/ Transferee Company 1 (in the context of Amalgamation 1) 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 (in case of Demerger) and members of Transferor Company 1 and Transferor Company 2 to whom the shares of Transferee Company 1 (in</p>	<p><i>Amalgamation 1 and Appointed Date 2</i> means the Effective Date, with respect to Amalgamation 2 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 respective 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>



SR. No.	RD REPORT	REPLY TO RD REPORT
	<p><i>case of Amalgamation 1) will be allotted pursuant to this Scheme;</i></p> <p><i>“Record Date 2” shall mean in relation to Amalgamation 2, such date to be fixed by the Board of Directors of Transferee Company 2 or a committee thereof/person duly authorized by the Board of Directors, after the Effective Date, for the purpose of determining the members of Transferor Company 3 to whom the shares of Transferee Company 2 will be allotted pursuant to this Scheme;</i></p> <p><i>It is submitted that the Petitioners may be asked to comply with the requirements with regard to the Appointment Date 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>	
10.	<p>Paragraph no.2(g)</p> <p><i>All Petitioner Companies shall undertake to comply with the directions of the Income Tax</i></p>	<p>Paragraph no.4.10</p> <p><i>As regards the observation made in Paragraph 2(g) of the said Report is concerned, it is submitted that the Petitioner Companies hereby undertake to ensure compliance of all</i></p>



SR. NO.	RD REPORT	REPLY TO RD REPORT
	<i>Department and the GST Authorities, if any</i>	<i>directions of the Income Tax Department and the GST authorities. Further, the approval of the Scheme by this Tribunal may not deter the Income Tax Department and the GST authorities to deal with any issues arising after giving effect to the Scheme and all issues arising out of the Scheme shall be met and answered in accordance with law</i>
11.	<p>Paragraph no.2(h)</p> <p><i>Petitioner Companies shall undertake to comply with the directions of the sectoral Regulatory Authority concerned</i></p>	<p>Paragraph no.4.11</p> <p><i>As regards the observation made in Paragraph 2(h) of the said Report is concerned, it is submitted that the Petitioner Companies hereby undertake to ensure compliance of all directions of the concerned sectoral regulators, if any. 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 and all issues arising out of the Scheme shall be met and answered in accordance with law</i></p>
12.	Paragraph no.2(i)	Paragraph no.4.12



SR. NO.	RD REPORT	REPLY TO RD REPORT
	<p><i>ALLCARGO LOGISTICS LIMITED ("DEMERGED COMPANY"/"TRANSFEREE COMPANY-2") and ALLCARGO GATI LIMITED ("TRANSFEREE COMPANY-I"/"TRANSFEROR COMPANY 3") are listed companies with NSE and BSE, further NSE and BSE has pointed out certain observation vide letter dated 10.10.2024 & 09.10.2024 respectively. In this regard, Petitioner Companies shall undertake to comply with observations pointed by NSE and BSE as well as the SEBI (LODR) Regulation, 2016. The NSE vide their letter dated 10.10.2024 has not granted NOC under Regulation 37 of LODR, 2016 and 6 months have been expired from observations letter dated 10.10.2024 & 09.10.2024 issued by NSE & BSE and Petitioner listed companies may be asked to obtain NOC from stock exchange and to clarify as to whether observation related to modification of scheme have been complied with. The NSE & BSE may also be directed to furnish</i></p>	<p><i>As regards the observation made in Paragraph 2(i) of the said Report is concerned, the Petitioner Companies confirm that Allcargo Logistics Limited and Allcargo Gati Limited are listed on BSE and NSE and BSE and NSE have given their observations vide letter dated October 9, 2024 and October 10, 2024 respectively and the same has been complied with. Further, the Petitioner Companies confirms that as required under regulation 37(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the scheme was submitted with the Hon'ble NCLT Bench within 6 months of the date of observations letter from BSE and NSE respectively.</i></p>



SR. NO.	RD REPORT	REPLY TO RD REPORT
	<p><i>fresh observation letters / NOC in the matter two Partitioner listed companies in order to protect the non-promotors shareholder interest.</i></p>	
13.	<p>Paragraph no.2(j)</p> <p><i>Petitioner Companies have foreign shareholders; hence Petitioner Companies shall undertake to comply with guidelines, rules, regulations of RBI, FEMA and FERA.</i></p>	<p>Paragraph no.4.13</p> <p><i>As regards the observation made in Paragraph 2(j) of the said 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 Transferee Companies and the Resulting Company shall file form FC-GPR in compliance with RBI regulations post sanctioning of the scheme and allotment of shares</i></p>
14.	<p>Paragraph no.2(k)</p> <p><i>It is observed from the financial statements of the Petitioner Companies as on 31.03.2024 that the Petitioner Companies have issued</i></p>	<p>Paragraph no.4.14</p> <p><i>As regards the observation made in Paragraph 2(k) of the said Report is concerned, it is submitted that the Transferor Company 2 i.e., Gati</i></p>



SR. NO.	RD REPORT		REPLY TO RD REPORT						
	<p>shares at Security Premium and collected total premium as follows:-</p> <table border="1" data-bbox="362 579 822 1230"> <thead> <tr> <th data-bbox="370 590 425 871">Sr. No.</th><th data-bbox="425 590 616 871">Name of the Company</th><th data-bbox="616 590 822 871">Total Amount of Securities Premium collected</th></tr> </thead> <tbody> <tr> <td data-bbox="370 871 425 1219">I.</td><td data-bbox="425 871 616 1219">GATI EXPRESS & SUPPLY CHAIN PRIVATE LIMITED</td><td data-bbox="616 871 822 1219">Rs. 17,836 Lakhs</td></tr> </tbody> </table> <p>Petitioner Companies shall clarify regarding filling of Form-2/ PAS-3 with regard to issue of shares on premium as complete Form-2/PAS-3 are not available on MCA21 Portal and also comply with section 68 of Income Tax Act, 1961. And, if deems fit, comments of Chief Principal Commissioner of Income Tax Department, Mumbai may be obtained by the Hon'ble NCLT Bench</p>	Sr. No.	Name of the Company	Total Amount of Securities Premium collected	I.	GATI EXPRESS & SUPPLY CHAIN PRIVATE LIMITED	Rs. 17,836 Lakhs	<p>Express & Supply Chain Private Limited hereby submits that it has filed all the form 2 / PAS-3 on MCA21 Portal. Further, the Petitioner Companies submit the questions regarding securities premium was raised by the Regional Director and the Petitioner Companies have given their response to the query vide letter dated May 9, 2025 giving particulars of shares issued at premium. The copy of form and challans of form 2 / PAS-3 is attached as Annexure C which includes break up of securities premium collected. Further during the relevant period when shares were issued at Premium there has been no addition to the income tax by the Income Tax Department and no orders have been passed under section 68 of the Income Tax Act, 1961.</p>	
Sr. No.	Name of the Company	Total Amount of Securities Premium collected							
I.	GATI EXPRESS & SUPPLY CHAIN PRIVATE LIMITED	Rs. 17,836 Lakhs							



SR. No.	RD REPORT	REPLY TO RD REPORT																																
	<i>before deciding the matter on merit of the case.</i>																																	
15.	<p>Paragraph no.2(l)</p> <p><i>As per shareholding pattern mentioned at financial statement as on 31.03.2024 submitted by the Petitioner companies, details of shareholding of body corporates are mentioned as follows:</i></p> <table border="1" data-bbox="350 1057 838 1832"> <thead> <tr> <th data-bbox="350 1057 457 1096">Sr. No.</th> <th data-bbox="457 1057 663 1096">Petitioner Company</th> <th data-bbox="663 1057 838 1096">Name of Share-holder</th> <th data-bbox="838 1057 838 1096">%</th> </tr> <tr> <th data-bbox="350 1147 457 1185">of shares held</th> <th data-bbox="457 1147 663 1185">Remark</th> <th data-bbox="663 1147 838 1185"></th> <th data-bbox="838 1147 838 1185"></th> </tr> </thead> <tbody> <tr> <td data-bbox="350 1282 350 1320">1</td> <td data-bbox="350 1282 838 1320"><i>ALLCARGO ECU LIMITED</i></td> <td data-bbox="350 1336 838 1374"><i>ALLCARGO LO-GISTICS</i></td> <td data-bbox="838 1336 838 1374"></td> </tr> <tr> <td data-bbox="350 1390 350 1428">LIMITED</td> <td data-bbox="350 1390 838 1428"><i>100.00% No Form</i></td> <td data-bbox="350 1444 838 1482"></td> <td data-bbox="838 1444 838 1482"></td> </tr> <tr> <td data-bbox="350 1498 350 1536"><i>BEN-2 has been filed by any of the Petitioner Companies as per records available at MCA21 Portal</i></td> <td data-bbox="350 1551 838 1590"></td> <td data-bbox="350 1605 838 1644"></td> <td data-bbox="838 1605 838 1644"></td> </tr> <tr> <td data-bbox="350 1659 350 1697">2</td> <td data-bbox="350 1659 838 1697"><i>ALLCARGO SUP-PLYCHAIN</i></td> <td data-bbox="350 1713 838 1751"><i>LIMITED</i></td> <td data-bbox="838 1713 838 1751"></td> </tr> <tr> <td data-bbox="350 1767 350 1805">PRIVATE</td> <td data-bbox="350 1767 838 1805"></td> <td data-bbox="350 1821 838 1859"><i>ALLCARGO LO-GISTICS</i></td> <td data-bbox="838 1821 838 1859"></td> </tr> <tr> <td data-bbox="350 1875 350 1913">LIMITED</td> <td data-bbox="350 1875 838 1913"><i>100.00%</i></td> <td data-bbox="350 1929 838 1967"></td> <td data-bbox="838 1929 838 1967"></td> </tr> </tbody> </table>	Sr. No.	Petitioner Company	Name of Share-holder	%	of shares held	Remark			1	<i>ALLCARGO ECU LIMITED</i>	<i>ALLCARGO LO-GISTICS</i>		LIMITED	<i>100.00% No Form</i>			<i>BEN-2 has been filed by any of the Petitioner Companies as per records available at MCA21 Portal</i>				2	<i>ALLCARGO SUP-PLYCHAIN</i>	<i>LIMITED</i>		PRIVATE		<i>ALLCARGO LO-GISTICS</i>		LIMITED	<i>100.00%</i>			<p>Paragraph no.4.15</p> <p><i>As regards the observation made in Paragraph 2(l) of the said Report is concerned, it is submitted that the Petitioner Companies have filed form BEN-2 on MCA21 Portal, as and when the respective Petitioner Companies have received BEN-1 declarations from the Significant Beneficial Owners. The copy of form and challans of form BEN-2 for respective Petition Companies is attached as Annexure D.</i></p>
Sr. No.	Petitioner Company	Name of Share-holder	%																															
of shares held	Remark																																	
1	<i>ALLCARGO ECU LIMITED</i>	<i>ALLCARGO LO-GISTICS</i>																																
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SR. NO.	RD REPORT	REPLY TO RD REPORT
	<p>3 <i>GATI EXPRESS & SUPPLY CHAIN PRIVATE LIM-ITED ALLCARGO GATI LIMITED 70%, ALLCARGO LO-GISTICS LIMITED 30%</i></p> <p>4 <i>ALLCARGO GATI LIMITED, ALLCARGO LO-GISTICS LIMITED 50.16%</i></p> <p><i>No Form BEN-2 has been filed by any of the Petitioner Companies as per records available at MCA21 Portal, hence Petitioner Companies shall undertake to comply with the provisions of section 90 of Companies Act, 2013 r/w. Companies (Significant Beneficial Owners) Amendment</i></p>	

11. The Authorised Representative of the Regional Director, Ms. Rujuta Bankar who is present at the time of the hearing has submitted that the explanation and clarifications given by the Petitioner Companies are found satisfactory. The Regional Director has no objections for approval of the scheme by this Tribunal.
12. On 24.09.2025, this Bench has passed the following order:

"This is the Company Petition filed under Section 230-232 of the Companies Act. Miss Rujuta Bankar, Deputy Director has logged in through the VC on behalf of the RD Western Region and submits that



after going through the rejoinder filed by the Petitioner Companies in respect of their observations / objections, they have no further observations / objections to the proposed scheme. She pointed out that they had two major issues, one was in respect of BEN-2 and other was in respect of shares issued at premium. She submits that in respect of BEN-2, the clarification which has been given by the Petitioner Company are acceptable and as regards shares issued at premium, since the Income Tax Department is present and any action that is to be taken in respect of the same is in the domain of Income Tax Authority and therefore she states that the RD has no further observations in respect of the same. Counsel for the Income Tax Department has logged in through the VC. They have submitted two reports one has been uploaded on 27.06.2025, and other has been uploaded on 19.09.2025. Ld. Counsel for the Income Tax Department submits that their rights to take any action keeping in view the provisions of Income Tax in respect of the Petitioner Companies be kept open and subject to such submissions and apart from what has been stated in the reports they have nothing further to say or submit. Matter is accordingly reserved for orders. ”

13. The Pr. Commissioner of Income Tax (Central) – 4, Mumbai has filed its report dated 27th June, 2025 (“IT Report”). In paragraph nos. 3 to 13 of the IT Report, the Pr. Commissioner of Income Tax (Central) – 4, Mumbai has made certain observations *qua* the Petitioner/ Transferor Company with respect to the Scheme. In response to the observations made by the Pr. Commissioner of Income Tax (Central) – 4, Mumbai, the Petitioner/ Transferor Company has given necessary undertakings and clarification as per affidavit in reply dated 31st July 2025 (“IT Reply”). The observations of the Pr. Commissioner of Income Tax (Central) – 4, Mumbai and responses of the Petitioner/ Transferor Company are as under:

S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
1.	<i>Paragraph 3 – That the restructuring exercise (i.e., the Composite Scheme of</i>	<i>(i) Paragraph 3 of the Report notes that during search proceedings conducted on the premises of the Applicant, under Section 132 of the Income Tax Act, 1961</i>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
	<p><i>Arrangement titled “Manthan 2.0”) was undertaken for the “primary or perhaps sole purpose of generating a tax benefit on Intangibles assets of INR 850 crores.”</i></p>	<p><i>(hereinafter referred to as “the Act”), a “loose paper” titled ‘Update on Manthan 2.0’ was recovered which noted a ‘Tax Benefit on Intangibles of INR 850 crores’. This was inferred by the department to wrongfully allege that a tax benefit of INR 850 crores on the intangibles directly links the restructuring to potential tax evasion strategies. To this extent, on account of this sole reference, the Department also wrongfully noted that the seized note suggests that the “restructuring’s primary or perhaps sole purpose is to generate a tax benefit on intangible assets”.</i></p> <p><i>(ii) It is submitted that a mere ‘loose paper’ noting a specific tax benefit as a result of a scheme, cannot be inferred to mean that the primary objective of the scheme is exclusively to obtain a tax benefit. It is further submitted that an ‘loose paper’ cannot qualify as evidence in the absence of any substantiating documentation to prove the said allegations.</i></p> <p><i>(iii) Without prejudice to the above, it is submitted that intangibles such as customer relationships, distribution networks, and brand name (which were historically recorded in the consolidated financial statements of Allcargo Logistics Limited), are required to be separately recorded in the standalone financial statements of the Demerged Company i.e., Allcargo Logistics Limited, upon the amalgamations under the Scheme taking effect) – in accordance with Indian Accounting Standards 103 (i.e., Ind AS 103). The rationale for the same is as set out below:</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p>(a) Allcargo Logistics Limited has various subsidiaries across the globe. Hence, it is mandatory for Allcargo Logistics to prepare Consolidated Financial statement as per Section 133(2) of the companies act, 2013 and while preparing the company has to prepare consolidated financial statement as per Indian Accounting Standard 110. While preparing CFS, acquired companies have to be fair valued in accordance with IndAS 103 which gives rise to goodwill & certain intangibles (for instance, brand, customer relationship and distribution network) on acquisition. It is submitted that between FY 17 to FY 24, Allcargo Logistics Limited (i.e., Demerged Company / Transferee Company 2) acquired certain shareholding stakes in Allcargo GATI Limited (i.e., Transferor Company 3 / Transferee Company 1) and Avashya Supply Chain Private Limited (i.e., Transferor Company 1). Specifically, AllCargo Logistics Limited acquired a further stake of 26.03% in AllCargo GATI Limited (i.e., Transferor Company 3 / Transferee Company 1) on 08 April, 2020 (totaling percentage holding in AllCargo GATI Ltd to 46.86%); and acquired further stake of 38.87% in Transferor Company 1 (i.e., Avashya Supply Chain Private Limited) on 17th May, 2023 (thereby making the Transferor Company 1 a wholly-owned subsidiary of AllCargo Logistics Limited), on account of which the Demerged Company recorded intangible assets (in the nature of brand name, distribution networks, and goodwill) within its</p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>consolidated financial statements. Such intangible assets were duly recognized in the consolidated financial statements (of the Demerged Company) in accordance with applicable accounting standards which required such recognition on the basis of a purchase price accounting methodology adopted and a valuation report obtained from a registered valuer in this respect.</i></p> <p><i>(b) Thus, it is submitted that these intangible assets (i.e., customer relations, brand, and distribution networks) were historically recognized in the consolidated financial statements of the Demerged Company. Consequent to the amalgamation of Transferor Company 1 and 3 into the Demerged Company, such intangible assets may then be recognized in the standalone financial statements of Allcargo Logistics Limited (i.e., the Demerged company) as required in accordance with IndAS 103 – Business Reorganizations (i.e., since this is a common control acquisition, the pooling of interests method will be used by Demerged Company to combine all balance sheet asset and liability items of Transferor Company 1 and 3, with its own).</i></p> <p><i>(c) Accordingly, it is submitted that any intangible assets (as set out above) which are being recorded in the standalone financial statements of Allcargo Logistic Limited (after the Scheme is effectuated), is not created on account of the amalgamations contemplated under the Scheme; but</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p>instead, have been historically recorded and reflected in the consolidated financial statements of Allcargo Logistics Limited. It is further submitted that such amount of intangibles (as recorded in the standalone financial statements of the Demerged Company, on account of the amalgamation, as explained above) is (a) inclusive of 'goodwill' (on which no depreciation or amortization is in any case eligible at the hands of the Demerged Company, under the Act), and (b) such intangible figure (as recorded in the standalone financial statement post the amalgamation) is reduced substantially based on accounting depreciation already recorded in the consolidated financial statements of AllCargo Logistics Limited from the above-captioned dates when these intangibles were first recorded in the consolidated financial statements. As noted above in Paragraph 1 of this Affidavit, the main purpose of the Scheme is entirely commercial and business in nature; and it cannot be said that the Scheme has been devised for the purposes of avoiding taxes.</p> <p>(d) Further, any right of assessment or determination of the Department (in this respect), as per applicable provisions of the Act, continue to remain entirely intact; and to this extent, the Department is not prejudiced in any manner whatsoever from the Scheme being sanctioned by the NCLT. In this context, the New Delhi bench of the NCLT in Company Appeal (AT) No.98 of 2019 has held</p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>that "It is well settled by a catena of Rulings that while sanctioning a scheme of arrangement the right of Tax Authorities remains intact to initiate appropriate proceedings regarding recovery of any tax."</i></p> <p>(e) <i>Thus, the question of obtaining a tax benefit on account of intangible assets, as a result of the Scheme, does not arise in any manner; and in no manner whatsoever triggers the provisions of the 'General Anti-Avoidance Rules' under the Act. As noted above, the main purpose of the Scheme is entirely commercial and business in nature, as captured in detail in Paragraph 1 of this Affidavit; and it cannot be said that the Scheme has been devised for the purposes of avoiding taxes.</i></p> <p>(f) <i>Without prejudice to the above, it is submitted that even if there is an incidental tax benefit as a consequence of the Scheme, the same cannot be a reason to not sanction the Scheme (as held by the High Court of Delhi, in Vodafone Essar Ltd (Company Petition No 334 of 2009); the High Court of Andhra Pradesh, in Goman Agro Farms Pvt Ltd (Company Petition No.s 179 to 193 of 2015), and the High Court of Bombay (in Company Scheme Petition No 670 of 2011) while approving the relevant schemes of arrangement); and any rights of the tax authorities to proceed against the involved entities continues to remain intact even after the sanctioning of the Scheme.</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
2.	<p><i>Paragraphs 4(a) and 4(b) – That based on findings from a 'Search' conducted under Section 132 of the Act, there is evidence to suggest that the subsidiaries of Allcargo Logistics Limited are controlled and managed from India; that the Scheme presents significant concerns for "potential tax avoidance concerning the POEM and the genuine nature of the demerger"; and that the Scheme is a "colorable device intended to avoid the POEM provisions" and "the Schemes may lack genuine commercial substance and primarily aims to circumvent tax obligation", by an "alleged artificial shifting of POEM".</i></p>	<p>(i) That the allegations (in Paragraph 4 (a) and (b) of the Report) with respect to the place of effective management of all foreign ECU companies, being in India as per Section 6(3) of the Act (entirely premised on the findings from the 'Search' conducted on the Applicant under Section 132 of the Act) - is entirely without merit, and lacks any substance whatsoever. Any allegations to this effect, have been responded to previously by the Applicant in detail in the submission of details as requested vide order sheet dated 21st April, 2025, to the Joint Director of Income Tax (submitted as on 23rd April, 2025; with Ref No: SCMA/Allcargo/Inv/25-26).</p> <p>(ii) Without prejudice to Paragraph (i) set out herein above, any determination with respect to the place of effective management, or the tax residency of any 'foreign ECU company' being in India is wholly immaterial, and irrelevant to the proceeding of the present Scheme. Specifically, any parallel proceedings with respect to the determination of tax residency of any group entities, should not be negatively impacted by way of this Scheme, on account of the following:</p> <p>(a) It is submitted that the alleged determination of tax residency being deemed to be in India pertains to foreign group subsidiaries of the Demerged Company, which are not direct participants under this Scheme. All such 'foreign ECU companies' (as referred to by the Department) will continue to exist as group companies</p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>post the sanctioning of the Scheme by the NCLT, and such proceedings may continue as against such foreign companies.</i></p> <p><i>(b) Accordingly, it is submitted that the proceeding of the Scheme, and its sanctioning by the NCLT, does not in any manner whatsoever effect or prejudice any proceedings initiated by the Department with respect to the tax residency of such foreign group entities being in India (which will very much continue to be in existence post the sanctioning of the Scheme).</i></p> <p><i>(c) Hence, the assertions made by the Department in paragraph 4(a) and 4(b) of the Report alleging that the Scheme is designed to avoid the POEM provisions (and artificial shift the POEM of group entities) under the Act, is erroneous and contrary to the tax residency provisions under the Act.</i></p>
3.	Paragraph 4(c) – That financial profile of Allcargo Ecu Limited (i.e., the Resulting Company) raises questions about the authenticity of the commercial justification behind the Scheme.	<p><i>(i) Specifically, it has been noted that since Allcargo ECU Limited (i.e., the Resulting Company in Part B of the Scheme) was incorporated as of August 20, 2023, and has largely dormant – that transfer of the Allcargo Group's leading business (i.e., Business Vertical A) into a dormant entity raises questions as to the authenticity of the commercial justification of the Scheme. To this extent, it is submitted that, Allcargo ECU Limited was incorporated for the very purpose of effectuating Part B of the Scheme.</i></p> <p><i>(ii) It is also submitted that as is the case in all demergers (and as contemplated under</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>the law), the very purpose of a demerger is to hive off a specific business vertical (i.e., which qualifies as an 'undertaking' and is capable of operating as a self-standing business) into a new entity, such that the business vertical (i.e., the undertaking) can operate independently. This very objective of a 'demerger', which is contemplated and set out in law, cannot be fulfilled unless the demerger of the 'undertaking' is into a new entity, which allows the undertaking to operate as a separate self-standing business; or the demerger of the undertaking is into a separate pre-existing group entity which conducts and operates the same business (which does not exist in this instance).</i></p>
4.	<p>Paragraph 4(d) – That while the ISC Business (i.e., Business Vertical A being demerged in Part B of the Scheme), by its scale and distinct operations, may qualify as an 'undertaking' within the meaning of a 'demerger' scheme as defined in section 2(19AA) of the Act, the transfer of the 'undertaking' into Allcargo Ecu Limited (given the dormant nature of Allcargo Ecu Limited) does not meet the spirit of a 'business activity taken as a whole' that is capable of independent functioning as a going concern in the</p>	<p>(i) It is submitted that Section 2(19AA) of the Act sets out the conditions required to qualify as a 'demerger'. As per the said provision, the key qualifying requirement is for the demerged business vertical to qualify as an 'undertaking' (defined in Explanation 1 of the provision to "include any part of an undertaking, or a unit or division of an undertaking or a business activity taken as a whole, but does not include individual assets or liabilities or any combination thereof not constituting a business activity"). There is no requirement in law for the resulting company (i.e., the pre-existing company into which the said undertaking is demerged) to have any existing business in it. It is submitted that by very own admission of the department in Paragraph 4(d), the demerged undertaking (consisting of the ISC business, i.e., Business Vertical A), "by its scale and distinct operations, may qualify as an</p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
	<i>hands of the Resulting Company.</i>	<p><i>'undertaking' within the meaning of a 'demerger' scheme as defined in Section 2(19AA) of the Act". Consequently, it is submitted that once the demerged ISC business (i.e., Business Vertical A) qualifies as an 'undertaking' for the purposes of Section 2(19AA), and meets the other criteria set out there in – the authenticity of the demerger cannot be questioned on the basis of dormancy of the resulting company. It is submitted that such a line of question is entirely contrary to the construct of Section 2(19AA) of the Act.</i></p> <p><i>(ii) Accordingly, this allegation is not only without merit, but also lacks understanding of the law set out within the Act.</i></p>
5.	<i>Paragraph 5 - That the purpose of the amalgamations under Part C and Part D of the Scheme, is to utilize "accumulated losses".</i>	<p><i>(i) Is it submitted that Section 72A of the Act (as set out below), serves as the sole enabling provision to allow the carry forward of exclusively 'business losses and unabsorbed depreciation' (in accordance with the provisions of Section 72 of the Act) in the case of an amalgamation.</i></p> <p><i>"Provisions relating to carry forward and set off of accumulated loss and unabsorbed depreciation allowance in amalgamation or demerger, etc.</i></p> <p><i>72A. (I) Where there has been an amalgamation of—</i></p> <p><i>a) a company owning an industrial undertaking or a ship</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>or a hotel with another company; or</i></p> <p><i>b) a banking company referred to in clause (c) of section 5 of the Banking Regulation Act, 1949 (10 of 1949) with a specified bank; or</i></p> <p><i>c) one or more public sector company or companies with one or more public sector company or companies; or</i></p> <p><i>d) an erstwhile public sector company with one or more company or companies, if the share purchase agreement entered into under strategic disinvestment restricted immediate amalgamation of the said public sector company and the amalgamation is carried out within five years from the end of the previous year in which the restriction on amalgamation in the share purchase agreement ends,</i></p> <p><i>then, notwithstanding anything contained in any other provision of this Act, the accumulated loss and the unabsorbed depreciation of the amalgamating company shall be deemed to be the loss or, as the case may be, allowance for unabsorbed depreciation of the amalgamated company for the previous year in which the amalgamation was effected, and other provisions of this Act relating to set off and carry forward of loss and allowance for depreciation shall apply accordingly:</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>Provided that the accumulated loss and the unabsorbed depreciation of the amalgamating company, in case of an amalgamation referred to in clause (d), which is deemed to be the loss or, as the case may be, the allowance for un-absorbed depreciation of the amalgamated company, shall not be more than the accumulated loss and unabsorbed depreciation of the public sector company as on the date on which the public sector company ceases to be a public sector company as a result of strategic disinvestment."</i></p> <p>(ii) <i>Further, as per Section 72A of the Act, the limited scope of carrying forward 'business losses and unabsorbed depreciation' in the case of an amalgamation, is exclusively available to 'industrial undertaking(s)'. 'Industrial undertaking' has been defined in Section 72A(7)(aa) of the Act to mean:</i></p> <ul style="list-style-type: none"> (i) <i>the manufacture or processing of goods; or</i> (ii) <i>the manufacture of computer software; or</i> (iii) <i>the business of generation or distribution of electricity or any other form of power; or</i> (iv) <i>the business of providing telecommunication services, whether basic or cellular, including radio paging, domestic satellite service, network of trunking, broadband network and internet services; or</i>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p>(v) mining; or</p> <p>(vi) the construction of ships, aircrafts or rail systems”</p> <p>(iii) <i>The scheme of the enabling provisions under the Act are drafted for the purposes of exclusively allowing carry forward of 'business losses and unabsorbed depreciation', that too exclusively in the case of an amalgamation of an 'industrial undertaking'. Accordingly, it is submitted that such tax losses cannot be carried forward in the case of the amalgamations envisaged in Parts C and D of the Scheme.</i></p> <p>(iv) <i>In light of the law as set out above, it is submitted that the Department has incorrectly (in law and in fact) noted that "scheme aims to merge the loss-making Gati Express and Supply Chain Pvt. Ltd. (GESCPL) (the entity reported a loss of Rs. 28.01 crores in FY 2023-24 as per its annual report) into Allcargo Gati Limited, and subsequently into Allcargo Logistics Limited, thereby facilitating the utilization of GESCPL's losses against the profits of the larger, profitable group entities." This is on account of the following reasons:</i></p> <p>(a) <i>At the outset, it is submitted that the 'reported losses' are in the nature of accounting losses of Transfer Company 2 (i.e., Gati Express and Supply Chain Pvt. Ltd.), and not in the nature of tax losses. Thus, the question of devising the Scheme for the purposes of allowing inter-company offsetting of tax losses (which in any cases is not permitted as per the provisions of the Act) does not arise to begin with.</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p>(b) Secondly, it is submitted that the demerged undertaking (i.e., Business Vertical A) is not in the nature of an 'industrial undertaking'. Consequently, the carrying forward of 'business losses or unabsoed depreciation' by the Transferor Companies 1, 2, or 3, to the Transferee Companies (by way of the amalgamations contemplated under Part C and D of the Scheme), is not permissible as per the provision of Section 72A of the Act.</p> <p>(c) Thus, the allegation of the Department, that Scheme is being implemented to facilitate "the utilization of GESCPL's losses against the profits of the larger, profitable group entities" is wholly erroneous, and contrary to the provisions of the Act.</p> <p>(d) In addition to the above, it is submitted that the Transferor Company 3 (i.e., Allcargo GATI Limited) currently has brought forward tax losses (i.e., business losses and capital losses) to the tune of [INR 246.72 crores], recorded in its books of accounts, which would generally have been carried forward by Transferor Company 3 in its ordinary course of business, in accordance with Section 72 and 74 of the Act. Contrary to the allegations of the Department as set out above, it is submitted that in the instance that this Scheme were hypothetically not being given effect to – these tax losses would have been available for offsetting future profits / capital gains of the Transferor</p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>Company 3. However, on account of the amalgamation of Transferor Company 3 into Transferee Company 2 (i.e., Allcargo Logistics Limited), tax losses (i.e., business losses and capital losses) to the tune of [INR 246.72 crores], in the books of Transferor Company 3, which is a significant amount, will lapse, and not be available for being carried forward to the Transferee Company 2 post the amalgamation.</i></p> <p><i>(e) Thus, in complete contradiction to the Department's allegations in Paragraph 5 of the Report, it is submitted that the group companies (as a result of the amalgamations in Part C and D of the Scheme) are in fact losing out on the ability to correctly carry forward substantial sums of tax losses, for offsetting with future profits / capital gains, in accordance with Section 72 and 74 of the Act. This directly results in a loss for the group companies, and a benefit to the Department, as they will collect a larger sum of tax revenue (in the absence of any available tax losses to be offset).</i></p> <p><i>(f) In light of the above, it is submitted in conclusion that by no stretch of imagination can the Department's allegations in Paragraph 5 of the Scheme (i.e., that the Scheme has been drafted as a tax avoidance strategy) be considered as having any merit whatsoever. As noted above, it is submitted that the objective and purposes of the Scheme are commercial in nature and as set out in</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>Paragraph 1 of this response; and not for the purposes of obtaining any incidental tax benefits (as alleged by the Department in Paragraph 3 of the Objection Letter) that may arise by way of the Scheme.</i></p>
6.	<p>Paragraph 6 – That the Department reserves its right to invoke the GAAR provisions under Chapter X-A of the Act if it is determined that the Scheme (or any part thereof) constitutes an ‘impermissible avoidance arrangement’.</p>	<p><i>Without prejudice to any of the other paragraphs of this response, it is submitted that than any allegations made by the Department to trigger the 'General Anti-Avoidance Rules' set out in chapter X-A of the Act, in Paragraph 6 of the Report, is unfounded, premature, and contrary to the procedural provisions set out in Chapter X-A of the Act. It is submitted that Section 144BA of the Act sets out a strict procedure for the applicability of the GAAR provisions (i.e., for an arrangement to be deemed as an 'impermissible avoidance arrangement'), and requires such determination of an 'impermissible avoidance arrangement' to be made by an 'Approving Panel' (in accordance with the procedure under Section 144BA). Thus, it is submitted, that the Department (in the absence of having strictly adhered to the procedure set out in Section 144BA) does not have the power to declare an arrangement as being an 'impermissible avoidance arrangement' for the purposes of Chapter X-A of the Act. In addition, it is also submitted that the power of the Department to follow the procedure under Section 144BA (to deem the impugned arrangement as an 'impermissible avoidance arrangement') will in no way be impacted or prejudiced on</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		account of the NCLT sanctioning this Scheme.
7.	<i>Paragraphs 7 and 8 – That the search findings indicate multiple strategies for tax evasion by group companies, given that there are assessment proceedings against Allcargo Logistics Limited under Section 158BV of the Act (for AYs 20 to 25), as well as other ongoing proceedings against the entity as set out in the table in Paragraph 8 of the Report.</i>	<p><i>It is submitted that any allegations made by the Department that the sanctioning of the Scheme will negatively impact the power of the Department to make any determinations pertaining to tax liabilities of the group companies involved in the Scheme (whether under Section 158BC of the Act, as noted by the Department in Paragraph 7 of the Report, or otherwise under any of the other ongoing proceedings as set out in Paragraph 8 of the Report), is wholly erroneous and lacks understanding of the above-mentioned provisions of the law (especially Sections 170 and 170A, which specifically grant the power to the Department to assess the successor entities, with respect to taxes of the predecessor entities).</i></p> <p><i>(i) It is submitted that as per Section 170, read with Section 170A of the Act, tax proceedings as against a predecessor entity in the case of a business reorganization, may be carried on against the successor entity (and any requisite recoveries of taxes may be made from the successor entities).</i></p> <p><i>Section 170 - Succession to business otherwise than on death</i></p> <p><i>(1) Where a person carrying on any business or profession (such person hereinafter in this section being</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>referred to as the predecessor) has been succeeded therein by any other person (hereinafter in this section referred to as the successor) who continues to carry on that business or profession,— (a) the predecessor shall be assessed in respect of the income of the previous year in which the succession took place up to the date of succession; (b) the successor shall be assessed in respect of the income of the previous year after the date of succession.</i></p> <p><i>(2) Notwithstanding anything contained in sub-section (1), when the predecessor cannot be found, the assessment of the income of the previous year in which the succession took place up to the date of succession and of the previous year preceding that year shall be made on the successor in like manner and to the same extent as it would have been made on the predecessor, and all the provisions of this Act shall, so far as may be, apply accordingly.</i></p> <p><i>(2A) Notwithstanding anything contained in sub-sections (1) and (2), where there is succession, the assessment or reassessment or any other proceedings, made or initiated on the predecessor during the course of pendency of such succession, shall be deemed to have been made or initiated on the successor and all the</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>provisions of this Act shall, so far as may be, apply accordingly.</i></p> <p><i>(3) When any sum payable under this section in respect of the income of such business or profession for the previous year in which the succession took place up to the date of succession or for the previous year preceding that year, assessed on the predecessor, cannot be recovered from him, the Assessing Officer shall record a finding to that effect and the sum payable by the predecessor shall thereafter be payable by and recoverable from the successor, and the successor shall be entitled to recover from the predecessor any sum so paid.</i></p> <p><i>Section 170A - Effect of order of tribunal or court in respect of business reorganization</i></p> <p><i>(1) Notwithstanding anything to the contrary contained in section 139, in a case of business reorganization, where prior to the date of order of a High Court or tribunal or an Adjudicating Authority as defined in clause (1) of section 5 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016) (hereinafter referred to as order in respect of business reorganization), as the case may be, any return of income has been furnished by an entity to which such order applies under the</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>provisions of section 139 for any assessment year relevant to the previous year to which such order applies, the successor shall furnish, within a period of six months from the end of the month in which the order was issued, a modified return in such form and manner, as may be prescribed, in accordance with and limited to the said order.</i></p> <p><i>(2) Where the assessment or reassessment proceedings for an assessment year relevant to a previous year to which the order in respect of the business reorganization applies,—</i></p> <p><i>(a) have been completed on the date of furnishing of the modified return in accordance with the provisions of sub-section (1), the Assessing Officer shall pass an order modifying the total income of the relevant assessment year determined in such assessment or reassessment, in accordance with such order and taking into account the modified return so furnished; (b) are pending on the date of furnishing of the modified return in accordance with the provisions of sub-section (1), the Assessing Officer shall pass an order assessing or reassessing the total income of the relevant assessment year in accordance with the order of the business reorganization and taking into account the modified return so furnished.</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p>(3) Save as otherwise provided in this section, in an assessment or reassessment made in respect of an assessment year under this section, all other provisions of this Act shall apply and the tax shall be chargeable at the rate or rates as applicable to such assessment year.</p> <p><i>Explanation.—In this section, the expressions— (i) "business reorganization" means the reorganization of business involving the amalgamation or demerger or merger of business of one or more persons; (ii) "successor" means all resulting companies in a business reorganization, whether or not the company was in existence prior to such business reorganization."</i></p> <p>(ii) <i>Thus, the scheme of the Act itself sets out provisions to allow the Department to continue its proceedings, and make recoveries against the successor entity (in the case of a 'business reorganization'); as well as assess and reassess the income of the successor entity based on revised returns (to account for the transferred business undertaking). Amongst several similar rulings of the High Courts, and NCLT, the Hon'ble High Court of Bombay, in order dated May 9th 2024 (in Company Scheme Petition No. 106 OF 2014 in the matter of Trinity India Limited, and Ring Plus Aqua Limited), held that "all assessment proceedings shall continue against the Petitioner / Transferor Company even after the</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>sanction and merger, and the scheme of amalgamation will have no impact on the ongoing assessment proceedings". Accordingly, the Court held that "In my view, the concerns of the Income Tax Department are more than sufficiently taken care of". In this light, it is submitted that the allegations made by the Department that the sanctioning of the Scheme will negatively impact the power of the Department to make any other determinations pertaining to tax liabilities of the group companies involved in the Scheme (in Paragraph 7 of the Report) is wholly erroneous. It is further submitted that sanctioning of the Scheme, in no manner whatsoever will prejudice any of the powers of the Department to make any determinations pertaining to tax liabilities of the group companies involved in the Scheme. The New Delhi bench of the NCLT in Company Appeal (AT) No.98 of 2019 held that "The Tax Authorities concern is in regard to recovery of the outstanding tax dues and in the event of a scheme of arrangement / merger / amalgamation the Tax Authorities right to recover the outstanding tax dues must remain intact. Once a scheme has been sanctioned by a Tribunal in accordance with law, as admittedly in the instant case it is and the same goes unassailed, nothing precludes the Tax Authorities from recovering its legitimate and recoverable outstanding tax dues from the Transferor or the Transferee Company, as provided in the scheme. Where in a given case the liability has arisen or would arise or the demand would be raised against the Transferor Company for the relevant period after due scrutiny, assessment, review or determination through a due</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>judicial process and the Transferee Company undertakes to make payment of all outstanding tax dues as determined in the aforesaid manner, the scheme cannot be refused and has to be allowed".</i></p> <p>(iii) <i>In addition to the above, and in any case, it is submitted that the predecessor entity in Part B of the Scheme (i.e., Demerged Company / Allcargo Logistics Limited) will in any case continue to remain in existence post giving effect to the Scheme of Arrangements, and accordingly, proceedings if any against Allcargo Logistics Limited should not be effected in any manner by sanctioning this Scheme. Accordingly it is submitted that the assertions made by the Department in Paragraph 8 of the Report with respect to pending proceedings against Allcargo Logistics Limited, is wholly irrelevant in the context of this Scheme, and is not impacted, affected, nor prejudiced in any aspect whatsoever by way of this Scheme being sanctioned by the NCLT.</i></p> <p>(iv) <i>To this extent, the Delhi High Court in Vodafone Essar (Supra) held that "There could be no limitations on the powers of the income tax department for recover, including imposition of penalties", as it was agreed that the tax department must be permitted to retain its recourse for recovering in respect of any existing or future tax liabilities of the transferor-companies or the transferee company, in respect of assets sought to be transferred under the Scheme". The Court further noted the Department's stand that "that the approval of the scheme should in no manner affect the tax treatments of the transactions under the Income-tax Act,</i></p>



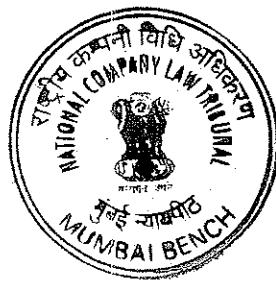
S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p>1961 or any other applicable taxing statute, nor would sanction of the scheme or the effect thereof serve as a defense for the companies concerned against tax treatment under the aforementioned statutes"; to which the petitioner admitted that "any question of tax liability was within the purview of the income-tax department and that it would be free to pursue either the transferor-companies or the transferee-company, as it might be advised, notwithstanding the sanction of the scheme by the Court. Neither party sought a finding by the Court with regard to the tax implications of the proposed scheme. It was agreed that the scheme might be sanctioned whilst relegating the parties to the appropriate fora to determine the tax liability, if any, that might arise. No action which might be violative of a statute was being legitimized by approval of the scheme, and the income-tax authorities would be free to move against any of the parties concerned, in case, they would be belief that there had been any impermissible evasion of payment of tax by the petitioners." The Court finally concluded while approving the Scheme that "If the court was indeed to sanction the scheme, the powers of the income tax department must remain intact". Thus, it is submitted that all powers of the Department continue to remain intact, and are in no manner prejudiced on account of the sanctioning of this Scheme.</p>
8.	Paragraph 9 – That the Department should be granted further time of 60	At the outset, it is submitted that the Scheme was filed by the Applicant before the NCLT on 11 th December, 2024 at application stage



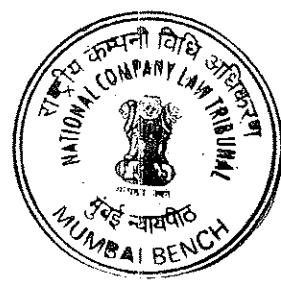
S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
	<i>days for a more detailed examination of the Scheme.</i>	<p><i>and on April 30th, 2025 at petition stage, and all relevant regulators, including the Department was informed of all details pertaining to the Scheme on 24th January 2025 and May 30, 2025. Accordingly, the Department has had ample time to review and scrutinize the specificities of the Scheme and filed detailed objections pertaining to the same. Any further time will unduly prejudice the Applicant due to the following practical concerns:</i></p> <p><i>(i) Allcargo Gati Ltd (i.e., the Transferor Company 3), Gati Express & Supply Chain Pvt Ltd (i.e., the Transferor Company 2) and Allcargo Supply Chain Pvt Ltd (i.e., the Transferor Company 1), which would form part of the Demerged Company (by way of amalgamation) post the implementation of the Scheme are currently implementing a financial ERP system viz. Oracle Fusion with Grant Thornton being the implementation partner. The ERP was to go-live w.e.f. 01 Aug 2025 which was the expected “Effective Date” of the merger of Transferor Company 3 with Transferee Company 2 (i.e., Allcargo Logistics Ltd), provided the NCLT would have approved the Scheme on 02 July 2025. This implementation of the ERP system would not be possible before the sanctioning of the Scheme, as implementing the ERP system in 3 different companies would significantly increase the implementation cost timelines. Specifically, it is submitted that three different ERP systems, relevant licenses for three different companies, and other related costs - would amount to approximately an INR 70,00,000 increase</i></p>



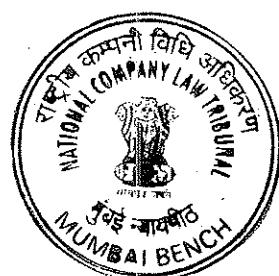
S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>in total implementation cost, and a six week increase in total timelines. Grant Thornton has dedicated five technical resources for this ERP system implementation. If the 'Go-Live' (i.e., implementation) for the Project is delayed by a further sixty days (on account of the additional timeline sought for by the Department), it is submitted that the ongoing costs of the resources would continue to be incurred through such durations (which would cost the Applicant an additional INR 20,00,000 per month or INR 40,00,000 for the sixty day delay).</i></p> <p><i>(ii) The Demerged Company's current statutory auditors (viz. SRBA & Associates) are retiring by rotation and their term is scheduled to end at the ensuing Annual General Meeting of the Demerged Company (i.e., Allcargo Logistics Ltd), which is likely to be scheduled on 2nd August 2025. With the Scheme expected to be approved on / by 2nd July 2025 which got further adjourned to 13th August 2025, Allcargo Logistics Ltd had circulated an 'Request For Quotation' to local Indian audit firms with a view that the Demerged Company (post implementation of the Scheme) would consist of exclusively the Domestic Supply Chain Business (i.e., Business Vertical B), as envisaged in the Scheme (i.e., the express and contracts logistics business contained in Transferor Company 2 and Transfer Company 1 respectively). It is submitted that any delays in approval of the Scheme would create substantial difficulties in identification of local audit firms as Statutory Auditors of the Demerged Company, as Allcargo Logistics Limited</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>(in its current form, i.e., without giving effect to the Scheme) has over 150 subsidiaries incorporated in across 180 countries globally. In other words, Allcargo Logistics Limited will have to urgently appoint a global audit firm; and subsequently, once the Scheme concludes (and is sanctioned), this appointment will need to be revisited and changed again. It is submitted that this creates unnecessary financial, administrative, and timeline burdens on the Applicant.</i></p> <p><i>(iii) It is submitted, when the Scheme was approved by Allcargo Logistics Limited's Board of Directors in December 2023, it was reasonably expected that the entire process of the Scheme being sanctioned and implemented would conclude by January 2025. However, the Scheme faced initial regulatory approval delays before the stock exchanges, leading to a revision of the final NCLT approval timeline for the Scheme to 2nd July 2025 which got further adjourned to 13th August 2025. It is submitted that at this stage, allowing another further delay of sixty days to the Department would further delay the conclusion of the Scheme. It is submitted that such delays create an overall negative market sentiment, ultimately causing erosion in investor wealth and shareholder value (which is detrimental towards all stakeholders involved). Shareholders of the Demerged Company, and Transferee Company I have approved the Scheme on 18 February 2025 and a further 60 day delay would only add to their frustration.</i></p> <p><i>(iv) Allcargo Logistics Limited is currently unable to avail fresh loan facilities, as the</i></p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<p><i>conclusion of the Scheme remains pending and is expected to be sanctioned in the near future. Post the Scheme coming into effect, the Demerged Company would cease to exist in its current form (i.e., as it would include only the Domestic Supply Chain business / Business Vertical B, which is currently operated by Transferor Companies 1 and 2, and Transferee Company 1). Accordingly, without the Scheme being sanctioned (but expected to be effective shortly), even the Resulting Company is unable to avail fresh loan facilities as it won't have substantial financial backing post the Scheme (i.e., strong balance sheet and credit rating) to avail such loans pertaining to Business Vertical A. The conclusion of the Scheme would bring the necessary financial heft to the Resulting Company which would enable it to avail loan funding. Permitting an additional sixty day period for the conclusion of the Scheme would mean that the Demerged Company and the Resulting Company would continue to be deprived of fresh funding for another sixty days (which would be detrimental to its business operations).</i></p> <p>(v) Credit rating agencies such as CRISIL & CARE have put the credit ratings of the Demerged Company, Resulting Company, Transferee Company 1, and Transferor Company 2 on a 'Ratings Watch' since December 2023. It is submitted that the sixty day delay in conclusion of the Scheme would mean that the 'Ratings Watch' would continue for the said period, making it that much more difficult for prospective lenders to take positive</p>



S. No.	Allegation as per IT Report	Response of the Petitioner Companies (IT Reply)
		<i>lending decisions with respect to these companies.</i>
9.	<i>Paragraphs 10 to 13 – That the “proposed Scheme, taken as a whole, lacks commercial substance and appears to be designed with the principal purpose of obtaining tax benefits”; and accordingly, approval for the Scheme should be rejected.</i>	<i>As noted through the course of this Affidavit, the Scheme is entirely driven by business and commercial reasons as set out in Paragraph 1 of this Affidavit, and not for the purposes of obtaining any tax benefits. Accordingly, all the allegations as set out in the Report are entirely without merit, and lack any substance whatsoever.</i>

14. The Pr. Commissioner of Income Tax (Central) – 4, Mumbai has again filed its additional report (“IT Report 2”) on 19.09.2025 in response to Affidavit-in-Reply dated July 31, 2025 filed by the Petitioner Companies. In paragraph nos. 3 of the IT Report 2, the Pr. Commissioner of Income Tax (Central) – 4, Mumbai has made certain observations *qua* the Petitioner/ Transferor Company with respect to the Scheme which is self-explanatory. The observations of the Pr. Commissioner of Income Tax (Central) – 4, Mumbai are as under:

- It is submitted that the Tax Neutrality of a scheme or restructuring of companies is subject to satisfaction of certain conditions stipulated in the Income-tax Act, 1961. The benefits of section 72A and other relevant provisions of the Income Tax Act are available only if the statutory conditions are strictly met. It has been held that the restructuring should be bona fide and in the public interest to qualify for the benefits of the relevant provisions of the Act. It is submitted that the Right or the Revenue to determine the tax liabilities remain intact even on approval of any scheme of arrangement by the Hon'ble Tribunal.*
- Accordingly, in case the restructuring is found to be not tax neutral then taxability would be considered under different provisions of the Income-tax Act and the tax liability arising from corporate restructuring contemplated under the proposed scheme would be determined in any*



suitable proceedings under Income Tax Act including assessment proceedings. Therefore, the Revenue protects its right to determine any tax liability arising out of this scheme by conducting a suitable proceeding under the Income Tax Act including assessment proceeding.

- c. *Further, it is stated that in future if any part or the scheme is found to be repugnant to the provisions of the Income Tax Act 1961 and Income Tax Rules 1962, the same cannot be said to override the provisions of the law and the factum or the approval or the Hon'ble NCLT cannot be used as a ground by the applicant companies to avoid due taxes.*
- d. *Further, it is stated that the resultant/amalgamated company shall discharge all responsibilities and liabilities emanating in respect or the proceedings completed/pending/ likely to arise in respect of the transferor / demerged Company, apart from discharging its own tax liabilities.*
- e. *Further, it is stated that it shall be the duty of the resultant amalgamated company to bring to the notice or the department, approval or disapproval of the scheme by the Hon'ble Tribunal.*
- f. *Further, it is stated that the continuation or the proceedings or assessment or recovery or any other statutory action will be subject to the provisions of the Income-tax Act and the resultant/amalgamated company should not oppose such continuation of proceedings on the ground or merger or demerger.*
- g. *The resultant/amalgamated company shall ensure that no technical glitches arise due to any name mismatch between accounts of the transferor/demerged company and the resultant/amalgamated company. The resultant/amalgamated company should take suitable steps to change the name in the bank accounts or closure of the bank accounts or the transferor/ demerged company. The department is not liable to pay any interest due to the delay attributable to the assessee in informing such changes to different authorities including banks.*
- h. *A credit in respect or which tax at source was deducted/collected on inter-company transactions will be dealt with under the extant provisions of the Income tax Act and the date of remittance of such TDS/TCS remitted into the government account will be considered.*



15. The Income tax department will be free to examine the aspect of any tax payable as a result of the scheme and the department will be at liberty to initiate the appropriate course of action as per law. It is clarified that nothing stated in the scheme shall deter the Income Tax Authority to examine the returns filed by the Petitioners and all issues arising out of income tax will be met and answered in accordance with law subject to right of appeal as may be available to the Petitioner Companies.
16. The Official Liquidator has filed its report dated July 1, 2025 ("OL Report"). In paragraph no. 5 of the OL Report, the official Liquidator has stated that the affairs of the transferor companies in respect of Section B Allcargo Supply Chain Private Limited ("Transferor Company 1") and Gati Express & Supply Chain Private Limited ("Transferor Company 2") with Allcargo Gati Limited ("Transferee Company 1") and Amalgamation in respect of Section C Allcargo Gati Limited ("Transferor Company 3") into Allcargo Logistics Limited ("Transferee Company 2") have not been conducted in a manner prejudicial to the interests of its creditors or to the public interest.
17. From the material on record, the Scheme appears to be fair and reasonable and does not violate any provisions of law and is not contrary to public policy.

ORDER

18. Consequently, sanction is hereby **granted** to the Composite Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed thereunder for the Scheme of Amalgamation with the following directions:
 - a. All the Transferor Companies be dissolved without winding up.
 - b. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition in Company Petition (CAA) No. 80 of 2025 filed by Petitioner Companies is made absolute.



- c. If there is any deficiency found or, the violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal will not come in the way of action being taken, albeit in accordance with law, against the concerned persons, directors and officials of the petitioner companies.
- d. The Income Tax Department will be at liberty to examine the aspect of any tax payable by the Companies. It shall be open to the income tax authorities to take necessary action as permissible under the Income Tax Law. The decision of Income Tax Department shall be binding on the Transferee Company even for the concerns relating to Transferor Company.
- e. The Petitioner Companies are directed to file a certified copy of this Order along with the copy of Scheme with the concerned Registrar of Companies electronically in e-form INC-28 within 30 days or an extended timeline with payment of additional fees, as may be applicable, from the date of receipt of the Order duly certified by the Designated Registrar of this Tribunal. The Scheme will become effective on filing of the copy of this order with the concerned Registrar of Companies.
- f. All the employees of the Transferor Companies in service, on the date immediately preceding the date on which the Scheme takes effect i.e. the Effective Date, shall become the employees of the Transferee Companies on such date, without any break or interruption in service and upon terms and conditions not less favourable than those subsisting in the concerned Transferor Companies on the said date.
- g. Any proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company.
- h. All the properties, rights, liabilities, duties and powers of the Transferor Companies, be transferred without further act or deed, to the Transferee Companies and accordingly the same shall, pursuant to Section 232 of the Companies Act, 2013, be transferred to and vest in the Transferee Companies.



i. The Petitioner Companies shall lodge a copy of this Order along with the Scheme duly certified by the Designated Registrar of this Tribunal, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, within a period of 60 working days from the date of the receipt of the certified Order from the Registry of this Tribunal.

j. All concerned regulatory authorities to act on a copy of this Order along with Scheme duly certified by the Designated Registrar, National Company Law Tribunal, Mumbai Bench.

k. Any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.

l. Any concerned authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.

19. Ordered accordingly. Company Petition (CAA) No. 80 of 2025 connected with (CAA) No. 235 of 2024 stands **disposed of**.

Sd/-
Charanjeet Singh Gulati
Member (Technical)
/Ziyaul/

Sd/-
Mohan Prasad Tiwari
Member (Judicial)

Certified True Copy 13/10/2025
Date of Application 13/10/2025
Number of Pages 55
Fee Paid Rs. 275/-
Applicant called for collection copy on 17/10/2025
Copy prepared on 17/10/2025
Copy Issued on 17/10/2025

R. H. Patel
Assistant Registrar
National Company Law Tribunal Mumbai Bench



Annexure:- A

COMPOSITE SCHEME OF ARRANGEMENT
BETWEEN

Allcargo Logistics Limited
(Demerged Company/Transferee Company 2)

AND

Allcargo Supply Chain Private Limited
(Transferor Company 1)

AND

Gati Express & Supply Chain Private Limited
(Transferor Company 2)

AND

Allcargo Gati Limited
(Transferee Company 1/ Transferor Company 3)

AND

Allcargo ECU Limited
(Resulting Company)

AND

THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 230 TO 232 READ
WITH OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

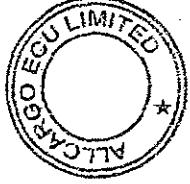
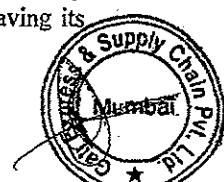
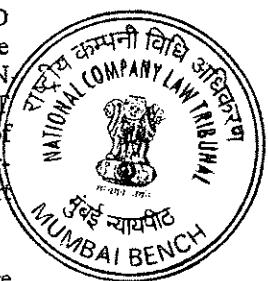
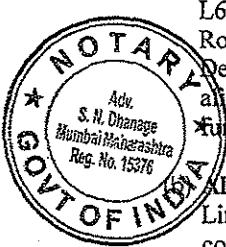
OVERVIEW, OBJECTS AND BENEFITS OF THE SCHEME

A. Description of Companies

(a) Allcargo Logistics Limited (hereinafter referred to as the "Demerged Company", with respect to Section B of the Scheme, and "Transferee Company 2", with respect to Section D of the Scheme) is a listed public limited company incorporated on August 18, 1993 under the Companies Act, 1956 and validly existing under the Companies Act, 2013, with CIN L63010MH2004PLC073508 having its registered office at 6th Floor, Allcargo 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 international supply chain, related logistics businesses, and other support functions, as specified in its Memorandum of Association.

Allcargo Supply Chain Private Limited (formerly known as Avvashya Supply Chain Private Limited and hereinafter referred to as the "Transferor Company 1") is a private limited company incorporated on February 28, 2008, under the Companies Act, 1956 and validly existing under the Companies Act, 2013, with CIN U45200MH2008PTC179557, having its

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registered office at 6th Floor, Allcargo House, CST Road, Kalina Santacruz (East), Mumbai-400098, Maharashtra, India. The Transferor Company 2 is engaged inter-alia in the business of contract logistics and warehousing services, as specified in its Memorandum of Association.

(c) **Gati Express & Supply Chain Private Limited** (formerly known as Gati-Kintestu Express Private Limited and hereinafter referred to as the "Transferor Company 2") is a private limited company incorporated on November 14, 2007, under the Companies Act, 1956 and validly existing under the Companies Act, 2013, with CIN U62200MH2007PTC390900 having its registered office at 4th Floor, A Wing, Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai-400098, Maharashtra, India. The Transferor Company 2 is engaged inter-alia in the business of express distribution and supply chain, as specified in its Memorandum of Association.

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(d) **Allcargo Gati Limited** (formerly known as Gati Limited), hereinafter referred to as the "Transferee Company 1", with respect to Section C of the Scheme, and "Transferor Company 3", with respect to Section D of the Scheme) is a listed public limited company incorporated on April 25, 1995 under the Companies Act, 1956 and validly existing under the Companies Act, 2013, with CIN L63011TG1995PLC020121, having its registered office at Western Pearl, 4th Floor, Survey No. 13(p), Kondapur, Hyderabad, Rangareddi, Telangana - 500084. The Transferee Company 1 is in the process shifting its registered office to Mumbai and the application is currently pending for final approval with Registrar of Companies, Mumbai. This process is expected to be completed prior to filing of the Scheme with NCLT. The Transferee Company 1 is engaged inter-alia in the business of domestic express and supply chain logistics as specified in its Memorandum of Association.

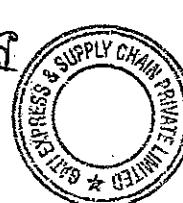
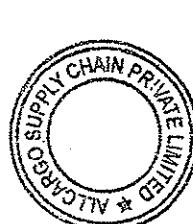
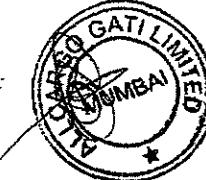
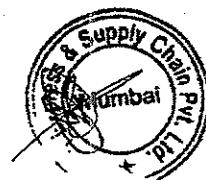
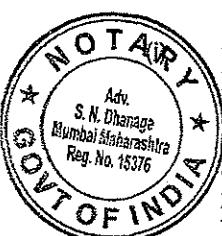
(e) **Allcargo ECU Limited** (hereinafter referred to as the "Resulting Company") is a public limited company incorporated on August 20, 2023 under the Companies Act, 2013 with CIN U52220MH2023PLC408966 and having its registered office at 6th Floor, Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai 400098, Maharashtra, India. The Resulting Company is engaged inter-alia in the business of logistics services, as specified in its Memorandum of Association.

The Transferor Company 1 and Transferor Company 2 shall hereinafter collectively be referred to as "Transferor Companies".

B. Overview of the Composite Scheme of Arrangement

This Composite Scheme of Arrangement (hereinafter referred to as the "Scheme") provides for:

the transfer by way of demerger of the Demerged Undertaking (as defined hereinafter) of the Demerged Company to the Resulting Company, and the consequent issue of New Equity Shares of Resulting Company by Resulting Company to the shareholders of the Demerged Company ("Demerger"), 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 listing of the New Equity Shares of Resulting Company on the Stock Exchanges (as defined hereinafter) along with various other matters consequential or otherwise integrally connected therewith;



(ii) the transfer by way of amalgamation of Transferor Company 1 and Transferor Company 2 with and into the Transferee Company 1, and the consequent cancellation of equity shares of Transferor Company 2 held by the Transferee Company 1, and of Transferor Company 1 and Transferor Company 2 held by the Demerged Company ("Amalgamation 1"), 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(1B) of IT Act; and issue of New Equity Shares of the Transferee Company 1, by the Transferee Company 1 to the shareholders of Transferor Companies.

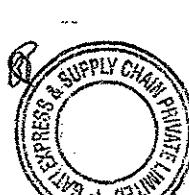
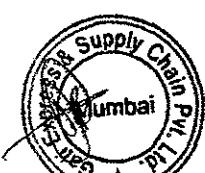
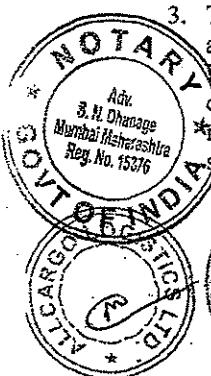
(iii) the transfer by way of amalgamation of Transferor Company 3 with and into the Transferee Company 2, and the consequent cancellation of equity shares of Transferor Company 3 held by the Transferee Company 2 ("Amalgamation 2"), pursuant to Section 230 to 232 and other relevant provisions of the Act (as defined hereinafter) in the manner provided for in the Scheme and in compliance with Section 2(1B) of IT Act; and issue of New Equity Shares of the Transferee Company 2, by the Transferee Company 2 to the shareholders of Transferor Company 3.

After the effectiveness of this Scheme, the Share Capital of (i) Resulting Company consisting of the fully paid up New Equity Shares of Resulting Company issued as consideration in terms of Section B of this Scheme, to the shareholders of Demerged Company, and (ii) Transferee Company 2 consisting of the fully paid-up New Equity Shares of Transferee Company 2 issued as consideration in terms of Section D of this Scheme to the shareholders of Transferor Company 3; each shall be listed on the Stock Exchanges in accordance with the provisions of SEBI Master Circular No. SEBI/HO/CFD/POD-2 /P/CIR/ 2023/93 dated June 20, 2023, as amended from time to time.

C. Rationale and Benefits of this Scheme

This Composite Scheme of Arrangement results in the following benefits:

1. The Demerged Company is presently engaged, directly, & indirectly through subsidiaries, in the International Supply Chain Business as well as Express Logistics and Contract Logistics businesses through the Transferee Company 1, Transferor Company 1 and Transferor Company 2. These businesses are distinct, with different business models, industry dynamics and have unique financial and management requirements. The purpose of this Scheme is to make these businesses achieve strategic independence and financial flexibility.
2. Section B of the Scheme (relating to Demerger of the International Supply Chain Business) would enable creation of an independent company focusing on the International Supply Chain Business (in the Resulting Company).
3. The businesses of Transferee Company 1, Transferor Company 1 and Transferor Company 2 are complementary in nature, with similar strategies, target markets, growth opportunities, industry dynamics, competition, risks, and challenges. Due to close synergies between these companies, these businesses would benefit from a unified management structure. Due to legacy reasons, these businesses are undertaken by different entities and have different ownership structure. Section C of the Scheme (relating to Amalgamation 1) would bring all these



synergistic businesses under one entity focusing on Express Logistics and Contract Logistics businesses (in Transferee Company 1).

4. This Scheme will result in simplification of the corporate structure and reducing the number of legal entities. The International Supply Chain Business will be undertaken by the Resulting Company, which will be directly owned by the shareholders. Pursuant to the Amalgamation 1 and Amalgamation 2, the Express Logistics and Contract Logistics Businesses will be undertaken by the Transferee Company 2, which will be directly owned by the shareholders.
5. This will lead to focused and efficient management control, independent growth plans, financial independence, streamlining operations, and optimising costs.
6. The Resulting Company and Transferee Company 2 will be able to attract investors with specific knowledge, expertise and risk appetite corresponding to the business in the respective entities. Thus, each entity will have like-minded investors, thereby providing the necessary funding impetus to long-term growth strategies of each of the businesses.
7. The existing equity shares of the Transferor Company 3 and Transferee Company 2 are already listed on BSE and NSE. Pursuant to the Scheme, the New Equity Shares of the Resulting Company will be issued to shareholders of Demerged Company. The Scheme will also result in New Equity Shares of the Transferee Company 2 to be issued to shareholders of Transferor Company 3. These new equity shares will be listed on BSE and NSE. This Scheme will unlock value for shareholders.

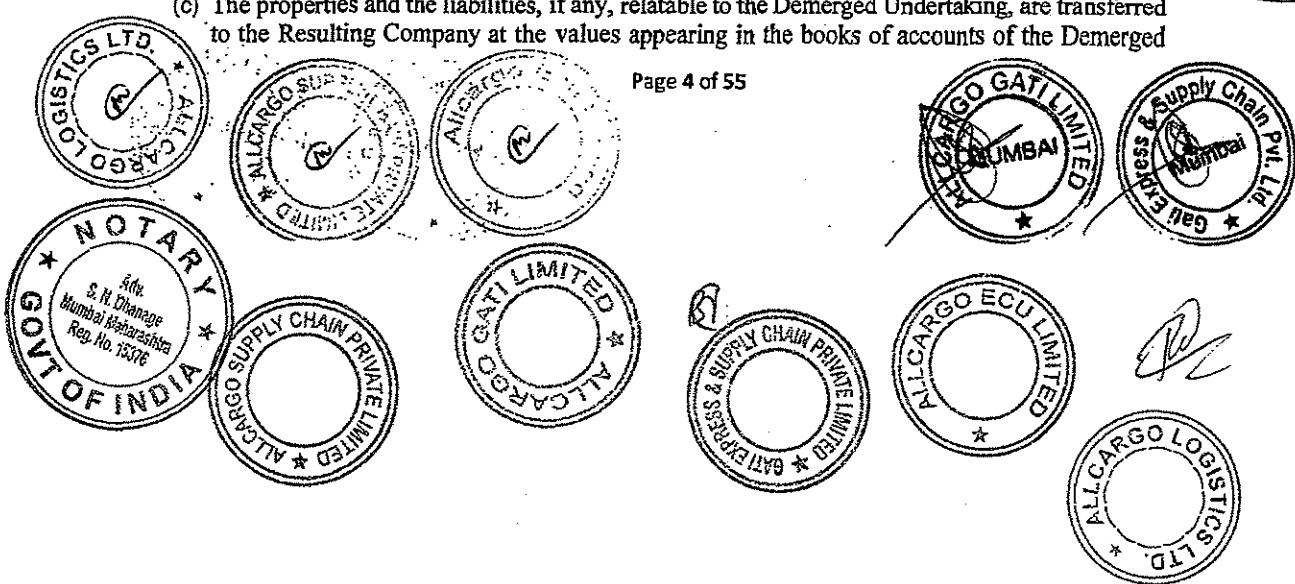
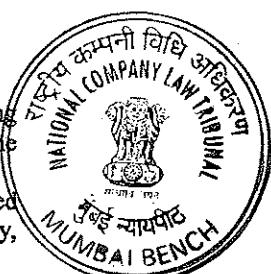
The Board of Directors of the Demerged Company, Resulting Company, Transferor Companies and Transferor Company 3 believe that the Scheme is in the best interests of the respective entities / stakeholders including its shareholders.

D. Treatment of the Scheme for the purposes of the IT Act

The restructuring as embodied in this Scheme is intended to provide greater business focus both in the Transferee Company 2 and Resulting Company. The provisions of this Scheme have been drawn up to comply with the conditions under sections 2(1B) and 2(19AA) of the IT Act. 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 IT Act shall prevail, and the Scheme shall stand modified to the extent determined necessary to comply with sections 2(1B) and 2(19AA) of the IT Act. Such modifications will however not affect the other parts of the Scheme, such that:

(i) With respect to the Demerger

- (a) All the assets and properties of the Demerged Undertaking (as defined hereinafter) being transferred/hived off by the Demerged Company immediately before the Demerger, become the properties of the Resulting Company, by virtue of the Demerger;
- (b) All the liabilities relatable to the Demerged Undertaking, being transferred by the Demerged Company immediately before the Demerger, become the liabilities of the Resulting Company, by virtue of the Demerger;
- (c) The properties and the liabilities, if any, relatable to the Demerged Undertaking, are transferred to the Resulting Company at the values appearing in the books of accounts of the Demerged



Company immediately before the Demerger; unless a different values is required to be recorded by virtue of the rules prescribed under the Indian Accounting Standard ("Ind-AS"), as set out in Clause 5.17 of this Scheme;

- (d) 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 Company or their respective subsidiaries) shall become shareholders of the Resulting Company by virtue of the Demerger.
- (e) The transfer of the Demerged Undertaking will be on a going concern basis;

(ii) With respect to the Amalgamation

- (a) All the assets and properties of the Transferor Companies immediately before Amalgamation 1, become the assets and properties of the Transferee Company 1, by virtue of Amalgamation 1;
- (b) All the liabilities of the Transferor Companies immediately before Amalgamation 1, become the liabilities of the Transferee Company 1, by virtue of Amalgamation 1;
- (c) The shareholders holding not less than three-fourths in value of the shares in the Transferor Companies (other than shares already held therein immediately before Amalgamation 1 by, or by a nominee for, the Transferee Company 1 or their respective subsidiaries) shall become shareholders of the Transferee Company 1 by virtue of Amalgamation 1.

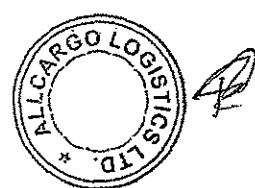
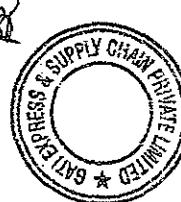
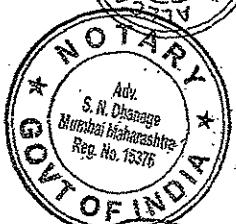
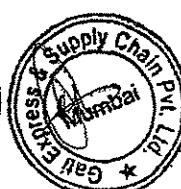
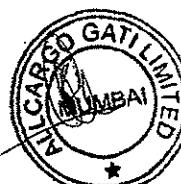
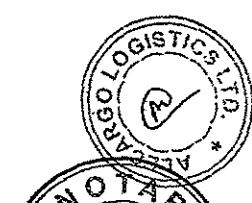
(iii) With respect to the Amalgamation 2

- (a) All the assets and properties of the Transferor Company 3 immediately before Amalgamation 2, become the assets and properties of the Transferee Company 2, by virtue of Amalgamation 2;
- (b) All the liabilities of the Transferor Company 3 immediately before Amalgamation 2, become the liabilities of the Transferee Company 2, by virtue of Amalgamation 2;
- (c) The shareholders holding not less than three-fourths in value of the shares in the Transferor Company 3 (other than shares already held therein immediately before Amalgamation 2 by, or by a nominee for, the Transferee Company 2 or their respective subsidiaries) shall become shareholders of the Transferee Company 2 by virtue of Amalgamation 2.

E. Sections of the Scheme & Sequence of Effectiveness

Accordingly, this Scheme is divided into five sections, as follows:

- (a) Section A: Definitions and Terms of the Scheme.
- (b) Section B: Demerger of the Demerged Undertaking, on a going concern basis.
- (c) Section C: Amalgamation of Transferor Company 1 and Transferor Company 2 with Transferee Company 1.
- (d) Section D: Amalgamation of Transferor Company 3 with Transferee Company 2.
- (e) Section E: Other provisions, including the General Terms and Conditions.



Section A – Definition and Terms of the Scheme

1. DEFINITIONS

In this Scheme, the following words and expressions, unless inconsistent with the context, shall bear the meanings assigned hereto. Any term not specifically defined hereunder but used elsewhere in the Scheme shall have the meaning as ascribed to such term under the relevant section or paragraph in which it is used.

- 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.
- 1.2. “Amalgamation 1” means the transfer by way of amalgamation of Transferor Company 1 and Transferor Company 2 with and into the Transferee Company 1, and the consequent cancellation of equity shares of Transferor Company 2 held by the Transferee Company 1, and of Transferor Company 1 and Transferor Company 2 held by the Demerged Company (“Amalgamation 1”), 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(1B) of IT Act; and issue of New Equity Shares of the Transferee Company 1, by the Transferee Company 1 to the shareholders of Transferor Companies.
- 1.3. “Amalgamation 2” means the transfer by way of amalgamation of Transferor Company 3 with and into the Transferee Company 2, and the consequent cancellation of equity shares of Transferor Company 3 held by the Transferee Company 2 (“Amalgamation 2”), 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(1B) of IT Act; and issue of New Equity Shares of the Transferee Company 2, by the Transferee Company 2 to the shareholders of Transferor Company 3.
- 1.4. “Amalgamation” means Amalgamation 1 and Amalgamation 2.
- 1.5. “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.
- 1.6. “Appointed Date 1” means the 1st day of October, 2023, with respect to the Demerger and Amalgamation 1.
- 1.7. “Appointed Date 2” means the Effective Date, with respect to Amalgamation 2.
- 1.8. “Board of Directors” or “Board” means and includes the respective boards of directors of Demerged Company, Transferor Companies, Transferee Company and Resulting Company or any committee constituted by such board of directors.



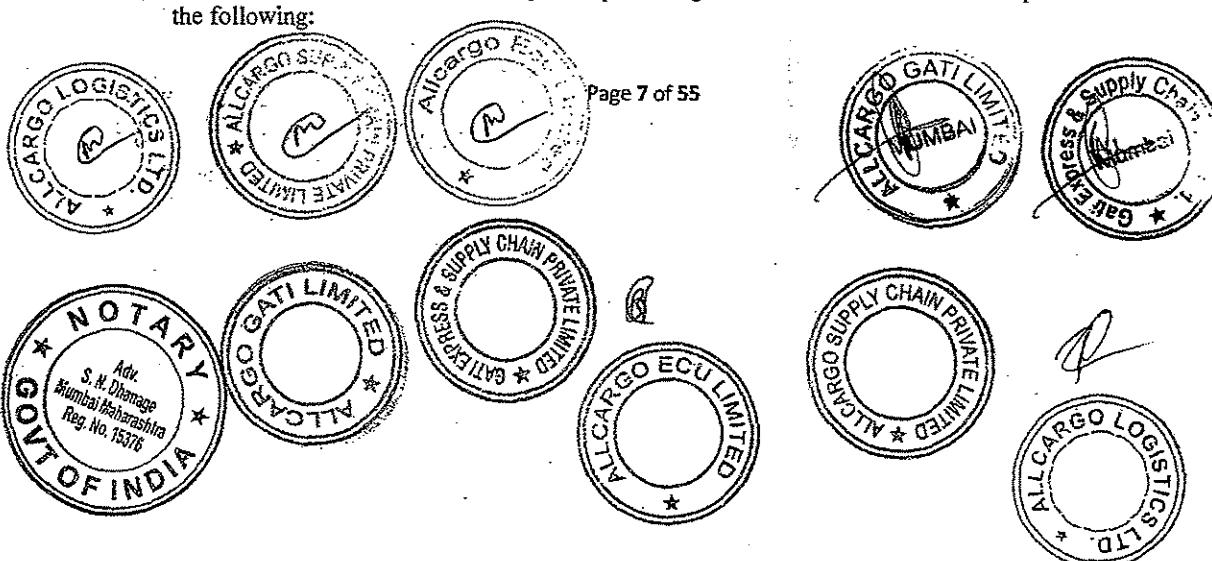
1.9. "BSE" means BSE Limited.

1.10. "CIN" means Company Identification Number.

1.11. "Copyrights" means rights associated with works of authorship, including exclusive exploitation rights, copyrights, moral rights and all registrations and applications therefor and all extensions, restorations, and renewals thereof.

1.12. "Demerged Undertaking" means the business of International Supply Chain / Multimodal Transport business (ISC / MTO) of Demerged Company ("Business Division") related logistics businesses, and other support functions, on a going concern basis, and shall include (without limitation):

- a) all assets wherever situated, whether movable or immovable, tangible or intangible, Intellectual Property Rights, 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;
- b) Without limiting the generality of the aforesaid, including some common assets pertaining to Demerged Company but not specifically relatable to Business Division and as more particularly listed in Schedule A hereto;
- c) all other permissions, rights (including rights under any contracts or agreements or memorandum of understanding, government contracts, etc.), entitlements, copyrights, patents, royalties, and other designs, trade secrets, or Intellectual Property Rights of the Business Division of any nature and all other interest exclusively relating to the services/ products being dealt with by the Business Division; and all trademarks, trade names, domain names owned by Demerged Company;
- d) all deposits, advances and or moneys paid or received by Demerged Company in connection with or pertaining or relatable to the Business Division, all statutory licenses and/or permissions to carry on the operations of the Business Division 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, 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;
- e) all shares and securities held by the Demerged Company in relation to Business Division, including shares held in any and all subsidiaries of the Demerged Company engaged in the Business Division;
- f) all debts, liabilities, duties, and obligations pertaining to the Business Division and in particular the following:



(i) The liabilities, which arise out of the activities or operations of the Business Division;

(ii) Specific loans and borrowings raised, incurred and utilized for the activities or operations of the Business Division;

(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 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;

g) 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;

h) 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;

i) All permanent and/or temporary employees of Demerged Company substantially engaged in the Business Division and such other permanent and/or temporary employees that are determined by the Board of Directors of the Demerged Company;

j) 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, excluding those related to the Remaining Business;

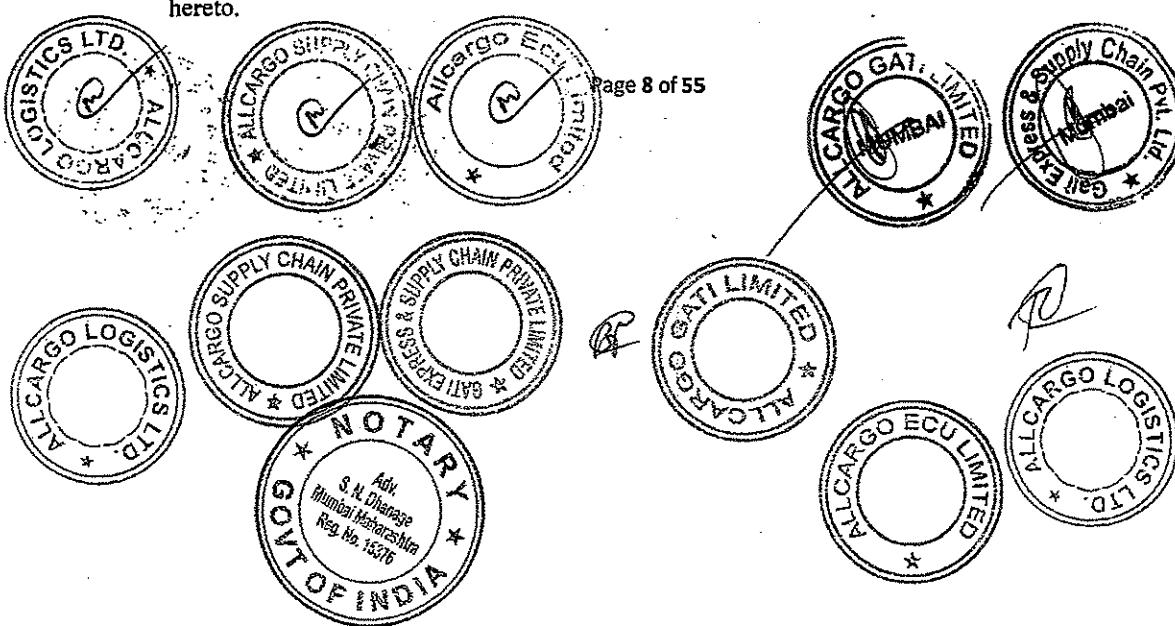
k) All insurance policies related to the Business Division;

l) 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;

m) 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 1 on discharging liabilities pertaining to Business Division);

Any question that may arise as to whether a specified asset or liability pertains to Business Division or whether it arises out of the activities or operations of the Business Division shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company.

The broad list of assets, liabilities and intangibles including Intellectual Property Rights, as agreed upon between Demerged Company and Resulting Company is enclosed in Annexure A hereto.



1.13. "Demerger" means the transfer by way of demerger of the Demerged Undertaking to the Resulting Company, and the consequent issue of equity shares by the Resulting Company 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.

1.14. "Effective Date" means the date on which all the conditions and matters in relation to the Scheme referred to in clause 40 of this Scheme have been fulfilled.

1.15. "ESAR 2021" shall mean GATI – Employees Stock Appreciation Rights Plan, 2021 as approved by the Board of Directors of the Transferor Company 3 and its shareholders as per the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time.

1.16. "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.

1.17. "Intellectual Property" shall mean all intellectual property and other proprietary rights of any kind or nature, in India or outside India, whether registered or unregistered, whether protected, created or arising under any Law, including but not limited to the following: (i) patent rights, (ii) industrial design rights, and all registrations thereof, applications therefor and renewals and extensions of the foregoing, (iii) Marks, (iv) Copyrights, (v) Know-How and Other Information, all other intellectual property and proprietary rights, (vii) all tangible embodiments of any of the foregoing and (viii) all rights, benefits, and priorities afforded under Applicable Law with respect to any of the foregoing.

1.18. "Intellectual Property Rights" shall mean all rights arising out of or in relation to the Intellectual Property.

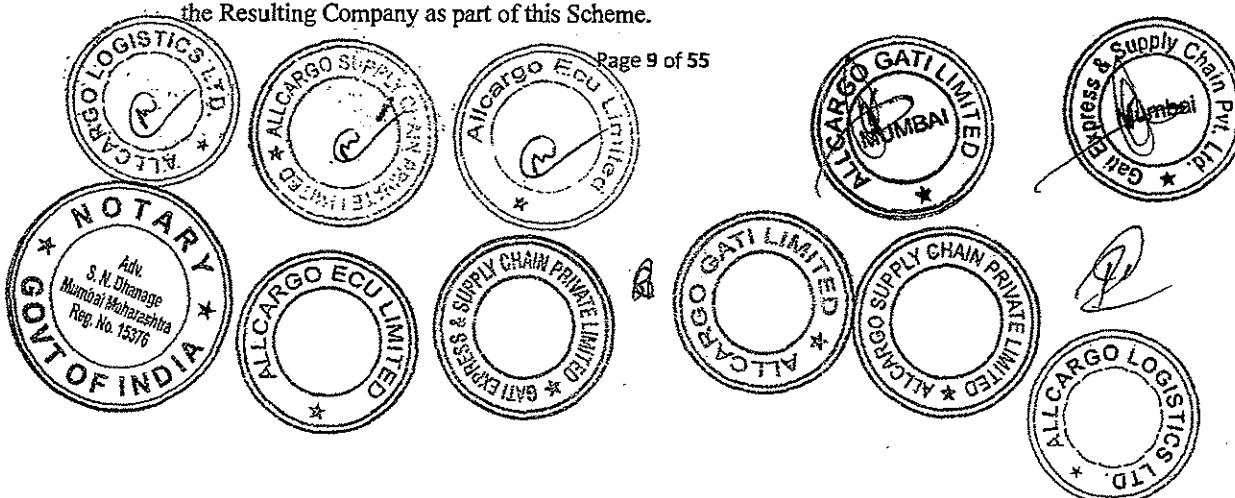
1.19. "Know-How and Other Information" means information, know-how, inventions, discoveries, compositions, formulations, formulas, practices, procedures, processes, methods, knowledge, trade secrets, technology, techniques, designs, drawings, correspondence, business models, franchisee data, computer programs, Software documents, apparatus, results, strategies, regulatory documentation and submissions, and information pertaining to, or made in association with, filings with any Governmental Authority, filings with any trademark, copyright or patent office, data, in written, electronic, oral or other tangible or intangible form, whether or not patentable; non-registered trademarks.

1.20. "Marks" means all trademarks, trade names, trade dress, service marks, service names, logos, corporate names, product configuration rights, business symbols, brand names, certification marks, or domain names, and other indications of origin, whether registered or unregistered, and all registrations and applications therefor and all renewals of any of the foregoing, together with the goodwill associated with the foregoing.

1.21. "NCLT" means the National Company Law Tribunal, Mumbai Bench.

1.22. "NSE" means National Stock Exchange of India Limited.

1.23. "Remaining Business" means all other businesses, divisions, assets and liabilities of the Demerged Company that shall remain with the Demerged Company which is not transferred to the Resulting Company as part of this Scheme.



1.24. "Rupees" or "Rs." or "INR" or "₹" means the lawful currency of India.

1.25. "Record Date 1" shall mean in relation to Demerger and Amalgamation 1, such date to be fixed by the Board of Directors of Demerged Company (in the context of Demerger)/ Transferee Company 1 (in the context of Amalgamation 1) 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 (in case of Demerger) and members of Transferor Company 1 and Transferor Company 2 to whom the shares of Transferee Company 1 (in case of Amalgamation 1) will be allotted pursuant to this Scheme.

1.26. "Record Date 2" shall mean in relation to Amalgamation 2, such date to be fixed by the Board of Directors of Transferee Company 2 or a committee thereof/person duly authorized by the Board of Directors, after the Effective Date, for the purpose of determining the members of Transferor Company 3 to whom the shares of Transferee Company 2 will be allotted pursuant to this Scheme.

1.27. "Scheme" means this composite scheme of arrangement among Demerged Company/Transferee Company 2, the Resulting Company, Transferor Companies, Transferee Company 1/ Transferor Company 3, and their respective shareholders pursuant to the provisions of sections 230 to 232 of the Companies Act, and other applicable provisions of the Act, as the case may be, in its present form or with any modification(s) made under clause 39 of the Scheme, and/ or as approved or directed by the NCLT.

1.28. "SEBI" means the Securities and Exchange Board of India.

1.29. "SEBI Circular" means Master Circular No. SEBI/HO/CFD/POD-2 /P/CIR/ 2023/93 dated June 20, 2023 (as amended from time to time), or any other circulars issued by SEBI applicable to schemes of arrangement from time to time.

1.30. "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.

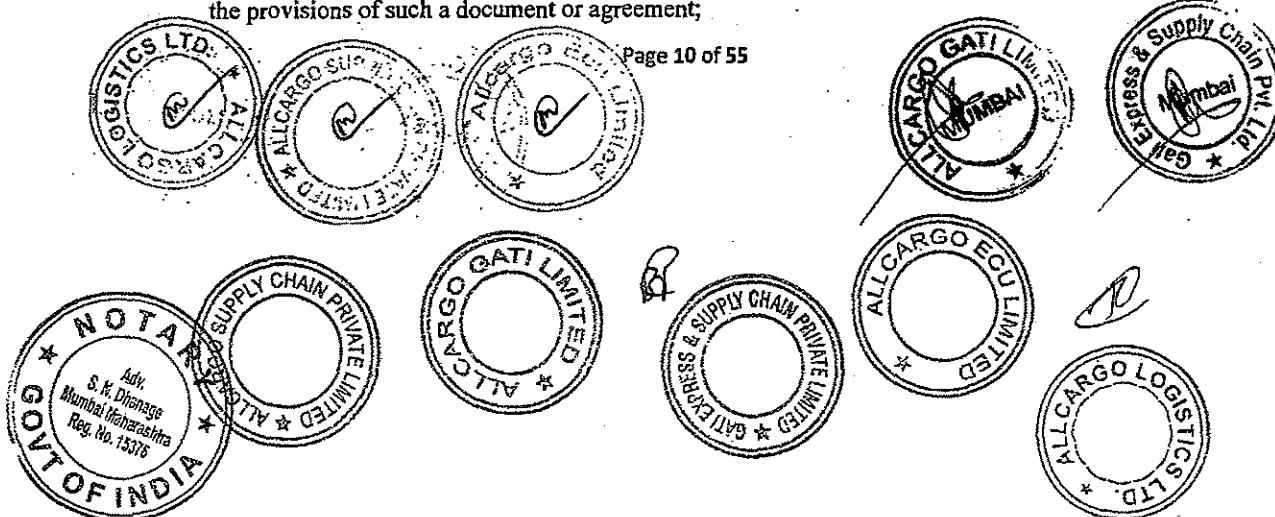
1.31. "Stock Exchanges" means the BSE and NSE.

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:

- the words "including", "include" or "includes" shall be interpreted in a manner as though the words "without limitation" immediately followed the same;
- 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

Different parts of the Scheme shall come into operation from the Appointed Date 1 and Appointed 2 respectively, though it shall be effective from the Effective Date.

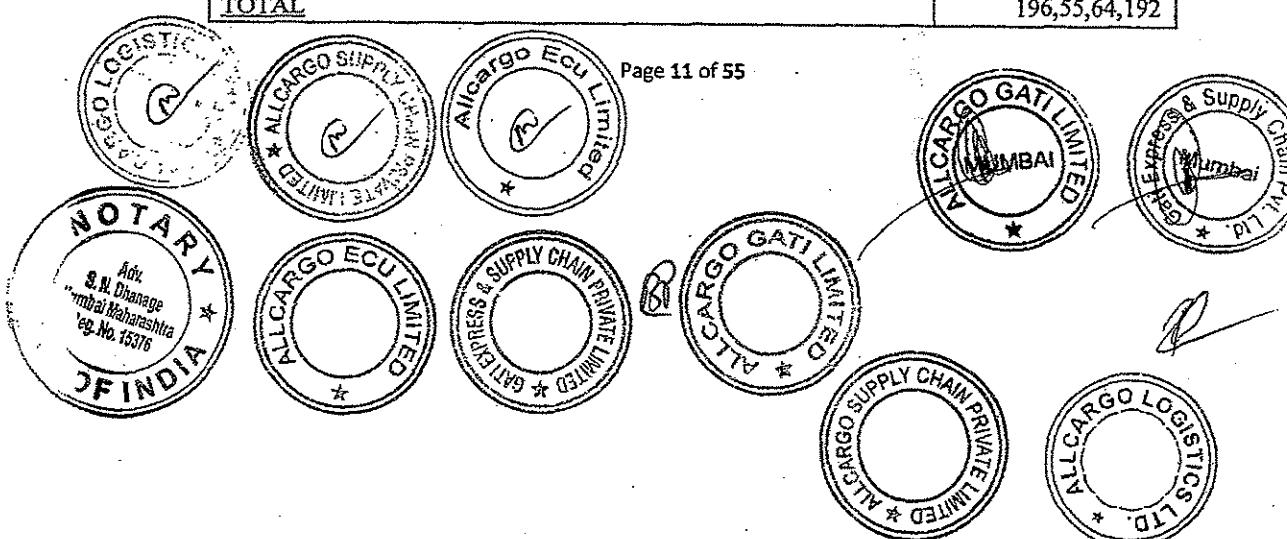
4. SHARE CAPITAL

4.1 The authorized, issued, subscribed and paid-up capital of the Demerged Company as on November 30, 2023 is as follows:

PARTICULARS	AMOUNT (Rs.)
AUTHORIZED CAPITAL	
29,47,25,000 Equity Shares of Rs 2/- each	58,94,50,000
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
	64,40,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	
24,56,95,524 Equity Shares of Rs 2/- each fully paid up	49,13,91,048
TOTAL	49,13,91,048

The Board of Directors & shareholders of the Demerged Company have approved the increase in the authorised share capital of the Demerged Company and issuance of bonus shares to its existing shareholders. After considering this, the authorized, issued, subscribed and paid-up capital of the Demerged Company, post the issuance of bonus shares will be as follows:

PARTICULARS	Post Bonus Issue Amount (Rs.)
AUTHORIZED CAPITAL	
100,00,00,000 Equity Shares of Rs 2/- each	200,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	
98,27,82,096 Equity Shares of Rs 2/- each fully paid up	196,55,64,192
TOTAL	196,55,64,192



4.2 The authorized, issued, subscribed and paid-up capital of the Transferor Company 1 as on November 30, 2023 is as follows:

PARTICULARS	AMOUNT (Rs.)
AUTHORIZED CAPITAL	
23,00,00,000 Equity Shares of Rs 10/- each	2,30,00,00,000
2,00,00,000 Redeemable Preference shares of Rs 10/- each	20,00,00,000
TOTAL	2,50,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	
22,91,57,113 Equity Shares of Rs 10/- each fully paid up	2,29,15,71,130
1,97,28,682 Optionally Convertible Redeemable Preference Shares of Rs.10/- each fully paid up	19,72,86,820
TOTAL	2,48,88,57,950

After November 30, 2023, there has been no change in the authorized, issued, subscribed and paid-up share capital of Transferor Company 1.

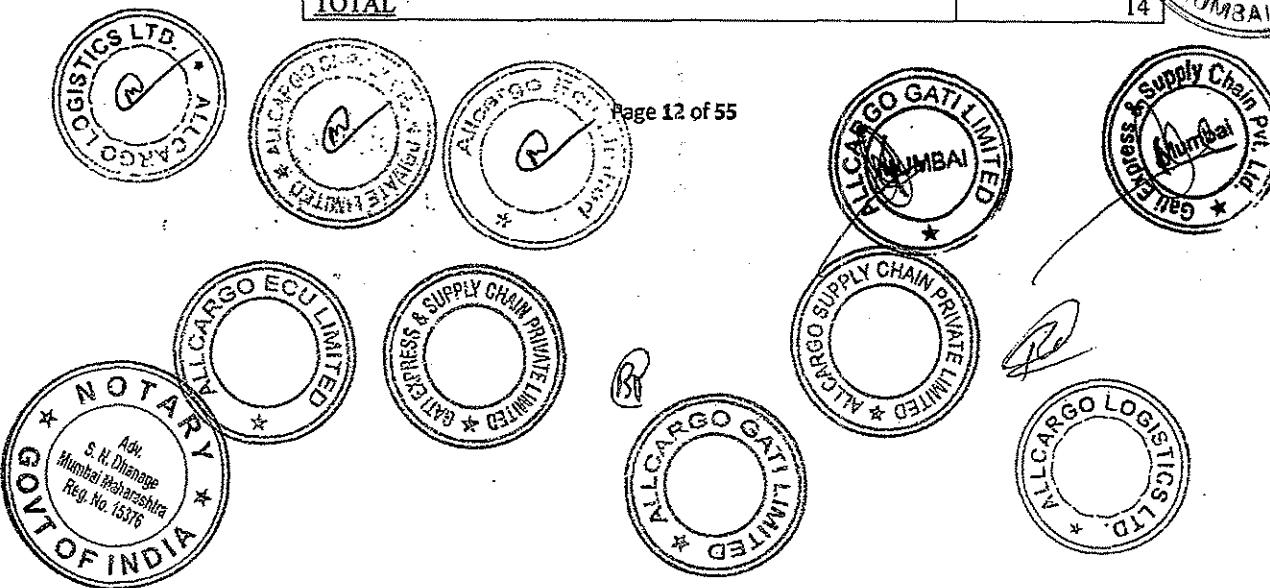
4.3 The authorized, issued, subscribed and paid-up capital of the Transferor Company 2 as on November 30, 2023 is as follows:

PARTICULARS	AMOUNT (Rs.)
AUTHORIZED CAPITAL	
7,50,000 Equity Shares of Rs 10/- each	75,00,000
TOTAL	75,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	
5,00,000 Equity Shares of Rs 10/- each fully paid up	50,00,000
TOTAL	50,00,000

After November 30, 2023, there has been no change in the authorized, issued, subscribed and paid-up share capital of Transferor Company 2.

4.4 The authorized, issued, subscribed and paid-up capital of the Resulting Company as on November 30, 2023 is as follows:

PARTICULARS	AMOUNT (Rs.)
AUTHORIZED CAPITAL	
50,000 Equity Shares of Rs 2/- each	1,00,000
TOTAL	1,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	
7 Equity Shares of Rs 2/- each fully paid up	14
TOTAL	14



After November 30, 2023, there has been no change in the authorized, issued, subscribed and paid-up share capital of Resulting Company.

4.5 The authorized, issued, subscribed and paid-up capital of the Transferee Company 1 as on November 30, 2023 is as follows:

PARTICULARS	AMOUNT (Rs.)
<u>AUTHORIZED CAPITAL</u>	
17,50,00,000 Equity Shares of Rs 2/- each	35,00,00,000
<u>TOTAL</u>	35,00,00,000
<u>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</u>	
13,02,37,337 Equity Shares of Rs 2/- each fully paid up	26,04,74,674
<u>TOTAL</u>	26,04,74,674

After November 30, 2023, there has been no change in the authorized, issued, subscribed and paid-up share capital of Transferee Company 1.

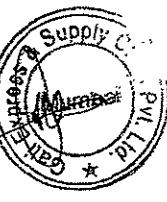
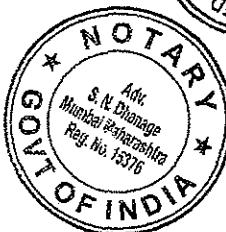
As on November 30, 2023, Transferee Company 1 has granted 40,55,000 Employee Stock Appreciation Rights under ESAR 2021 to the eligible beneficiaries of ESAR 2021.

4.6 The issued, subscribed and paid-up capital of Transferor Company 1, Transferor Company 2, and Transferee Company 1 are held by Demerged Company/ Transferee Company 2, as on November 30, 2023, as follows:

Entity	Shareholding Percentage
Transferor Company 1	100.00%
Transferor Company 2	30.00%
Transferee Company 1	50.16%

4.7 The issued, subscribed and paid-up capital of Transferor Company 2, is held by Transferee Company 1, as on November 30, 2023, as follows:

Entity	Shareholding Percentage
Transferor Company 2	70%



SECTION B: DEMERGER OF BUSINESS DIVISION

5. TRANSFER AND VESTING OF DEMERGED UNDERTAKINGS

5.1 Upon the coming into effect of the Scheme, with effect from the Appointed Date 1, and prior to Section D of the Scheme being deemed to have taken effect, the Demerged Undertaking shall, in accordance with Section 2(19AA) of the IT Act, 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 on the Appointed Date 1, on a going concern basis, so as to vest in the Resulting Company all the rights, title, interest or obligations of the Demerged Company therein.

5.2 It is hereby clarified that notwithstanding anything stated herein, the Demerged Company shall not transfer the Remaining Business (in whole or in part) to the Resulting Company and the same shall continue in the Demerged Company.

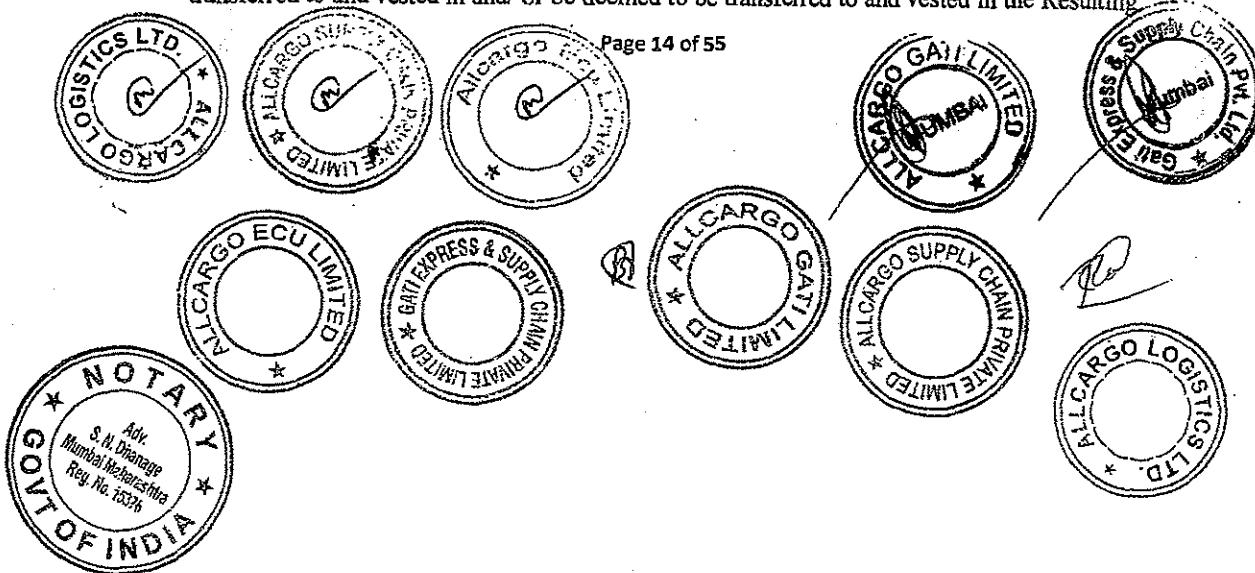
5.3 The Demerged Company and the Resulting Company, if required, shall enter into transitional arrangement and shall be deemed to be authorized to execute any such arrangements and to carry out or perform all such formalities or compliances as may be deemed proper and necessary for effecting the transfer and vesting of the properties of the Demerged Undertaking, with the Resulting Company.

5.4 All assets (including fixed assets, intangible assets, current assets, cash and bank balances etc.) acquired by Demerged Company after the Appointed Date 1 and prior to the Effective Date for operation of the Demerged Undertaking or pertaining to the Demerged Undertaking shall be deemed to have been acquired for and on behalf of the Resulting Company.

5.5 In respect of such assets of the Demerged Undertaking 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 as an integral part of the Demerged Undertaking 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 Company within sixty days from the Effective Date.

5.6 In respect of movables of the Demerged Undertaking other than those specified in Clause 5.5 above, which are to be transferred to the Resulting Company, 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 Company.

5.7 In respect of such of the assets of the Demerged Undertaking 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 1 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 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, (including "ECU" and "Allcargo" brand and rights of every kind and description, whether registered or unregistered or pending registration, and the goodwill arising therefrom, relatable to the Demerged Undertaking), and all other interests relating to the Demerged Undertaking, be transferred to and vested in the Resulting Company.

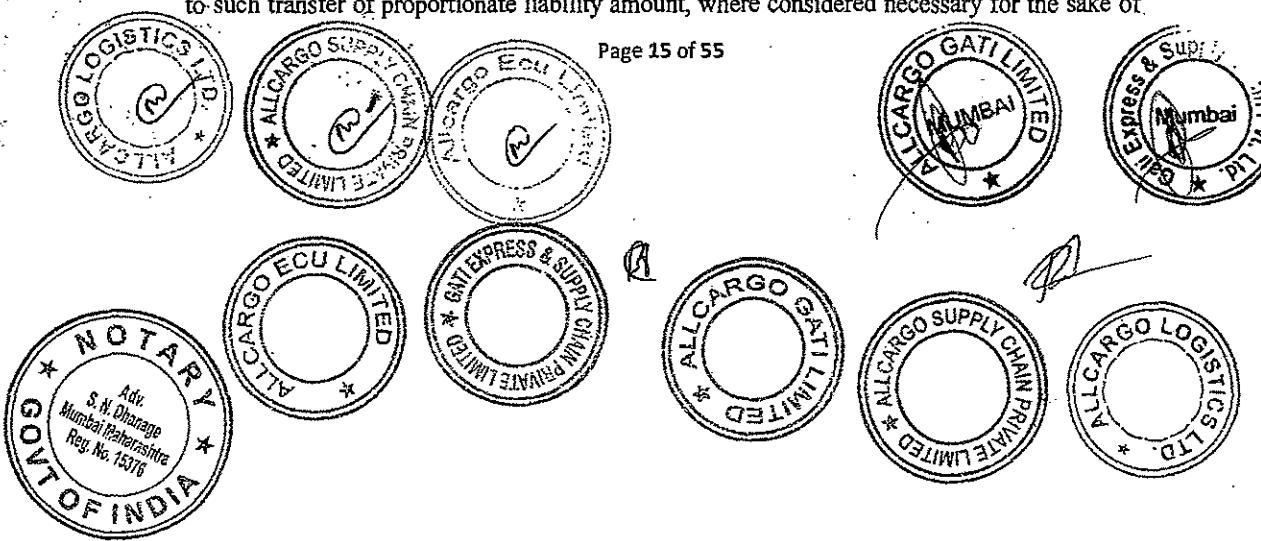
5.9 In so far as the various incentives, subsidies (including applications for subsidies), grants, special status and other benefits or privileges granted by any Government body, local authority or by any other person, enjoyed or availed of by the Demerged Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Demerged Undertaking, vest with and be available to the Resulting Company 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 1 and being a part of the Demerged Undertaking shall, without any further act or deed be and shall stand transferred to the Resulting Company, 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 as if it had entered into such loans or incurred such borrowings and the Resulting Company undertakes to meet, discharge and satisfy the same:

- (i) the liabilities which directly and specifically arose out of the activities or operations of the Demerged Undertaking,
- (ii) specific loans or borrowings raised, incurred, and utilized solely for the activities or operations of the 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 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 Undertaking after the Appointed Date 1 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 its liabilities and obligations.

5.12 Upon the coming into effect of this Scheme, the balances as on the Appointed Date 1, of general or multipurpose borrowings shall be transferred to and assumed by the Resulting Company 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 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 may discharge such liability (including accretions thereto) by making payments on the respective due dates to the Demerged Company (to the extent possible), which in turn shall make payments to the respective creditors.

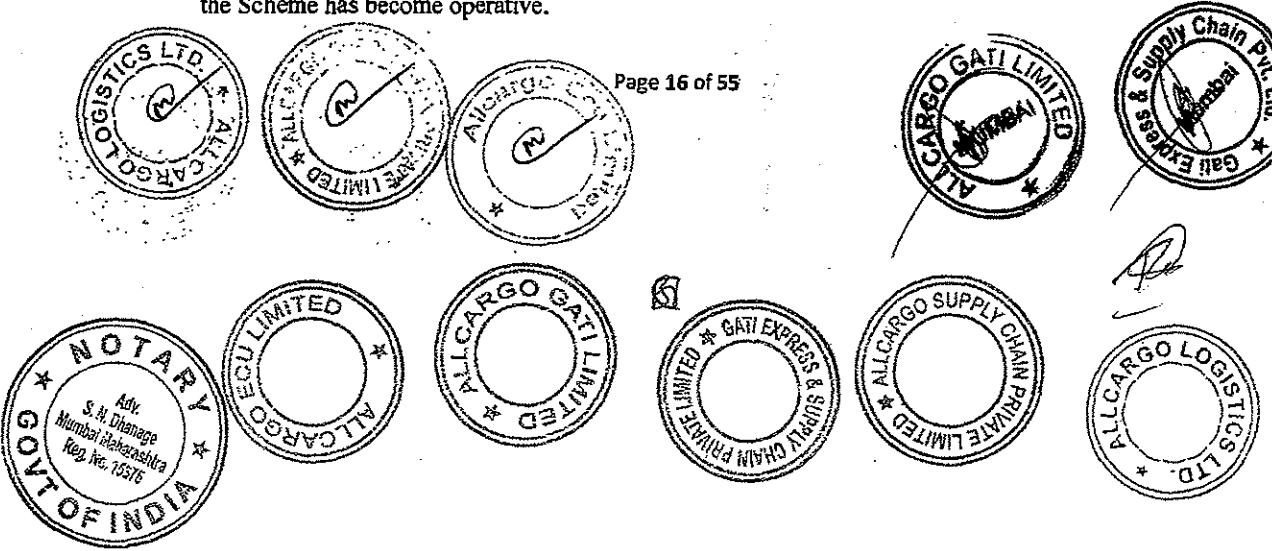
5.13 Upon coming into effect of this Scheme, in so far as the security in respect of the liabilities of the Demerged Company as on the Appointed Date I is concerned, it is hereby clarified that the Demerged Company and the Resulting Company shall, subject to confirmation by the concerned creditor(s), 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 Undertaking, shall be construed as reference only to the assets pertaining to the Demerged Undertaking as are vested in the Resulting Company 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 Resulting Company, save and except as may be otherwise agreed between the Demerged Company, the Resulting Company 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 Undertaking vested in the Resulting Company, 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) of and in respect of the assets of any other parties that are provided in respect of the borrowings of the Demerged Company (where such securities, charges and mortgages were created pursuant to Scheme of Arrangement and Demerger between Allcargo Logistics Limited, Allcargo Terminals Limited and TransIndia Real Estate Limited, as approved by the NCLT) to the extent it pertains to any loans or borrowings of the Demerged Undertaking, that are vested in the Resulting Company as a result of this Scheme, shall continue, and 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 Company 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 Company.

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 Company by virtue of the Demerger of the Demerged Undertaking into the Resulting Company and the Resulting Company 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 Company 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 Company pursuant to the Scheme, such limits being incremental to the existing limits of the Resulting Company, with effect from the Appointed Date 1.

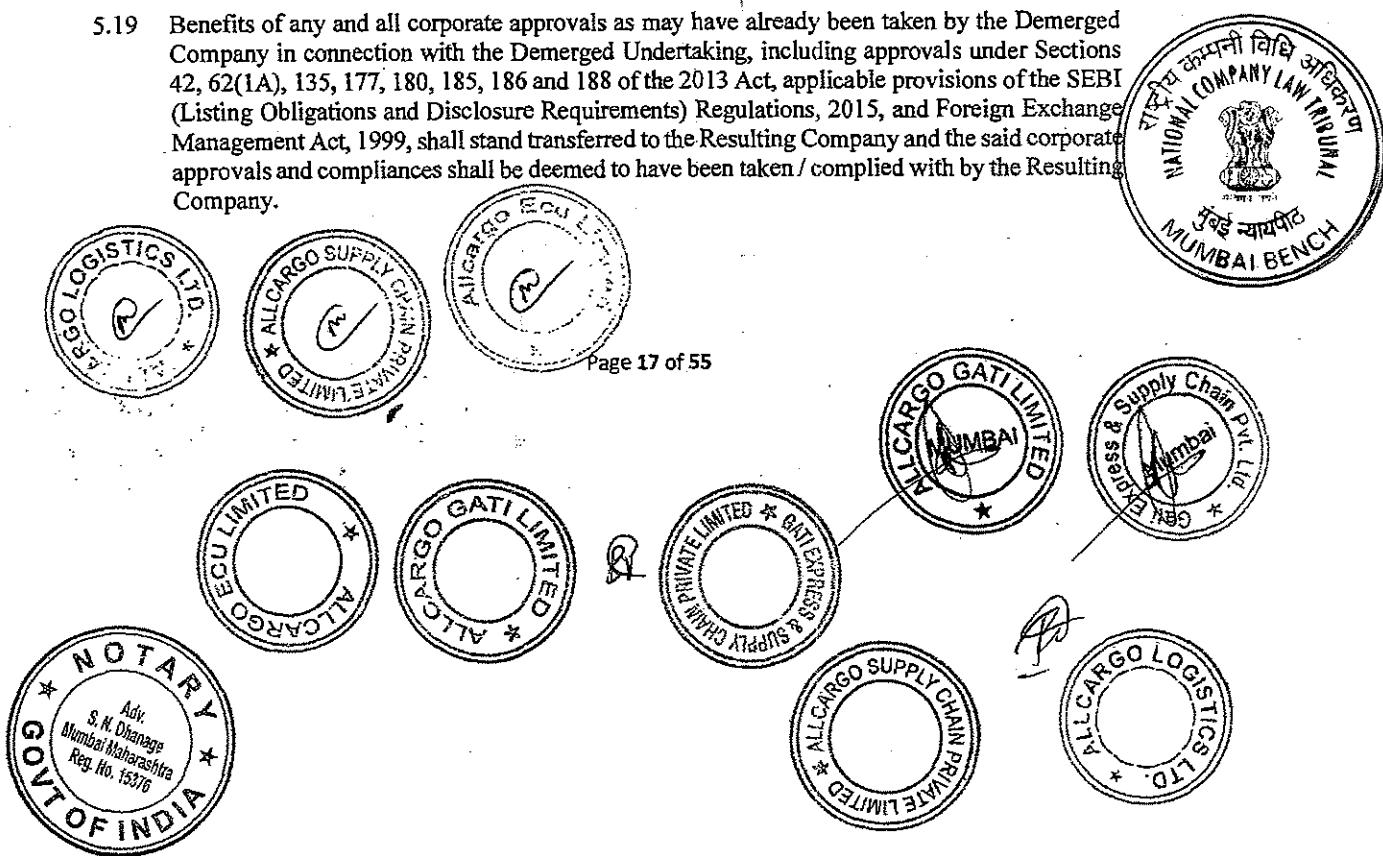
5.15 The provisions of this Clause insofar as they relate to the transfer of liabilities to the Resulting Company shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified 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 Undertaking shall be transferred at values appearing in the books of account of the Demerged Company as on the Appointed Date 1 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 1. For the avoidance of doubt it is hereby clarified that Resulting Company 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) after the Effective Date shall be accepted by the bankers of Resulting Company and credited to the account of Resulting Company, if presented by Resulting Company or received through electronic transfers. Similarly, the banker of Resulting Company shall honour all cheques / electronic fund transfer instructions issued by Resulting Company (in relation to the Business Division) for payment after the Effective Date. If required, the bankers of the Demerged Company and Resulting Company 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 Company for presentation and deposition of cheques, pay order and electronic transfers that have been issued/made in the name of Resulting Company.

5.19 Benefits of any and all corporate approvals as may have already been taken by the Demerged Company in connection with the Demerged Undertaking, including approvals under Sections 42, 62(1A), 135, 177, 180, 185, 186 and 188 of the 2013 Act, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Foreign Exchange Management Act, 1999, shall stand transferred to the Resulting Company and the said corporate approvals and compliances shall be deemed to have been taken / complied with by the Resulting Company.



6 LEGAL PROCEEDINGS

All legal or other proceedings of whatsoever nature by or against the Demerged Undertaking pending and / or arising on or after the Appointed Date 1 and relating to the Demerged Undertaking or its properties, assets, debts, liabilities, duties and obligations, shall be continued and / or enforced until the Effective Date by the Demerged Company (and the costs thereof to be reimbursed by the Resulting Company to Demerged Company) and as and from the Effective Date shall be continued and enforced by or against the Resulting Company 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 Company shall and may, if required, initiate any legal proceedings in its name in relation to the respective Demerged Undertaking 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 Undertaking) 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, as the case may be, and may be enforced by or against Resulting Company as fully and effectually as if, instead of the Demerged Company, Resulting Company had been a party thereto. The Resulting Company 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 (to the extent possible) 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 Company 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.

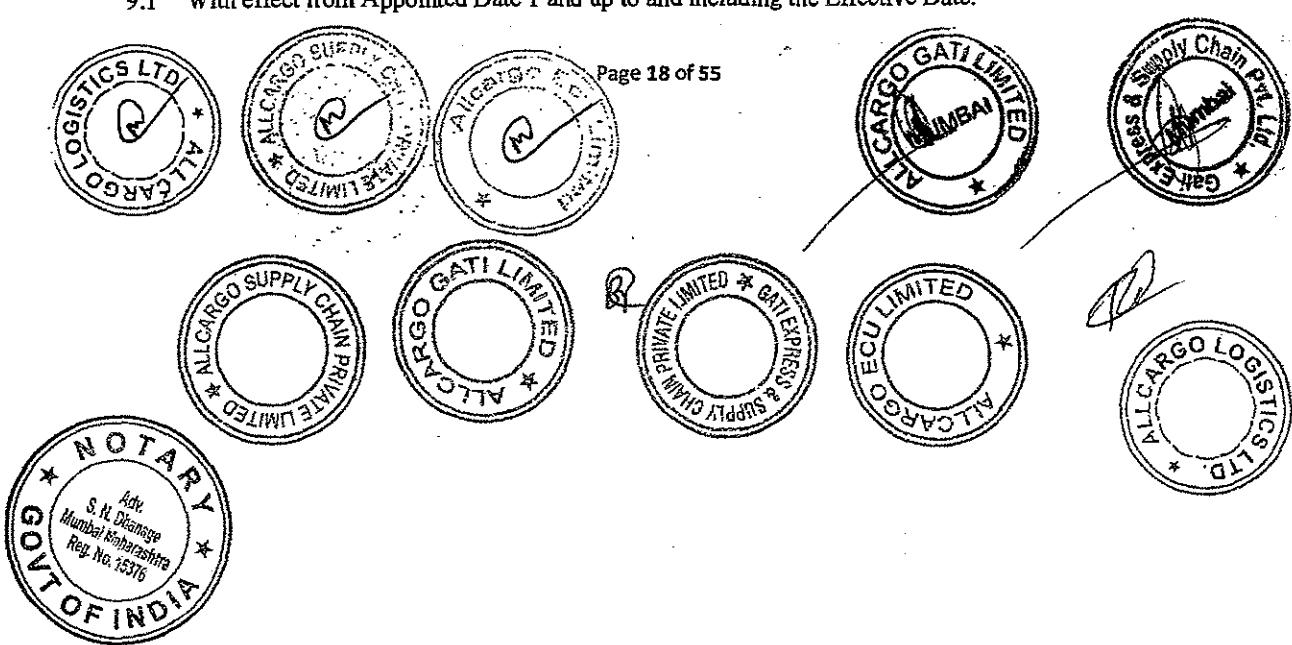
8 BUSINESS AND PROPERTY IN TRUST

As and from the Appointed Date 1, up to and including the Effective Date:

- (i) The Demerged Company (to the extent of the Demerged Undertaking) 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 Resulting Company and shall account for the same to such Resulting Company.
- (ii) Income or profit accruing or arising to the Demerged Undertaking and all costs, charges, expenses 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 Resulting Company and shall be available to the Resulting Company for being disposed off in any manner as it thinks fit.

9 CONDUCT OF BUSINESS

- 9.1 With effect from Appointed Date 1 and up to and including the Effective Date:



- (i) The Demerged Company (to the extent related to the Demerged Undertaking) shall carry on its business (including with respect to funding the 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 Undertaking, except with the written concurrence of the Resulting Company.
- (ii) The Demerged Company shall not, without the written concurrence of the Resulting Company, transfer, alienate, charge or encumber any business activity of the Demerged Undertaking, or properties (including Intellectual Property), rights or assets of the Demerged Undertaking, 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.

It is further clarified that upon receipt of the written concurrence of the Resulting Company, 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 Undertaking, 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 Undertaking) shall not without the written concurrence of the 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 Undertaking and all taxes paid thereon (including advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, securities transaction tax, taxes withheld / paid, value added tax, sales tax, service tax etc.) or losses arising in or incurred in regard to the respective Demerged Undertaking 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 Resulting Company.

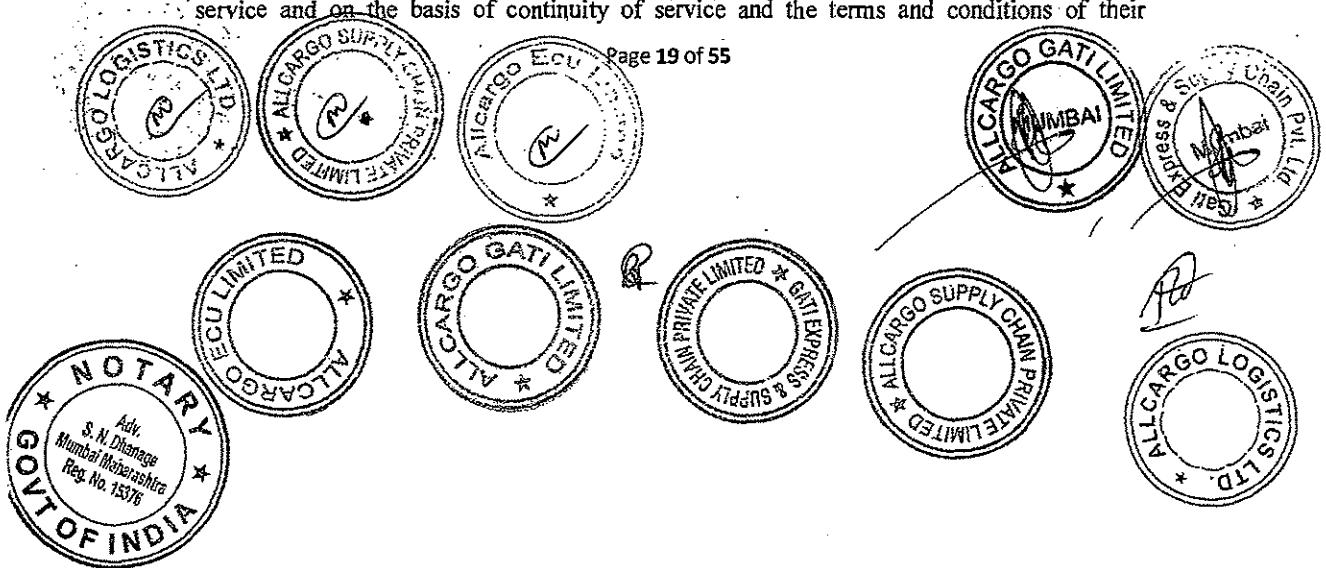
10 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking and the continuance of proceedings by or against the Resulting Company shall not affect any transaction or proceedings already concluded by the Demerged Undertaking 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 Company accepts and adopts all acts, deeds and things done and executed by the respective Demerged Undertaking 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 Undertaking and such other staff and employees of the Demerged Company (as the Board of Directors of the Demerged Company may determine fit) shall be deemed to have become staff and employees of the Resulting Company (with effect from Appointed Date 1) without any break in their service and on the basis of continuity of service and the terms and conditions of their

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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.

11.2 Upon the Scheme coming into effect, the accounts of the employees of the Demerged Undertaking relating to provident fund, gratuity and any other trusts / funds (as per amounts outstanding as on Appointed Date 1) shall be identified, determined and transferred to the respective funds/ trusts of the Resulting Company and the employees shall be deemed to have become members of such funds/ trusts of Resulting Company. 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 Resulting Company. The obligation to make contributions to the said fund or funds shall be transferred to the Resulting Company 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 Undertaking) in relation to such fund or funds shall become those of Resulting Company and all the rights, duties and benefits of the employees employed in the Demerged Company (to the extent related to the Demerged Undertaking) under such funds and trusts shall be protected, subject to the provisions of law for the time being in force.

11.3 Upon the Scheme coming into effect, until such time that the Resulting Company creates its own funds, the Resulting Company may continue to make contributions pertaining to the employees of the respective Demerged Undertaking to the relevant funds of the Demerged Company and such contributions pertaining to the employees of the Demerged Undertaking shall be transferred by the Demerged Company (to the extent possible) to the funds of the Resulting Company as and when created. The Demerged Company (to the extent possible) 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 Resulting Company.

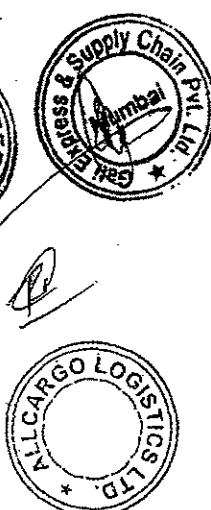
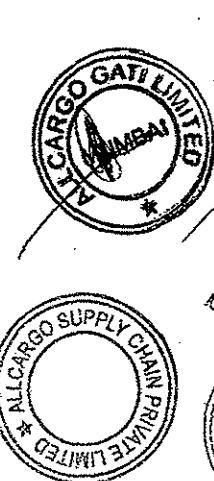
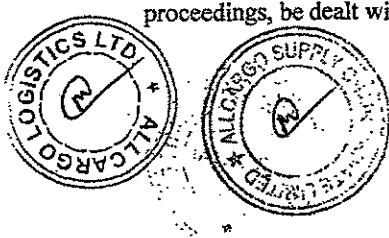
12 TREATMENT OF TAX

12.1 The Resulting Company will be the successor of the Demerged Company vis-à-vis the 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 Undertaking and the obligations, if any, for payment of taxes on any assets of the Demerged Undertaking or their erection and/or installation, etc. shall be deemed to have been availed by the Resulting Company, or be deemed to be the obligation of the Resulting Company, as the case may be.

12.2 Any refund or credits, 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 Undertaking 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 1 shall also belong to and be received by the 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 Undertaking after the Appointed Date 1, shall be deemed to be paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.

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12.4 Obligation for deduction of tax at source on any payment made by or to be made by the Demerged Company in connection with or in relation to the Demerged Undertaking, on and from the Appointed Date 1, to the Effective Date, shall be made or deemed to have been made and duly complied with by the Resulting Company.

12.5 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 Undertaking on and from the Appointed Date 1 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 also be deemed to constitute adequate compliance by the Resulting Company with the relevant obligations under such Tax Laws.

12.6 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, and any tax holidays), goods and service tax, cenvat, customs, applicable state value added tax, sales tax, service tax etc. relating to the Demerged Undertaking on or after the Appointed Date 1 which remain unutilized by the Demerged Company shall be available to and vest in the Resulting Company, without any further act or deed.

12.7 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 Undertaking and whether the same would be transferred to the Resulting Company.

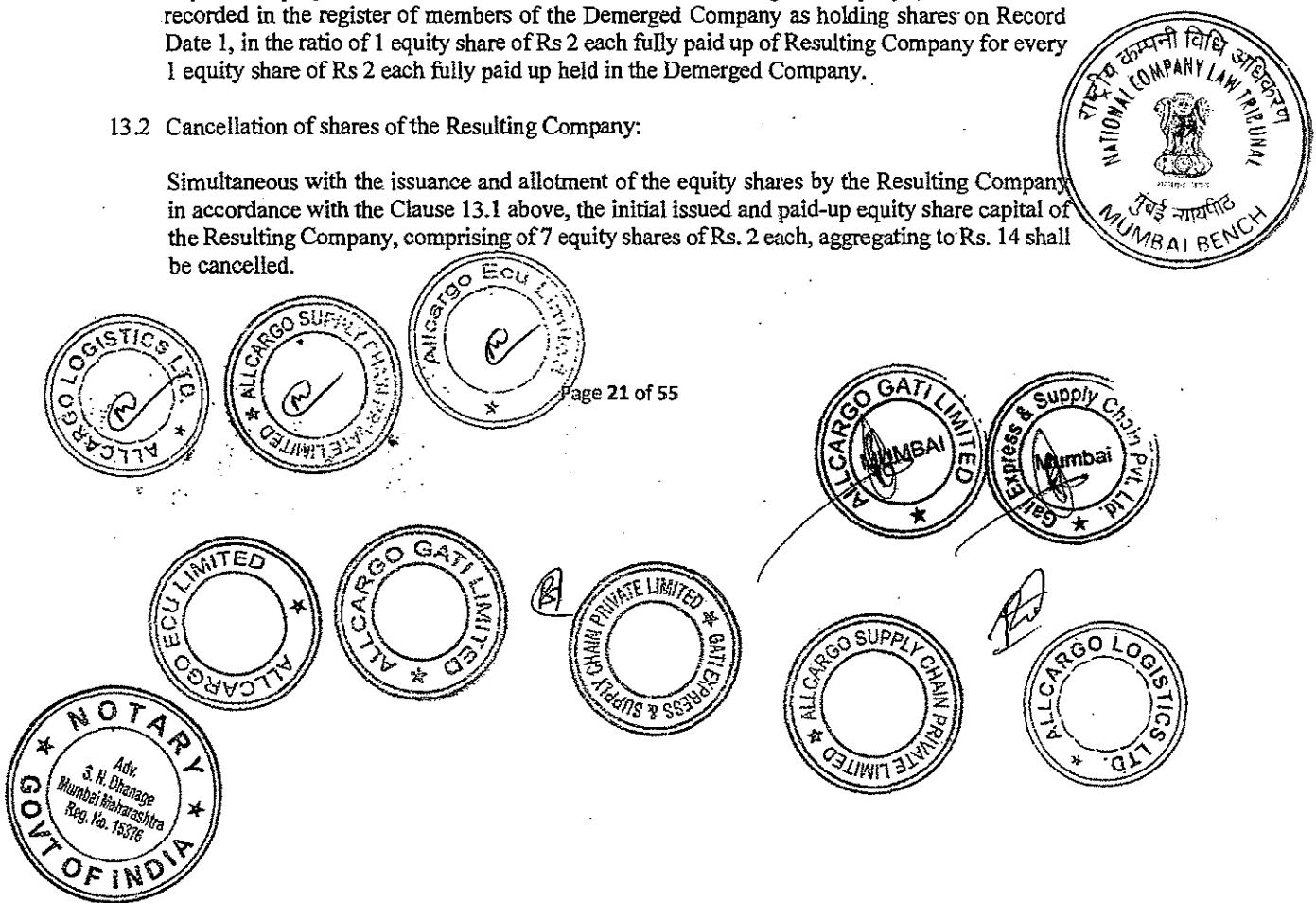
12.8 Upon this Scheme becoming effective, the accounts of the Demerged Undertaking as on the Appointed Date 1 shall be reconstructed in accordance with the terms of this Scheme. The Resulting Company shall be entitled to revise its income tax returns, TDS returns, and other statutory returns as may be required under respective statutes pertaining to direct taxes or indirect taxes, such as sales-tax, value added tax, excise duties, service tax, etc.

13 CONSIDERATION FOR DEMERGER

13.1 Upon the coming into effect of this Scheme and in consideration of the Demerger of the Demerged Undertaking in the Resulting Company pursuant to this Scheme, the Resulting Company 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") 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 Record Date 1, in the ratio of 1 equity share of Rs 2 each fully paid up of Resulting Company for every 1 equity share of Rs 2 each fully paid up held in the Demerged Company.

13.2 Cancellation of shares of the Resulting Company:

Simultaneous with the issuance and allotment of the equity shares by the Resulting Company in accordance with the Clause 13.1 above, the initial issued and paid-up equity share capital of the Resulting Company, comprising of 7 equity shares of Rs. 2 each, aggregating to Rs. 14 shall be cancelled.



13.3 The exchange ratios pertaining to Demerger have been determined by the Boards of Directors of the Demerged Company and the Resulting Company based on the joint valuation report provided by independent registered valuers as per the terms of the present proposed Scheme.

13.4 The issue and allotment of New Equity Shares of Resulting Company by Resulting Company to the members/shareholders of Demerged Company pursuant to Clause 13.1 above is an integral part of this Scheme.

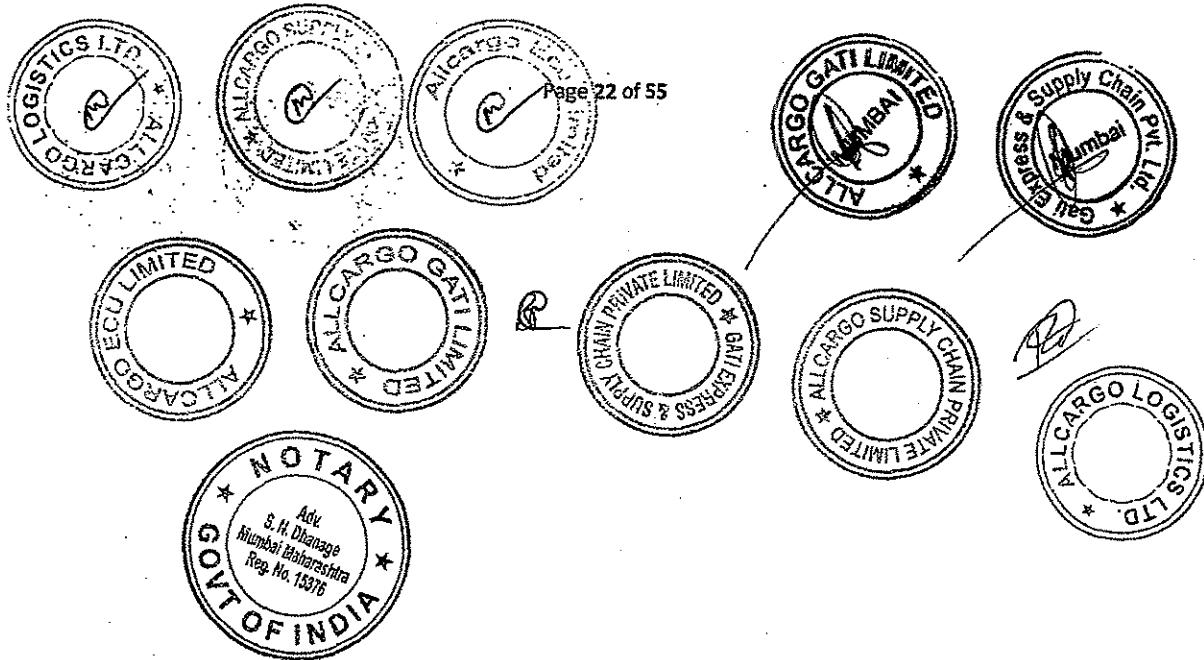
13.5 The approval of this Scheme by the shareholders of Resulting Company shall be deemed to be due compliance of the provisions of section 62 and other applicable provisions of the Act, for the issue and allotment of New Equity Shares of the Resulting Company by the Resulting Company to the shareholders of the Demerged Company as provided in this Scheme.

13.6 The New Equity Shares of the Resulting Company to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of the Resulting Company and shall rank pari passu with the other equity shares issued and allotted to the members of the 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, restructures its equity share capital prior to the Effective Date, by way of issue of bonus / share split / consolidation / subdivision / re-organisation, the Share Entitlement Ratio and / or number of New Equity Shares of the Resulting Company 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 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 Company on or before the Record Date 1, 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 the Resulting Company to enable it to issue the aforementioned Equity Shares. However, if as of the date of allotment by the Resulting Company, the Demerged Company is unable to provide the details of the demat account of any shareholder, subject to applicable law, then the Resulting Company shall allot the appropriate number of respective New Equity Shares of Resulting Company, to such shareholder in physical form. Notwithstanding the above, if as per Applicable Laws, the Resulting Company is not permitted to issue and allot the respective New Equity Shares of the Resulting Company 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 Shares of Resulting Company entitlement of such shareholders, into a demat suspense/escrow account, which shall be operated by one of authorised person of Resulting Company, duly authorised in this regard, who shall upon receipt of appropriate evidence from such shareholders regarding their entitlement, will transfer from such demat suspense/escrow 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 the Resulting Company 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.

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 1, to effectuate such a transfer in the Demerged Company as if such changes in registered holder were operative as on the Record Date 1, 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 the Resulting Company upon the effectiveness of this Scheme. The Board of Directors of the Demerged Company and the Resulting Company 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 Resulting Company on account of difficulties faced in the transition period.

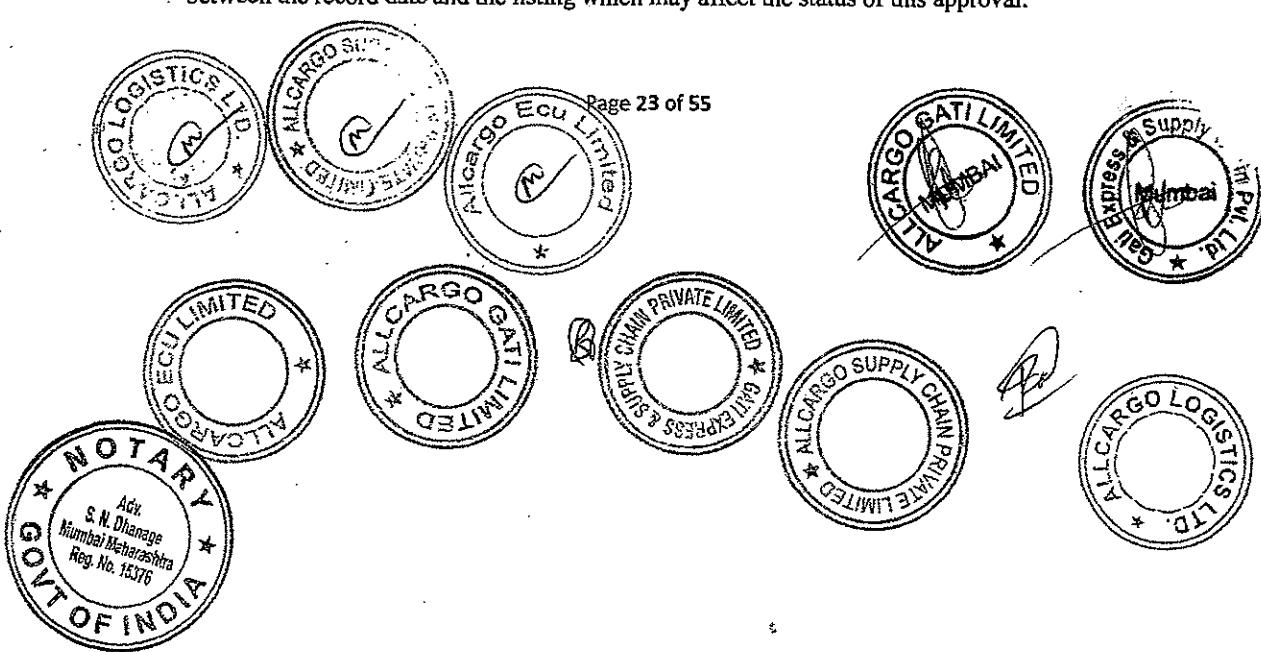
13.12 If the allotment of shares pursuant to this Clause 13.1 will result in any shareholders being issued fractional shares, the Board of the Resulting Company shall consolidate all such fractional entitlements and thereupon allot equity shares in lieu thereof to a person/trustee authorized by the Board of the Resulting Company in this behalf who shall hold the shares on behalf of the shareholders of the Demerged Company entitled to fractional entitlements with the express understanding that such person/trustee shall sell the shares of the Resulting Company so allotted on the Stock Exchanges at such price or prices at any time within a period of 90 days from the date of allotment, as such person/trustee deems fit, and shall distribute the net sale proceeds, subject to tax deductions and other expenses being carried 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/trustee authorized by the Board of the Resulting Company by virtue of consolidation of fractional entitlement is a fraction, it shall be rounded off to the next higher integer.

13.13 The Resulting Company 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 Company (the New Equity Shares of Resulting Company) to trading in terms of the SEBI Master Circular No. SEBI/HO/CFD/POD-2 /P/CIR/ 2023/93 dated June 20, 2023, as amended from time to time.

13.14 The New Equity Shares of Resulting Company 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 New Equity Shares of Resulting Company.

13.15 The Resulting Company 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 Company 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.

13.16 There shall be no change in the shareholding pattern or control in Allcargo ECU Limited between the record date and the listing which may affect the status of this approval.



14 ACCOUNTING TREATMENT

14.1 Accounting Treatments In The Books Of Demerged Company (For The Demerger Of Demerged Undertaking With The Resulting Company)

Notwithstanding anything else contained in the Scheme, upon scheme becoming effective and with effect from the Appointed Date 1, the Demerged Company shall account for the demerger of Demerged Undertaking in its books of accounts, such that:

14.1.1. All the assets and the liabilities of the Demerged Undertaking as appearing in the books of accounts of the Demerged Company transferred to and vested in the Resulting Company pursuant to the Scheme shall be reduced from the respective book value of assets and liabilities of the Demerged Company.

14.1.2. The investments made by the Demerged Company in the equity share capital of the Resulting Company, shall stand cancelled.

14.1.3. The difference, if any, between the book value of the assets of the Demerged Undertakings of the Demerged Company transferred to the Resulting Company less the book value of the liabilities of the Demerged Undertakings of the Demerged Company transferred to the Resulting Company as per clause 14.1.1 and investment made by Demerged Company in Resulting Company cancelled as per clause 14.1.2, shall be recognised in Retained Earnings.

14.1.4. For accounting purposes, the Scheme will be given effect from the Appointed Date 1 and such entries will be recorded on the date when all substantial conditions for the transfer of Demerged Undertaking are completed.

14.1.5. Any matter not dealt with in Clause hereinabove shall be dealt with in accordance with the requirement of applicable Ind AS and generally accepted accounting principles.

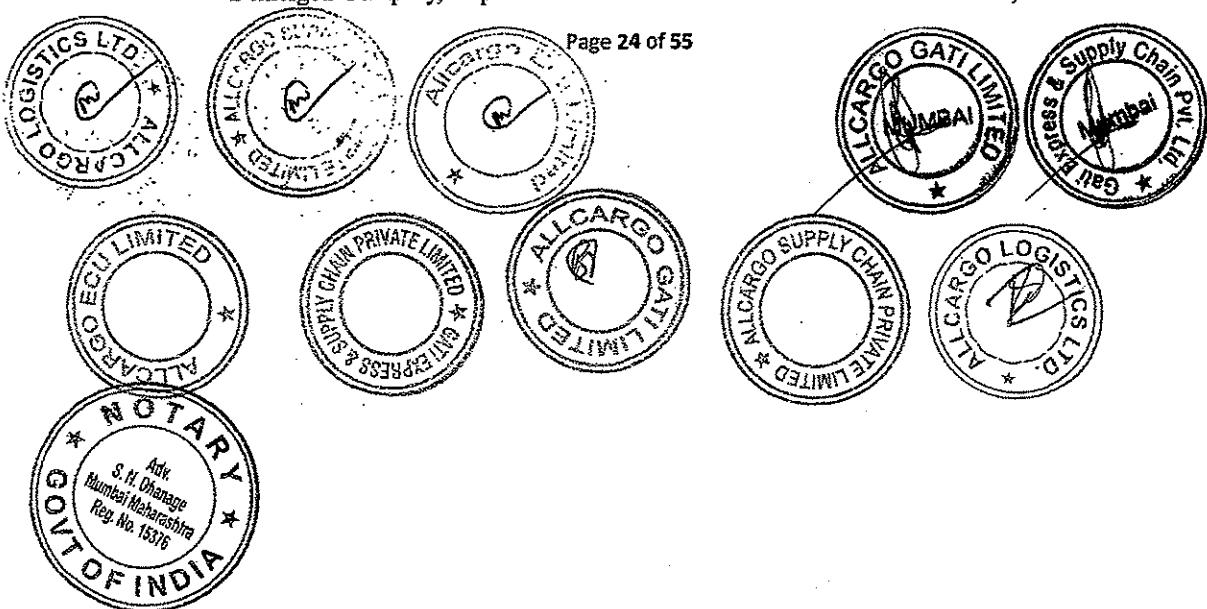
14.2 Accounting treatments in the books of Resulting Company (For the Demerger of Demerged Undertaking with the Resulting Company)

Notwithstanding anything else contained in the Scheme, upon scheme becoming effective and with effect from the Appointed Date 1, the Resulting Company shall account for the demerger of the Demerged Undertaking by the Demerged Company to the Resulting Company in its books of accounts such that:

14.2.1. The Resulting Company shall record the assets and liabilities, if any, of the Demerged Undertaking of the Demerged Company vested in it pursuant to this Scheme, at their carrying values;

14.2.2. Pursuant to the demerger of Demerged Undertaking of the Demerged Company with the Resulting Company, the inter-company balances, if any, between the Resulting Company and the Demerged Undertaking of the Demerged Company shall stand cancelled;

14.2.3. The consideration transferred by the Resulting Company to the shareholders of the Demerged Company, as prescribed in clause 13 of Section B of this Scheme, shall be



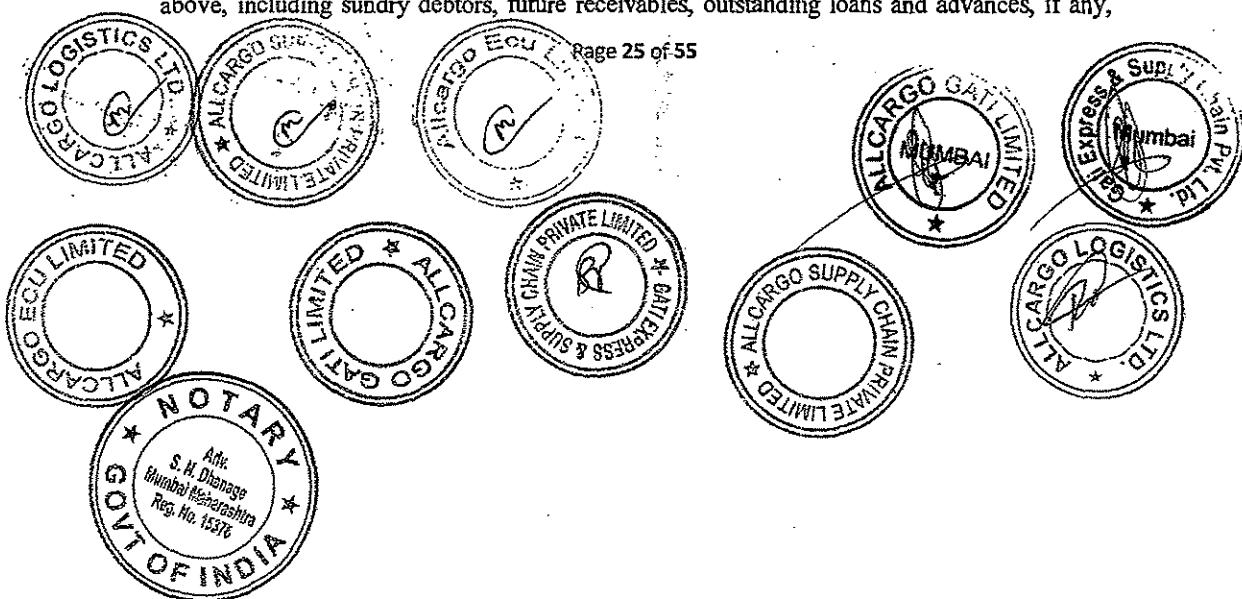
recognised at nominal /face value and credited to the Equity Share Capital of the Resulting Company.

- 14.2.4. The shares held by the Demerged Company in the Resulting Company shall stand cancelled.
- 14.2.5. The surplus/deficit, if any arising after taking the effect of clause 14.2.1, clause 14.2.3, and clause 14.2.4, after adjustment of clause 14.2.2 shall be recognised as Capital Reserve in the financial statements of the Resulting Company.
- 14.2.6. In case of any difference in accounting policy between the Demerged Undertaking of the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.
- 14.2.7. For accounting purposes, the Scheme will be given effect from the Appointed Date 1 and such entries will be recorded on the date when all substantial conditions for the demerger of Demerged Undertaking are completed.
- 14.2.8. Any matter not dealt with in Clause hereinabove shall be dealt with in accordance with the requirement of applicable Ind AS and generally accepted accounting principles.

SECTION C – AMALGAMATION I

15 TRANSFER AND VESTING OF TRANSFEROR COMPANIES TO TRANSFEREE COMPANY 1

- 15.1 Upon the coming into effect of the Scheme, and prior to Section D of this Scheme having taken effect, each of the Transferor Companies shall and in accordance with Section 2(1B) of the IT Act, 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 transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company 1 on the Appointed Date 1 so as to vest in the Transferee Company 1, all the rights, title, interest or obligations of each of the Transferor Companies therein.
- 15.2 All assets (including fixed assets, intangible assets, current assets, cash and bank balances etc.) acquired by Transferor Companies after the Appointed Date 1 and prior to the Effective Date for operation of the Transferor Companies or pertaining to the Transferor Companies shall be deemed to have been acquired for and on behalf of the Transferee Company 1.
- 15.3 In respect of such of the respective assets of the Transferor Companies as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery, the same shall stand delivered, paid over, or endorsed and delivered, by the Transferor Companies, and shall become the property of the Transferee Company 1 as an integral part of the Transferor Companies transferred to it upon the coming into effect of this Scheme, without requiring any further act, or deed, or instrument of conveyance, for the same.
- 15.4 In respect of movables of the Transferor Companies other than those specified in Clause 15.3 above, including sundry debtors, future receivables, outstanding loans and advances, if any,

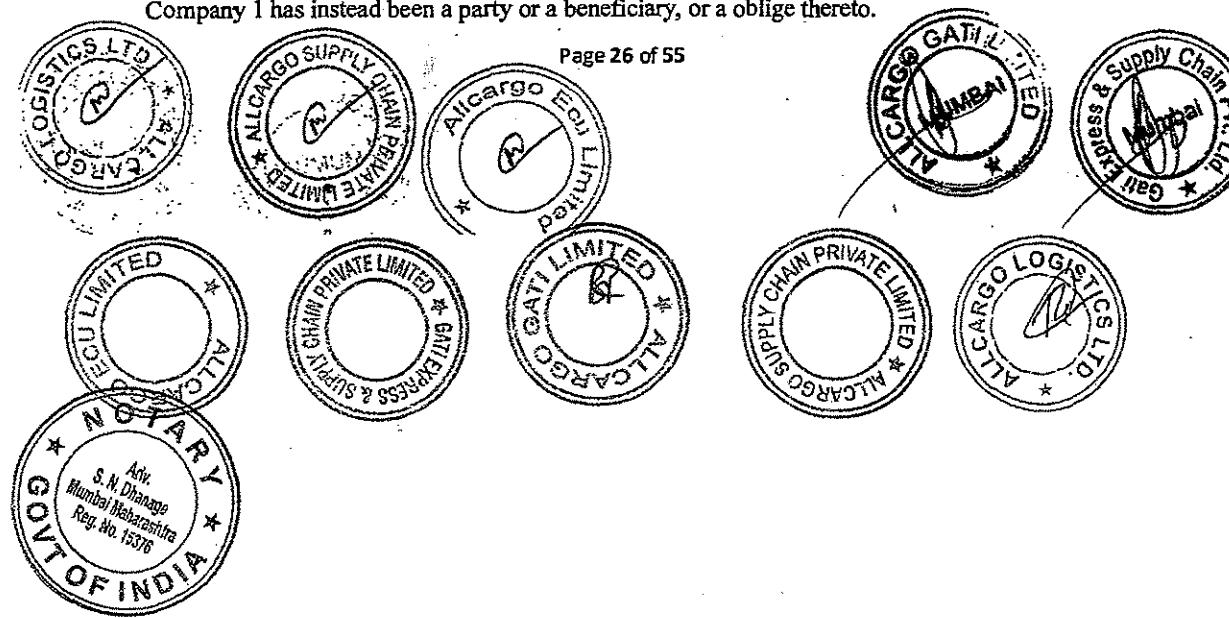


recoverable in cash or in kind or for value to be received, bank balances, deposits and balances, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, the same, along with all titles, rights, interests, and obligations therein, shall become property of the Transferee Company 1, and shall be deemed to have been mutated and recorded as that of the Transferee Company 1, upon the coming into effect of this Scheme, without any further act, deed, or instrument of conveyance for the same, and without any necessity or requirements to obtain the consent of any third party or other persons. The Transferee Company 1 may at its sole discretion, but without being obliged, give notice in such form as it deems fit, to any third party or other persons, with respect to the above-mentioned transfer.

15.5 In respect of such of the assets of the Transferor Companies other than those referred to in Clause 15.3 and 15.4 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 1 on the Appointed Date 1 pursuant to the provisions of section 230/232 of the Act or other provisions of law as applicable. The Transferee Company 1 shall be entitled to exercise all rights, interest, and privileges, as well as fulfil all obligations with respect to all assets transferred to the Transferee Company 1 pursuant to Clauses 15.3, 15.4, and 15.5. Further, in respect of the transfer of any immovable properties, in accordance with the above-mentioned Clauses, to the Transferee Company 1, the mutation/substitution of title to the immovable property shall be made and duly recorded in the name of the Transferee Company 1 by the appropriate authorities, pursuant to the coming into effect of the Scheme.

15.6 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, all 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 Transferor Companies (and the rights and benefits under the same), all certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other Intellectual Property Rights of the Transferor Companies, and all other interests relating to the Transferor Companies, be transferred to, mutated, and vested in the Transferee Company 1 in its entirety, without any further act or deed.

15.7 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 Transferor Companies are concerned, the same shall, without any further act or deed, vest with and be available to the Transferee Company 1 on the same terms and conditions. The benefit of all statutory and regulatory permissions, approvals, licenses, registrations, consents, certificates, authorities, intellectual property rights, benefits, incentives, subsidies, grants, special status, or otherwise (including as set out in Clauses 15.6 and 15.7 above and including all rights, entitlements, licenses, applications and registrations relating to the Intellectual Property, rights of every kind and description, whether registered or unregistered or pending registration, and the goodwill arising therefrom, relatable to the business of the Transferor Companies) shall automatically vest into and become available to the Transferee Company 1 pursuant to this Scheme coming into effect, in the same manner as if the same were granted to, issued, executed in favour of, or given directly to the Transferee Company 1, by the concerned authorities; and shall remain in full force and effect in favour of or against the Transferee Company 1, as the case may be, and may be enforced as fully and effectively as if instead of the Transferor Companies, the Transferee Company 1 has instead been a party or a beneficiary, or a obligee thereto.



15.8 It is clarified that, upon the coming into effect of the Scheme, all debts, duties, liabilities (including contingent liabilities), and obligations of each of the Transferor Companies, whether provided for or not, as on the Appointed Date 1 shall, without any further act or deed be and shall stand transferred to the Transferee Company 1, 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 Transferee Company 1, in such manner, as if it had entered into such loans or incurred such borrowings by itself; and the Transferee Company 1 undertakes to meet, discharge and satisfy the same. 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, obligations, duties, and liabilities have arisen in order to give effect to the provisions of this clause.

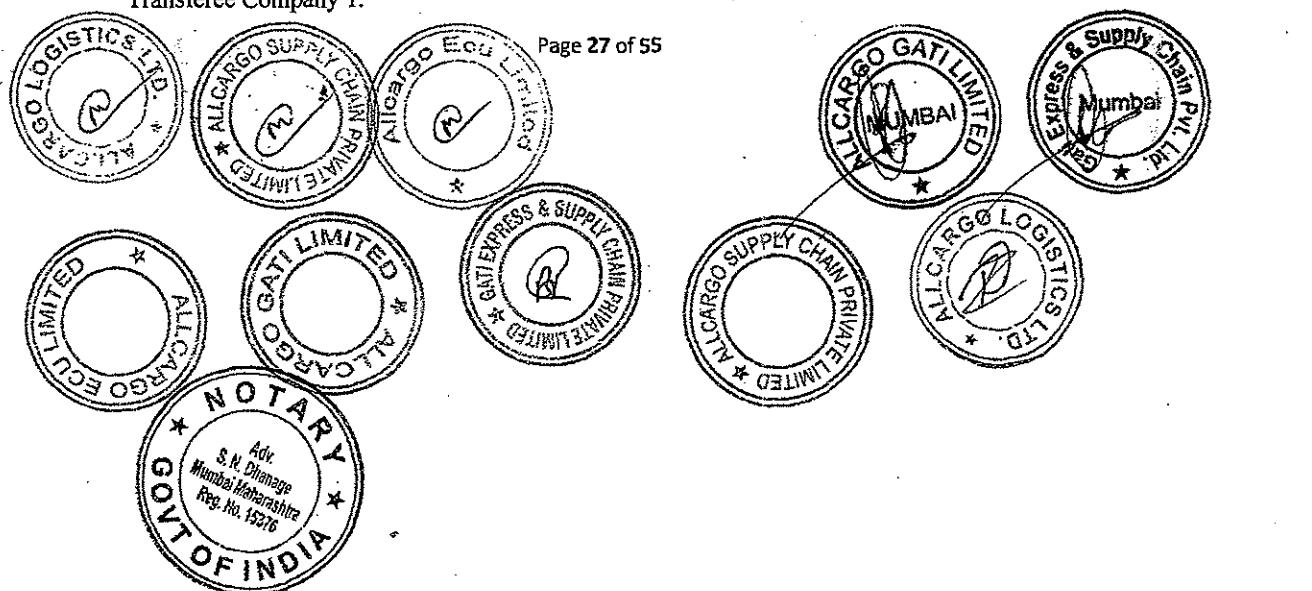
15.9 All loans and borrowings raised and used and all liabilities and obligations incurred by Transferor Companies after the Appointed Date 1 and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company 1 and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Transferee Company 1 and shall become its liabilities and obligations.

15.10 Upon the coming into effect of this Scheme, the balances as on the Appointed Date 1, of all borrowings of Transferor Companies shall be transferred to and assumed by the Transferee Company 1 as set out in Clauses 15.8 and 15.9 above. Thus, the primary obligation to redeem or repay such transferred liabilities shall be that of the Transferee Company 1. Subject to Clauses 15.7, 15.8, and 15.9 above, from the Effective Date, the Transferee Company 1 alone shall be liable to perform all obligations in respect of the liabilities of the Transferor Companies as the borrower/issuer thereof, and the Transferor Companies shall not have any obligations in respect of the said liabilities.

15.11 Upon the coming into effect of this Scheme, any securities, pledges, mortgages, and existing charges in respect of any assets of the Transferor Companies, related to any loans or borrowings of the Transferor Companies, as on the Appointed Date 1, shall stand transferred to the Transferee Company 1, without any further act or deed; and the same shall after the Effective Date continue to relate and attach to exclusively such transferred assets or any part thereof to which they related or were attached to prior to the coming into effect of the Scheme, and such encumbrances shall not relate to or attach to, or extend over, any other assets of the Transferee Company 1.

Provided that if any of the assets of the Transferor Companies which are transferred to the Transferee Company 1 by virtue of this Scheme have not been encumbered, then the existing encumbrance referred to above shall not extend to and shall not operate over such assets. The absence of any formal amendments which may be required by a lender or third party shall not affect the operation of this clause in any manner whatsoever.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company 1 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 Transferor Companies as vested in the Transferee Company 1.



Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Companies which shall vest in the Transferee Company 1 by virtue of the Amalgamation 1 into the Transferee Company 1 and the Transferee Company 1 shall not be obliged to create any further or additional security thereof after the Scheme has become operative.

15.12 Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company 1 in terms of Section 180(1)(c) of the Act shall be deemed without any further act or deed to have been enhanced by all of the aggregate liabilities of the Transferor Companies which are being transferred to the Transferee Company 1 pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company 1, with effect from the Appointed Date 1.

15.13 The provisions of this Clause insofar as they relate to the transfer of liabilities to the Transferee Company 1 shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and/ or superseded by the foregoing provisions.

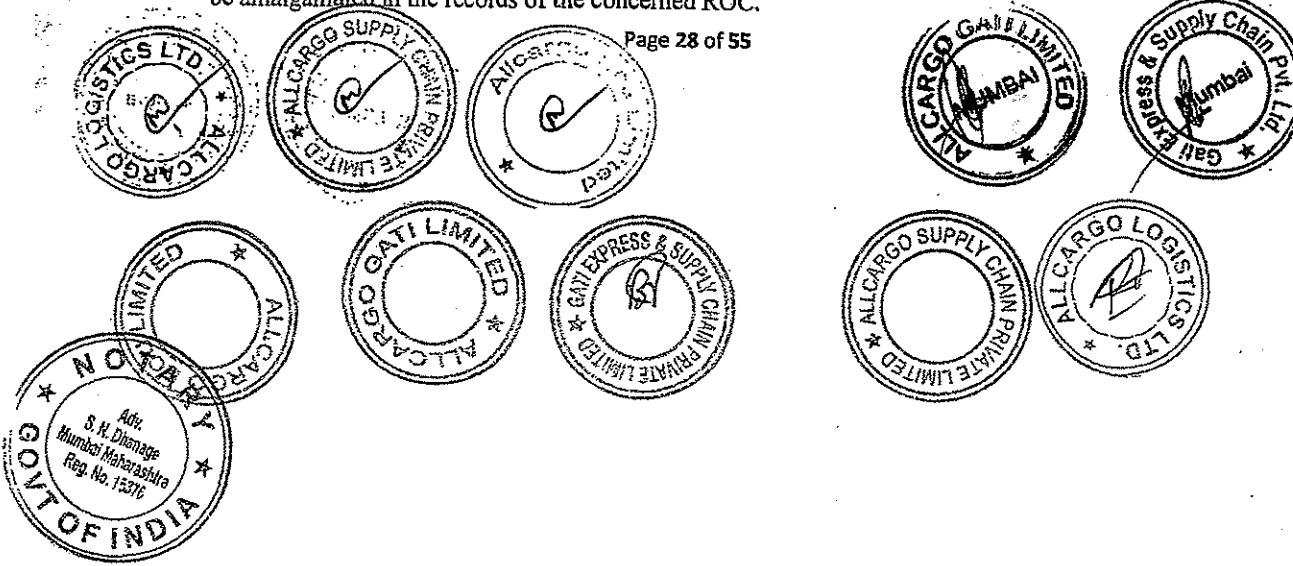
15.14 It shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause.

15.15 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 Transferor Companies after the Effective Date shall be accepted by the bankers of Transferee Company 1 and credited to the account of Transferee Company 1, if presented by the Transferee Company 1 or received through electronic transfers. Similarly, the banker of Transferor Companies shall honour all cheques / electronic fund transfer instructions issued by Transferee Company 1 for payment after the Effective Date. If required, the bankers of the Transferor Companies and Transferee Company 1 shall allow maintaining and operating of the bank accounts (including banking transactions carried out electronically) in the name of Transferor Companies for such time as may be determined to be necessary by the Transferee Company 1 for presentation and deposition of cheques, pay order and electronic transfers that have been issued/made in the name of Transferee Company 1.

15.16 Benefits of any and all corporate approvals as may have already been taken by the Transferor Companies, including approvals under Sections 42, 62(1A), 177, 180, 185, 186 and 188 of the 2013 Act and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall stand transferred to the Transferee Company 1 and the said corporate approvals and compliances shall be deemed to have been taken / complied with by the Transferee Company 1.

15.17 Upon this Scheme coming into effect, all receivables and payables inter-se between the Transferor Companies and the Transferee Company 1 except third party trade receivables/ payables and related balances, if any, shall stand cancelled and neither the Transferor Companies (severally) nor the Transferee Company 1 shall have any obligation or liability against each other with respect to the same.

15.18 Upon Section C of the Scheme becoming effective, Transferor Companies 1 and 2 shall stand dissolved without winding up, in accordance with the provisions of the Act, and the rules made thereunder. On and from the Effective Date, the names of Transferor Companies 1 and 2 shall be amalgamated in the records of the concerned ROC.



16 LEGAL PROCEEDINGS

All legal or other proceedings of whatsoever nature by or against each of the Transferor Companies pending and/ or arising on or after the Appointed Date 1 and relating to the Transferor Companies or its properties, assets, debts, liabilities, duties and obligations, shall be continued and/ or enforced until the Effective Date as desired by the Transferee Company 1 (and the costs thereof to be reimbursed by the Transferee Company 1 to Transferor Companies) and as and from the Effective Date shall be continued and enforced by or against the Transferee Company 1 in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies. On and from the Effective Date, the Transferee Company 1 shall and may, if required, initiate any legal proceedings in its name in relation to the respective Transferor Companies in the same manner and to the same extent as would or might have been initiated by the Transferor Companies.

17 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 Transferor Companies are a party and subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of the Transferee Company 1, and may be enforced by or against Transferee Company 1 as fully and effectually, as if, instead of any of the Transferor Companies, the Transferee Company 1 had been a party thereto. The Transferee Company 1 shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Companies and to implement or carry out all formalities required on the part of the Transferor Companies to give effect to the provisions of this Scheme.

18 BUSINESS AND PROPERTY IN TRUST

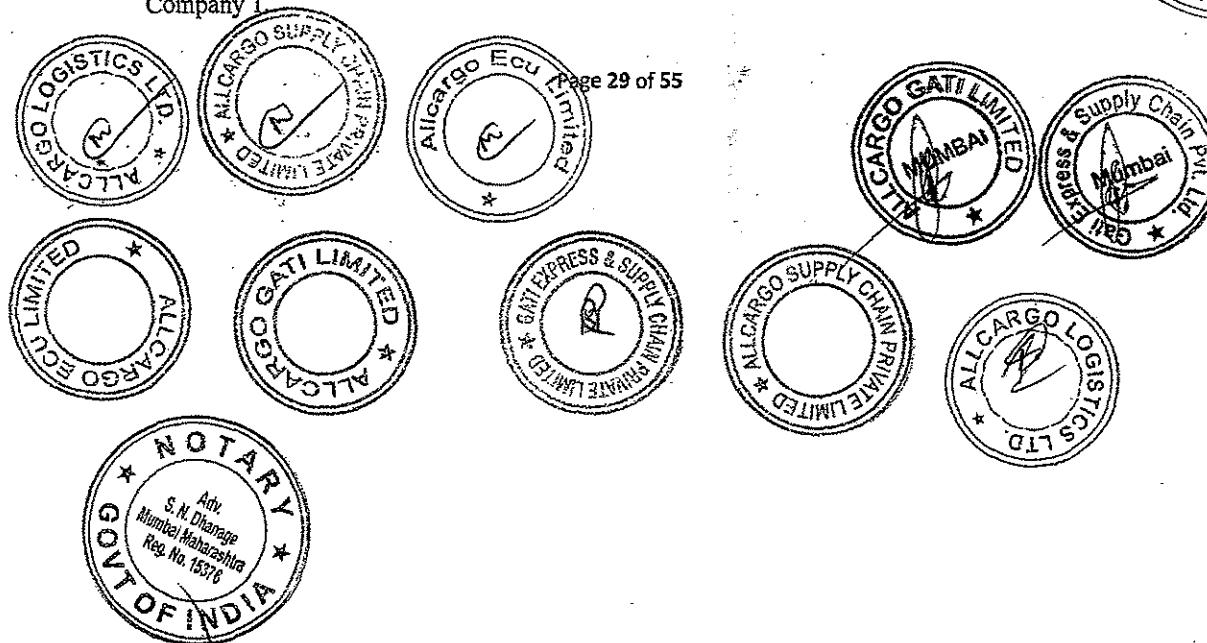
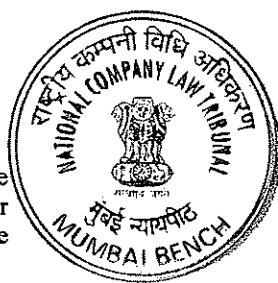
As and from the Appointed Date 1, up to and including the Effective Date:

- (i) Transferor Companies 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 Transferee Company 1 and shall account for the same to Transferee Company 1.
- (ii) Income or profit accruing or arising to the Transferor Companies and all costs, charges, expenses and losses or taxes incurred by the Transferor Companies shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Transferee Company 1 and shall be available to the Transferee Company 1 for being disposed off in any manner as it thinks fit.

19 CONDUCT OF BUSINESS

With effect from Appointed Date 1 and up to and including the Effective Date:

- (i) The Transferor Companies shall carry on their business with reasonable diligence and in the same manner as it had been doing hitherto, and the Transferor Companies shall not alter or substantially expand their business, except with the written concurrence of the Transferee Company 1.



(ii) The Transferor Companies shall not, without the written concurrence of the Transferee Company 1, transfer, alienate, charge or encumber any business activity of the Transferor Companies, or assets/ properties (including Intellectual Property), 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 Transferor Companies.

It is further clarified that upon receipt of the written concurrence of the Transferee Company 1, the Transferor Companies may transfer, alienate, charge or encumber any business activity of the Transferor Companies, or properties (including Intellectual Property), rights or assets of the Transferor Companies, for cash or any other consideration. Further, any such consideration received by the Transferor Companies shall constitute a part of the Transferor Companies.

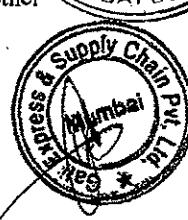
- (iii) The Transferor Companies shall not without the written concurrence of Transferee Company 1, vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of the Transferor Companies, 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 Transferor Companies and all taxes paid thereon (including, but not limited to, advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, securities transaction tax, taxes withheld / paid in a foreign country or India, value added tax, sales tax, service tax etc.) or losses arising in or incurred in regard to the Transferor Companies 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 Transferee Company 1.

20 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Transferor Companies and the continuance of proceedings by or against the Transferee Company 1 (pursuant to this Scheme) shall not affect any transaction or proceedings already concluded by the Transferor Companies on or before the date when the Transferor Companies 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 Transferee Company 1 accept and adopt all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

21 STAFF AND EMPLOYEES

- 21.1 Upon the Scheme coming into effect, all staff and employees of the Transferor Companies shall be deemed to have become staff and employees of the Transferee Company 1 (with effect from Appointed Date 1) without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with the Transferor Companies shall not be less favourable than those applicable to them with reference to the Transferor Companies as on the Effective Date.
- 21.2 Upon the Scheme coming into effect, the accounts of the employees of the Transferor Companies relating to provident fund, gratuity and any other trusts/ funds (as per amounts outstanding as on Appointed Date 1) shall be identified, determined and transferred to the respective funds/ trusts of Transferee Company 1 and the employees shall be deemed to have become members of such funds / trusts of Transferee Company 1. The Transferor Companies shall take all steps necessary for the transfer of the provident fund, gratuity trust and any other

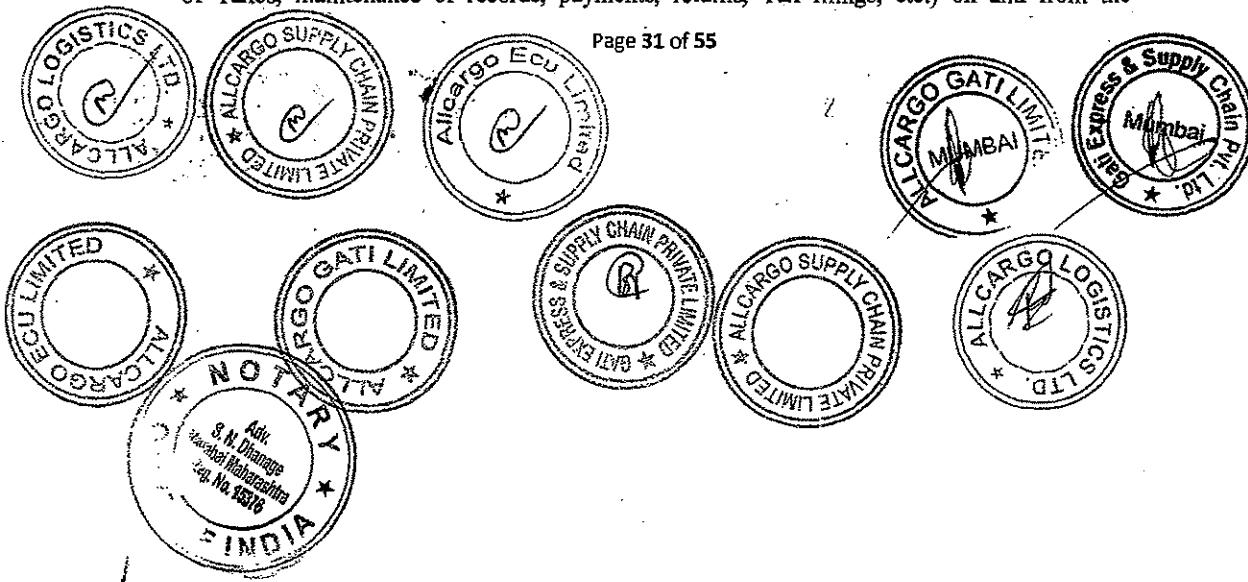
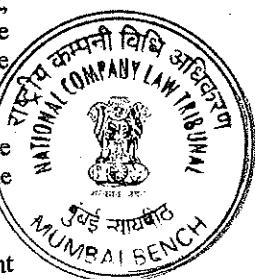


fund of employees, pursuant to the Scheme, to the Transferee Company 1. The obligation to make contributions to the said fund or funds shall be transferred to the Transferee Company 1 from the Effective Date in accordance with the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Companies in relation to such fund or funds shall become those of Transferee Company 1 and all the rights, duties and benefits of the employees employed in the Transferor Companies 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 Transferee Company 1 creates its own funds, the Transferee Company 1 may continue to make contributions pertaining to the employees of the Transferor Companies to the relevant funds of the Transferor Companies and such contributions pertaining to the employees of the Transferor Companies shall be transferred by the Transferor Companies (to the extent possible) to the funds of the Transferee Company 1 as and when created. The Transferor Companies (to the extent possible) 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 Transferee Company 1.

22. TREATMENT OF TAX

- 22.1 The Transferee Company 1 will be the successor of the Transferor Companies. Hence, it will be deemed that the benefits of any tax credits whether central, state, or local, availed vis-a-vis the Transferor Companies and the obligations, if any, for payment of taxes on any assets of the Transferor Companies or their erection and/or installation, etc. shall be deemed to have been availed by the Transferee Company 1, or be deemed to be the obligation of the Transferee Company 1, as the case may be.
- 22.2 Any refund or credits, 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 Transferor Companies consequent to the assessment made on the Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date 1 shall also belong to and be received by the Transferee Company 1 upon this Scheme becoming effective. Accordingly, on and from the Appointed Date 1, if any certificate for the above with respect to the Transferor Companies is received in the name of such Transferor Companies, the same shall be deemed to have been received by the Transferee Company 1, which alone shall be entitled to claim such credit or refund.
- 22.3 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 Transferor Companies after the Appointed Date 1, shall be deemed to be paid by the Transferee Company 1 and shall, in all proceedings, be dealt with accordingly.
- 22.4 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies, on and from the Appointed Date 1, to the Effective Date, shall be made or deemed to have been made and duly complied with by the Transferee Company 1.
- 22.5 Any actions taken by the Transferor Companies to comply with Tax Laws (including payment of Taxes, maintenance of records, payments, returns, Tax filings, etc.) on and from the



Appointed Date 1 up to the Effective Date shall be considered as adequate compliance by the Transferor Companies with such requirements under Tax Laws and such actions shall also be deemed to constitute adequate compliance by the Transferee Company 1 with the relevant obligations under such Tax Laws.

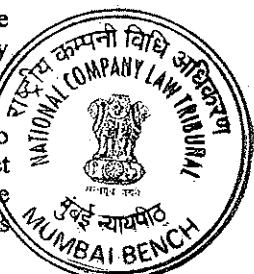
- 22.6 Upon the Scheme becoming effective, all un-availed credits and exemptions, benefit of carried forward losses, unabsorbed depreciation and other statutory benefits, including in respect of income tax (including MAT credit, or tax holidays), goods and service tax, cenvat, customs, applicable state value added tax, sales tax, service tax etc. relating to the Transferor Companies on or after the Appointed Date 1 which remain unutilized by the Transferee Company 1 shall be available to and vest in the Transferee Company 1, without any further act or deed.
- 22.7 Upon this Scheme becoming effective, the Transferee Company 1 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.

23 CONSIDERATION FOR AMALGAMATION

- 23.1 Upon the coming into effect of this Scheme, in consideration of the Amalgamation of the Transferor Company 1 and Transferor Company 2 with the Transferee Company 1 pursuant to this Scheme, the Transferee 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 Transferee Company 1") at par on a proportionate basis to each member of the Transferor Company 1 and Transferor Company 2 (excluding with respect to shares held by the Transferee Company 1 in Transferor Company 2), whose name is recorded in the register of members of the Transferor Company 1 and Transferor Company 2 and as holding shares on Record Date 1, in the ratio of 2 equity shares of Rs 2 each fully paid up of Transferee Company 1 for every 10 equity shares of Rs 10 each fully paid up held in the Transferor Company 1 and, in the ratio of 3475 equity shares of Rs 2 each fully paid up of Transferee Company 1 for every 10 equity shares of Rs 10 each fully paid up held in the Transferor Company 2 respectively.

It is hereby further clarified that any shares held by the Transferee Company 1 in Transferor Company 2 shall stand cancelled without any further act, application or deed.

- 23.2 The exchange ratios pertaining to the Amalgamation have been determined by the Boards of Directors of the Transferor Companies and the Transferee Company 1 based on the joint valuation report provided by independent registered valuers as per the terms of the present proposed Scheme.
- 23.3 The issue and allotment of New Equity Shares of Transferee Company 1 by Transferee Company 1 to the members / shareholders of Transferor Company 1 and Transferor Company 2, pursuant to Clause 23.1 above is an integral part of this Scheme.
- 23.4 The approval of this Scheme by the shareholders of Transferee Company 1 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 of Transferee Company 1 by the Transferee Company 1 to the shareholders of the Transferor Company 1 and Transferor Company 2 as provided in this Scheme.



23.5 The New Equity Shares of Transferee Company 1 to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of the Transferee Company 1 and shall rank pari passu with the other equity shares issued and allotted to the members of the Transferee Company 1.

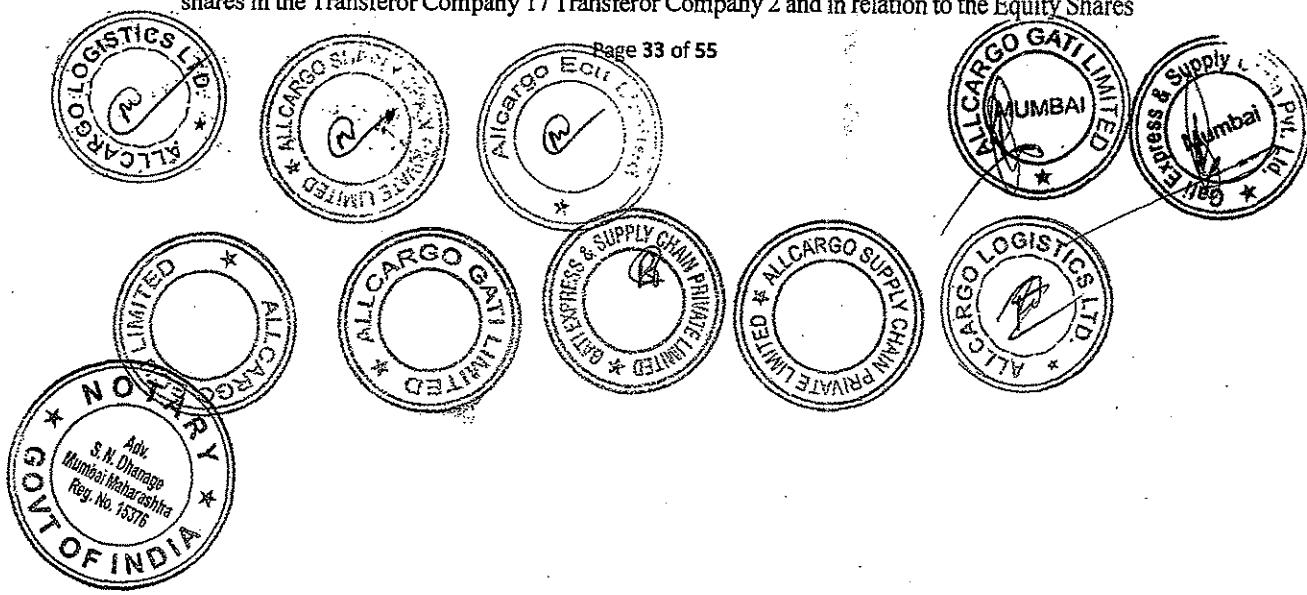
23.6 The approval of this Scheme by the shareholders under Sections 230 and 232 of the Act shall be deemed to have the approval under (i) Sections 13, 14 and other applicable provisions of the Act; and (ii) any other consents/ permissions as may be required in this regard.

23.7 In the event that the Transferor Company 1 / Transferor Company 2 (i.e., the Transferor Companies), or the Transferee Company 1 restructures its equity share capital prior to the Effective Date, by way of issue of bonus shares / share split / consolidation / subdivision / re-organisation the share exchange 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.

23.8 Subject to Applicable Laws, the fully paid-up New Equity Shares of Transferee Company 1 that are to be issued in terms of Clause 23.1 shall be issued in dematerialised form, unless a shareholder of the Transferor Company 1 or Transferor Company 2 gives a notice to the Transferor Company 1 / Transferor Company 2 and the Transferee Company 1 on or before the Record Date 1, requesting for issuance of such Equity Shares in physical form. The shareholders of the Transferor Company 1 / Transferor Company 2 shall provide such confirmation, information and details as may be required by the Transferee Company 1 to enable it to issue the aforementioned Equity Shares. However, if as of the date of allotment by the Transferee Company 1, the Transferor Company 1 / Transferor Company 2 is unable to provide the details of the demat account of any shareholder, subject to applicable law, then the Transferee Company 1 shall allot the appropriate number of respective New Equity Shares of Transferee Company 1 to such shareholder in physical form. Notwithstanding the above, if as per Applicable Laws, the Transferee Company 1 is not permitted to issue and allot the respective New Equity Shares of Transferee Company 1 in physical form, and it has still not received the demat account details of certain shareholders of the Transferor Company 1 / Transferor Company 2, it shall issue and allot such shares in lieu of the respective New Equity Share of Transferee Company 1 entitlement of such shareholders, into a demat suspense/escrow account, which shall be operated by one of the authorised person of Transferee Company 1, duly authorised in this regard, who shall upon receipt of appropriate evidence from such shareholders regarding their entitlement, will transfer from such demat suspense/escrow account into the individual demat accounts of such claimant shareholders, such number of shares as may be required in terms of this Scheme.

23.9 Equity shares to be issued by Transferee Company 1 pursuant to Clause 23.1 in respect of Equity Shares of the shareholders of the Transferor Company 1 / Transferor Company 2 which are held in abeyance shall continue to be kept in abeyance by the Transferee Company 1.

23.10 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company 1 or Transferor Company 2, the Board of Directors of the Transferor Company 1 / Transferor Company 2 shall be empowered in appropriate cases, prior to or even subsequent to Record Date 1, to effectuate such a transfer in the Transferor Company 1 / Transferor Company 2 as if such changes in registered holder were operative as on Record Date 1, in order to remove any difficulties arising to the transferor / transferee of the shares in the Transferor Company 1 / Transferor Company 2 and in relation to the Equity Shares



issued by Transferee Company 1 upon the effectiveness of this Scheme. The Board of Directors of the Transferor Companies and the Transferee Company 1 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 Transferee Company 1 on account of difficulties faced in the transition period.

23.11 If the allotment of shares pursuant to this Clause 23.1 will result in any shareholders being issued fractional shares, the Board of the Transferee Company 1 shall consolidate all such fractional entitlements and thereupon allot equity shares in lieu thereof to a person /trustee authorized by the Board of the Transferee Company 1 in this behalf who shall hold the shares on behalf of the shareholders of the Transferor Companies entitled to fractional entitlements with the express understanding that such person/trustee shall sell the shares of the Transferee Company 1 so allotted on the Stock Exchanges at such price or prices at any time within a period of 90 days from the date of allotment , 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 Transferor Company 1 in proportion to their respective fractional entitlements. In case the number of such new shares to be allotted to a person/trustee authorized by the Board of the Transferee Company 1 by virtue of consolidation of fractional entitlement is a fraction, it shall be rounded off to the next higher integer.

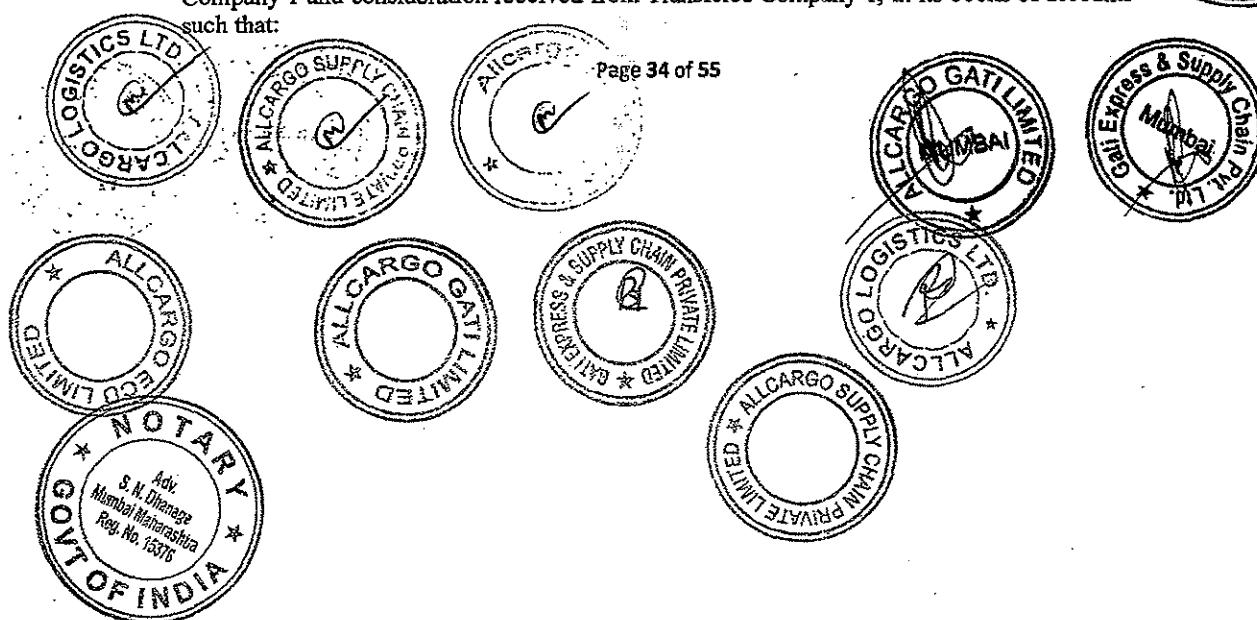
23.12 Transferee Company 1 shall, if and to the extent required, apply for and obtain any approvals from the appropriate authorities including the Reserve Bank of India, for the issue and allotment of Equity Shares of the Transferee Company 1 by to non-resident equity shareholders of the Transferor Company 1 / Transferor Company 2, if any, in terms of the Applicable Laws, including rules and regulations applicable to foreign investment

The Transferor Company 1 has issued Optionally Convertible Redeemable Preference Shares ("Transferor Company 1 OCRPS") for which the holder of Transferor Company 1 OCRPS has rescinded the option of conversion and has elected for redemption. Accordingly, upon the coming into effect of this Scheme, the Transferee Company 1 shall, without any further act or deed and without any further payment, issue to each member holding Transferor Company 1 OCRPS as on Record Date 1, new Redeemable Preference Shares ("Transferee Company 1 RPS") in Transferee Company 1 (and such Transferee Company 1 RPS will have the same terms and conditions including financial terms and only a right to redemption without conversion as the Transferor Company 1 OCRPS), at par on a proportionate basis, in the ratio of 1 Transferee Company 1 RPS of Rs. 10 each fully paid up for every 1 Transferor Company 1 OCRPS of Rs 10 each fully paid up held in the Transferor Company 1.

24 ACCOUNTING TREATMENT

24.1 Accounting Treatments in the books of Demerged Company (For the Transfer of Investment in Transferor Company 1 and Transferor Company 2 to the Transferee Company 1 pursuant to Amalgamation 1)

Notwithstanding anything else contained in the Scheme, upon the Scheme becoming effective and with effect from the Appointed Date 1, the Demerged Company shall account for the transfer of investment in Transferor Company 1 and Transferor Company 2 to the Transferee Company 1 and consideration received from Transferee Company 1, in its books of accounts such that:

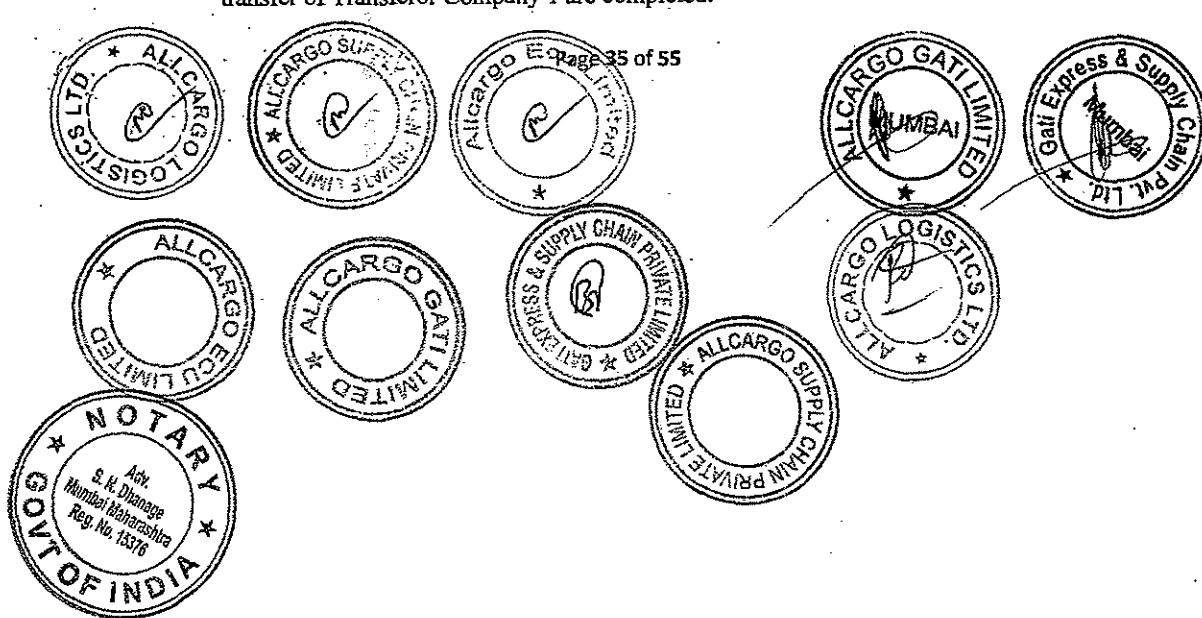


- i. The Demerged Company shall derecognise cost of investment in Transferor Company 1 and Transferor Company 2 with a corresponding addition to the cost of investment in Transferee Company 1.
- ii. For accounting purposes, the Scheme will be given effect from the Appointed Date 1 and such entries will be recorded on the date when all substantial conditions for the transfer of investment in Transferor Company 1 and Transferor Company 2 are completed.
- iii. Any matter not dealt with hereinabove shall be dealt with in accordance with the requirement of applicable Ind AS and generally accepted accounting principles.

24.2 Accounting Treatments in the books of Transferee Company 1 (For the merger of Transferor Company 1 and Transferor Company 2 with the Transferee Company 1)

Notwithstanding anything else contained in the Scheme, upon scheme becoming effective and with effect from the Appointed Date 1, the Transferee Company 1 shall account for the amalgamation of the Transferor Company 1 in accordance with the Pooling of Interest Method of accounting, in its books of accounts such that:

- 24.2.1. The Transferee Company 1 shall record the assets and liabilities, if any, of the Transferor Company 1 vested in it pursuant to this Scheme, at their carrying values.
- 24.2.2. The identity of the reserves of the Transferor Company 1 shall be preserved and the Transferee Company 1 shall record the reserves of the Transferor Company 1 in the same form and at their carrying amount.
- 24.2.3. Pursuant to the amalgamation of the Transferor Company 1 with the Transferee Company 1, inter-company balances, if any, between the Transferee Company 1 and the Transferor Company 1 as appearing in the books of the Transferee Company 1 shall stand cancelled;
- 24.2.4. The consideration transferred by the Transferee Company 1 to the shareholders of the Transferor Company 1, as prescribed in clause 23 of Section C of this Scheme, shall be recognised at nominal /face value and credited to the Equity Share Capital of the Transferee Company 1.
- 24.2.5. The surplus/deficit, if any arising after taking the effect of clause 24.2.1, clause 24.2.2 and clause 24.2.4, after adjustment of clause 24.2.3 shall be recognised as Capital Reserve in the financial statements of the Transferee Company 1.
- 24.2.6. In case of any difference in accounting policy between the Transferor Company 1 and the Transferee Company 1; the accounting policies followed by the Transferee Company 1 will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.
- 24.2.7. For accounting purposes, the Scheme will be given effect from the Appointed Date 1 and such entries will be recorded on the date when all substantial conditions for the transfer of Transferor Company 1 are completed.



24.2.8. Any matter not dealt with hereinabove shall be dealt with in accordance with the requirement of applicable Ind AS and generally accepted accounting principles.

24.3 Notwithstanding anything else contained in the Scheme, upon scheme becoming effective and with effect from the Appointed Date 1, the Transferee Company 1 shall account for the amalgamation of the Transferor Company 2 in accordance with the Pooling of Interest Method of accounting, in its books of accounts such that:

24.3.1. The Transferee Company 1 shall record the assets and liabilities, if any, of the Transferor Company 2 vested in it pursuant to this Scheme, at their carrying values.

24.3.2. The identity of the reserves of the Transferor Company 2 shall be preserved and the Transferee Company 1 shall record the reserves of the Transferor Company 2 in the same form and at their carrying amount.

24.3.3. Pursuant to the amalgamation of the Transferor Company 2 with the Transferee Company 1, inter-company balances, if any, between the Transferee Company 1 and the Transferor Company 2 appearing in the books of the Transferee Company 1 shall stand cancelled;

24.3.4. The value of all the investments held by the Transferee Company 1 in the Transferor Company 2 shall stand cancelled pursuant to amalgamation.

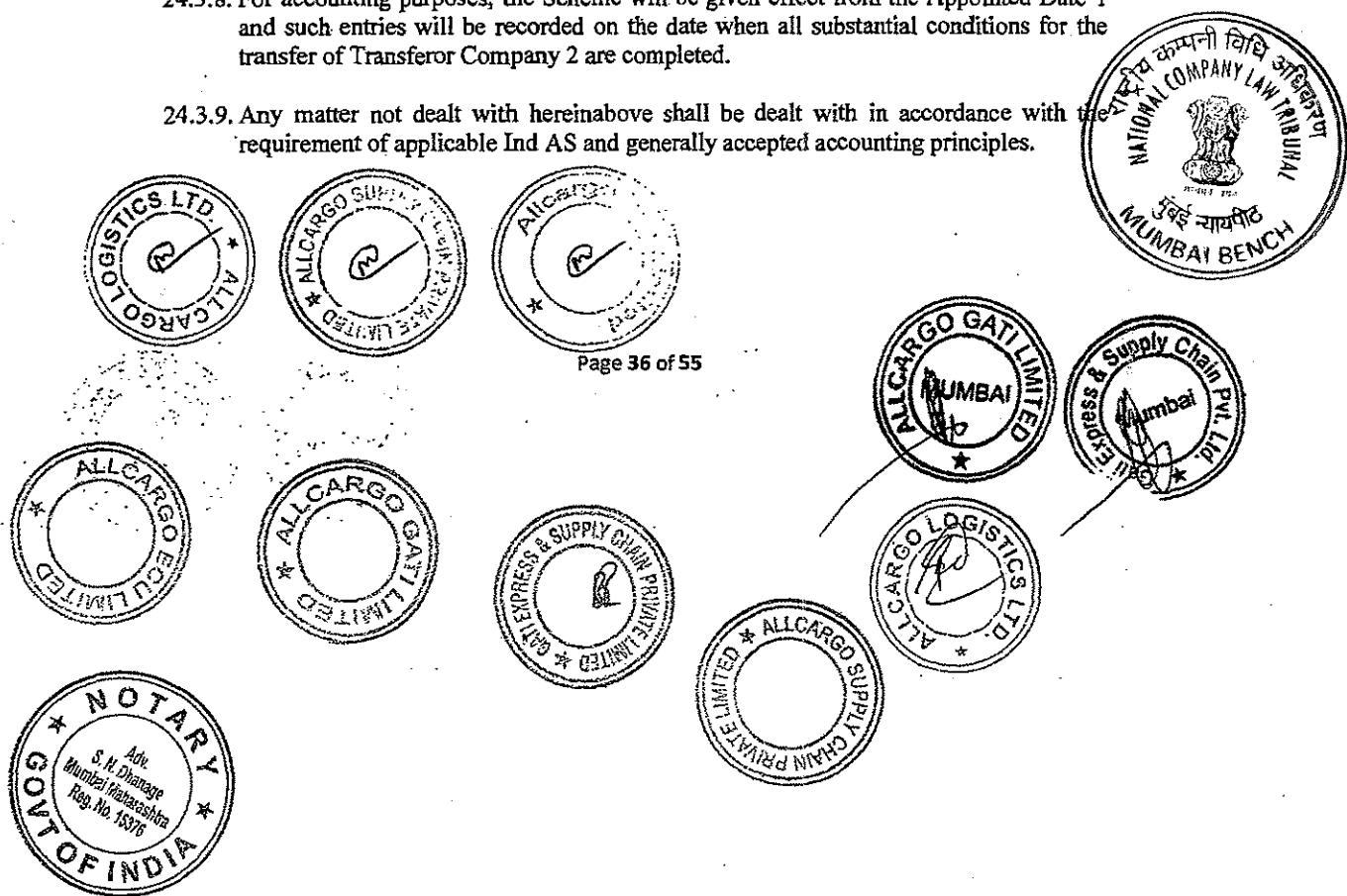
24.3.5. The consideration transferred by the Transferee Company 1 to the shareholders of the Transferor Company 2, as prescribed in clause 23 of section C of this Scheme, shall be recognised at nominal /face value and credited to the Equity Share Capital of the Transferee Company 1.

24.3.6. The surplus/deficit, if any arising after taking the effect of clause 24.3.1, clause 24.3.2, clause 24.3.4 and clause 24.3.5, after adjustment of clause 24.3.3 shall be recognised as Capital Reserve in the financial statements of the Transferee Company 1.

24.3.7. In case of any difference in accounting policy between the Transferor Company 2 and the Transferee Company 1, the accounting policies followed by the Transferee Company 1 will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.

24.3.8. For accounting purposes, the Scheme will be given effect from the Appointed Date 1 and such entries will be recorded on the date when all substantial conditions for the transfer of Transferor Company 2 are completed.

24.3.9. Any matter not dealt with hereinabove shall be dealt with in accordance with the requirement of applicable Ind AS and generally accepted accounting principles.



SECTION D – AMALGAMATION 2

25 TRANSFER AND VESTING OF TRANSFEROR COMPANY 3 TO TRANSFeree
COMPANY 2

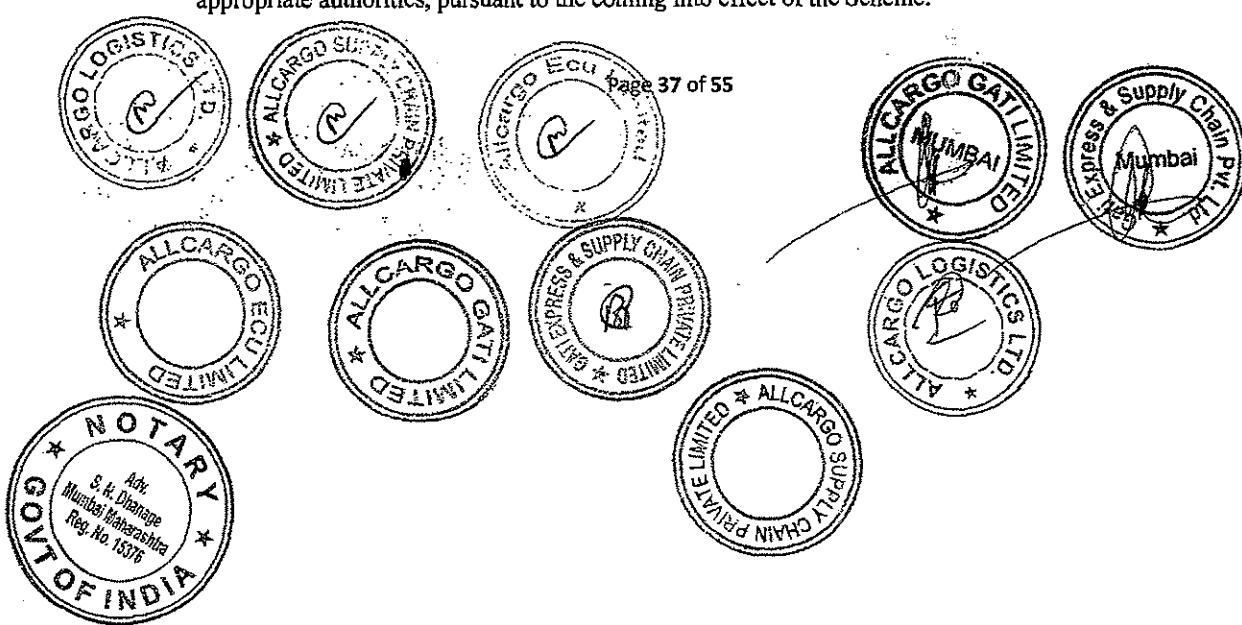
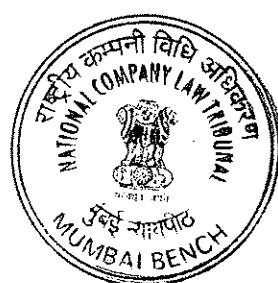
25.1 Upon the coming into effect of the Scheme, the Transferor Company 3 shall and in accordance with Section 2(1B) of the IT Act, pursuant to the provisions contained in sections 230 to 232 of the Act and other provisions of law for the time being in force and without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company 2 on the Appointed Date 2 so as to vest in the Transferee Company 2, all the rights, title, interest or obligations of the Transferor Company 3 therein.

25.2 All assets (including fixed assets, intangible assets, current assets, cash and bank balances etc.) acquired by Transferor Company 3 after the Appointed Date 2 and prior to the Effective Date for operation of the Transferor Company 3 or pertaining to the Transferor Company 3 shall be deemed to have been acquired for and on behalf of the Transferee Company 2.

25.3 In respect of such of the respective assets of the Transferor Company 3 as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery, the same shall stand delivered, paid over, or endorsed and delivered, by the Transferor Company 3, and shall become the property of the Transferee Company 2 as an integral part of the Transferor Company 3 transferred to it upon the coming into effect of this Scheme, without requiring any further act, or deed, or instrument of conveyance for the same.

25.4 In respect of movables of the Transferor Company 3 other than those specified in Clause 25.3 above, 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, the same, along with all titles, rights, interests, and obligations therein, shall become property of the Transferee Company 2, and shall be deemed to have been mutated and recorded as that of the Transferee Company 2, upon the coming into effect of this Scheme, without any further act, deed, or instrument of conveyance for the same, and without any necessity or requirements to obtain the consent of any third party or other persons. The Transferee Company 2 may at its sole discretion, but without being obliged, give notice in such form as it deems fit, to any third party or other persons, with respect to the above-mentioned transfer.

25.5 In respect of such of the assets of the Transferor Company 3 other than those referred to in Clause 25.3 and 25.4 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 2 on the Appointed Date 2 pursuant to the provisions of section 230/232 of the Act or other provisions of law as applicable. The Transferee Company 2 shall be entitled to exercise all rights, interest, and privileges, as well as fulfil all obligations with respect to all assets transferred to the Transferee Company 2 pursuant to Clauses 25.3, 25.4, and 25.5. Further, in respect of the transfer of any immovable properties, in accordance with the above-mentioned Clauses, to the Transferee Company 2, the mutation/substitution of title to the immovable property shall be made and duly recorded in the name of the Transferee Company 2 by the appropriate authorities, pursuant to the coming into effect of the Scheme.



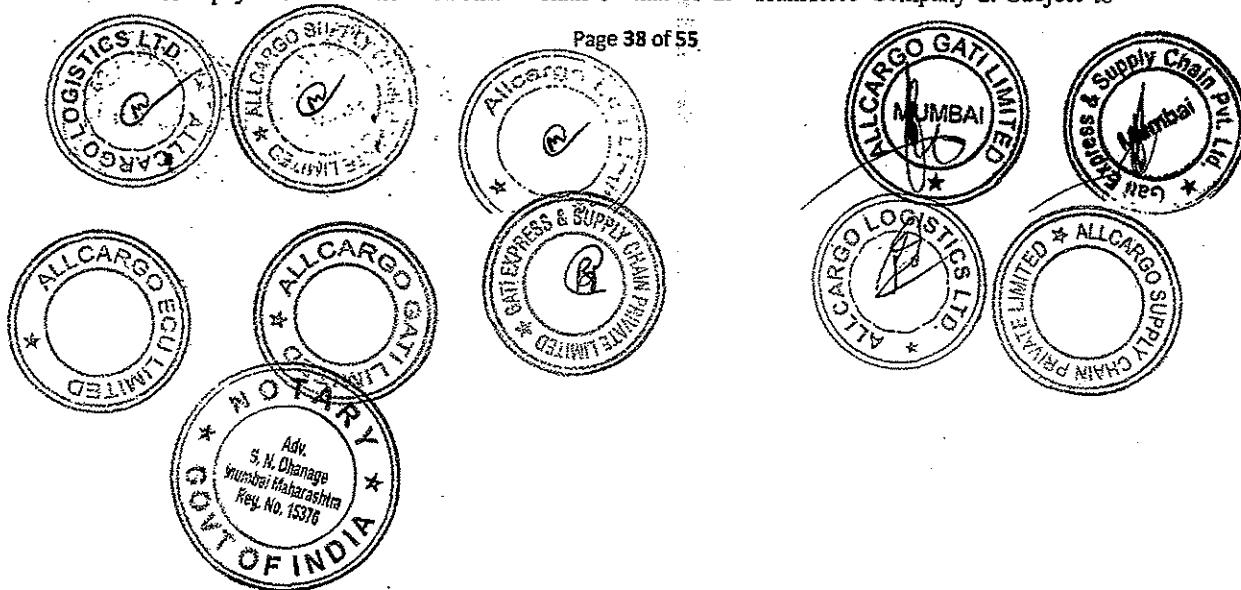
25.6 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, in accordance with the provisions of relevant laws, all consents, permissions, licenses, registrations, certificates, authorities (including for the operation of bank accounts), powers of attorneys given by, issued to or executed in favour of Transferor Company 3 (and the rights and benefits under the same), all certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other Intellectual Property Rights of the Transferor Company 3, and all other interests relating to the Transferor Company 3, be transferred to, mutated, and vested in the Transferee Company 2 in its entirety, without any further act or deed.

25.7 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 Transferor Company 3 are concerned, the same shall, without any further act or deed, vest with and be available to the Transferee Company 2 on the same terms and conditions. The benefit of all statutory and regulatory permissions, approvals, licenses, registrations, consents, certificates, authorities, intellectual property rights, benefits, incentives, subsidies, grants, special status, or otherwise (including as set out in Clauses 25.6 and 25.7 above, and including "Gati" brand and rights of every kind and description, whether registered or unregistered or pending registration, and the goodwill arising therefrom, relatable to the business of the Transferor Company 3), shall automatically vest into and become available to the Transferee Company 2 pursuant to this Scheme coming into effect, in the same manner as if the same were granted to, issued, executed in favour of, or given directly to the Transferee Company 2, by the concerned authorities; and shall remain in full force and effect in favour of or against the Transferee Company 2, as the case may be, and may be enforced as fully and effectively as if instead of the Transferor Company 3, the Transferee Company 2 has instead been a party or a beneficiary, or a obligee thereto.

25.8 It is clarified that, upon the coming into effect of the Scheme, all debts, duties, liabilities (including all contingent liabilities), and obligations of the Transferor Company 3, whether provided for or not, as on the Appointed Date 2 shall, without any further act or deed be and shall stand transferred to the Transferee Company 2, 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 Transferee Company 2, in such manner, as if it had entered into such loans or incurred such borrowings by itself; and the Transferee Company 2 undertakes to meet, discharge and satisfy the same. 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, obligations, duties, and liabilities have arisen in order to give effect to the provisions of this clause.

25.9 All loans and borrowings raised and used and all liabilities and obligations incurred by Transferor Company 3 after the Appointed Date 2 and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company 2 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 2 and shall become its liabilities and obligations.

25.10 Upon the coming into effect of this Scheme, the balances as on the Appointed Date 2, of all borrowings of Transferor Company 3, shall be transferred to and assumed by the Transferee Company 2 as set out in Clauses 25.8 and 25.9 above. Thus, the primary obligation to redeem or repay such transferred liabilities shall be that of the Transferee Company 2. Subject to



Clauses 25.7, 25.8, and 25.9 above, from the Effective Date, the Transferee Company 2 alone shall be liable to perform all obligations in respect of the liabilities of the Transferor Company 3 as the borrower / issuer thereof, and the Transferor Company 3 shall not have any obligations in respect of the said liabilities.

25.11 Upon the coming into effect of this Scheme, any securities, pledges, mortgages, and existing charges in respect of any assets of the Transferor Company 3, related to any loans or borrowings of the Transferor Company 3, as on the Appointed Date 2, shall stand transferred to the Transferee Company 2, without any further act or deed; and the same shall after the Effective Date continue to relate and attach to exclusively such transferred assets or any part thereof to which they related or were attached to prior to the coming into effect of the Scheme, and such encumbrances shall not relate to or attach to, or extend over, any other assets of the Transferee Company 2.

Provided that if any of the assets of the Transferor Company 3 which are transferred to the Transferee Company 2 by virtue of this Scheme have not been encumbered, then the existing encumbrance referred to above shall not extend to and shall not operate over such assets. The absence of any formal amendments which may be required by a lender or third party shall not affect the operation of this clause in any manner whatsoever.

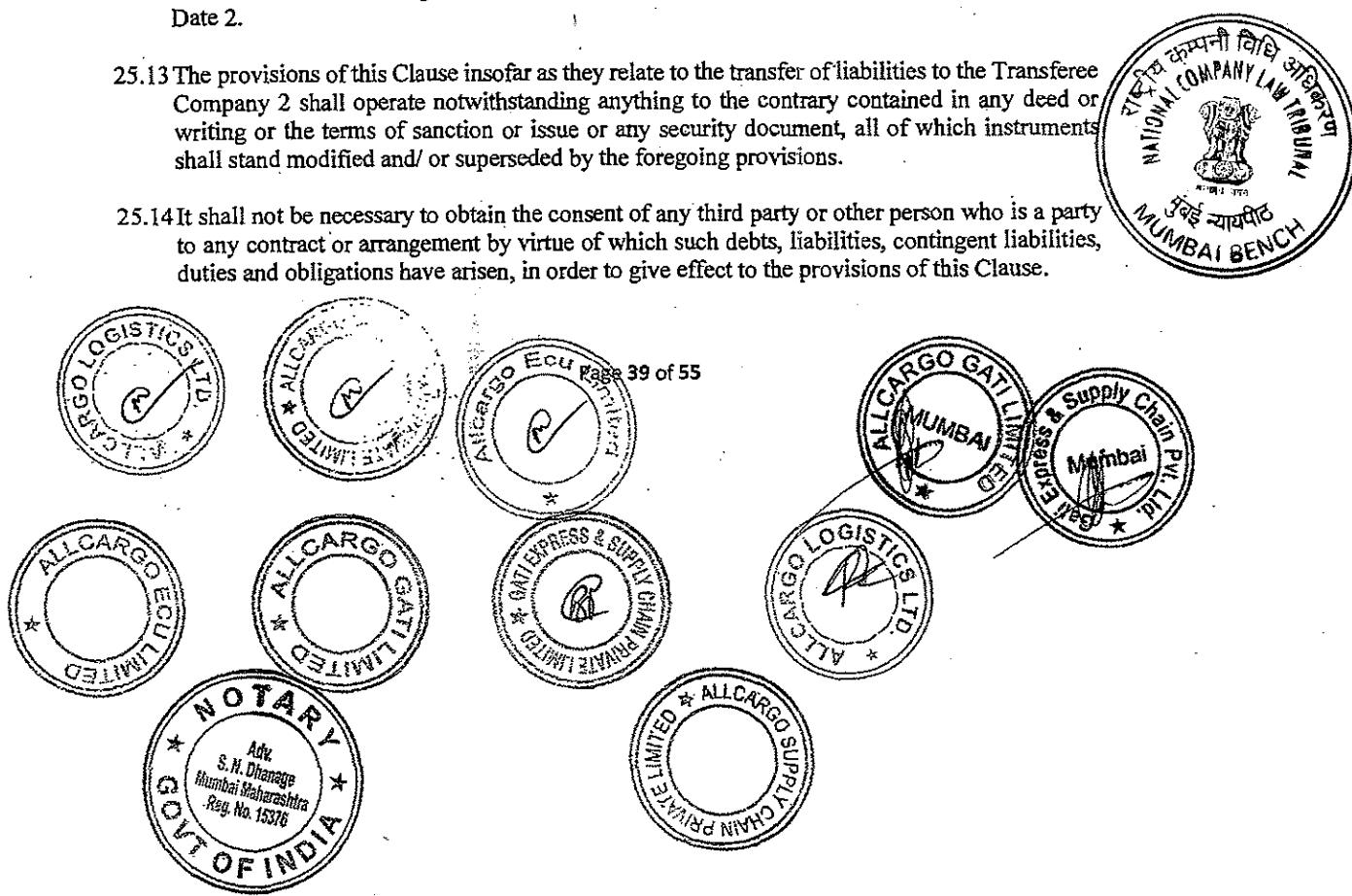
Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company 2 shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages 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 Transferor Company 3 as vested in the Transferee Company 2.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company 3 which shall vest in the Transferee Company 2 by virtue of the Amalgamation into the Transferee Company 2 and the Transferee Company 2 shall not be obliged to create any further or additional security thereof after the Scheme has become operative.

25.12 Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company 2 in terms of Section 180(1)(c) of the Act shall be deemed without any further act or deed to have been enhanced by all of the aggregate liabilities of the Transferor Company 3 which are being transferred to the Transferee Company 2 pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company 2, with effect from the Appointed Date 2.

25.13 The provisions of this Clause insofar as they relate to the transfer of liabilities to the Transferee Company 2 shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and/ or superseded by the foregoing provisions.

25.14 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.



25.15 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 Transferor Company 3 after the Effective Date shall be accepted by the bankers of Transferee Company 2 and credited to the account of Transferee Company 2, if presented by the Transferee Company 2 or received through electronic transfers. Similarly, the banker of Transferor Company 3 shall honour all cheques / electronic fund transfer instructions issued by Transferee Company 2 for payment after the Effective Date. If required, the bankers of the Transferor Company 3 and Transferee Company 2 shall allow maintaining and operating of the bank accounts (including banking transactions carried out electronically) in the name of Transferor Company 3 for such time as may be determined to be necessary by the Transferee Company 2 for presentation and deposition of cheques, pay order and electronic transfers that have been issued/made in the name of Transferee Company 2.

25.16 Benefits of any and all corporate approvals as may have already been taken by the Transferor Company 3, including approvals under Sections 42, 62(1A), 177, 180, 185, 186 and 188 of the 2013 Act and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall stand transferred to the Transferee Company 2 and the said corporate approvals and compliances shall be deemed to have been taken / complied with by the Transferee Company 2.

25.17 Upon this Scheme coming into effect, all receivables and payables inter-se between the Transferor Company 3 and the Transferee Company 2 except third party trade receivables/ payables and related balances, if any, shall stand cancelled and neither the Transferor Company 3 (severally) nor the Transferee Company 2 shall have any obligation or liability against each other with respect to the same.

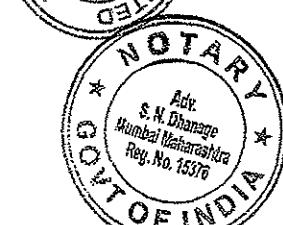
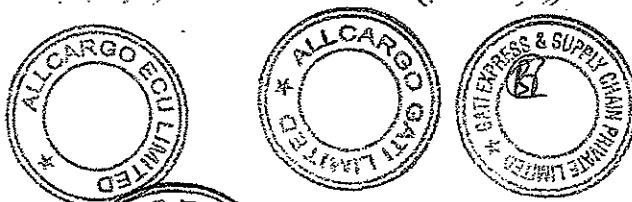
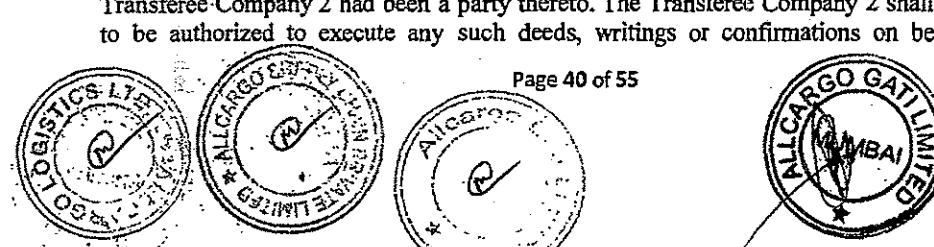
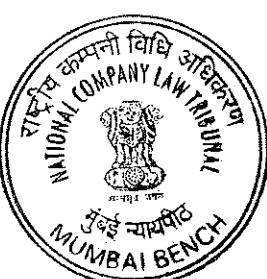
25.18 Upon Section D of the Scheme becoming effective, Transferor Company 3 shall stand dissolved without winding up, in accordance with the provisions of the Act, and the rules made thereunder. On and from the Effective Date, the name of Transferor Company 3 shall be amalgamated in the records of the concerned ROC.

26 LEGAL PROCEEDINGS

LEGAL PROCEEDINGS
All legal or other proceedings of whatsoever nature by or against the Transferor Company 3 pending and/ or arising on or after the Appointed Date 2 and relating to the Transferor Company 3 or its properties, assets, debts, liabilities, duties and obligations, shall be continued and/ or enforced until the Effective Date as desired by the Transferee Company 2 (and the costs thereof to be reimbursed by the Transferee Company 2 to Transferor Company 3) and as and from the Effective Date shall be continued and enforced by or against the Transferee Company 2 in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company 3. On and from the Effective Date, the Transferee Company 2 shall and may, if required, initiate any legal proceedings in its name in relation to the Transferor Company 3 in the same manner and to the same extent as would or might have been initiated by the Transferor Company 3.

27 CONTRACTS AND DEEDS

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 Transferor Company 3 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 Transferee Company 2, and may be enforced by or against Transferee Company 2 as fully and effectually, as if, instead of the Transferor Company 3, the Transferee Company 2 had been a party thereto. The Transferee Company 2 shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the



Transferor Company 3 and to implement or carry out all formalities required on the part of the Transferor Company 3 to give effect to the provisions of this Scheme.

28 BUSINESS AND PROPERTY IN TRUST

As and from the Appointed Date 2, upto and including the Effective Date:

- (i) Transferor Company 3 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 Transferee Company 2 and shall account for the same to Transferee Company 2.
- (ii) Income or profit accruing or arising to the Transferor Company 3 and all costs, charges, expenses and losses or taxes incurred by the Transferor Company 3 shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Transferee Company 2 and shall be available to the Transferee Company 2 for being disposed off in any manner as it thinks fit.

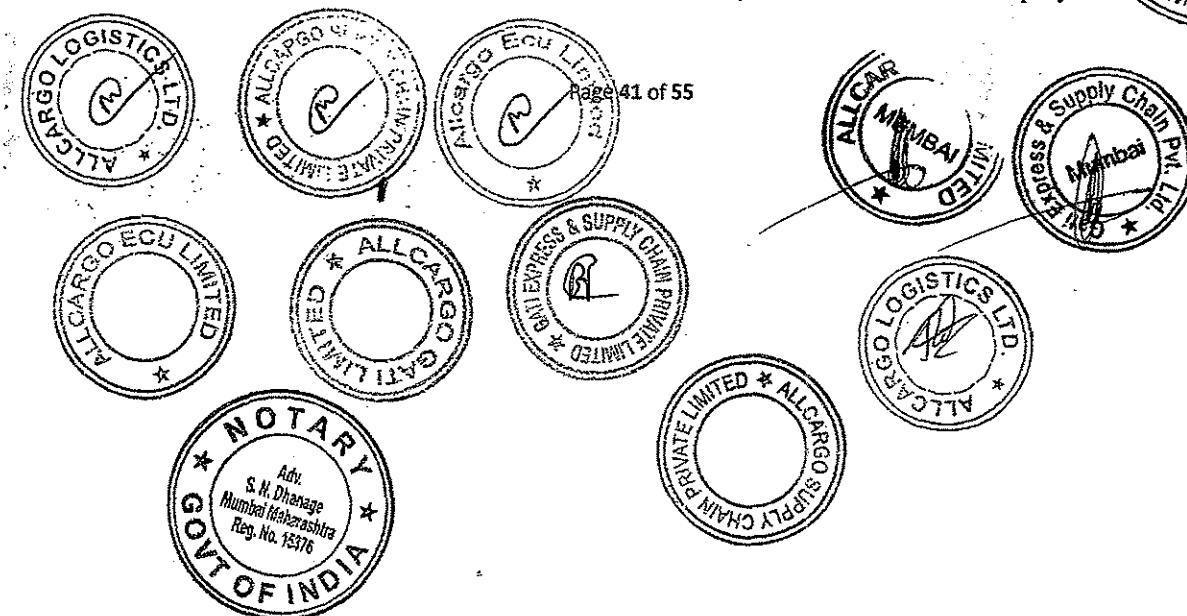
29 CONDUCT OF BUSINESS

Up till the Effective Date:

- (i) The Transferor Company 3 shall carry on their business (including with respect to the funding of the business) with reasonable diligence and in the same manner as it had been doing hitherto, and the Transferor Company 3 shall not alter or substantially expand their business, except with the written concurrence of the Transferee Company 2.
- (ii) The Transferor Company 3 shall not, without the written concurrence of the Transferee Company 2, transfer, alienate, charge or encumber any business activity of the Transferor Company 3, or assets/ properties (including Intellectual Property), 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 Transferor Company 3.

It is further clarified that upon receipt of the written concurrence of the Transferee Company 2, the Transferor Company 3 may transfer, alienate, charge or encumber any business activity of the Transferor Company 3, or properties (including Intellectual Property), rights or assets of the Transferor Company 3, for cash or any other consideration. Further, any such consideration received by the Transferor Company 3 shall constitute a part of the Transferor Company 3.

- (iii) The Transferor Company 3 shall not without the written concurrence of Transferee Company 2, 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 Transferor Company 3, 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 Transferor Company 3 and all taxes paid thereon (including, but not limited to, advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, securities transaction tax, taxes withheld / paid in a foreign country or India, value added tax, sales tax, service tax etc.) or losses arising in or incurred in regard to the Transferor Company 3 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 Transferee Company 2.



30 SAVING OF CONCLUDED TRANSACTIONS

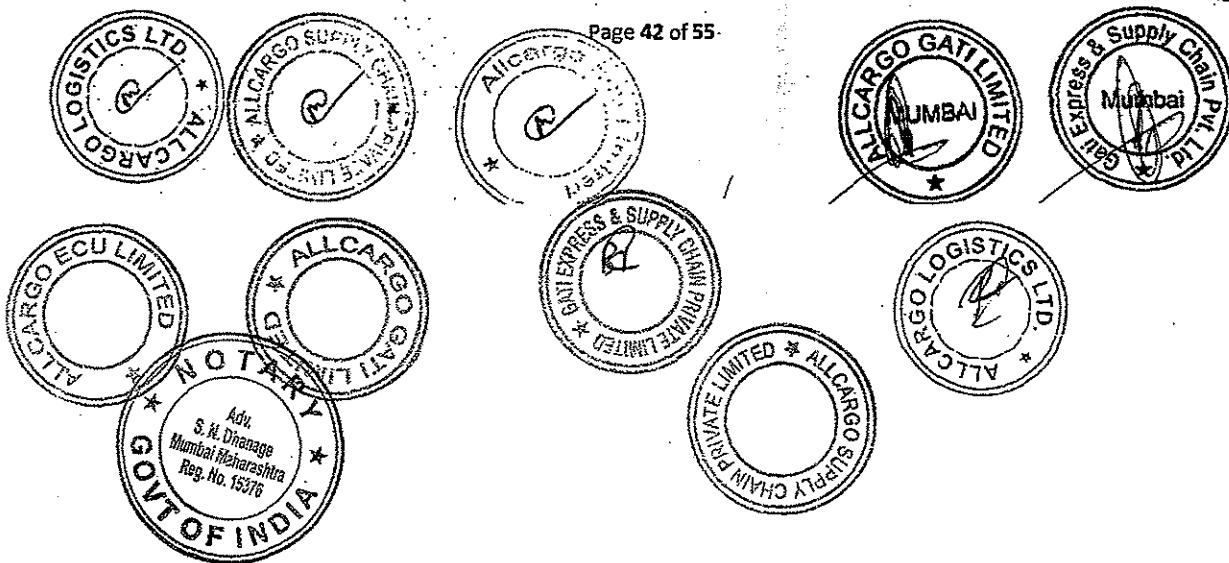
The transfer and vesting of the assets, liabilities and obligations of the Transferor Company 3 and the continuance of proceedings by or against the Transferee Company 2 (pursuant to this Scheme) shall not affect any transaction or proceedings already concluded by the Transferor Company 3 on or before the date when the Transferor Company 3 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 Transferee Company 2 accept and adopt all acts, deeds and things done and executed by the Transferor Company 3 in respect thereto as done and executed on behalf of itself.

31 STAFF AND EMPLOYEES

- 31.1 Upon the Scheme coming into effect, all staff and employees of the Transferor Company 3 shall be deemed to have become staff and employees of the Transferee Company 2 (with effect from Appointed Date 2) without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with the Transferor Company 3 shall not be less favourable than those applicable to them with reference to the Transferor Company 3 as on the Effective Date.
- 31.2 Upon the Scheme coming into effect, the accounts of the employees of the Transferor Company 3 relating to provident fund, gratuity and any other trusts/ funds (as per amounts outstanding as on Appointed Date 2) shall be identified, determined and transferred to the respective funds/ trusts of Transferee Company 2 and the employees shall be deemed to have become members of such funds/ trusts of Transferee Company 2. The Transferor Company 3 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 Transferee Company 2. The obligation to make contributions to the said fund or funds shall be transferred to the Transferee Company 2 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 Transferor Company 3 in relation to such fund or funds shall become those of Transferee Company 2 and all the rights, duties and benefits of the employees employed in the Transferor Company 3 under such funds and trusts shall be protected, subject to the provisions of law for the time being in force.
- 31.3 Upon the Scheme coming into effect, until such time that the Transferee Company 2 creates its own funds, the Transferee Company 2 may continue to make contributions pertaining to the employees of the Transferor Company 3 to the relevant funds of the Transferor Company 3 and such contributions pertaining to the employees of the Transferor Company 3 shall be transferred by the Transferor Company 3 (to the extent possible) to the funds of the Transferee Company 2 as and when created. The Transferor Company 3 (to the extent possible) 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 Transferee Company 2.

31.4 Employee Stock Appreciation Rights:

- (i) In respect of stock appreciation rights granted by the Transferor Company 3 under the ESAR 2021 plan, upon the effectiveness of the Scheme, the Transferee Company 2 shall issue Employee Stock Appreciation Rights (ESARs) to the beneficiaries who are eligible under ESAR 2021, taking into account the share exchange ratio as provided for in this Scheme and on the terms and conditions that are no less favourable than the terms and conditions existing



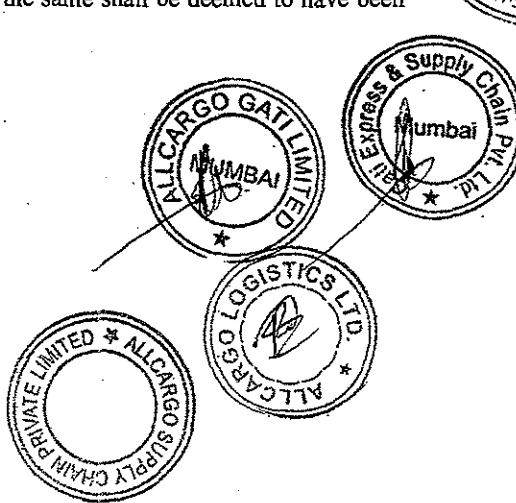
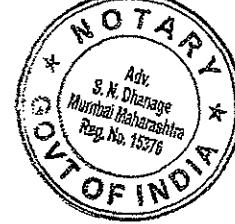
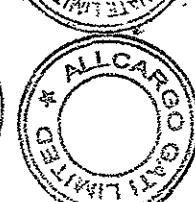
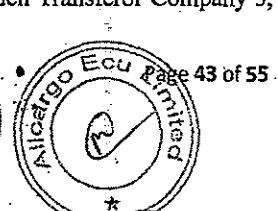
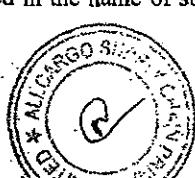
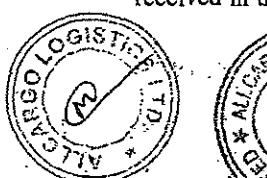
in ESAR 2021, however, subject to Applicable Laws. Such ESARs may be issued by the Transferee Company 2 either under its existing employees stock appreciation rights plan or under a revised stock appreciation rights plan that may be created by the Transferee Company 2.

- (ii) Upon the issue of such ESARs by the Transferee Company 2, any and all ESARs under ESAR 2021 shall automatically be deemed to have lapsed. Further, upon the Scheme becoming effective and after cancellation of the ESARs granted to the eligible beneficiaries of ESARs under ESAR 2021, the fresh ESARs shall be granted by the Transferee Company 2 to the eligible beneficiaries on the basis of the share exchange ratio. The exercise price payable for ESARs granted by the Transferee Company 2 to the eligible beneficiaries shall be based on the exercise price payable by such eligible beneficiaries under the ESAR 2021 as adjusted after taking into account the effect of the share exchange ratio, as decided by the Board of Transferee Company 2.
- (iii) The grant of ESARs to the eligible beneficiaries pursuant to Clause 31.4(i) of this Scheme shall be effected as an integral part of the Scheme and the consent of the shareholders of the Transferee Company 2 to this Scheme shall be deemed to be their consent in relation to all matters pertaining thereto. No further approval of the shareholders of the Transferee Company 2 would be required in this connection under Applicable Law.
- (iv) It is hereby clarified that in relation to the ESARs granted by the Transferee Company 2 to the eligible beneficiaries, the period during which the options granted by the Transferor Company 3 were held by or deemed to have been held by the eligible beneficiaries shall be taken into account for determining the minimum vesting period required under Applicable Law or agreement or deed for such ESARs.
- (v) The Board of Directors of the Transferee Company 2 or any of the committee(s) thereof, including the compensation committee, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this clause of the Scheme.

32 TREATMENT OF TAX

32.1 The Transferee Company 2 will be the successor of the Transferor Company 3. Hence, it will be deemed that the benefits of any tax credits whether central, state, or local, availed vis-a-vis the Transferor Company 3 and the obligations, if any, for payment of taxes on any assets of the Transferor Company 3 or their erection and/or installation, etc. shall be deemed to have been availed by the Transferee Company 2, or be deemed to be the obligation of the Transferee Company 2, as the case may be.

32.2 Any refund or credits, 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 Transferor Company 3 consequent to the assessment made on the Transferor Company 3 and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date 2 shall also belong to and be received by the Transferee Company 2 upon this Scheme becoming effective. Accordingly, on and from the Appointed Date 2, if any certificate for the above with respect to the Transferor Company 3 is received in the name of such Transferor Company 3, the same shall be deemed to have been



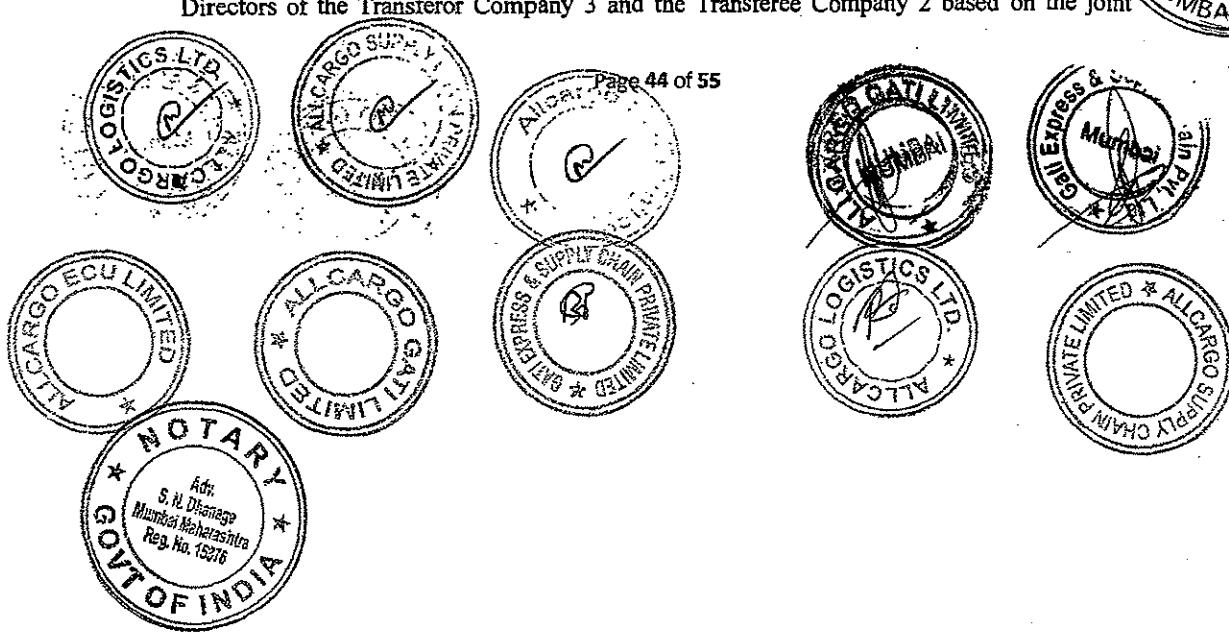
received by the Transferee Company 2, which alone shall be entitled to claim such credit or refund.

- 32.3 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 Transferor Company 3 after the Appointed Date 2, shall be deemed to be paid by the Transferee Company 2 and shall, in all proceedings, be dealt with accordingly.
- 32.4 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company 3, on and from the Appointed Date 2, to the Effective Date, shall be made or deemed to have been made and duly complied with by the Transferee Companies.
- 32.5 Any actions taken by the Transferor Company 3 to comply with Tax Laws (including payment of Taxes, maintenance of records, payments, returns, Tax filings, etc.) on and from the Appointed Date 2 up to the Effective Date shall be considered as adequate compliance by the Transferor Company 3 with such requirements under Tax Laws and such actions shall also be deemed to constitute adequate compliance by the Transferee Company 2 with the relevant obligations under such Tax Laws.
- 32.6 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, or tax holidays), goods and service tax, cenvat, customs, applicable state value added tax, sales tax, service tax etc. relating to the Transferor Company 3 on or after the Appointed Date 2 which remain unutilized by the Transferee Company 2 shall be available to and vest in the Transferee Company 2, without any further act or deed.
- 32.7 Upon this Scheme becoming effective, the Transferee Company 2 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.

33 CONSIDERATION FOR AMALGAMATION

33.1 Upon the coming into effect of this Scheme, in consideration of the Amalgamation of the Transferor Company 3 with the Transferee Company 2 pursuant to this Scheme, the Transferee 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 Transferee Company 2") at par on a proportionate basis to each member of the Transferor Company 3 (excluding with respect to shares held by the Transferee Company 2 in Transferor Company 3), whose name is recorded in the register of members of the Transferor Company 3 as holding shares on Record Date 2, in the ratio of 63 equity shares of Rs 2 each fully paid up of Transferee Company 2 for every 10 equity shares of Rs 2 each fully paid up held in the Transferor Company 3. It is hereby clarified that any shares held by the Transferee Company 2 in Transferor Company 3 (including the shares issued pursuant to Amalgamation 1) shall hereby stand cancelled without any further action, or deed.

33.2 The exchange ratio pertaining to the Amalgamation 2 has been determined by the Boards of Directors of the Transferor Company 3 and the Transferee Company 2 based on the joint



valuation report provided by independent registered valuers as per the terms of the present proposed Scheme.

33.3 The issue and allotment of New Equity Shares of Transferee Company 2 by Transferee Company 2 to the members and shareholders of Transferor Company 3 pursuant to Clause 33.1 above is an integral part of this Scheme.

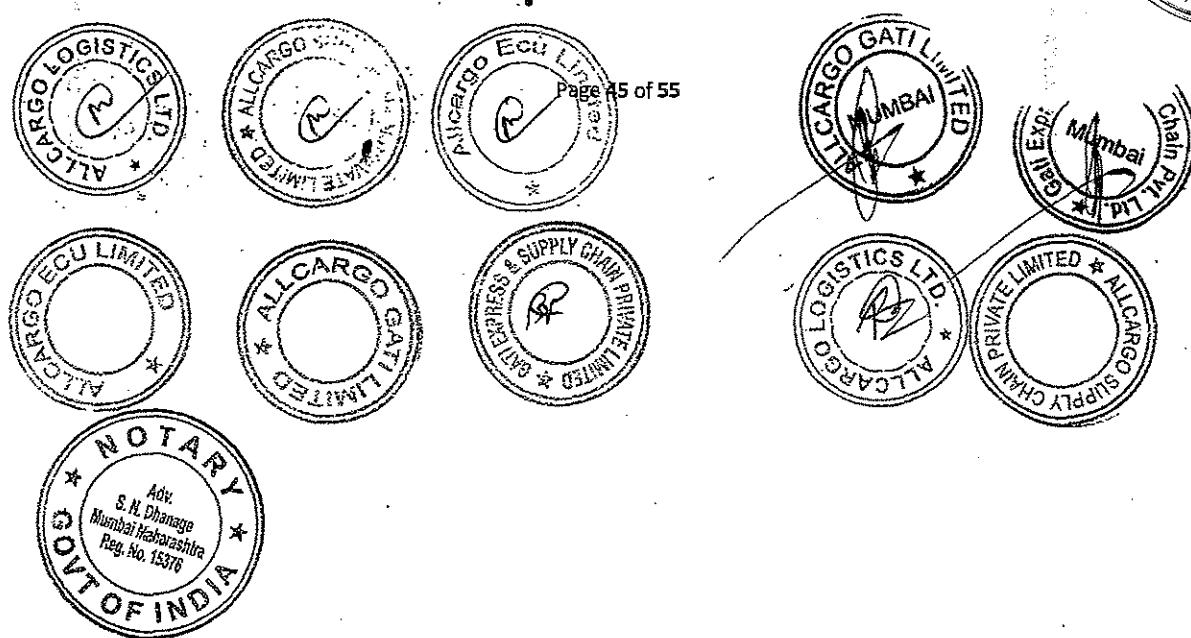
33.4 The approval of this Scheme by the shareholders of Transferee Company 2 shall be deemed to be due compliance of the provisions of Section 62 and other applicable provisions of the Act, for the issue and allotment of New Equity Shares of Transferee Company 2 by the Transferee Company 2 to the shareholders of the Transferor Company 3 as provided in this Scheme.

33.5 The New Equity Shares of Transferee Company 2 to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of the Transferee Company 2 and shall rank pari passu with the other equity shares issued and allotted to the members of the Transferee Company 2.

33.6 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.

33.7 In the event that the Transferor Company 3 or Transferee Company 2, restructures their equity share capital prior to the Effective Date, by way of any issue of bonus shares (except issuance of bonus shares as approved by the Board of Directors, and shareholders, as mentioned in clause 4.1 of the Scheme) / share split / consolidation / subdivision / re-organisation, the share exchange 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.

33.8 Subject to Applicable Laws, the fully paid-up New Equity Shares of Transferee Company 2 that are to be issued in terms of Clause 33.1 shall be issued in dematerialised form, unless a shareholder of the Transferor Company 3 gives a notice to the Transferor Company 3 and the Transferee Company 2 on or before the Record Date 2, requesting for issuance of such Equity Shares in physical form. The shareholders of the Transferor Company 3 shall provide such confirmation, information and details as may be required by the Transferee Company 2 to enable it to issue the aforementioned Equity Shares. However, if as of the date of allotment by the Transferee Company 2, the Transferor Company 3 is unable to provide the details of the demat account of any shareholder, subject to applicable law, then the Transferee Company 2 shall allot the appropriate number of respective New Shares to such shareholder in physical form. Notwithstanding the above, if as per Applicable Laws, the Transferee Company 2 is not permitted to issue and allot the respective New Equity Shares of Transferee Company 2 in physical form, and it has still not received the demat account details of certain shareholders of the Transferor Company 3, it shall issue and allot such shares in lieu of the respective New Equity Share of Transferee Company 2 entitlement of such shareholders, into a demat suspense/escrow account, which shall be operated by one of the authorised person of Transferee Company 2, duly authorised in this regard, who shall upon receipt of appropriate evidence from such shareholders regarding their entitlement, will transfer from such demat suspense/escrow account into the individual demat accounts of such claimant shareholders, such number of shares as may be required in terms of this Scheme.



33.9 Equity shares to be issued by Transferee Company 2 pursuant to Clause 33.1 in respect of Equity Shares of the shareholders of the Transferor Company 3 which are held in abeyance shall continue to be kept in abeyance by the Transferee Company 2.

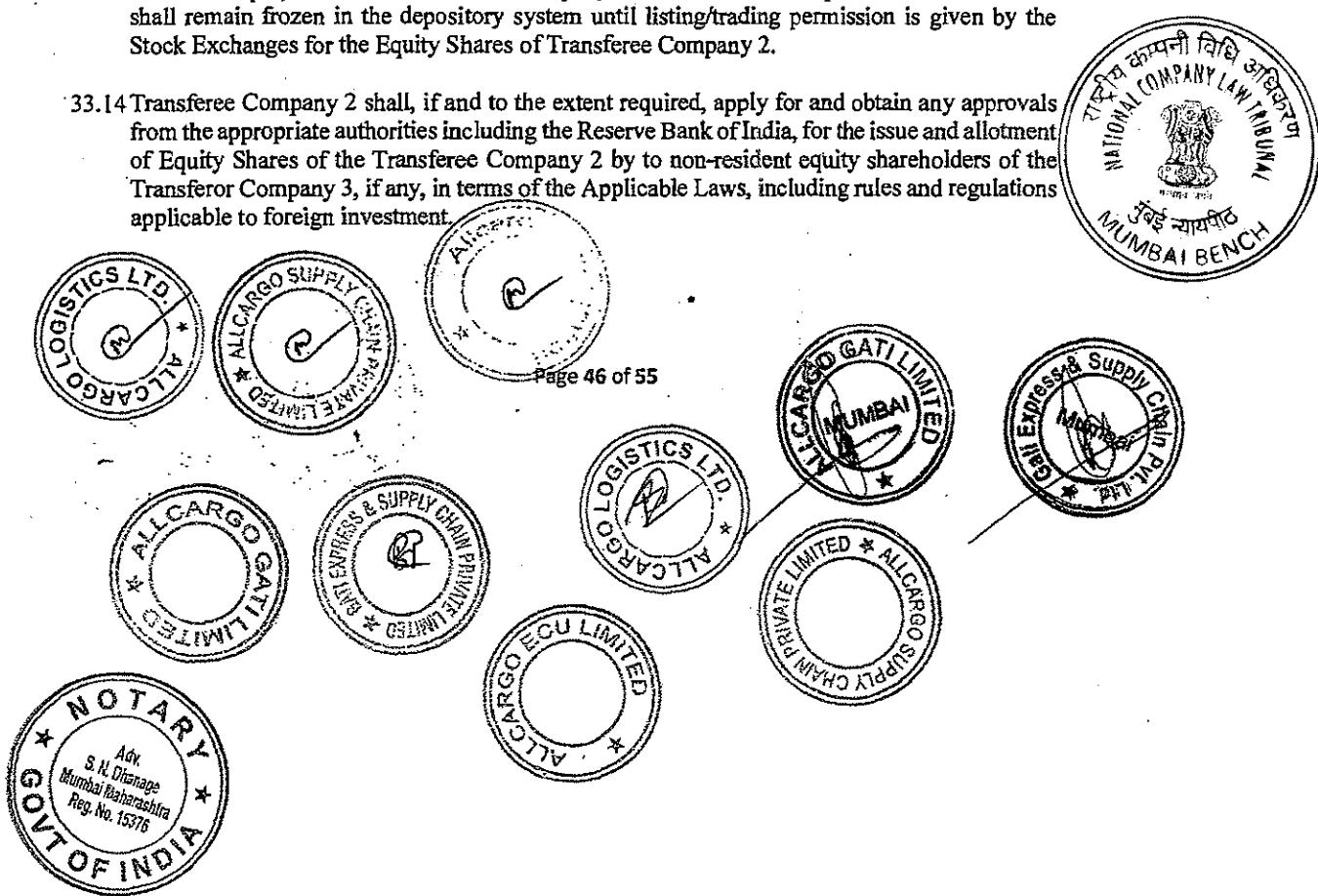
33.10 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company 3, the Board of Directors of the Transferor Company 3 shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 2, to effectuate such a transfer in the Transferor Company 3 as if such changes in registered holder were operative as on the Record Date 2, in order to remove any difficulties arising to the transferor / transferee of the shares in the Transferor Company 3 and in relation to the Equity Shares issued by the Transferee Company 2 upon the effectiveness of this Scheme. The Board of Directors of the Transferor Company 3 and the Transferee Company 2 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 Transferee Company 2 on account of difficulties faced in the transition period.

33.11 If the allotment of shares pursuant to this Clause 33.1 will result in any shareholders being issued fractional shares, the Board of the Transferee Company 2 shall consolidate all such fractional entitlements and thereupon allot equity shares in lieu thereof to a person/trustee authorized by the Board of the Transferee Company 2 in this behalf who shall hold the shares on behalf of the shareholders of the Transferor Company 3 entitled to fractional entitlements with the express understanding that such person/trustee shall sell the shares of the Transferee Company 2 so allotted on the Stock Exchanges at such price or prices at any time within a period of 90 days from the date of allotment, 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 Transferor Company 3 in proportion to their respective fractional entitlements. In case the number of such new shares to be allotted to a person/trustee authorized by the Board of the Transferee Company 2 by virtue of consolidation of fractional entitlement is a fraction, it shall be rounded off to the next higher integer."

33.12 The Transferee Company 2 shall apply to all the Stock Exchanges (where the shares of Transferor Company 3 are listed) and SEBI for listing and admission of all the Equity Shares the New Equity Shares of Transferee Company 2 to trading in terms of SEBI Master Circular No. SEBI/HO/CFD/POD-2 /P/CIR/ 2023/93 dated June 20, 2023 read with other Applicable Laws (as amended from time to time).

33.13 The New Equity Shares of Transferee 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 Transferee Company 2.

33.14 Transferee Company 2 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 Transferee Company 2 by to non-resident equity shareholders of the Transferor Company 3, if any, in terms of the Applicable Laws, including rules and regulations applicable to foreign investment.



33.15 Upon this Scheme coming into effect, all Transferee Company 1 RPS shall stand cancelled and neither the Transferor Company 3 (severally) nor the Transferee Company 2 shall have any rights, obligation or liability against each other with respect to the same.

34 ACCOUNTING TREATMENT

34.1 Accounting Treatments in the books of Transferee Company 2 (For the Amalgamation of Transferor Company 3 (including Transferor Company 1 and Transferor Company 2 under Amalgamation 1) with the Transferee Company 2)

Notwithstanding anything else contained in the Scheme, upon scheme becoming effective and with effect from the Appointed Date 2, the Transferee Company 2 shall account for the amalgamation of the Transferor Company 3 (including Transferor Company 1 and Transferor Company 2 under Amalgamation 1), in its books of accounts such that:

34.1.1. The Transferee Company 2 shall record the assets and liabilities, if any, of the Transferor Company 3 (including Transferor Company 1 and Transferor Company 2) vested in it pursuant to this Scheme, at their carrying values.

34.1.2. The identity of the reserves of the Transferor Company 3 (including Transferor Company 1 and Transferor Company 2) shall be preserved and the Transferee Company 2 shall record the reserves of the Transferor Company 3 (including Transferor Company 1 and Transferor Company 2) in the same form and at their carrying amount.

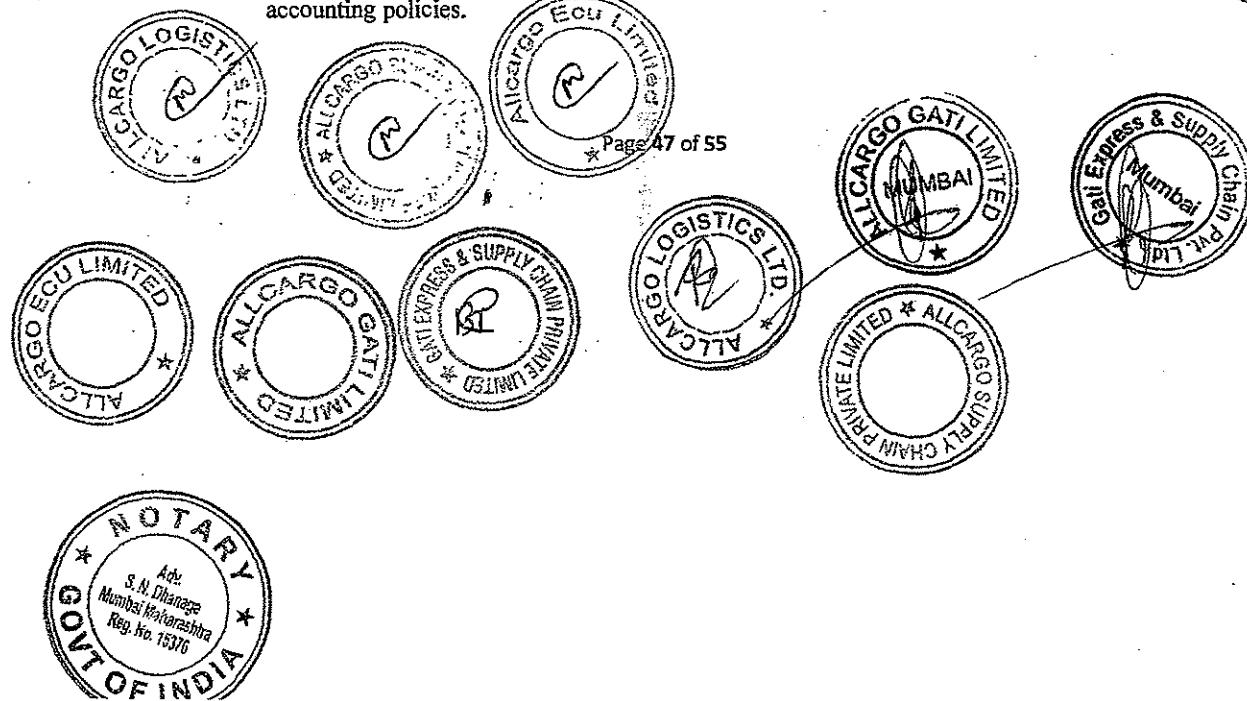
34.1.3. Pursuant to the amalgamation of the Transferor Company 3 (including Transferor Company 1 and Transferor Company 2) with the Transferee Company 2, inter-company balances, if any, between the Transferee Company 2 and the Transferor Company 3 (including Transferor Company 1 and Transferor Company 2) appearing in the books of the Transferee Company 2 shall stand cancelled;

34.1.4. The value of all the investments held by the Transferee Company 2 in the Transferor Company 3 shall stand cancelled pursuant to amalgamation.

34.1.5. The consideration transferred by the Transferee Company 2 to the shareholders of the Transferor Company 3, as prescribed in clause 33 of Section D of this Scheme, shall be recognised at nominal/face value and credited to the Equity Share Capital of the Transferee Company 2.

34.1.6. The surplus/deficit, if any arising after taking the effect of clause 34.1.1, clause 34.1.2, clause 34.1.4 and clause 34.1.5, after adjustment of clause 34.1.3 shall be recognised as Capital Reserve in the financial statements of the Transferee Company 2.

34.1.7. In case of any difference in accounting policy between the Transferor Company 3 (including Transferor Company 1 and Transferor Company 2) and the Transferee Company 2, the accounting policies followed by the Transferee Company 2 will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.



34.1.8. In case amount recognised as Capital Reserve as per clause 34.1.6 arising due to merger of the Transferor Company 3 (including Transferor Company 1 and Transferor Company 2) results into net debit impact, the Transferee Company 2 will adjust the debit balance firstly against the amount lying to the credit of the Capital Reserve Account, if any; balance, if any remaining after adjustment of entire credit of Capital Reserve Account, against the amount lying to the credit of the Special Reserve Account, if any; balance, if any, remaining after adjustment of entire credit balance of the Special Reserve Account, against the amount lying to the credit of the Securities Premium Account, if any; 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 and balance, if any, remaining after adjustment of entire credit balance of the Retained Earnings, such amount shall continue as Capital Reserve Account. In case impact arising due to merger accounting results in net credit in Capital Reserve, if any, such amount shall continue to be recognised as Capital Reserve Account.

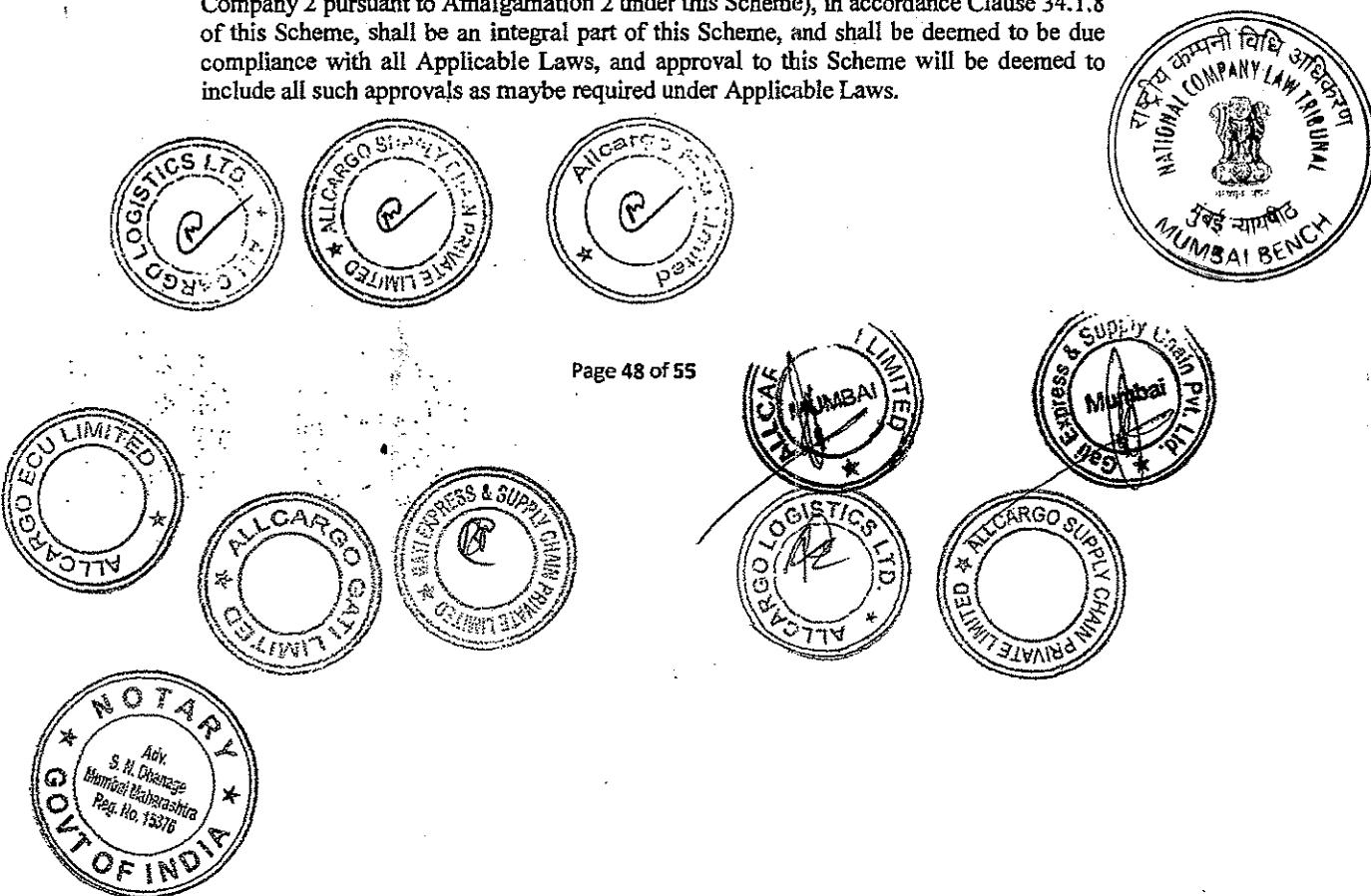
34.1.9. For accounting purposes, the Scheme will be given effect from the Appointed Date 2 and such entries will be recorded on the date when all substantial conditions for the transfer of the Transferor Company 3 are completed.

34.1.10. Any matter not dealt with hereinabove shall be dealt with in accordance with the requirement of applicable Ind AS and generally accepted accounting principles.

35. UTILISATION OF SECURITIES PREMIUM & SPECIAL RESERVE

The utilization and / or adjustment of the Securities Premium in the books of Transferee Company 2 in accordance Clause 34.1.8 of this Scheme, shall be deemed to be due compliance of the provisions of section 66 and other applicable provisions of the Act, and approval to this Scheme will be deemed to include approval under section 66 and other applicable provisions of the Act

The utilization and / or adjustment of the Special Reserve, recognized in the books of Transferor Company 3 ((on account of the Scheme of Arrangement for Amalgamation between Gati Limited, Gati Express Distribution Limited, Trymbak Commercial & Trading Private Limited, Newatia Commercial & Trading Private Limited, Ocimum Commercial & Trading Private Limited, Sumeru Commercial & Trading Private Limited and respective shareholders of these companies, such scheme being approved by the Hon'ble High Court of Andhra Pradesh in the year 2013), which Special Reserve is recognized in Transferee Company 2 pursuant to Amalgamation 2 under this Scheme), in accordance Clause 34.1.8 of this Scheme, shall be an integral part of this Scheme, and shall be deemed to be due compliance with all Applicable Laws, and approval to this Scheme will be deemed to include all such approvals as maybe required under Applicable Laws.



SECTION E – OTHER PROVISIONS

GENERAL TERMS & CONDITIONS APPLICABLE TO DEMERGER AND AMALGAMATION 1 AND AMALGAMATION 2

36 APPOINTED DATE

The Appointed Date 1 and Appointed Date 2 shall be deemed to be the 'acquisition date' for all purposes, including for the purposes of accounts of Demerged Company/ Resulting Company/ Transferor Companies/ Transferor Company 3/ Transferee Company 1/ Transferee Company 2.

37 APPLICATION TO THE NCLT

The Transferor Companies, the Transferor Company 3/the Transferee Company 1, the Transferee Company 2 and the Resulting Company 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.

38 ALTERATION OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE RESULTING COMPANY AND THE TRANSFeree COMPANY 2

Increase in authorized Share Capital of the Resulting Company

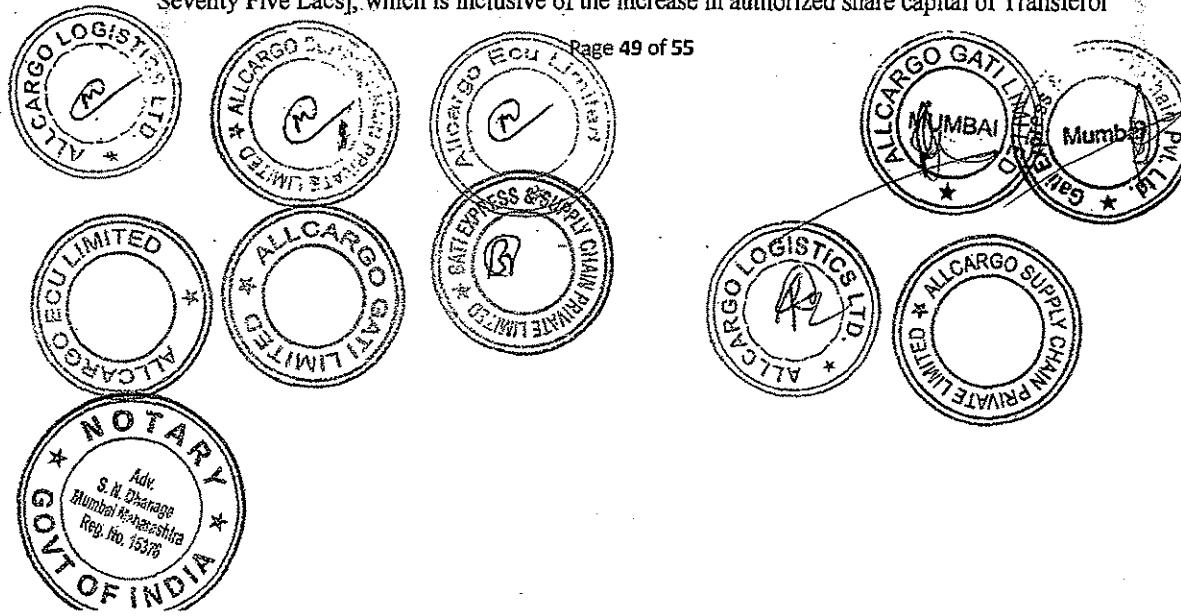
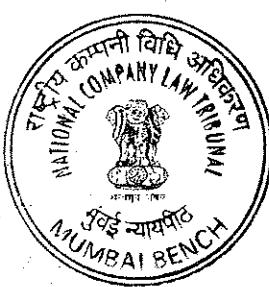
a) As an integral part of Scheme, and, upon coming into effect of the Scheme, the authorized share capital of Resulting Company shall stand suitably increased, without any further act, instrument or deed on the part of the Resulting Company for the purpose of issue of shares as per Clause 13.1, as on the Effective Date such that upon the effectiveness of the Scheme, the authorised share capital of the Resulting Company shall be Rs. 200,00,00,000 (Rupees Two Hundred Crores) divided into 100,00,00,000 Equity Shares of Rs 2/- each fully paid up. Clause 5 of the memorandum of association of the Resulting Company 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 200,00,00,000 (Rupees Two Hundred Crores only) divided into 100,00,00,000 (One Hundred Crores) 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 shall stand amended and reinstated to replicate the articles of a listed company and in such form as the Board of the Resulting Company may determine.

Increase in authorized Share Capital of the Transferee Company 2

a) As an integral part of Scheme, and, upon coming into effect of the Scheme, the authorized share capital of Transferee Company 2 shall stand automatically increased, without any further act, instrument or deed on the part of the Transferee Company 2, including without payment of stamp duty and fees paid to Registrar of Companies, by the authorised share capital of the Transferor Company 3 (i.e. Rs 285,75,00,000 (Rupees Two Hundred Eighty Five Crores Seventy Five Lacs), which is inclusive of the increase in authorized share capital of Transferor



Company 3, on account of Amalgamation 1,) as on the Effective Date such that upon the effectiveness of the Scheme, the authorised share capital of the Transferee Company 2 shall be Rs. 485,75,00,000 (Rupees Four Hundred Eighty Five Crores Seventy Five Lacs) divided into 242,87,50,000 (Two Hundred Forty Two Crores Eighty Seven Lacs Fifty Thousand) equity shares of Rs. 2/- (Rupees Two) each. Clause 5 of the memorandum of association of the Transferee 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 485,75,00,000 (Rupees Four Hundred Eighty Five Crores Seventy Five Lacs) divided into 242,87,50,000 ([Two Hundred Forty Two Crores Eighty Seven Lacs Fifty Thousand) 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 Transferee Company 2 shall stand amended if required, and in such form as the Board of the Transferee Company 2 may determine.

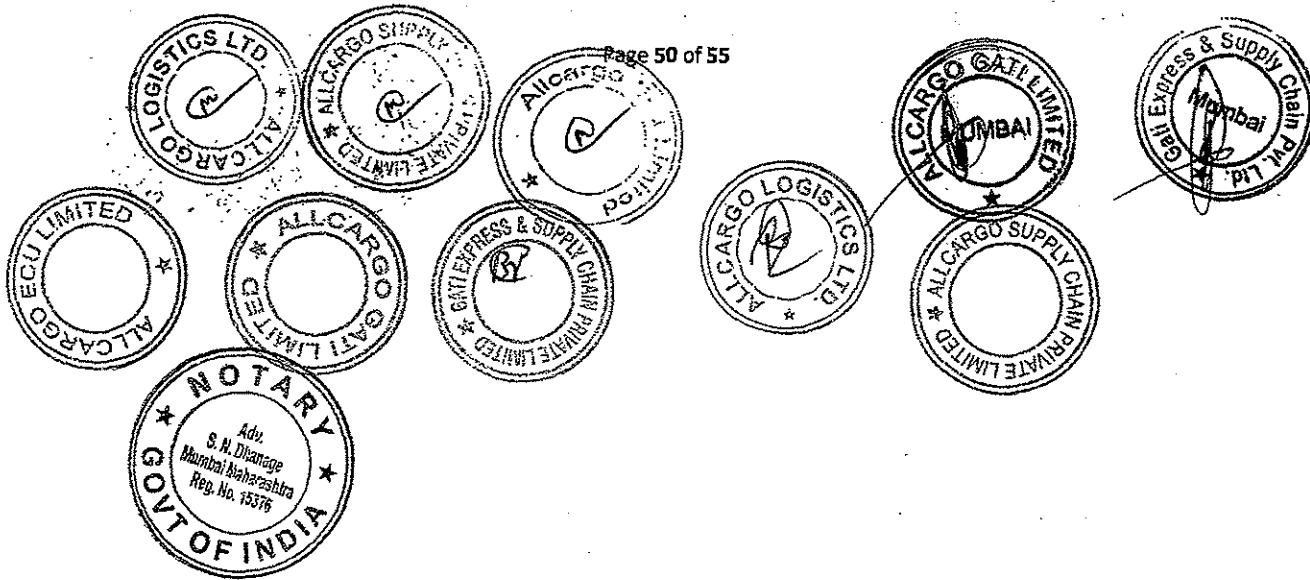
39 MODIFICATION OR AMENDMENTS TO THE SCHEME

- 39.1 Subject to approval of NCLT, the shareholders of Demerged Company/ Resulting Company/ Transferor Companies/ Transferee Company 1, 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 Company/ Transferor Companies/ Transferee Company 1 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.
- 39.2 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 Company/ Transferor Companies/ Transferee Company 1, affect the adoption or validity or interpretation of the other parts and/or provisions of this Scheme.

40 CONDITIONALITY OF THE SCHEME

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

- 40.1 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 Company/ Transferor Companies/ Transferee Company 1.
- 40.2 The approval of the Scheme by the respective requisite majorities in number and value of the shareholders of the Demerged Company/ Resulting Company/ Transferor Companies/ Transferee Company 1 in accordance with sections 230 to 232 of the Act;



40.3 The Demerged Company / Resulting Company / Transferor Companies/ Transferor Company 3 / Transferee Company 1 / Transferee Company 2 (as the case may be) complying with other provisions of the SEBI Circular, including seeking approval of the shareholders of the Demerged Company / Transferor Companies / Transferor Company 3 / Transferee Company 1 / Transferee Company 2 through e-voting (as the case may be).

40.4 The Scheme being sanctioned by the NCLT in terms of Sections 230 to 232 and other relevant provisions of the Act; and

40.5 Certified copies of the orders of the NCLT sanctioning this Scheme being filed with the relevant Registrar of Companies by Demerged Company / Resulting Company / Transferor Companies / Transferor Company 3 / Transferee Company 1 / Transferee Company 2 as per the provisions of the Act.

41 EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

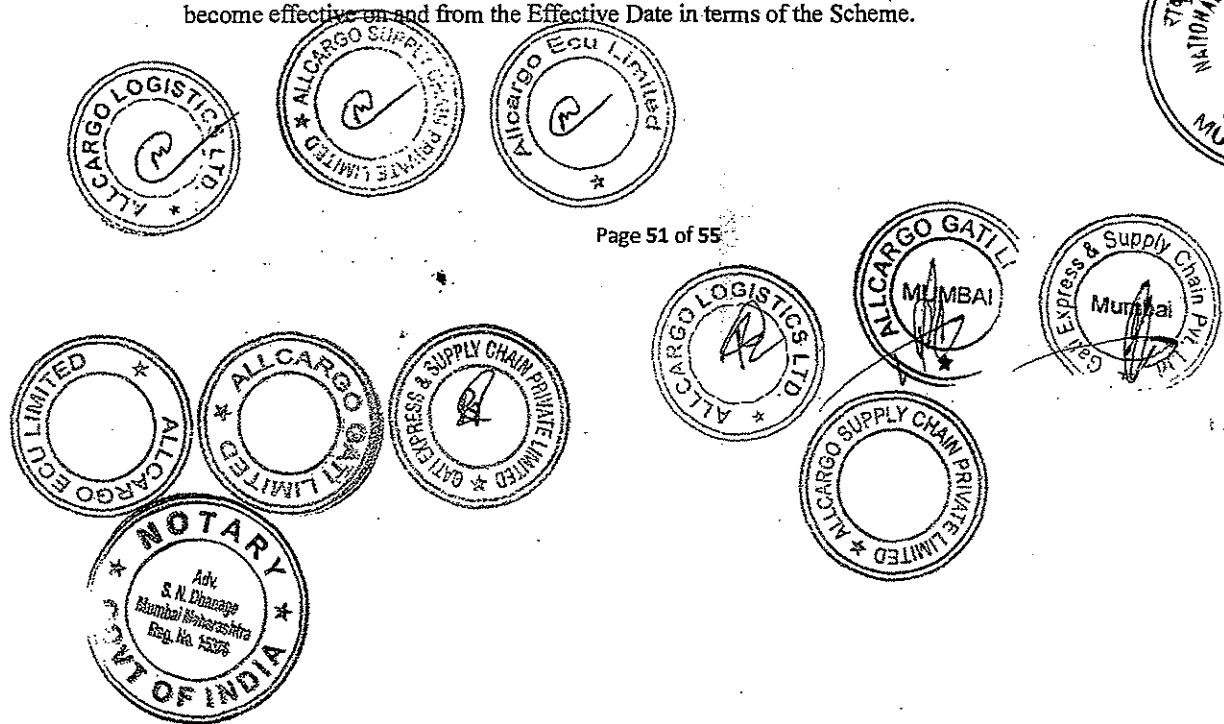
41.1 In the event any of the said sanctions and approvals referred to in Clause 40 are not obtained, and/ or complied with, and/or satisfied, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or 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.

41.2 In the event of revocation under Clause 41.1, no rights and liabilities whatsoever shall accrue to or be incurred inter se to Demerged Company/ Resulting Company/ Transferor Companies / Transferor Company 3 / Transferee Company 1 / Transferee Company 2 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.

41.3 The Board of Directors of the Demerged Company/ Resulting Company/ Transferor Companies/ Transferor Company 3 / Transferee Company 1 / Transferee Company 2 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.

42 WHEN THE SCHEME COMES INTO OPERATION

42.1 It is clarified that Sections B and C of the Scheme shall come into operation from the Appointed Date 1 and Section D of the Scheme shall come into operation from Appointed Date 2 and shall become effective on and from the Effective Date in terms of the Scheme.

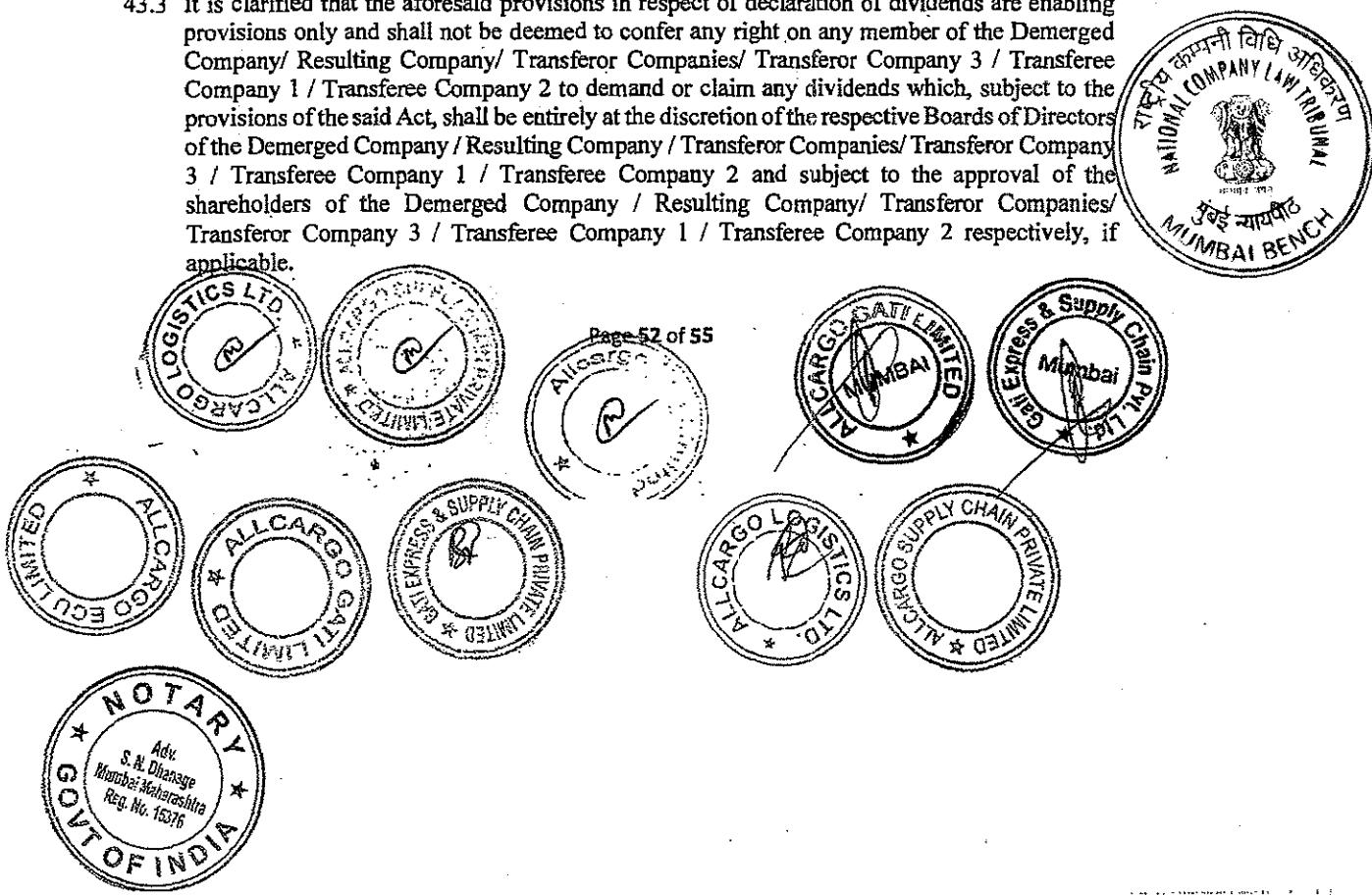


42.2 The Demerged Company / Resulting Company / Transferee Company 1 / Transferee Company 2 shall carry on and shall be authorized to carry on, with effect from the Effective Date, the business pertaining to the Demerged Company (to the extent of Remaining Business) / Resulting Company (to the extent of the Demerged Undertaking) / Transferor Companies / Transferor Company 3 respectively. The Demerged Company/ Resulting Company/ Transferor Companies/ Transferor Company 3 / Transferee Company 1 / Transferee Company 2 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.

42.3 The Demerged Company / Resulting Company/ Transferor Companies / Transferor Company 3 / Transferee Company 1 / Transferee Company 2 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 IT Act on payment basis, claim for deduction of provisions written back by the Demerged Company/ Resulting Company/ Transferor Companies/ Transferor Company 3 / Transferee Company 1 / Transferee Company 2 previously disallowed in the hands of the Demerged Company/ Resulting Company/ Transferor Companies/ Transferor Company 3 / Transferee Company 1 / Transferee Company 2 respectively under the IT Act, credit of foreign taxes paid / withheld, if any, pertaining Demerged Company/ Resulting Company/ Transferor Companies/ Transferor Company 2 / Transferee Company 1 / Transferee Company 2 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.

43 DIVIDENDS

- 43.1 The Demerged Company/ Resulting Company/ Transferor Companies/ Transferor Company 3 / Transferee Company 1 / Transferee Company 2 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.
- 43.2 The holders of the shares of the Demerged Company/ Resulting Company/ Transferor Companies/ Transferor Company 3 / Transferee Company 1 / Transferee Company 2 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.
- 43.3 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 Company/ Transferor Companies/ Transferor Company 3 / Transferee Company 1 / Transferee Company 2 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 Company / Transferor Companies/ Transferor Company 3 / Transferee Company 1 / Transferee Company 2 and subject to the approval of the shareholders of the Demerged Company / Resulting Company/ Transferor Companies/ Transferor Company 3 / Transferee Company 1 / Transferee Company 2 respectively, if applicable.

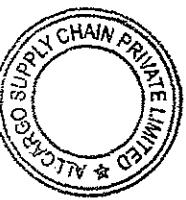
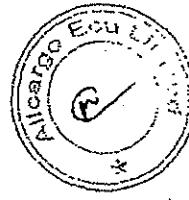


44 COSTS, CHARGES AND EXPENSES

All past, present and future costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in connection with and implementing (i) Section B of this Scheme and matters incidental thereto, shall be wholly borne by the Resulting Company; (ii) Sections C and D of this Scheme and matters incidental thereto, shall be wholly borne by Transferee Company 2.

45 BINDING EFFECT

Upon this Scheme becoming effective it shall be binding on the Demerged Company, Resulting Company, Transferor Companies, and the Transferee Company, and, their respective shareholders, creditors and all other stakeholders.

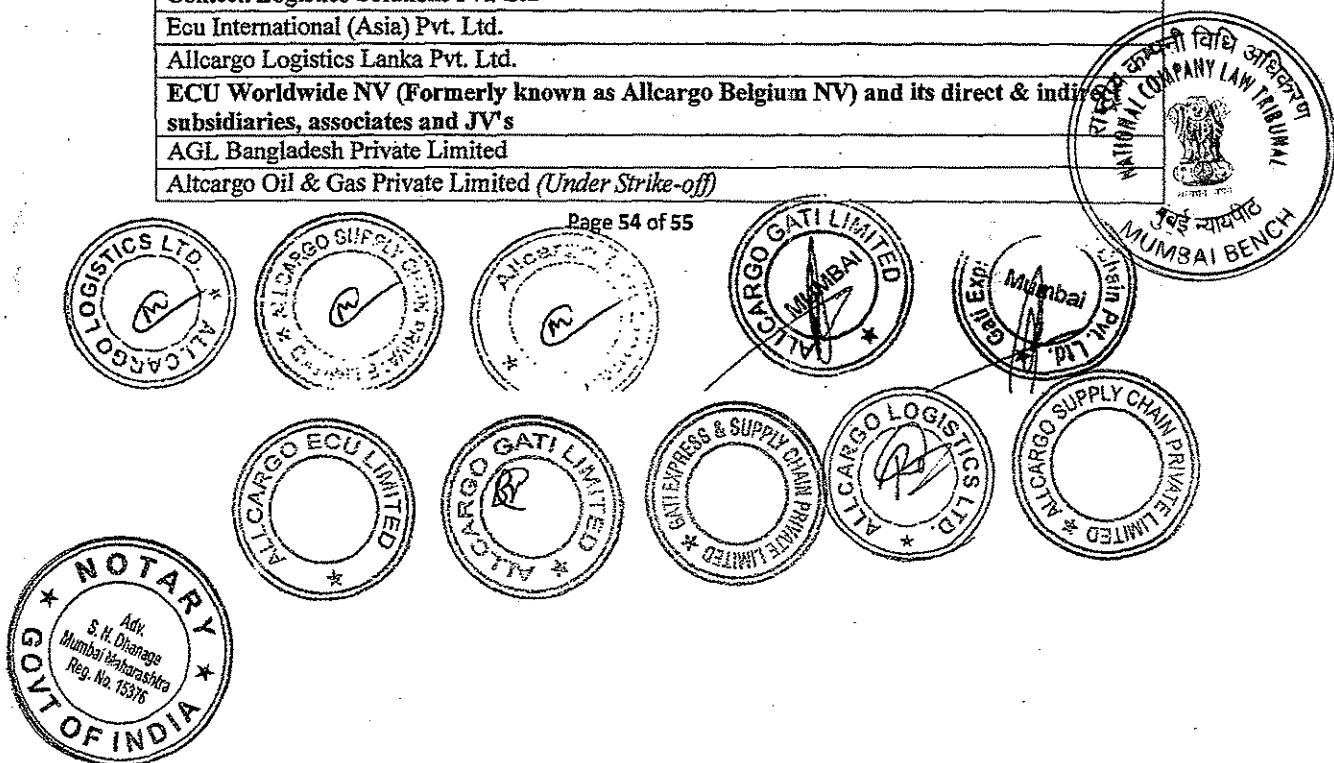


Annexure A

List of assets & liabilities of Demerged Undertaking being moved from Demerged Company to Resulting Company

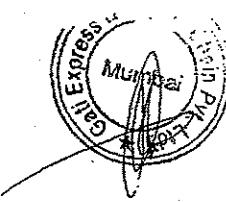
Particular
ASSETS
Property plants and equipments
Leasehold improvements
Plant and machinery
Vehicles
Office Equipment
Computers
Furniture & fixtures
Other Tangible Assets
Other intangible assets (Including Software)
"Allcargo" and "ECU" brands, related Intellectual Property Rights and other intangible assets related to the Demerged Undertaking
Right of Use Asset AS PER IND AS for various premises related to Demerged Undertaking
Loans & Advances
Financial assets & Derivative instruments
Deferred tax assets (net)
Other Non-current assets
Current assets (including trade and other receivables, deposits, balances with government authorities, other current assets)
Cash and cash equivalents and bank balances
Contract assets recognized under IND AS
Other assets related to Demerged Undertaking (not covered above)
LIABILITIES
Borrowings (in the manner outlined in the Scheme)
Lease liabilities recognised under Ind-AS
Trade payables and other payables
Contract liabilities recognized under IND AS
Employee related liabilities
Other liabilities related to Demerged Undertaking (not covered above)
List of investments in joint ventures/subsidiaries/ associates being moved from Demerged Company to Resulting Company
Particulars
Contech Logistics Solutions Pvt. Ltd
Ecu International (Asia) Pvt. Ltd.
Allcargo Logistics Lanka Pvt. Ltd.
ECU Worldwide NV (Formerly known as Allcargo Belgium NV) and its direct & indirect subsidiaries, associates and JV's
AGL Bangladesh Private Limited
Allcargo Oil & Gas Private Limited (<i>Under Strike-off</i>)

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Schedule A: List of common assets and liabilities of Demerged Company being moved to Resulting Company

- Software and Servers which is for common usage
- Leasehold Land at Aamby Valley;
- Training Centre and Guest House at Lonavala;
- Real Estate at Gurugram;
- Leased offices at Mumbai;
- Leasehold improvements in connection with the above;
- Right of Use Assets and Lease Liabilities as per IND AS in connection with the above. (as may be applicable)
- Treasury Investments



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Certified True Copy _____

Date of Application 13/10/2025

Number of Pages 55

Fee Paid Rs. 275/-

Applicant called for collection copy on 13/10/2025

Copy prepared on 17/10/2025

Copy Issued on 17/10/2025

R. S. Patel
Assistant Registrar

National Company Law Tribunal Mumbai Bench

