

**COMPOSITE SCHEME
OF ARRANGEMENT UNDER
SECTIONS 230 OF THE COMPANIES
ACT, 2013**

FOR DEMERGER OF THE UNDERTAKINGS
OF
CORPORATE COURIER AND CARGO LIMITED
TO
HARISH TEXTILE ENGINEERS PRIVATE LIMITED
AND
MAHESH DEVELOPERS PRIVATE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

This Scheme is for demerger of various undertakings of Corporate Courier and Cargo Limited and is contained in the following Parts :-

- (a) Part I contains Definitions;
- (b) Part II contains Capital Structure of the Demerged Company and the Resulting Companies;
- (c) Part III relates to the Rationale behind the Scheme;
- (d) Part V relates to Transfer and Vesting of the Demerged Undertakings into the Resulting Companies;
- (e) Part VI relates to Issue of New Shares by the Resulting Companies;
- (f) Part VII relates to Name Change
- (g) Part VIII relates of the Accounting Treatment; and
- (h) Part IX contains the General Terms and Conditions.

PART - I

1.0. DEFINITIONS AND INTERPRETATION

In this Scheme the following expressions, unless repugnant to or inconsistent with the meaning or context thereof shall have the meaning as assigned thereto:

- 1.1. "Act" means the Companies Act, 2013 including any statutory modifications, re-enactments or amendments thereof from time to time;
- 1.2. "Appointed Date" means 1st day of April 2017 or such other date as may be approved by the Hon'ble National Company Law Tribunal (NCLT).

- 1.3. “Book Value” means the value of the assets and liabilities of the Demerged Undertaking as appearing in the books of account of the Demerged Company;
- 1.4. “Demerged Company” or “Transferor Company” means Corporate Courier and Cargo Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 14/209 Adarsh Nagar, Worli Mumbai City MH 400025.
- 1.5. “Demerged Undertakings” means of Undertaking 1, Undertaking 2, of the Demerged Company or any one or more of them as the context shall require.
- 1.6. “Undertaking 1” means the contribution to be made under this scheme with Harish Textile Engineers Private Limited (under process to convert to Public Limited) together with all assets, properties, liabilities, duties and obligations of whatsoever nature or kind and wheresoever situated which relate thereto or are necessary for such Undertaking and without prejudice to the generality of the foregoing includes :
- i) all assets, properties, moveable and immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible of whatsoever nature, wheresoever situated including land, buildings, sheds, godowns, warehouse, offices, plant and machineries, vehicles, equipment, furniture, sundry debtors, inventories, cash and bank balances, bills of exchange, deposits, loans and advances relating to such Undertaking;
 - ii) trade marks, brands, goodwill, designs, copy rights, patents and all other intellectual rights and properties relating to such Undertaking;
 - iii) all permits, quotas, rights, industrial and other licences, approvals, consents, tenancies, bank accounts, privileges, all other rights, benefits and entitlements including sales tax deferrals and other benefits, lease rights (including the benefit of any applications made therefor), licences, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections, e-mail connections, communication facilities 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 such Undertaking;
 - iv) all records, files, papers, designs, and process information, computer programmes, 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 form or electronic form in connection with or relating to such Undertaking;
 - v) all benefits of tax holidays and fiscal benefits granted or allowed by the Central Government or the State Government or any other authority and in any manner relating to such Undertaking;
 - vi) all present and future liabilities, obligations and duties (including contingent liabilities and Specified Liabilities) as on the Appointed Date which relate to and arise out of the activities or operations and necessary for such Undertaking; and
 - vii) all employees of the Transferor Company in any way associated with the said Undertaking; but does not include assets, properties, liabilities, business and employees of any other undertaking of the Transferor Company.

1.8. “Undertaking 2” means the contribution to be made under this scheme with Mahesh Developers Private Limited (under process to convert to Public Limited) together with all assets, properties, liabilities, duties and obligations of whatsoever nature or kind and wheresoever situated which relate thereto or are necessary for such Undertaking and without prejudice to the generality of the foregoing includes:

- i) all assets, properties, moveable and immoveable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible of whatsoever nature, wheresoever situated including land, buildings, sheds, godowns, warehouse, offices, plant and machineries, vehicles, equipment, furniture, sundry debtors, inventories, cash and bank balances, bills of exchange, deposits, loans and advances relating to such Undertaking;
- ii) trade marks, brands, goodwill, designs, copy rights, patents and all other intellectual rights and properties relating to such Undertaking;
- iii) all permits, quotas, rights, industrial and other licences, approvals, consents, tenancies, bank accounts, privileges, all other rights, benefits and entitlements including sales tax deferrals and other benefits, lease rights (including the benefit of any applications made therefor), licences, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections, e-mail connections, communication facilities 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 such Undertaking;
- iv) all records, files, papers, designs, and process information, computer programmes, 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 form or electronic form in connection with or relating to such Undertaking;
- v) all benefits of tax holidays and fiscal benefits granted or allowed by the Central Government or the State Government or any other authority and in any manner relating to such Undertaking.
- vi) all present and future liabilities, obligations and duties (including contingent liabilities and Specified Liabilities) as on the Appointed Date which relate to and arise out of the activities or operations and necessary for such Undertaking; and
- vii) all employees of the Transferor Company in any way associated with the said Undertaking; but does not include assets, properties, liabilities, business and employees of any other undertaking of the Transferor Company.

ii)

1.10. “Resulting Companies” or “Transferee Companies” means Harish, Mahesh collectively or any one or more of them as the context shall require.

- 1.11. “Harish” means HARISH TEXTILE ENGINEERS PRIVATE LIMITED, (under process to convert to Public Limited) a company incorporated under the Companies Act, 1956 and having its registered office 19, PARSIPANCHAYAT ROAD, ANDHERI (E), MUMBAI MH 400069.
- 1.12. “Mahesh” means MAHESH DEVELOPERS PRIVATE LIMITED, (under process to convert to Public Limited) a company incorporated under the Companies Act, 1956 and having its registered office at UMA SHIKHAR, 13TH ROAD BEHIND KHAR TELEPHONE EXCHANGE, KHAR (WEST) MUMBAI MH 400052.
- 1.13. “Residual Undertaking” means the remaining business and undertaking of the Demerged Company relating to Logistics Business other than the Demerged Undertakings.
- 1.14. “Effective Date” means the last date of compliance of the following:-
- (a) The order of the NCLT, sanctioning the Scheme and transfer and vesting of the assets and liabilities under Section 230 and related provisions of the Act, is filed in the office of the Registrar of Companies, Mumbai by the Transferor Company and each of the Resulting companies;
 - (b) References in this Scheme of the date of “coming into effect of this Scheme” or “this Scheme becoming effective” shall mean the Effective Date.
- 1.17. “NCLT” means the Hon’ble National Company Law Tribunal, Mumbai;
- 1.18. “New Shares” means the shares to be issued and allotted by each of the Resulting Companies to the shareholders of the Transferor Company under this Scheme.
- 1.19. “Proceedings” include any suit, appeal or any legal proceeding of whatsoever nature in any Court of law, or tribunal or any judicial or quasi judicial body or any assessment proceedings before any authority under any law and also arbitration proceedings and relating to Demerged Undertakings as the context may require;
- 1.20. “Promoters” means the promoters of the Transferor Company ;
- 1.21. “Record Date” means the date that may be fixed by the Board of Directors of the Transferor Company for ascertaining the equity shareholders of Transferor Company who would be eligible to obtain the allotment of the Shares in the Resulting Companies;
- 1.22. “Scheme of Arrangement” or “Scheme” or “this Scheme” means this Composite Scheme of Arrangement made under Sections 230 and applicable provisions of the Act, as amended/modified, from time to time.
- 1.23. “Specified Liabilities” means :
- i) the liabilities which arise out of activities or operations of the Demerged Undertakings;
 - ii) the specific loans or borrowings as on the Appointed Date raised, or incurred and utilised solely for the activities or operations of the Demerged Undertakings;
 - iii) in cases other than those referred to in sub-clauses i) or ii) hereof, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Undertakings as stand in the same proportion which the Book Value of the assets of Demerged Undertakings transferred pursuant to this Scheme bears to the Book Value of the assets of the Demerged Company as on the Appointed Date;

1.24. The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the Regulations made thereunder), the Depositories Act, 1996 and other applicable laws, rules, regulations, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

PART – II

2.0. CAPITAL STRUCTURE

2.1. The authorised, issued, subscribed and paid up share capital of the Transferor Company is as follows :

Particulars	Amount in Rs.
A. Authorised	
1,00,00,000 Equity Shares of Rs. 10/- each	10,00,00,000
TOTAL	10,00,00,000
B. Issued, Subscribed & Paid Up	
71,52,700 Equity Shares of Rs. 10/- each all fully paid up	7,15,27,000

2.2. The authorised, issued, subscribed and paid up share capital of HARISH is as follows :

Particulars	Amount in Rs.
A. Authorised	
10,00,000 Equity Shares of Re. 10/- each	1,00,00,000
B. Issued, Subscribed & Paid Up	
7,00,000 Equity Shares of Re. 10/- each all fully paid up	70,00,000

2.4. The authorised, issued, subscribed and paid up share capital of MAHESH is as follows :

Particulars	Amount in Rs.
A. Authorised	
50,00,000 Equity Shares of Re. 10/- each	5,00,00,000

B. Issued, Subscribed & Paid Up	
30,00,000 Equity Shares of Re. 10/- each all fully paid up	3,00,00,000

PART - III

3.0. RATIONALE BEHIND THE SCHEME

- 3.1. The Transferor Company wants to enter into various sectors namely Textile Engineering, Construction and Development of Real Estate, and wants to grow in future in these sectors without making major investment currently.
- 3.2. The only option for the company is to associate with the major players in these business and get the first hand plans checked for future growth, hence the company has based on its future plans made 2 undertakings for association with Harish and Mahesh
- 3.3. There has been a promoters family internal arrangement where in this scheme of arrangement allows the promoters to do all the businesses without interference from each other in the allocated business to them.
- 3.4. apart from the existing business of the company and such activities and business are already being carried on by the resulting companies directly as following:-
 - I. Undertaking 1 shall be demerged into Harish, the shareholders of the transferor company will benefit hugely by getting the shares of already leading player in the Industry of manufacturing of Textile Machinery having a good facilities to manufacture the products and excellent brand in the market.
 - II. Undertaking 2 shall be demerged into Mahesh, the shareholders of the transferor company will benefit hugely by getting the shares of already leading player in the real estate sector and allied business.
 - III. Residual Undertaking wherein the Transferor Company carries on its remaining business and activities.
- 3.2. The Transferor Company has not been able to grow its core business and is not looking to unlock the opportunities for increasing the shareholder value by associating with the resulting companies who are already major players in their particular businesses.
- 3.3. With that end in view, the Transferor Company has formed 2 undertakings for demerging to Harish, Mahesh for demerging demerger into resulting companies and, consequent upon demerger, each of the Resulting Companies shall issue shares to the shareholders of the Transferor Company in as per the swap ratio so that every shareholder of the Transferor Company, by virtue of his shareholding in the Transferor Company, is issued and allotted, shares in each of the Resulting Company without any further application.

PART – V

4.0. TRANSFER & VESTING OF UNDERTAKINGS IN RESULTING COMPANIES

- 4.1. Upon the order of the NCLT, sanctioning the Scheme and the order for transfer and vesting of the

properties under Sections 230 and other applicable section of the Act becoming effective, the concerned Demerged Undertaking shall be demerged and transferred to and vested in the concerned Resulting Company in accordance with Section 2(19AA) of the Income Tax Act, 1961, as going concerns with effect from the Appointed Date and as stated in Clauses 4.2 to 4.5 and in such a manner that –

- (i) all the properties of the concerned Demerged Undertaking, immediately before the demerger, shall become the properties of the concerned Resulting Company by virtue of demerger;
- (ii) all the liabilities relating to the concerned Demerged Undertaking, immediately before the demerger, shall become the liabilities of the concerned Resulting Company by virtue of demerger;
- (iii) all the properties and liabilities of the Demerged Undertakings shall be transferred at the value appearing in the books of Accounts of the Demerged Company immediately before demerger;
- (iv) Each of the concerned Resulting Company, in consideration of demerger, shall issue and allot its shares to the shareholders of the Demerged Company on agreed swap ratio so that all the shareholders of the Demerged Company also become shareholders of each of the Resulting Company;
- (v) The transfer of the Demerged Undertakings to the concerned Resulting Company shall be on a going concern basis.

4.2. All moveable properties and assets, comprised in the Demerged Undertaking including cash in hand, capable of being transferred by physical delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered by the Demerged Company to the concerned Resulting Company to the end and intent that such property therein passes to the concerned Resulting Company.

4.3. In relation to other assets belonging to the Demerged Undertakings, which require separate documents for transfer, or which the Transferor Company and/or the concerned Resulting Company otherwise desire to be transferred separately, the Transferor Company and the concerned Resulting Company each shall execute such deeds, documents or such other instruments or writings or create evidence, as may be necessary.

4.4. All assets, estate, rights, title, interest and authorities acquired by the Transferor Company after the Appointed Date and prior to the Effective Date for operation of the Demerged Undertakings shall also stand transferred to and vested in the concerned Resulting Company upon the coming into effect of this Scheme.

4.5. Without prejudice to the other provisions of this Scheme, the Resulting Companies may, at any time, after the Scheme comes into effect in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Transferor Company will, if necessary, also be a party to the same. The Resulting Companies under the provisions of this Scheme, shall be deemed to be authorized to execute all such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed

4.6. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that:-

- (i) all consents, permissions, certificate, authorities given by, issued to or executed in favour of

the Transferor Company in respect of the Demerged Undertakings shall stand transferred to and be available for the concerned Resulting Company as if the same were originally given by, issued to or executed in favour of or for the concerned Resulting Company and for the business of the demerged undertakings and the rights and benefits under the same shall be available to such Resulting Company;

- (ii) if any of the assets (rights, title, interest in or authorities relating to such or, any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertakings which the Transferor Company owns or to which the Transferor Company is a party to), cannot be transferred to the Resulting Companies for any reason whatsoever, the Transferor Company shall hold such assets or contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust and for the benefit of the Resulting Companies, until the same are transferred and vested in the Resulting Companies;
- (iii) The Residual Undertaking shall continue to be owned or owed by the Transferor Company and the Transferor Company shall continue to carry on business of the Resulting on its own account to further shareholder returns.

4.7. Upon the Scheme becoming effective and with effect from the Appointed Date all No Objection Certificates, licenses, permissions, consents, approvals, authorisations and registrations, held by or on behalf of the Transferor Company or standing in the name of the Transferor Company and relating to or concerning the Transferor Company and any Demerged Undertaking or two or more Demerged Undertakings shall be deemed to constitute separate No Objection Certificates, Licenses, permissions, consents, approvals, authorisations and registrations, as the case may be, of the Transferor Company and the concerned Resulting Companies and the concerned statutory authority or the Licensing authority, as the case may be, shall mutate and/or endorse and record such separation so as to facilitate continuation in operation of the Transferor Company and the Resulting Companies without any hindrance on and from the Effective Date.

4.8. The Specified Liabilities pertaining to the Demerged Undertakings, whether or not provided in the Books of Account of the Transferor Company, as also all other liabilities relating to the Demerged Undertakings, which may accrue or arise after the Appointed Date but which relate to the period upto the Appointed Date, shall be transferred to and become the liabilities of the concerned Resulting Company however the transferor company will indemnify the resulting companies in case such liabilities erupt in future as result of this scheme of arrangement..

4.9. If any Proceedings of whatsoever nature by or against the Transferor Company and relating to the Demerged Undertakings be pending the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Demerged Undertakings to the Resulting Companies or anything contained in this Scheme but the Proceedings including those by the creditors of the Transferor Company and relating to the Demerged Undertakings may be continued prosecuted and enforced by or against the concerned Resulting Company in the same manner and to the same extent as it would be or might have been continued prosecuted and enforced by or against the Transferor Company if this Scheme had not been made however the transferor company will indemnify the resulting companies in case such liabilities erupt in future as result of this scheme of arrangement.

4.17. The transfer and vesting of properties and liabilities and the continuance of the Proceedings by

or against the Resulting Companies as stated above shall not affect any transaction or proceeding already concluded by the Transferor Company and relating to the Demerged Undertakings on and after the Appointed Date to the end and intent that the Resulting Companies accepts and adopts all acts deeds and things done and executed by or on behalf of the Transferor Company and relating to the Demerged Undertakings as acts, deeds and things done and executed by or on behalf of the Resulting Companies.

- 4.18. All the employees of the Transferor Company relating to the Demerged Undertakings shall become the employees of the Resulting Company without interruption in service and on terms no less favourable to them than those then applicable to them as employees of the Transferor Company and the accounts of such employees relating to superannuation fund, provident fund, gratuity fund and other funds including any surplus in such funds shall be identified, determined and transferred to the trustees of the respective funds of the Resulting Companies.
- 4.19. If any Lender of the Transferor Company desires satisfaction or modification of its charge over the Transferor Company and recording of fresh charge with the Resulting Companies, as the case may be, then the Transferor Company and the concerned Resulting Company shall be obliged to file appropriate forms and Returns with the Registrar of Companies and take all other steps as may be required or necessary for proper recording of such charge.

PART - VI

5.0. ISSUE OF NEW SHARES BY THE RESULTING COMPANIES

- 5.1. The Resulting Companies do not hold any share in the Transferor Company and, consequently, each of the Resulting Companies shall issue and allot New Shares to all the shareholders of the Transferor Company in the ratio stated hereunder.
- 5.2. Upon the Scheme being sanctioned and demerger of the Demerged Undertakings to the Resulting Companies becoming effective the Resulting Companies shall, without any further application, issue and allot equity shares in the Resulting Companies as per agreed swap ratio to the equity shareholders of the Transferor Company whose names appear in the Register of Members of the Transferor Company on the Record Date for every 100 (Hundred) equity share of nominal value of Rs.10/- each fully paid up in the Transferor Company;
- (a) 4 (Four) equity share of nominal value of Re. 10/- credited as fully paid up in Harish;
- (b) 16 (Sixteen) equity share of nominal value of Re. 10/- credited as fully paid up in Mahesh;
- 5.3. The paid up share capital of the Transferor Company shall not be reduced and the shareholders of the Transferor Company shall be entitled to the shares in the Resulting Companies over and above their existing shareholding in the Transferor Company.
- 5.4. The New Shares of the Resulting Companies shall be issued in dematerialized form, unless otherwise notified in writing by the shareholders of the Transferor Company on or before such date as may be determined by the Board of Directors of the Transferor Company or a committee thereof. If such notice has not been received by the Transferor Company, the equity shares shall be issued to such members in dematerialised form provided that the members of the Transferor Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. If the Transferor Company has received

notice from any member that equity shares are to be issued in physical form or if any member has not provided the requisite details relating to his account with a depository participant or other confirmations as may be required or if the details furnished by any member do not permit electronic credit of the New Shares, then the Resulting Companies shall issue equity shares in physical form to such member or members.

- 5.7. If there is any pending share transfer, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors or any committee of the Transferor Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date to effectuate such a transfer in Transferor Company as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulty arising to the transferor or transferee of equity shares in the Resulting Companies.
- 5.8. The demerger of the Demerged Undertakings from the Transferor Company to the Resulting Companies is a demerger within the meaning of Section 2(19AA) of the Income Tax Act, 1961 and, accordingly all the assets, properties and liabilities of the Demerged Undertakings shall be transferred at their respective Book Values immediately before demerger i.e. as on the close of business of the Transferor Company on 31st March 2017.
- 5.9. The Resulting Companies shall issue and allot New Shares to the foreign shareholders of the Transferor Company only after obtaining requisite permissions and/or approvals prescribed under the Foreign Exchange Management Act, 1999.
- 5.10. The shares of the Transferor Company are listed at Bombay Stock Exchange and, immediately after the Scheme becoming effective, the Resulting Companies shall file requisite applications before the Bombay Stock Exchange for listing of its Shares including shares that are required to be issued and allotted by them under this Scheme.
- 5.11. The shares allotted by the Resulting Companies pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange i.e. the Bombay Stock Exchange.
- 5.12. There shall be no change in the shareholding pattern or control in the Resulting Companies viz., between the Record Date and the listing of their respective shares allotted under the Scheme.

PART – VII

6. Name Change and Main Object

a. Remaining Business

The Residual undertaking of Transferor Company shall continue to belong to and be vested in and be managed by the Transferor Company

PART – VIII

7.0. ACCOUNTING TREATMENT

7.1. ACCOUNTING TREATMENT BY THE RESULTING COMPANIES

All the assets and Liabilities, forming part of the Demerger undertakings which are transferred to and vested in the Resulting Companies in pursuance of this Scheme, shall be recorded in the books of the Resulting Companies at their respective book values as appearing in the books of the Transferor Company at the close of business on the day immediately preceding the Appointed Date, i.e. on 1st April 2017. Any revaluation, made by the Transferor Company in the value of the assets in its Books of Account, shall be ignored.

7.1.1. The excess of the value of the assets of each of the Demerged Undertakings over the amount of its respective liabilities shall, at the first instance, be credited in the books of the concerned Resulting Company to an account nomenclature as “Demerger Suspense Account”.

7.1.2. The paid up value of shares, issued and allotted by each of the Resulting Companies to the shareholders of the Transferor Company under this Scheme, shall be debited to such Demerger Suspense Account. The balance, remaining in the Demerger Suspense Account, shall, thereafter be adjusted with the Reserves of the Transferor Company in the sequence set out hereunder and reduced to zero balance :

- (a) Firstly, against Securities Premium Reserve; and
- (b) The balance against the General Reserves.

7.1.3. The Securities Premium Account of the Transferor Company shall be apportioned amongst the Transferor Company and the Resulting Companies proportionately and in the proportion of the net asset (that is to say, book value of the assets as reduced by the book value of the liabilities) demerged into the Resulting Companies.

7.1.5. After adjustment and/or appropriation of the Securities Premium Reserves, the balance, remaining in the Demerger Suspense Account, shall be adjusted and/or appropriated by transferring and/or crediting requisite amount of General Reserves of the Transferor Company to the Resulting Companies.

7.2. ACCOUNTING TREATMENT BY THE TRANSFEROR COMPANY

7.2.1. The book value of the assets, comprised in the Demerged Undertakings, shall be debited to an account nomenclatured as “Demerger Adjustment Account”.

7.2.2. The book value of the liabilities, comprised in the Demerged Undertakings, shall be credited to such Demerger Adjustment Account.

7.2.3. The debit balance in the Demerger Adjustment Account shall be adjusted with the Reserves as appearing in the books of the Transferor Company on the Appointed Date in the sequence set out hereunder and reduced to zero balance :

- (a) Firstly against Securities Premium Reserve; and
- (b) The balance against the General Reserves.

PART -IX

GENERAL TERMS & CONDITIONS

8.0. CONDUCT OF BUSINESS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

8.1. With effect from the Appointed Date and upto and including the Effective Date :

- a. The Transferor Company shall carry on and be deemed to have carried on the Business and activities of the Demerged Undertakings and shall be deemed to have held and stand possessed of and shall hold and stand possessed of all its assets and properties of the Demerged Undertakings for and on account of and in trust for the concerned Resulting Company.
 - b. All profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by it relating to the Demerged Undertakings shall for all purposes be treated and be deemed to be and accrue as the profits or income or expenditure or losses, as the case may be, of the concerned Resulting Company.
- 8.2. The Resulting Companies shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals, registration, and sanctions which the Resulting Company may require to own and carry on the business of the Demerged Undertakings.

9.0. TAX CREDITS & RETURNS

- 9.1. The concerned Resulting Company shall be entitled to credit of all direct and indirect taxes, paid or deemed to have been paid by the Transferor Company as well as all MAT credit entitlement of the Transferor Company between the Appointed Date and the Effective Date in respect of the Demerged Undertaking vested in it.
- 9.2. Between the Appointed Date and the Effective Date the Transferor Company shall make payment of direct taxes in relation to its operations on the basis of estimated income and/or profitability of the Demerged Undertakings and the Residual Undertaking by separate challans so that the concerned Resulting Company or the Transferor Company, as the case may be, is ultimately entitled to credit for such direct tax payment consequent upon this Scheme becoming effective.
- 9.3. The Resulting Companies are expressly permitted to revise their respective Income Tax returns, Service Tax returns, Provident Fund returns, ESI returns, VAT or Sales Tax returns, Excise and CENVAT returns, and any other statutory returns and to claim refunds and/or credits to which they are entitled to in pursuance of this Scheme.
- 9.4. Immediately after the Effective Date the Transferor Company shall file Revised Tax or other statutory returns in consonance with this Scheme and notify the revenue and other statutory authorities to grant tax credits to the Resulting Companies to which they are entitled to under this Scheme.

10.0. LISTING AGREEMENT & SEBI COMPLIANCE

- 10.1. The Transferor company being a listed company, this Scheme is subject to the compliance by the Transferor Company of all requirements under the Listing Agreement and all statutory directives of the Securities & Exchange Board of India (SEBI) in so far as they relate to sanction and

implementation of this Scheme.

- 10.2. The Transferor Company in compliance with the Listing Agreement shall obtain in principle approval of the Bombay Stock Exchange (BSE) where its shares are listed in terms of the LODR Regulation 37 before approaching the NCLT for sanction of the Scheme.
- 10.3. The Transferor Company shall also comply with the directives of the SEBI contained in its SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and .
- 10.4. In pursuance of the said Circular of SEBI dated March 10, 2017, the Scheme shall also be required to be approved by the public shareholders of the Transferor Company through postal ballot and e-voting and shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by them against the Scheme.

11.0. APPLICATIONS TO THE NCLT

- 11.1. The Transferor Company and the Resulting Companies shall file joint applications before the NCLT for convening meetings of their respective members for considering, and if thought fit, approving this Scheme with or without modification.
- 11.2. Upon this Scheme being agreed to by requisite majorities of the members of the Transferor Company and the Resulting Companies at such meetings, the Transferor Company and the Resulting Companies shall file a joint application before the NCLT for sanctioning the Scheme and for passing appropriate orders of transfer and vesting under Section 230 of the Act.
- 11.3. The Scheme involves does not involve any reduction in Securities Premium Reserve or Capital of the Transferor Company.

12.0. MODIFICATION OF THE SCHEME

- 12.1. The Board of Directors of the Transferor Company may assent to any modification or amendment to the Scheme or agree to any condition which the NCLT or any other authority may deem fit to approve or impose and the said Board may do all such acts, things, and deeds as they may, in their sole discretion, think fit for the purpose of effectively carrying out and implementing this Scheme. It is however, clarified that any amendment or modification to this Scheme after sanction thereof shall be made in accordance with the provisions contained in the Section 230 of the Act or any statutory modification thereof.

13.0. CONDITIONALITY OF SCHEME

- 13.1. The Scheme is conditional upon and subject to –
 - (a) the Transferor Company filing this Scheme with the Bombay Stock Exchange (BSE) where its shares are listed in accordance with the Listing Agreements and obtaining approvals or deemed approvals of BSE;
 - (b) The Scheme being approved by the shareholders of the Transferor Company by a resolution passed through postal ballot and e-voting and the number of votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it..
 - (c) NCLT sanctioning this Scheme and passing transfer and vesting orders under Section 230 of the Act;
 - (d) Filing of certified copy of the order of the NCLT under sub clause (c) above with the Registrar

of Companies, Mumbai, by the Transferor Company and the Resulting Companies ;

- (e) Requisite sanction and/or approval of any Government or Regulatory authority as may be required under any law for transfer of the Demerged Undertakings to the Resulting Companies.

13.2. Although this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and deemed to have come into operation from the Appointed Date.

14.0 SEQUENCE OF EVENTS

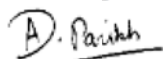
14.1 Upon the Sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred / shall occur and become effective and operative, only in the sequence and the order mentioned hereunder:

- b) Fixing of Record Date for demerger of Undertakings in to Resulting Companies and determining Shareholders of Transferor Company who will be eligible to get shares of the Resulting Companies pursuant to the Demerger in accordance with Clause “5.2 “
- c) Allotment of Shares to the Shareholders of Transferor Company and Subsequent listing of Equity Shares of the Resulting Company on the Bombay Stock Exchange in accordance with Clause “ 5.2“
- d) Change of Name of the Transferor Company in accordance with Clause “ 6.a“

14.0. MISCELLANEOUS

- 14.1. Upon the Scheme becoming effective, the past track record of the Transferor Company and relating to Demerged Undertakings including those relating to profitability, sales, market share shall be deemed to be the track record of the concerned Resulting Company for all commercial and regulatory purposes.
- 14.2. If any question arises as to whether any specified asset or liability pertains or does not pertain or whether such asset or liability arises out of or does not arise out of the activities or operations of any Demerged Undertaking or the Residual Undertaking then such question shall be decided by mutual agreement between the Board of Directors of the Transferor Company and the concerned Resulting Company or Companies as the case may be.
- 14.3. All costs and expenses for sanction and implementation of this Scheme shall be borne by the Transferor Companies and Transferee Company in equal proportion.
- 14.4. If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not affect the validity or implementation of the other parts and/or provisions of this Scheme.

For Corporate Courier and Cargo Limited



Darshit Parikh
Director
(Din: 03492803)
Place: Mumbai
Date: 02.06.2017

