

Called out by 1/12/05

U/O No. 15882/05 (Ns)
Company ...
Toll ...

Section Officer
Date of ...
21-5-2005

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORDINARY ORIGINAL JURISDICTION

COMPANY PETITION NO. 54 OF 2005

CONNECTED WITH

COMPANY APPLICATION NO. 456 OF 2004

In the matter of the Companies Act, 1956;

And

In the matter of Sections 391 to 394 of the Companies Act, 1956;

And

In the matter of Gujarat Toll Road Investment Company Limited;

And

In the matter of the Scheme of Amalgamation of Ahmedabad Mehsana Toll Road Company Limited and Vadodara Halol Toll Road Company Limited with Gujarat Toll Road Investment Company Limited;

Recd on 12-5-05
18-5-05
131-05



Gujarat Toll Road Investment Company Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Office of the Secretary, Roads and Buildings Department, Block 14, Sachivalaya, Gandhinagar - 382 010, Gujarat.

Petitioner Company

BEFORE THE HON'BLE MR. JUSTICE K. A. PUJ

DATE: 11/05/2005

ORDER ON PETITION

The above Petition coming for hearing on 11th day of May 2005, UPON READING the said Petition, the order dated 22nd day of December 2004, in Company Application No. 456 of 2004, whereby meeting of the Unsecured Creditors of Gujarat Toll Road

Investment Company Limited, the Petitioner abovenamed (hereinafter referred to as "the said Company" or the "Transferee Company") was ordered to be convened and held for the purpose of considering, and if thought fit, approving, with or without modification, the arrangement embodied in the Scheme of Amalgamation of Vadodara Halol Toll Road Company Limited ("VHTRL") and Ahmedabad Mehsana Toll Road Company Limited ("AMTRL") with the said Company ("the Scheme") and **Upon** reading the Order dated 29th day of December 2004, whereby the meeting of Equity Shareholders was dispensed with in light of the fact that the Equity Shareholders of the said Company had given their approval in writing to the Scheme and **UPON** reading the Order dated 20th January 2005 passed in Company Application No. 17 of 2005 whereby the Order dated 29th December 2004 was modified, permitting the said Company to convene meeting of Unsecured Creditors on 28th February 2005 and **Upon** reading the Affidavit of Shri K. Ramchand dated 21st day of February 2005, annexing the newspaper cuttings of Indian Express, Ahmedabad Edition and Gujarati daily Divya Bhaskar, Ahmedabad Edition, both dated the 3rd day of February 2005 each containing the advertisement of the said notice convening the said meeting directed to be held by the said orders dated 29th day of December 2004 and 20th day of January 2005 and in addition to the directions contained in orders dated 29th December 2004 and 20th January 2005, the newspaper cuttings of the Times of India, Ahmedabad Edition and Gujarati dailies Gujarat Samachar and Sandesh, Ahmedabad Edition each dated 5th day of February 2005, each containing the advertisement of the said notice convening the said meeting and also showing the dispatch of the notices convening the said meeting and **UPON** reading the Chairman's Report of Shri Arun Saha dated 10th day of March 2005 stating that the Scheme of Amalgamation has been approved unanimously and **UPON** reading the Affidavit of Mr. Naresh Parbat Sasanwar, Authorised Signatory of the said Company, dated the 17th day of March 2005, verifying the Petition and **UPON** reading the Affidavit dated 3rd day of May 2005 of Shri Naresh Parbat Sasanwar showing publication of the notice of hearing of this Petition in the Indian Express, Ahmedabad Edition and Gujarati Daily Divya Bhaskar, Ahmedabad Edition, both dated 15th day of April 2005, and additionally in Gujarati daily Sandesh, Ahmedabad Edition dated 19th day of April 2005 (advertisement in the Gujarat Government Gazette having been dispensed with), and **UPON** hearing Shri Hibir Thakore, Senior Advocate, alongwith Mr. Sandeep Singhi, for Singhi & Co., Advocates for the said Company and hearing the submissions of the Assistant Solicitor General, Mr. J. M. Malkan instructed by the Regional Director, Department of Company Affairs, Western Region, Mumbai.

THIS COURT doth hereby sanction the Scheme of Amalgamation at **Annexure VI** of the Petition and annexed as Schedule hereto, and doth hereby declare that

same to be binding on all the Shareholders and Creditors of the said Company and also on the said Company.

2. **AND THIS COURT** doth further order that the parties to the Scheme or any other person or persons interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to the working of the Scheme as sanctioned hereunder and annexed as Schedule hereto.
3. That the said Company do within 30 days of the sealing of this Order, cause a certified copy of this Order to be lodged with the Registrar of Companies, Gujarat.
4. That the fees of the Assistant Solicitor General appearing for the Regional Director, Company Law Board, Mumbai, shall be paid by the said Company.

SCHEDULE

SCHEME OF AMALGAMATION

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Scheme of Amalgamation

of

VADODARA HALOL TOLL ROAD COMPANY LIMITED	}	collectively the <i>Transferor Companies</i>
and	}	
AHMEDABAD MEHSANA TOLL ROAD COMPANY LIMITED	}	
	}	

with

GUJARAT TOLL ROAD INVESTMENT COMPANY LIMITED	-	the <i>Transferee Company</i>
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This Scheme of Amalgamation provides for the amalgamation of Vadodara-Halol Toll Road Company Limited and Ahmedabad Mehsana Toll Road Company Limited with Gujarat Toll Road Investment Company Limited pursuant to Sections 391 to 394 and other relevant provisions of the Act.

1. DEFINITIONS

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

- 1.1 "Act" means the Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force.
- 1.2 "Appointed Date" means 1st October 2003.
- 1.3 "Effective Date" means the last of the dates on which all conditions, matters and filings referred to in Clause 20 hereof have been fulfilled and necessary orders, approvals and consents referred to therein have been obtained.

References in this Scheme to the date of "coming into effect" of this Scheme or "upon the Scheme being effective" shall mean the Effective Date.

- 1.4 "Members" shall have the meaning ascribed to it in Clause 11(b) and (c).

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- 1.5 "the Proceedings" shall have the meaning ascribed to it in Clause 5.
- 1.6 "Record Date" shall have the meaning ascribed to it in Clause 11(b) and (c).
- 1.7 "VHTRL" means Vadodara Halol Toll Road Company Limited, a Company incorporated under the provisions of the Act and having its Registered Office at Office of Secretary, Road & Buildings Department, Sachivalaya, Block 14, Gandhinagar - 382 010, Gujarat.
- 1.8 "AMTRL" means Ahmedabad Mehsana Toll Road Company Limited, a Company incorporated under the provisions of the Act, and having its Registered Office at Office of Secretary, Road & Buildings Department, Sachivalaya, Block 14, Gandhinagar - 382 010, Gujarat.
- 1.9 "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by the High Court of Gujarat at Ahmedabad.
- 1.10 "Transferor Companies" means collectively "VHTRL" and "AMTRL" and "Transferor Company" means individually both of them.
- 1.11 "Transferee Company" or "GTRIL" means Gujarat Toll Road Investment Company Limited, a Company incorporated under the provisions of the Act, and having its registered office at Office of Secretary, Road & Buildings Department, Sachivalaya, Block 14, Gandhinagar - 382 010, Gujarat.
- 1.12 "Undertakings of the Transferor Companies" means all the Undertakings, the entire businesses, all the properties whether movable or Immovable, tangible or intangible (including Toll Road, Service Roads, Project Road, Inter change roads, foundations, embankments, culverts, safety shoulders, pavements, bridges, approaches to bridges and flyovers, fences and barriers, footways, road markings, road traffic signals, road transport signals, public toilets, drainage facilities, traffic signals, sign boards, milestones, Toll Plazas, equipments for the collection of Tolls, electrical Works for lighting on the Toll Road and the Service Road, telephone and other communication equipments at the Toll Road and Service Road), rights under concession agreements, assets, deposits, reserves and the authorized share capital, investments of all kinds, all cash balances, receivables, loans and advances, contingent rights or

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benefits, benefit of assets or properties or other interest held in trust, authorities, allotments, approvals, reversions, buildings and structures, office, residential and other premises, tenancies, leases, licences, fixed and other assets, claims, powers, consents, authorities, registrations, agreements, contracts including concession agreements, engagements, arrangements of all kinds, rights including easmentary rights and other rights appurtenant thereto, development rights, rights-of-way, credits, titles, interest, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession or in the control of or vested in and granted in favour of or held for the benefit of or enjoyed by the Transferor Companies or to which the Transferor Companies may be entitled and include but without being limited to trade and service names and marks and other intangible property rights of any nature whatsoever, permits, approvals, authorisations, confidential information, right to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, maps, project information, proprietary material, schedules, programmes, reports, coupons, tokens, designs, drawings, list and details of present and former customers and suppliers, customers credit information, customer and supplier pricing information and all other records in connection with or relating to the Transferor Companies and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approval of whatsoever nature and wheresoever situate belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies as on the Appointed Date and thereafter and all debts, liabilities, contingent liabilities, duties and obligations of the Transferor Companies.



2. SHARE CAPITAL

The Authorised and the Issued, Subscribed and Paid-Up Share Capital of the Transferor Companies and the Transferee Company as on September 30, 2003 are as follows:

- 2.1 The Authorised Share Capital of VHTRI is Rs.60,00,00,000/- (Rupees Sixty Crore only) divided into 5,00,00,000 (Five Crore) Equity Shares of Rs 10/-

each and 1,00,00,000 (One Crore) Cumulative Redeemable Convertible Preference Shares of Rs.10/- each. The Issued, Subscribed and Paid-Up Share Capital of VHTRL is Rs. 43,50,00,070 (Rupees Forty Three Crore Fifty Lacs and Seventy only) divided into 3,35,00,007 (Three Crore Thirty Five Lacs and Seven) Equity Shares of Rs.10/- each fully paid-up and 1,00,00,000 (One Crore) Cumulative Redeemable Convertible Preference Shares of Rs.10/- each fully paid-up.

2.2 The Authorised Share Capital of AMTRL is Rs.100,00,00,000/- (Rupees One Hundred Crore only) divided into 10,00,00,000 (Ten Crore) Equity Shares of Rs.10/- each. The Issued, Subscribed and Paid-Up Share Capital of AMTRL is Rs. 42,86,00,070 (Rupees Forty Two Crore Eight Six Lacs and Seventy only) divided into 4,28,60,007 (Four Crore Twenty Eight Lacs Sixty Thousand and Seven) Equity Shares of Rs.10/- each fully paid-up.

2.3 The Authorised Share Capital of the Transferee Company i.e. GTRIL is Rs.95,00,00,000/- (Rupees Ninety Five Crore only) divided into 5,00,00,000 (Five Crore) Equity shares of Rs.10/- each and 4,50,00,000 (Four Crore Fifty Lacs) Cumulative Convertible Preference Shares of Rs.10/- each. The Issued, Subscribed and Paid-Up Share Capital of GTRIL is Rs.30,00,00,070 (Rupees Thirty Crore and Seventy only) divided into 3,00,00,007 (Three Crore and Seven) Equity shares of Rs.10/- each fully paid-up.



OPERATIVE DATE OF THE SCHEME

The Scheme shall be operative from the Appointed Date but shall become effective on the Effective Date.

4. TRANSFER OF UNDERTAKINGS

4.1 (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertakings of the Transferor Companies shall, pursuant to the provisions of Section 394 of the Act, without any further act, instrument, deed, matter or thing, be transferred to and be vested in and be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed

Date, the estate, assets, rights, title, interest and authorities of the Transferee Company.

(b) It is expressly provided that -

(i) such of the assets of the Undertakings of the Transferor Companies as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities of the Transferee Company pursuant to the provisions of Section 394 of the Act.

(ii) the assets other than those referred to above, shall without any further act, instrument, deed, matter or thing, be transferred and vested in and/or deemed to have been transferred to and vested in the Transferee Company pursuant to Section 394 of the Act.

(c) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all licences, permits, quotas, approvals, incentives, rights under concession agreements, subsidies, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued to the Transferor Companies shall, pursuant to the provisions of Section 394 of the Act, without any further act, instrument, deed, matter or thing be and stand transferred to and vested in or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date the estate, assets, rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under law.

(d) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all assets, estate, rights, title, interest, licences and authorities acquired by or quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or

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privileges enjoyed or conferred upon or held or availed of by and/or all rights and benefits that have accrued to the Transferor Companies after the Appointed Date and prior to the Effective Date in connection or in relation to the operation of the Undertakings of the Transferor Companies shall, pursuant to the provisions of Section 394 of the Act without any further act, instrument, deed, matter or thing, be and stand transferred to and vested or deemed to be transferred to and vested in the Transferee Company.

- (a) On and with effect from the Appointed Date, all debts, liabilities, contingent liabilities, share application monies, duties and obligations of every kind, nature and description of the Transferor Companies shall also, pursuant to section 394 of the Act without any further act, instrument, deed, matter or thing, be transferred to and vested in and/or deemed to have been transferred to and vested in the Transferee Company so as to become as from the Appointed Date, the debts, liabilities, contingent liabilities, share application monies, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies and further that it shall not be necessary to obtain consent of any third party or other persons 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 sub-clause.
- (b) The transfer and vesting of the Undertakings of the Transferor Companies as aforesaid, shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect to the property and assets or any part thereof of the Transferor Companies.

Provided however, any reference in any security document or arrangements (to which any of the Transferor Company is a party) to the assets of any of the Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as a reference only to the assets pertaining to the Undertakings of any of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid clause, 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

Transferor Companies or any of the assets of the Transferee Company.

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 shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge securities, charges or mortgages to the end and intend that such securities, charges and mortgages shall not extend or be deemed to extend to the assets of the Transferor Companies vested in the Transferee Company.

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 by virtue of the amalgamation of the Transferor Companies with the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security therefor after the amalgamation has become operative.

- (c) Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of section 293 (1) (d) of the Act shall be deemed, without any further act, instrument, deed, matter or thing, to have been enhanced by the aggregate limits of the Transferor Companies which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company with effect from the Appointed Date.
- (d) All debentures and bonds of the Transferor Companies shall, pursuant to the provisions of Section 394 (2) of the Act, without any further act, instrument or deed become debentures and bonds of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and shall be transferred to and vested in or deemed to be transferred to and vested in and shall be exercised by or against the Transferee Company as if it were the Transferor Company in respect of the Transferor Companies debentures and bonds so transferred.

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5. **LEGAL PROCEEDINGS**

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If any suit, action or any legal and other proceedings of whatsoever nature (hereinafter called "the proceedings") by or against the Transferor Companies be pending, the same shall not abate or be discontinued or be in any way prejudicially affect by reason of the transfer of the Undertakings of the Transferor Companies or anything contained in this Scheme, but the proceedings may be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Companies, if this Scheme had not been made.

6. **CONTRACTS AND DEEDS**

Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements, understandings whether written or oral and other instruments (including all tenancies, leases, licences and other assurances in favour of any of the Transferor Companies or powers or authorities granted by or to any of them), if any, of whatsoever nature to which any of the Transferor Companies is a party or to the benefit of which any of the Transferor Companies may be eligible, and which are subsisting or having effect on the Effective Date, without any further act, instrument or deed, shall, be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectively as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto.

The Transferee Company may, at anytime after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of the Transferor Companies.

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7. **SAVING OF CONCLUDED TRANSACTIONS**

The transfer of properties and liabilities under Clause 4 above and the continuance of the proceedings by or against the Transferee Company under Clause 5 above shall not affect any transaction or proceedings already concluded by the Transferor Companies prior to the coming into effect of this Scheme to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

8. **EMPLOYEES**

(a) the employees of the Transferor Companies who are in service on the Effective Date, shall become the employees solely of the Transferee Company without any break or interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to the respective Transferor Companies on the said date.



(b) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the Transferor Companies shall be transferred to the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such matters, the Transferee Company shall create its own funds to which the contribution pertaining to the employees of Transferor Companies shall be transferred.

9. **BUSINESS AND PROPERTY IN TRUST FOR TRANSFEEE COMPANY**

As and from the Appointed Date and till the Effective Date:

9.1 The Transferor Companies shall carry on and shall be deemed to have carried on their businesses and activities and shall hold and stand possessed of and shall be deemed to have held and stood possessed of all

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their properties on account of, and in trust for, the Transferee Company and shall account for the same to the Transferee Company.

- 9.2 Any income or profit accruing or arising to the Transferor Companies and all costs, charges, expenses and losses arising or incurred by the Transferor Companies shall, for all purposes, be treated as the income, profits, costs, charges, expenses and losses as the case may be, of the Transferee Company.

10. CONDUCT OF BUSINESS

As and from the Appointed Date and till the Effective Date:

- 10.1 The Transferor Companies shall carry on their business and activities in the ordinary course of business with reasonable diligence and utmost business prudence and shall not undertake any new business or any substantial expansion of their existing business or change the general character or nature of their business except with the concurrence of the Transferee Company.

- 10.2 The Transferor Companies shall not, without the written concurrence of the Transferee Company sell, transfer, alienate, charge, mortgage or encumber, or otherwise deal with or dispose of any of their properties, except as is necessary in the ordinary course of business.

11. ISSUE AND ALLOTMENT OF SHARES/CANCELLATION OF SHARES

Upon the Scheme being effective, and in consideration of the transfer of and vesting of the Undertaking of the Transferor Companies in the Transferee Company in terms of the Scheme,

- (a) no shares of the Transferee Company shall be required to be issued / allotted in respect of the equity shares of AHTRL and VHTRL held by the Transferee Company on the Effective Date and in respect of the Cumulative Convertible Preference Shares of VHTRL held by the Transferee Company on the Effective Date and these shares shall be deemed to be cancelled and shall stand extinguished without any further act, deed or thing.

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- (b) the Transferee Company shall without any further application, act, instrument or deed, issue and allot to the equity shareholders of VHTRL whose names are recorded in the Register of Members of VHTRL (the "Members"), on a date (hereinafter referred to as 'Record Date') to be fixed by the Board of Directors of the Transferee Company or a committee of such Board of Directors, equity shares of Rs.10/- (Rupees Ten only) each credited as fully paid up in the ratio of 1 (One) equity share of the face value of Rs.10/- (Rupees Ten only) each in the Transferee Company for every 32 (Thirty Two) equity shares of the face value of Rs.10/- (Rupees Ten only) each held in VHTRL.
- (c) the Transferee Company shall without any further application, act, instrument or deed, issue and allot to the equity shareholders of the AMTRL whose names are recorded in the Register of Members of the AMTRL (the "Members"), on a date (hereinafter referred to as 'Record Date') to be fixed by the Board of Directors of the Transferee Company or a committee of such Board of Directors, equity shares of Rs.10/- (Rupees Ten only) each credited as fully paid up in the ratio of 29 (Twenty Nine) equity shares of the face value of Rs.10/- (Rupees Ten only) each in the Transferee Company for every 20 (Twenty) equity shares of the face value of Rs.10/- (Rupees Ten only) each held in AMTRL.
- (d) and upon the new shares in the Transferee Company being issued and allotted by it to the respective Members of the Transferor Companies in terms of sub-clauses (b) and (c) above, the shares in the Transferor Companies, both in electronic form, if any, and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from such Record Date, without any further act, instrument or deed. In so far as the issue of shares pursuant to sub-clauses (b) and (c) above are concerned, each of the said Members of the Transferor Companies, who hold the shares in the electronic form, if any, shall be issued in the electronic form and those Members who hold the shares in the physical form would be issued in certificate form. Wherever applicable, the Transferee Company shall instead of requiring the surrender of the share certificates of the Transferor Companies, directly issue and dispatch the new share certificates of the Transferee Company in lieu thereof.

- (e) Equity shares issued and allotted by the Transferee Company in terms of sub-clauses (b) and (c) above shall be subject to the provisions of Articles of Association of the Transferee Company and shall rank pari passu in all respects with then existing equity shares of the Transferee Company, including in respect of dividends, bonus or right shares, if any, that may be declared by the Transferee Company on or after the Appointed Date.
- (f) no fractional certificates shall be issued by the Transferee Company in respect of fractional entitlements, if any, to any Member of the Transferor Companies. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to a director or an officer of the Transferee company or such other person as the Transferee Company shall appoint in this behalf who shall hold the shares in trust on behalf of the Members entitled to fractional entitlements with the express understanding that such director(s) or officer(s) or person shall sell the same in the market at such time or times and at such price or prices in the market and to such person or persons, as he deems fit, and pay to the Transferee Company, the net sale proceeds thereof, whereupon the Transferee Company shall, subject to the approval of Reserve Bank of India, wherever required, and subject to withholding tax, if any, distribute such net sale proceeds to the Members of the Transferor Companies in proportion to their fractional entitlements.

12. DIVIDENDS, PROFITS, BONUS AND RIGHTS SHARES.

- 12.1 Dividends (interim or final) in respect of the period commencing from the Appointed Date may be declared or paid by the Transferor Companies or the Transferee Company after mutual consultation with each other.
- 12.2 Except as envisaged under the Scheme, the Transferor Companies and the Transferee Company shall not issue or allot after the Appointed Date any rights shares, bonus shares or other shares out of their respective authorised or unissued share capital for the time being, without the consent of the other.

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13. **PROCEDURE TO DEAL WITH BALANCES AS BETWEEN THE TRANSFEROR COMPANIES AND THE TRANSFEREE COMPANY.**

To the extent that there are advances including loans, inter-company loans, deposits, balances, if any, as between or amongst the Transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf on either party and corresponding effect shall be given in the books of accounts and records of the Transferee Company. For the removal of doubt, it is clarified that in view of the above, there would be no accrual of interest or other charges in respect of any such advances, loans, inter-company loans, deposits or balances, with effect from the Appointed Date.

14. **ACCOUNTING TREATMENT**

Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferee Company would account in its books as under:

- (a) All assets and liabilities of the Transferor Companies shall be recorded by the Transferee Company at their respective book values.
- (b) The excess or deficit, if any between the equity share capital issued to the shareholders of the Transferor Companies and the book value of net assets being taken over shall be credited / debited, as the case may be to the general reserve / goodwill account in the books of the Transferee Company.
- (c) In case of any differences in accounting policy between the companies, the impact of the same till the amalgamation will be quantified and adjusted in the General Reserve of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- (d) The entitlement of the Transferor Companies upto 30/9/2003 to recover the shortfall in the assured return as per the terms of the concession agreement entered into by the Transferor Companies

with Government of Gujarat. The shortfall receivable / adjustable will be debited to Toll Receivable Account and credited to General Reserve Account.

- (e) The "Miscellaneous Expenditure" account (to the extent not written off or adjusted)" appearing in the books of accounts of the Transferor Companies shall be written off against the general reserve account of the Transferee Company.
- (f) The "Debit Balance" appearing in the profit and loss account of the Transferor Companies shall be written off against the general reserve account of the Transferee Company.
- (g) The "Goodwill Account", if any created in the books of the Transferee Company in a manner referred to in (b) above shall be written off against the balance in the general reserve account

15. CANCELLATION OF SHARE APPLICATION MONIES RECEIVED FROM TRANSFEEE COMPANY.

The Share Application Monies received by VHTRL from the Transferee Company towards issue of Equity Shares shall stand extinguished without any further act, deed or thing and corresponding effect shall be given in the books of accounts and records of the Transferee Company.



ACQUISITION AND ISSUE OF SHARES BY TRANSFEEE COMPANY:

As per the Agreement between the State of Gujarat (GoG), Infrastructure Leasing & Financial Services Limited (IL & FS), GTRIL, VHTRL and AMTRL, the GoG and IL&FS shall transfer their existing respective investment in VHTRL i.e. 50,00,000 Equity shares of Rs.10/- each and 1,00,00,000 Cumulative Convertible Preference Shares of Rs.10/- each and 1,35,00,000 Equity Shares of Rs.10/- each to GTRIL in consideration of GTRIL issuing Equity Shares and Cumulative Convertible Preference Shares of the same amount on the same terms and conditions as agreed upon by VHTRL. The transfer of investments to GTRIL and issue by GTRIL to GoG and IL&FS of equivalent amount of Equity shares and Cumulative

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Convertible Preference Shares shall happen prior to the coming into effect of the Scheme.

17. DISSOLUTION OF TRANSFEROR COMPANIES

Upon the scheme being effective the Transferor Companies shall be dissolved without winding up pursuant to the provisions of Section 394 of the Act.

18. INCREASE IN THE AUTHORISED CAPITAL.

Upon the coming into effect of this Scheme:

Clause V of the Memorandum of Association of the Transferee Company, shall, without any further act, instrument or deed be and stand altered, modified and amended pursuant to Sections 94 and 394 and other applicable provisions of the Act in the manner set forth in Schedule I hereto.

19. APPLICATIONS

19.1. The Transferor Companies shall with all reasonable dispatch, make applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the High Court of Gujarat at Ahmedabad for sanctioning and carrying out of this Scheme.

19.2. The Transferee Company shall also with reasonable dispatch, make applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the High Court of Gujarat at Ahmedabad for sanctioning and carrying out of this Scheme under the provisions of law.

20. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is conditional upon and subject to:

- (a) the Scheme being agreed to by the requisite majorities of the Members of the Transferor Companies and the Transferee Company as required under the Act and the requisite orders of the

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High Court of Gujarat at Ahmedabad, referred in Clause 19 above being obtained;

- (b) such other sanctions and approvals including from any governmental authority as may be required by law in respect of the Scheme being obtained; and
- (c) the certified copies of the Court orders sanctioning the Scheme being filed with the Registrar of Companies, Gujarat.

21. EFFECT OF NON RECEIPT OF SANCTION

In the event of this Scheme not becoming effective by 30th June 2005 or by such later date as may be agreed to by the respective Board of Directors of the Transferor Companies and the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each company shall bear its own costs or as may be mutually agreed amongst themselves.

22. COSTS, CHARGES AND EXPENSES

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

23. MODIFICATION AND AMENDMENT

- 23.1 The Transferor Companies and the Transferee Company may assent from time to time on behalf of all persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations, which either the Boards of Directors of any of the Transferor Companies and the Transferee Company deem fit, or which the High Court of Gujarat at Ahmedabad and or any other authorities under law may deem fit to approve of or impose and which the Transferor Companies and the Transferee Company may in their discretion deem fit and to resolve all doubts or difficulties that may arise in carrying out and

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implementing the Scheme and to do, authorise and execute all acts, instruments, deeds, matters and things necessary, or to review the position relating to the satisfaction of the conditions of this Scheme and if necessary, to waive any of those (to the extent permissible under law) for bringing the Scheme into effect. In the event of any of the conditions that may be imposed by the Court or other authorities which the Transferor Companies and the Transferee Company may find unacceptable for any reason, then the Transferor Companies and the Transferee Company are at liberty to withdraw the Scheme. The aforesaid powers of the Transferor Companies and the Transferee Company may be exercised by their respective Boards of Directors, or a committee or committees of the concerned Board of Directors or any director authorised in that behalf by the concerned Board of Directors (hereinafter referred to as the "delegates").

- 23.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegates of the Transferor Companies and the Transferee Company may give and are authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

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Attestation

SCHEDULE -I

AMENDMENT TO THE MEMORANDUM OF ASSOCIATION

Clause V of the Memorandum of Association of the Transferee Company shall stand modified and amended by deleting the Clause and replacing it with the following:

" The Authorised Share Capital of the Company is Rs.145,00,00,000/- (Rupees One Hundred Fourty Five Crores only) divided into 10,00,00,000 (Ten Crores) Equity Shares and 1,50,00,000 (Four Crores Fifty Lacs) of Cumulative Redeemable Convertible Preference Shares of Rs.10/- each."

by

2/17

Akhil Gujarat Truck Transport Association

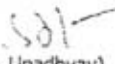
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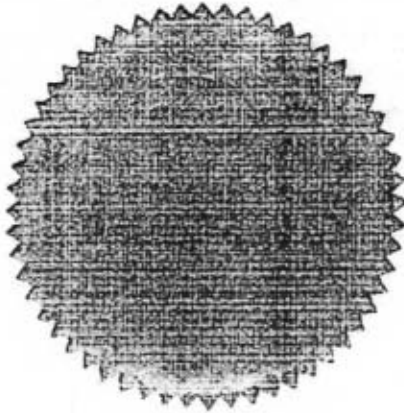
WITNESS BHAWANI SINGH, ESQUIRE, THE CHIEF JUSTICE at Ahmedabad aforesaid
this 11th day of May, Two Thousand and Five.

BY ORDER OF THE COURT

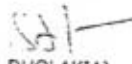

(G. K. Upadhyay)

REGISTRAR (JUDICIAL)

This 18 day of May 2005




SEALER


(D. B. DHOLAKIA)

DEPUTY REGISTRAR

This 18 day of May 2005




ORDER SANCTIONING THE SCHEME OF
AMALGAMATION DRAWN ON THE
APPLICATION OF MESSRS SINGH & CO.,
ADVOCATES FOR THE PETITIONER HAVING
THEIR OFFICE AT 7-8TH FLOOR, PREMCHAND
HOUSE ANNEXE, ASHRAM ROAD,
AHMEDABAD- 380 009.

