

Ref: A10-SEC-BD-808/202/2022

Date: 23.02.2023

To,

Corporate Relationship Department Bombay Stock Exchange Ltd, 1 st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001	The Manager, Listing Department, The National Stock Exchange of India Ltd., 'Exchange Plaza' Bandra-Kurla Complex, Bandra (East), MUMBAI – 400 051
Scrp Code – 523598	Trading Symbol – SCI

Subject: Update on Scheme of Arrangement for Demerger of Non-Core Assets ("Demerged Undertaking") of Shipping Corporation of India Limited ("SCI"/"Demerged Company") into Shipping Corporation of India Land and Assets Limited ("Resulting Company")

Ref: Information under Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir / Madam,

With reference to the above captioned subject, we wish to inform that the Ministry of Corporate Affairs (**MCA**) vide its order dated 22nd February, 2023 (**Annexure-1**) received today on Thursday, 23rd February, 2023 via email, has sanctioned the Scheme of Arrangement for Demerger of Non-Core Assets ("Demerged Undertaking") of Shipping Corporation of India Limited ('SCI'/'Demerged Company') into Shipping Corporation of India Land and Assets Limited ('Resulting Company') ("Scheme of Arrangement"), under sections 230 – 232 of the Companies Act, 2013. Copy of the said approved Scheme of Arrangement is attached as **Annexure-2**.

This is for your information and records.

Thanking you.

Yours Faithfully,
For The Shipping Corporation of India Limited

Smt. Swapnita Vikas Yadav
Company Secretary and Compliance Officer

Enclosure: - As above

Annexure-1 स्पीड पोस्ट

24/3/2022-सीएल-III

भारत सरकार
कारपोरेट कार्य मंत्रालय

शास्त्री भवन, "ए" विंग, 5^{वाँ} तल,
डा. राजेन्द्र प्रसाद रोड़,
नई दिल्ली-110001
दिनांक : 23.02.2023

To,

- ✓ 1. M/s Shipping Corporation of India Limited,
Shipping House, 245 Madame Cama Road
Nariman Point, Mumbai – 400 021.
2. M/s Shipping Corporation of India Land and Assets Limited,
Shipping House, 245, Madame Cama Road,
Nariman Point, Mumbai – 400 021.

Subject: Application received u/s 230-232 of the Companies Act, 2013 for approving scheme of Arrangement between M/s Shipping Corporation of India Limited (Demerged Company) and Shipping Corporation of India Land and Assets Limited (Resulting Company).

Sir,

I am to forward herewith a copy of this Ministry's Order dated 22.02.2023 on the above subject for information and necessary action.

भवदीय,


(संजय वर्मा)
उप निदेशक

सूचना एवं आवश्यक कार्यवाही हेतु प्रतिलिपि :-

- 1) Shri Suman Kumar Jha, Corporate Professionals, Advisors & Advocates, D-28, South Extension Part-I, New Delhi – 110049.

Final Order
24/3/2022-CL-III

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

In the matter of Sections 230-232 of the Companies Act, 2013

AND

In the matter of Scheme of Arrangement between

M/s Shipping Corporation of India Limited (SCI)

And

M/s Shipping Corporation of India Land and Assets Limited (SCILAL)

1. M/s. Shipping Corporation of India Limited having its registered office at Shipping House, 245 Madame Cama Road, Nariman Point, Mumbai - 400 021.

Applicant/Demerged Company

2. M/s. Shipping Corporation of India Land and Assets Limited having its registered office at Shipping House, 245, Madame Cama Road, Nariman Point, Mumbai - 400 021.

Applicant/Resulting Company

Present:-

- i. Mr. Suman Kumar Jha - Advocate, Corporate Professionals, Counsel for the applicant companies
- ii. Ms. Rakshita Lahoty, Advocate, Corporate Professionals
- iii. Ms. Swapnita Yadav, Company Secretary, SCI
- iv. Mr. P. Panduranga Vittal, Head- Legal, SCI
- v. Mr. N. Subramanya Prakash, CFO, SCI
- vi. Mr. S. Shiva, Advocate, Corporate Professionals
- vii. Mr. Mohammad Firoz, DM- SCI
- viii. Mr. M.S.Saini, GM (P&A), SCI
- ix. Rajkumar Singh, Gen.Secretary, SCIOA
- x. Hariharan Subbiah, President, SCIOA
- xi. Mr. Vivek Raja, Advocate for SCIOA and SCISU
- xii. Mr. Utkarsh Joshi, Advocate for Maricon Interon (Unsecured Creditors)
- xiii. Mr. Santosh Joshi, Staff Union SCISU-GS
- xiv. Mr. Sanjeet Karnik SCISU-VP

.....for Demerged and Resulting Company



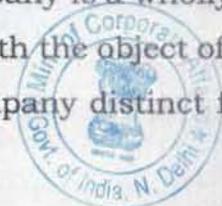
ORDER

(Hearing held on 29/12/2022)

Joint confirmation petition dated 19.10.2022 was filed on 21.10.2022 by the petitioner companies with respect to proposed Scheme of Arrangement between M/s Shipping Corporation of India (Demerged Company) and M/s Shipping Corporation of India Land and Assets Limited (Resulting Company) u/s 230-232 of the Companies Act, 2013 read with Government of India, Notification NO.GSR.582 (E) dated 13.06.2017.

2. The M/s Shipping Corporation of India Limited (Demerged Company) is a government company within the meaning of section 2(45) of the Companies Act, 2013 incorporated under the provisions of Companies Act, 1956, on 2nd October, 1961, by the amalgamation of the Eastern Shipping Corporation Limited and the Western Shipping Corporation Limited by the order of Government of India having its registered office situated at Shipping House, 245, Madame Cama Road, Mumbai-400 021. The Demerged Company is governed under the administrative control of Ministry of Ports, Shipping and Waterways. The Company is widely held listed company, having its equity shares listed on National Stock Exchange of India Limited and BSE Limited. The Demerged Company is the largest Indian Shipping Company. It has substantial interests in various segments of both national and international shipping trades. Its owned fleet includes Bulk carriers, crude oil tankers, Product tankers, container vessels, Gas Carriers and Offshore Supply Vessels.

3. The Shipping Corporation of India Land and Assets Limited (Resulting Company) was incorporated on 10th November 2021 is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013, having its registered office at Shipping House, 245, Madame Cama Road, Nariman Point Mumbai -400 021. The Resulting Company is a wholly Owned subsidiary of Demerged Company and incorporated with the object of holding and disposing the Non-Core Assets of Demerged Company distinct from the disinvestment transaction.



4. As per Government of India, Notification NO.GSR.582 (E) dated 13.06.2017, the powers under section 230-232 of the Companies Act, 2013 have been conferred upon the Central Government in respect of Government Companies. Accordingly, Ministry of Corporate Affairs has the jurisdiction to hear and decide the present petition.

5. As per Part-II of the Scheme of Arrangement, upon the coming into effect of this Scheme, with effect from the appointed date and subject to the provisions of Chapter 2 of this Scheme, the Non-Core Assets shall, without any further act, instrument, deed, matter or thing, be demerged from the Demerged Company and transferred to and vested with and into the Resulting Company on a going concern basis, in the manner described in clause 3 of Part-II of the Scheme of Arrangement. Further, as per part-IV of the scheme, upon the effectiveness of the Scheme, the investments in the equity share capital of Resulting Company as appearing in the books of accounts of Demerged Company shall stand cancelled. Simultaneous to such cancellation, the Resulting Company shall allot to the equity shareholders of the Demerged Company (whose names are registered in the register of members of the Demerged Company on the Record Date, or his/her/its legal heirs, executors or administrators or, as the case may be, successors), equity shares of face value Rs.10/- (Rupees Ten) each credited as fully paid up of the Resulting Company in the ratio of 1 (one) equity share of the face value of Rs.10/- (Rupees Ten) each of the Resulting Company for every 1(one) equity share of face value Rs.10/- (Rupees Ten) credited as fully paid-up held in the Demerged Company.

6. The petitioner companies through their joint confirmation petition prayed before the Ministry of Corporate Affairs to sanction the Scheme of Arrangement for demerger between M/s Shipping Corporation of India Limited (Demerged Company) and M/s Shipping Corporation of India Land and Assets Limited (Resulting Company) so as to be binding on all the shareholders and creditors of the petitioner companies;



7. The Scheme of Arrangement was filed with the ministry along with the application for directions to convene the meeting of shareholders and creditors on 08.03.2022. The said scheme was approved by the Board of Directors of Demerged Company on 03.08.2021 & 01.11.2021 and by the Board of Directors of Resulting Company on 16.11.2021 and by the administrative ministry on 16.04.2020. It was stated in the said Scheme of Arrangement (the detail of asset and liabilities of non-core assets which are to be transferred from Demerged Company to the Resulting Company) that *"the Maritime Training Institute lands and buildings are freehold property however, being an institutional property allotted by the Government of Maharashtra to SCI with an specific object of running the maritime training institute, it has certain restrictions on transfer and hence the same shall be transferred to the Resulting company subject to the no-objection of the Government of Maharashtra. The land on which the Shipping House, Mumbai is constructed is a lease hold land and the transfer of such lease to the Resulting Company, shall be subject to the no-objection of Government of Maharashtra. The transfer of investment of SCI in Irano Hind Shipping Company is forming part of non-core assets but the transfer of same shall be subject to approval from the Board of Directors of Irano Hind Shipping Co. and applicable provisions of the Commercial Code of Iran"*. The said scheme was modified by the petitioners and was approved by the Board of Director of Demerged Company on 06.05.2022 and by the Board of Director of Resulting Company on 25.05.2022. Thereafter the petitioner companies filed their modified joint application dated 28.06.2022 along with modified Scheme of Arrangement. The modifications includes 'Surplus Cash at Bank for holding and maintenance of non-core assets was increased from Rs.450,00,00,000/- (Rs.450 Crore) to 1000,00,00,000 (Rs.1,000 Crore) and certain information removed from the scheme'.

8. Subsequent to the modification, the Administrative Ministry (i.e. Ministry of Ports, Shipping and Waterways) vide its letter dated 24.05.2022 and the Department of Investment and Public Asset Management (i.e. DIPAM)



vide its letter dated 17.05.2022 had granted approval for the proposed modified scheme of Arrangement for Demerger of Non-Core Assets (Demerged Undertaking) of Demerged Company into Resulting Company.

9. The confirmation petition of Demerged Company is supported by the affidavit of Smt. Swapnita Vikas Yadav, Authorized Signatory of the Demerged Company. The confirmation petition of Resulting Company is also supported by the affidavit of Smt. Swapnita Vikas Yadav, Authorized Signatory of the Resulting Company.

10. The hearing on the first motion amended application was held on 18.08.2022 and during the course of the hearing the counsel of the petitioner companies clarified that aforesaid assets (as stated at para 7 above) which are part of Non-Core Assets, require approval from Government of Maharashtra for transferring such assets to the Resulting Company. Further approval of Board of Directors of Irano Hind Shipping Company is required for transfer of said assets to the Resulting Company and the Demerged Company has not yet obtained the said approvals. The authorized representative of the applicant companies submitted that they will submit an undertaking to honor all the legal obligations on the part of Demerged Company. In this regard, the legal counsel of the petitioner companies filed an undertaking with the ministry on 13.10.2022 duly signed by Shri P. Panduranga Vittal, Chief Manager (Law), Head-Legal Dept., SCI with authorization of Board Approval dated 07.10.2022 stating that SCI undertakes to honor all legal/contractual obligations as applicable for the time being in force in relation to transfer/demerger of Non-Core Assets from SCI to SCILAL.

11. Pursuant to the hearing held on 18.08.2022 and order dated 01.09.2022 the requirement of convening the meeting of equity shareholders of the Resulting Company is dispensed with since the shareholders of Resulting Company (i.e. SCILAL) are directors on the Board of Shipping Corporation of India Limited (i.e. SCI) and Shipping Corporation of India Land and Assets Limited (i.e. SCILAL) and have already approved the amended



application in their respective Board meetings held on 06.05.2022 and 25.05.2022.

12. Further, The Resulting Company had submitted a certificate from statutory auditor of the company dated 15.02.2022 stating that there are no/nil secured creditor as on 31.12.2021 and with regard to the unsecured creditor, the Resulting Company furnished a certificate from statutory auditor of the company dated 15.02.2022 stating that there are no/nil unsecured creditor as on 31.12.2021. Hence, the meeting of the secured and unsecured creditors of the Resulting Company was also dispensed.

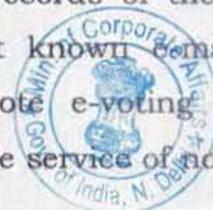
13. Pursuant to the order dated 01.09.2022, it was directed to convene the meeting of Equity Shareholders, secured creditors (as on 31.12.2021) of the Demerged Company and unsecured creditors of the Demerged Company whose debt is of value more than rupees ten (10) Lakhs as on 31.12.2021. The ministry also directed that the Chairperson of the meetings shall be the officer not below the rank of Joint Secretary from the administrative ministry of the applicant company i.e. Ministry of Ports, Shipping and Waterways, Government of India. Further, the Demerged Company was directed to publish notice of meeting(s) in two prominent newspaper one in English and other in vernacular language of the state in which Demerged Company is registered and also to send individual notice along with scheme of arrangement, proxy form & explanatory statement to the equity shareholders, secured creditors as on 31.12.2021 and unsecured creditors of the Demerged Company whose debt value is more than rupees ten (10) Lakhs as on 31.12.2021 at least one month before the day appointed for the said meeting by Registered post/Speed Post/e-mail. The notice to be published and dispatched shall be duly approved by the Chairperson appointed for the meetings. It is also directed to place the notice and other documents on the website of the Demerged Company. Further, petitioner companies were also directed to send notices to concerned Regional Director, Registrar of Companies, Income Tax Authorities, SEBI, BSE & NSE and other statutory authorities to send their report as per section 230(5) of the Companies Act,



2013. Further, this ministry allowed the Demerged Company to conduct the meeting of equity shareholders, secured creditors and unsecured creditors through Video Conferencing (VC) due to prevailing Pandemic Condition across India and to adopt e-voting system and appoint Scrutinizer for the purpose of conducting poll during the equity shareholders, secured creditors and unsecured Creditor's meeting conducted through Video Conferencing (VC).

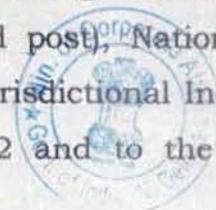
14. Further, vide order dated 01.09.2022, the Chairperson for the equity shareholders meeting, secured creditors and unsecured creditors meetings was directed to report to the Central Government the result of the said meetings or adjourned meeting, as the case may be, within 7 days after the conclusion of the meeting duly verified by his affidavit.

15. In pursuance of the order dated 01.09.2022, the Demerged Company furnished an Affidavit of Service dated 23.09.2022 & 16.11.2022 from Smt. Swapnita Vikas Yadav & Shri Sushil Kumar Singh, Chairperson of the meeting, respectively as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 informing that in compliance of the order, meetings(s) of the equity shareholders, unsecured creditors and secured creditors of the Demerged Company were scheduled to be held on 11.10.2022 at 10:30 AM, 12:15 PM and 03:00 PM respectively, through Video Conferencing (VC)/ Other Audio Visual Means (OAVM). Further, it is also informed that the notice of the meeting of the equity shareholders of the Demerged Company were duly approved and issued under Sd/- mode by the Chairperson appointed for the said meeting along with such documents required under the provisions of the Companies Act, 2013 and rules made there under were duly served on 08.09.2022 through email to the equity shareholders whose names appear in the register of members / list of beneficial owners as on 02.09.2022 (being the cut-off date for sending the notices to the Equity Shareholders) as per the records of the Demerged Company / Depositories at their respective last known email address through NSDL (agency for providing the Remote e-voting facility). A confirmation received from the NSDL evidencing the service of notices to the



Equity Shareholders of the Demerged Company and copy of the said notice along with explanatory statement are submitted to this ministry. Further, it is stated in the affidavit of service that the notice of the meeting of the secured creditors as on 31.12.2021 of the Demerged Company were duly served through email to the secured creditors whose names appear in the records of the Demerged Company as on the 31.12.2021 (being the cut-off date for sending the notices to secured creditors) as per the records of the Demerged Company at their respective last known email addresses through NSDL (agency for providing the Remote e-voting facility). A confirmation received from the NSDL evidencing the service of notices to the aforementioned secured creditors of the Demerged Company and copy of the said notice along with explanatory statement are submitted to this ministry. Further, notices of meeting of unsecured creditors of the Demerged Company were duly served through email to the unsecured creditors (having debt is of value more than rupees ten (10) Lakhs) whose names appear in the records of the Demerged Company at their last known e-mail addresses through NSDL (agency for providing the Remote e-voting facility) and a hard copy of the set of notices was sent to unsecured creditors (whose email bounced back) at their last known postal address. A confirmation received from the NSDL evidencing the service of notices to the unsecured creditors of the Demerged Company, original receipts of courier evidencing dispatch of notices and copy of the notice along with explanatory statement was submitted to this ministry.

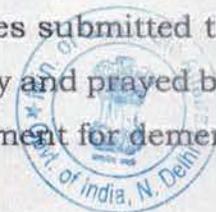
16. Further, it is stated in the affidavit of service that the advertisement of notice of the aforesaid meetings has been published in (i) "Financial Express" (English Newspaper), (ii) "Loksatta" (Marathi Newspaper) and (iii) "Jansatta" (Hindi Newspaper) on 09.09.2022. The original newspaper cuttings of all the newspapers are submitted to this ministry. Further, the Demerged Company duly served the notice of meeting of Equity Shareholders, Secured Creditors and Unsecured Creditors to the Securities and Exchange Board of India (through speed post), BSE Limited (through speed post), National Stock Exchange of India Limited (through speed post), Jurisdictional Income Tax Authorities (through hand delivery) on 08.09.2022 and to the Regional



Director (Western Region) (through hand delivery), Registrar of Companies (Maharashtra, Mumbai) (through hand delivery) on 09.09.2022. The original courier receipts and copy of hard copy acknowledgements evidencing service of notices to the statutory authorities are submitted to this ministry. Further, the complete set of notices including the requisite annexures for the meeting of equity shareholders, secured creditors and unsecured creditors of the Demerged Company were duly uploaded on the website of the Demerged Company, BSE Limited and National Stock Exchange of India Limited.

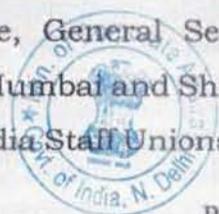
17. In pursuance of Order dated 01.09.2022, Shri Sushil Kumar Singh, Joint Secretary, Ministry of Ports, Shipping and Waterways & Chairperson of the meeting(s) furnished his report dated 14.10.2022 duly verified by his affidavit along with the report of the Scrutinizer. It is stated in the report of the Chairperson that the meeting of equity shareholders of the Demerged Company, was held on 11.10.2022 through video conferencing mode. Chairperson has reported that majority of the equity shareholders of Demerged Company (who have voted through e-voting system or remote e-voting system), representing more than three fourth in value have approved the scheme.

18. Further, with regard to the meeting of the secured creditors and unsecured creditors (whose debt value is above rupees ten lakhs) of the Demerged Company, it is reported by the Chairperson, that meeting of unsecured creditors and secured creditors of the Demerged Company was held on 11.10.2022 at 12:15 PM & 03:00 PM respectively through video conferencing mode. The Chairperson has reported that majority of the unsecured creditors (having debt value more than Rs.10 Lakhs) and secured creditors of the Demerged Company (who have voted through e-voting system or remote e-voting system), representing more than three-fourth in value have approved the scheme. Thereafter, petitioner companies submitted their joint confirmation petition dated 19.10.2022 to this ministry and prayed before this ministry to sanction the amended Scheme of Arrangement for demerger so as



to be binding on all the shareholders and creditors of the petitioner companies.

19. In the meantime, this ministry received a copy of request-cum-complaint dated 13.10.2022 to keep demerger of SCI under abeyance from The Shipping Corporation of India Officers' Association, Mumbai and The Shipping Corporation of India Staff Union, Mumbai on 18.10.2022. In this regard, this ministry vide letter dated 11.11.2022 requested to the petitioner companies to furnish their comments on the said complaint. Further, this ministry issued a letter dated 11.11.2022 to Shri Arun Tawade, General Secretary of Shipping Corporation of India Officers Association, Mumbai and Shri Santosh Joshi, General Secretary, Shipping Corporation of India Staff Union to file their representation by way of affidavit. In this regard, the petitioner companies replied vide letter dated 22.11.2022 that General Secretary of SCI Officer's Association (SCIOA) and SCI Staff Union (SCISU) have confirmed that the letter dated 13.10.2022 to MCA stands "Null and Void" as same was not initiated by them and that SCIOA and SCISU letterheads and scanned signatures have been misused by some miscreants. The ministry also received a letter dated 23.11.2022 from "The Shipping Corporation of India Officers' Association, Mumbai and The Shipping Corporation of India Staff Union stating that the letter dated 13.10.2022 as mentioned in the MCA's letter is not traceable. This ministry also received a further letter dated 15.11.2022 received on 21.11.2022 from "The Shipping Corporation of India Officers' Association, Mumbai" requesting to withhold order of proposed demerger of SCI. Thereafter, this ministry vide letter dated 06.12.2022 informed to the petitioner companies about the next date of hearing fixed in the matter on 16.12.2022. This ministry vide letter dated 06.12.2022 also informed to the Regional Director (Western Region) and Registrar of Companies, Mumbai about the next date of hearing fixed in the matter and also requested them to furnish their report in the matter. Further, this ministry also informed to Shri Arun Tawade, General Secretary of Shipping Corporation of India Officers' Association, Mumbai and Shri Santosh Joshi, General Secretary, Shipping Corporation of India Staff Unions, Mumbai



vide letter dated 06.12.2022 about the next date of hearing fixed in the matter and requested them to attend the hearing.

20. The Regional Director (Western Region) submitted his report dated 08.12.2022 along with the report of the Registrar of Companies, Mumbai dated 23.11.2022. The Regional Director and Registrar of Companies have reported certain observations in their report; the Demerged Company is a public limited company, however, form CAA-3 to SEBI and NSE, BSE is not attached with the scheme. Further, the demerged company has attached in its form GNL-2 along with notice and MCA order only, however, the company has not attached scheme in its e-form. Further, the Resulting Company has not filed e-form GNL-1 and MGT-14. The Regional Director also suggested this ministry to direct the petitioner companies to file an affidavit to the extent that the Scheme enclosed to the company application and company petition are one and same and there is no discrepancy, or change is made.

21. That, hearing in the matter was held on 16.12.2022 and the hearing was attended by authorized representatives of petitioner companies and by President and General Secretary of SCI Officers' Association and Vice President and General Secretary of SCI Staff Union. During the course of the hearing opportunities were given to the representative of SCI Officers Association and SCI Staff Union to deliberate upon concerns raised by them in detail. Further it was observed that petitioner companies have not published public notice under Rule 16 of Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 and also not filed counter affidavit on the comments/observations in the report of Regional Director (WR) dated 08.12.2022. Accordingly, the representatives of the petitioner companies were directed to publish the public notice under Rule 16 of Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 and also to file counter affidavit on the comments/observations in the report of Regional Director (WR) before next and final date of hearing i.e. 29.12.2022 or at the time of hearing. Further, in this regard, an order was also issued by this ministry dated 23.12.2022.

22. In compliance of the order dated 23.12.2022, the legal counsel of the petitioner companies filed a joint counter affidavit dated 27.12.2022 stating that the Demerged Company had duly served signed Form CAA-3 with complete set of notices of the meetings of its Equity Shareholders, Secured Creditors and Unsecured Creditors along with the Scheme of Arrangement to all required authorities including the SEBI, NSE and BSE (being a listed company). The petitioner companies clarified that hard copy of the scheme was duly served to the ROC, Mumbai at the time of serving notice of the meetings of the Demerged Company. The GNL-2 was filed as an intimation of the said service only in E-Form. Further, MGT-14 w.r.t. the approval of the Scheme of Arrangement by the Board of Director of the Resulting Company was duly filed on 07.12.2021 vide SRN: T62261359. The petitioner companies submitted through counter affidavit that the Scheme enclosed to the company application and company petition are one and same and there is no discrepancy, or no change is made. Hence, the petitioner companies replied satisfactorily to all the observations reported by the Regional Director (Western Region).

23. Further, the petitioner companies submitted an affidavit in compliance of directions given by this ministry's order dated 23.12.2022 and informed to this ministry that they have published the notice on 18.12.2022 in (i) Financial Express (English Newspaper), Loksatta (Marathi Newspaper) and Jansatta (Hindi Newspaper) intimating the final date of hearing i.e. 29.12.2022. The petitioner companies also submitted the original newspaper cuttings of the above newspaper to this ministry. Further, it is stated in the said affidavit that an intimation of the above said newspaper publication was also given to the concerned Stock Exchanges. The copy of the said intimation given to both BSE Limited and National Stock Exchange of India Limited vide letter dated 19.12.2022 are also submitted to this ministry.

24. That, Final hearing in the matter was held on 29.12.2022. The hearing was attended by the authorized representative of the petitioner companies,

legal counsel of the petitioner companies and representative of the SCIOA and SCISU. The legal counsel of the petitioner companies informed vide letter dated 28.12.2022 and at the time of hearing that pursuant to the publication of public notice on 18.12.2022 in the newspaper, the petitioner companies/the advocates of the petitioner companies have received a total of 43 (Forty-Three) objections/concerns from various stakeholders till the last date for submission of the objection/concerns i.e. 26.12.2022, and copy of the same are submitted to this ministry. Further, certain letter of objections marked directly to and received by MCA were also handed over to the legal counsel of the petitioner companies on 28.12.2022. The legal counsel of the petitioner companies furnished consolidated response of the petitioner companies towards the objections/concerns of the different stakeholders vide letter dated 28.12.2022. The petitioner companies categorized the objections/concerns of the stakeholders in three classes; namely employees (including ex-employees and employees associations/unions), creditors, shareholders and replied as under:

(i) Reply to objections/concerns of employees (including ex-employees and employees associations/unions) - It is replied by the petitioner companies that the issues related to employee dues or retirement benefits or any dues of a similar nature are HR related issues and post sanctioning of this scheme of arrangement both the companies i.e. the demerged company and resulting company will each continue on a going concern basis, such employee related concerns shall be addressed appropriately by the Demerged Company as a going concern. Further, the revised scheme, involving the transfer of surplus cash of Rs.1,000 crores (forming part of Non-Core Assets) to the Resulting Company, was duly approved by the Boards of Directors of both the Demerged Company and the Resulting Company and also by the shareholders, creditors of Demerged Company with requisite majority. Further, SCI, as a PSU, will continue to honor its existing arrangements with its employees and former employees in its usual course, in accordance with the agreed terms with respect to any employee benefits, including post-retirement benefits.



(ii) Reply to objections/concerns of creditors - It is replied by the petitioner companies that meeting of unsecured creditors of the company having an outstanding value of more than Rs.10 lakh, and secured creditors of the demerged company were duly held on 11.10.2022, wherein both the secured as well as the unsecured creditors have approved the scheme with requisite majorities as per prevailing law. Further, the Scheme of Demerger will not affect/reduce the Demerged Company's liabilities towards them and post sanctioning of the Scheme of Demerger, both the companies will continue on a going concern basis. Further, with respect to the transfer of liabilities as mentioned in the scheme under Para 3.2 of Part II, all liabilities/debts of the Demerged Company relating to the remaining business shall be the liabilities/debts of the Demerged Company.

(iii) Reply to objections/concerns of shareholders - With respect to the shareholders' concerns/objections, it is replied by the representatives of the petitioner companies that shareholding pattern of the Demerged Company will be duly replicated in the Resulting Company. Therefore, the interests of the shareholders will not be affected in any way pursuant to the scheme being given effect to. Further, the meeting of shareholders of demerged company was duly held on 11.10.2022, wherein the shareholders have approved the scheme with the requisite majority as per the prevailing law.

Hence, the petitioner companies addressed to all the concerns/objections of the stakeholders. However, the petitioner companies were directed to submit the aforesaid reply by way of affidavit on the objections/concerns of the stakeholders.

25. As per clause 13.3(c) Part- V of the Scheme of Arrangement, all employees relatable to the Remaining Business shall continue to be employed by the Demerged Company and the Resulting Company shall not in any event be liable or responsible for any claims whatsoever regarding such employees. Further, the legal counsel of the petitioner companies vide letter dated 18.01.2023 submitted an affidavit dated 17.01.2023 of Shri P.Panduranga



Vittal, 'Head-legal', followed by additional affidavit dated 06.02.2023 (Addendum to the affidavit dated 17.01.2023) submitting the reply to the various objections made by the objectors under para 4A & 4B of the affidavit as under:

- a) 4A "The issues relating to employee dues or retirement benefits or any dues of a similar nature are HR related issues. Since post-sanctioning of this Scheme of Arrangement, both the companies i.e. the Petitioner Company 1 and Petitioner Company 2 will each continue on a going concern basis, all legitimate employee related concerns shall be addressed appropriately."
- b) 4B "with respect to the transfer of liabilities, as mentioned in the scheme under Para3.2 of Part-II, all liabilities/debts of the petitioner company 1 relating to the remaining business shall continue to remain the liabilities/debts of the petitioner company 1. The dues of both secured and unsecured creditors and issues of shareholders shall be dealt in accordance with scheme as approved by MCA."

26. In pursuance to this scheme of demerger if any staff, workmen and employees of the Demerged Company is transferred to the Resulting Company then the said staff, workmen and employee in service as on the Effective Date shall be deemed to have become staff, workmen and employee of the Resulting Company, with effect from the Appointed Date (or from the date of their appointment if the same be after the Appointed Date). Terms and conditions of their employment with the Resulting Company shall not be less favorable than those applicable to them with reference to the Demerged company on the Effective Date. Further the petitioner companies are directed to comply all the legal/contractual obligations/undertakings as applicable for the time being in force in relation to transfer/demerger of Non-Core Assets from SCI to SCILAL.

27. With reference to Clause 9 & 10 (Part-IV) of the Scheme, wherein the Resulting Company intends to alter the Memorandum of Association (MoA)



and Articles of Association (AoA) and also intends to increase their authorized share capital, it is directed that Resulting Company shall follow the provisions of the Companies Act, 2013 and pay the requisite stamp duty & registration fees etc.

28. For considering the proposal of scheme of arrangement, the procedure as required under the provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 was followed and transparency was maintained during the proceedings. Sufficient opportunity was provided to all concerned by way of giving direction to the petitioner companies for publishing the notice of Scheme or supplying copies of the Scheme to anyone who required, with a view to eliciting views of all concerned to the proposed Scheme.

29. In the aforesaid facts and circumstances and having regard to the averments made in the petitions and during the course of the hearing, submission made by the Applicant Companies and further considering the reports of the concerned Regional Director and Registrar of Companies, the Scheme of Arrangement of the Demerged Company and the Resulting Company is found to be in order and hence the prayer for sanction of the Scheme of Arrangement deserves to be allowed with effect from the appointed date.

30. Therefore, the sanction of the Central Government is hereby accorded to the Scheme of Arrangement of M/s Shipping Corporation of India Limited (Demerged Company) and M/s Shipping Corporation of India Land and Assets Limited (Resulting Company) under section 230-232 of the Companies Act, 2013. The Scheme shall be binding on the shareholders and creditors of the Demerged Company and Resulting Company, and all concerned with effect from the appointed date i.e. 01.04.2021.

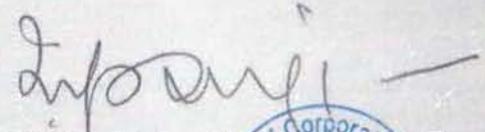


31. It is further ordered that the parties to the Scheme or other persons interested in the Scheme shall be at liberty to apply to the Ministry of Corporate Affairs, Government of India, for any direction that may be necessary in regard to working of the said Scheme.

32. It is further ordered that Demerged and Resulting Company shall file with the concerned Registrar of Companies a certified copy of this order within 30 days of the receipt of the same, in Form No.INC 28. A copy of the order be made available to the parties concerned.

SCHEDULE:-

Copy of the Scheme of Amalgamation is annexed.



(Inder Deep Singh Dhatwal)
Joint Secretary to the Government of India



Dated: 22nd February 2023
Place : New Delhi

**SCHEME OF ARRANGEMENT
FOR DEMERGER**

Between

**SHIPPING CORPORATION OF INDIA LIMITED
(Demerged Company)**

AND

**SHIPPING CORPORATION OF INDIA LAND AND
ASSETS LIMITED
(Resulting Company)**

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 232 READ WITH

RELEVANT RULES OF THE COMPANIES ACT, 2013

Handwritten signatures and initials in blue ink.



PREAMBLE

I. BACKGROUND AND DESCRIPTION OF THE COMPANIES WHO ARE PARTIES TO THIS SCHEME

A. **Shipping Corporation of India Limited** (hereinafter referred to as "SCI" or "Demerged Company") is a Government Company, within the meaning of section 2(45) of the Companies Act, 2013, incorporated under the Companies Act, 1956 on October 2, 1961, by the amalgamation of Eastern Shipping Corporation Limited and Western Shipping Corporation Limited by the order of Government of India. It is having its registered office at 'Shipping House', 245, Madame Cama Road, Mumbai-400021 India. It is a widely held listed company, with its equity shares listed on National Stock Exchange of India Limited and BSE Limited.

B. SCI is the largest Indian shipping Company. The SCI has substantial interests in various segments of the shipping trade. SCI's owned fleet includes Bulk carriers, Crude oil tankers, Product tankers, Container vessels, LPG / Ammonia carriers and Offshore Supply Vessels. Sailing through for six decades, SCI today has a significant presence on the global maritime map.

C. **Shipping Corporation of India Land and Assets Limited** (hereinafter referred to as "SCILAL" or "Resulting Company") is a Government Company, within the meaning of section 2(45) of the Companies Act, 2013, incorporated under the Companies Act, 2013 on November 10, 2021, having its registered office at 'Shipping House', 245, Madame Cama Road, Mumbai-400021 India. It has been incorporated with the object of holding and disposing the Non-core Assets of SCI distinct from the disinvestment transaction. The Resulting Company is wholly owned subsidiary of Demerged Company. However, once the scheme becomes effective, the Resulting Company will have a replica shareholding of the



SCI and thereafter it shall function as an Independent Listed Company.

- D. At present, 63.75% equity shares of SCI are owned by Government of India. The Government of India has decided for strategic disinvestment of its stakes in SCI. As part of the strategic disinvestment process, SCI has analysed the business and in consultation with the Ministry of Ports, Shipping and Waterways has determined the Core Business Assets and Non-core Assets of the company. Now, with the intent to facilitate an effective and efficient disinvestment of SCI, the demerger/ hiving-off of its Non-core Assets is being proposed in view of the directions received from the Competent Authority in this regard.

This Scheme (*as defined below*) is a scheme of arrangement, which provides for the demerger of Non - Core Assets ('Demerged Undertaking') (*as defined below*) of the Demerged Company and the vesting thereof in the Resulting Company in accordance with the terms of the Scheme and pursuant to the provisions of Sections 230 and 232 of the Act (*as defined below*) and other relevant provisions of the Act. The equity shares of Resulting Company is proposed to be listed on the Stock Exchanges pursuant to the Scheme.

II. RATIONALE, PURPOSE AND OBJECT OF THE SCHEME

1. The Government of India is in the process of strategic disinvestment of its equity stake in SCI together with transfer of management control. To facilitate disinvestment process of the Company in an effective, efficient and rapid manner and also to unlock the value of the business and the assets, it is found appropriate that the Non-core Assets of the Company, the value of which is not getting reflected in the value of business of SCI, should be separated from SCI and should be kept in an independent entity and a separate strategy should be formed for unlocking the value of such Non-core Assets. Considering this, and in line with the guidance of DIPAM and other Competent Authority, the demerger of Non-Core Assets of SCI into a SCILAL pursuant to this Scheme, *inter alia*, would lead to following benefits:



- (a) Creation of a separate and distinct entity for the Non-Core Assets would lead to greater operational and administrative efficiency for the Demerged Company and would also allow the Resulting Company to manage the Non-core assets more efficiently;
- (b) enabling the business and the activities to be pursued and carried on with greater focus and attention through two separate parallel companies with separate administrative set up of each of them in place. Defined objects of each of the Companies i.e SCI and a SCILAL will have required focus in terms of Core Business and Non-Core business and this will ensure adoption of strategies necessary for the growth of the respective companies. The structure provides independence to the management in decisions regarding the use of their respective cash flows for dividends, capital expenditure or other reinvestment in their respective businesses in lines with the directions of the Competent Authority; and
- (c) unlocking of value for SCI by transfer of Non-Core Assets, which would enable optimal exploitation, monetization and development of both the Companies i.e SCI and the Resulting Company, attracting focused investors and strategic partners having the necessary ability, experience and interests in this sector and by allowing pursuit of inorganic and organic growth opportunities in such businesses.

2. With a view towards focused management and in the overall interest of all stakeholders, shareholders and creditors, it is proposed that the management and control of the businesses would be realigned and restructured in a manner that the Non-Core Assets of SCI be demerged and hived-off to the Resulting Company (i.e.SCILAL), which would also be listed on the Stock Exchanges.

3. The implementation of the Scheme is thus aimed at maximizing value for the shareholders of SCI.



4. The Scheme of Arrangement has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) read with explanation 6 of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the said provisions 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 Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect other parts of the Scheme.

"Explanation 6 to the Section 2(19AA) of the Income Tax Act, 1961 — the reconstruction or splitting up of a public sector company into separate companies shall be deemed to be a demerger, if such reconstruction or splitting up has been made to transfer any asset of the demerged company to the resulting company and the resulting company—

- (i) Is a public sector company on the appointed day indicated in such scheme, as may be approved by the Central Government or any other body authorised under the provisions of the Companies Act, 2013 or any other law for the time being in force governing such public sector companies in this behalf; and
- (ii) fulfils such other conditions as may be notified by the Central Government in the Official Gazette in this behalf;

III. OPERATION OF THE SCHEME

This Scheme of Arrangement in the nature of demerger is prepared in terms of the provisions of Sections 230 to 232 of the Act.

The Scheme provides for demerger of Non-Core Assets of SCI and the vesting thereof in SCILAL in accordance with the terms of the Scheme, pursuant to which the existing equity shares held by SCI in SCILAL shall stand



cancelled and a SCILAL shall simultaneously issue its equity shares to the equity shareholders of SCI in the manner provided for under this Scheme.

Additionally, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

IV. CHAPTERS OF THE SCHEME

This Scheme is divided into the following chapters:

- (a) **Chapter 1:** General definitions and interpretation which are common to and shall be applicable to all the chapters of the Scheme.
- (b) **Chapter 2:** Specific provisions governing demerger of Non-Core Assets of SCI into SCILAL;
- (c) **Chapter 3:** Other terms and conditions applicable on all chapters of the Scheme.

Handwritten signatures in blue ink, including a large signature at the top and two smaller ones below it.



CHAPTER: 1
GENERAL DEFINITIONS AND INTERPRETATION

1. DEFINITIONS

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

- 1.1. **“Act” or “The Act”** means the means Companies Act, 2013, or the Companies Act, 1956 (to the extent applicable) and will include any statutory modifications, re-enactments or amendments thereof;
- 1.2. **“Appointed Date”**: means April 1, 2021, the date with effect from which this Scheme shall come into effect or such other date(s) as may be fixed or approved by the Central Government or Ministry of Corporate Affairs or any other competent authority;
- 1.3. **“Acquirer”**: means any person or body corporate acquiring shares in the Shipping Corporation of India Limited pursuant to the process of Strategic Disinvestment.
- 1.4. **“Board” or “Board of Directors”**: in relation to the Demerged Company and the Resulting Company, as the case may be, means the board of directors of such company, and shall include a committee of directors, if any, constituted or appointed and authorized to take any decision for the implementation of this scheme on behalf of such Board of Directors.
- 1.5. **“BSE”** shall mean BSE Limited.
- 1.6. **“Effective Date”**: means the date on which the certified copy of the order(s) of the Ministry of Corporate Affairs under Sections 230 - 232 of the Act sanctioning the Scheme, is filed with the Registrar of Companies.

Handwritten initials and signature:
AB
M
A



Any references in this Scheme to the words “upon the Scheme becoming effective” or “effectiveness of this Scheme” or “date of coming into effect of the Scheme” or “Scheme coming into effect” shall mean the Effective Date.

- 1.7. **“Equity Share(s)”** means the equity shares of the Demerged Company or the Resulting Company, as the case may be.
- 1.8. **“Government Company”** has the meaning ascribed to such term in section 2(45) of Companies Act, 2013.
- 1.9. **“Law” or “Applicable Law”** includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, MCA, Board, Court of India or any other country or jurisdiction as applicable.
- 1.10. **“MCA”** means the Ministry of Corporate Affairs, Government of India.
- 1.11. **“MCA Notification”** means Ministry of Corporate Affairs Notification No. G.S.R. 582 (E), Dated 13th June, 2017 in which the word “MCA”, wherever it occurs, the words “Central Government” shall be substituted in Chapter XV, sections 230 to 232 of the Companies Act, 2013.
- 1.12. **“NSE”** shall mean National Stock Exchange of India Limited.
- 1.13. **“IT Act”** means the Income Tax Act, 1961 and any other statutory modifications, amendments, restatements or re-enactments thereof, from time to time and to;
- 1.14. **“Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;



1.15. "MTI Powai" means MTI Land, Sagar Gyan Building, Data Centre, Solar Power Plant, Augmentation of Solar Power Plant and all other immovable properties, assets, located at Maritime Training Institute, Adi - Shankaracharya Marg, Powai, Mumbai - 400072.

1.16. "Non-Core Assets" means all the undertakings, immovable or movable properties, assets, liabilities, of whatsoever nature and kind, and where so ever situated, as on the Appointed Date and Surplus Cash as deposited with SCI Surplus Cash A/c, described more particularly in the **Schedule I** annexed hereto and any subsequent changes made thereto upon the decision of the Competent Authority. Without prejudice and limitation to the generality of the above, the Non-Core Assets, shall mean and include:

- (i) All immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) in relation to the Non-Core Assets and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;
- (ii) all assets, as are movable in nature pertaining to the Non-Core Assets, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal actionable claims, earnest monies and sundry debtors, financial assets, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other persons, the benefits of any bank guarantees, performance guarantees;



- (iii) Surplus Cash means any amount as may be ascertained to transfer to the Resulting Company in SCI Surplus Cash Account along with the Non-Core assets depending on utilisation for ongoing vessel acquisition and surplus from working capital requirements.
- (iv) SCI Surplus Cash Account means any account opened in the trust of the Resulting Company to transfer above mentioned surplus cash for the purpose of maintenance and upholding of the Non-Core assets.
- (v) all the investments, being the investments in subsidiary companies, joint venture companies, associate companies, partnership firms or investments of any other nature, that pertain to the Non-Core Assets.
- (vi) all permits, licenses, permissions including municipal permissions, right of way, approvals, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, liberties and advantages (including those granted/issued/given by any governmental, statutory or regulatory or local or administrative bodies for the purpose of carrying on the business relating to the Non-Core Assets or in connection therewith) including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively to the Non-Core Assets;
- (vii) all contracts, agreements, service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids,



tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits there under pertaining to the Non-Core Assets;

(viii) all applications (including hardware, software, licenses, source codes, para-metrication and scripts), registrations, goodwill, licenses, trade names, trademarks, service marks, copy rights, patents, domain names, designs, trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature that pertain exclusively to the Non-Core Assets;

(ix) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and whosoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favor of or enjoyed by the Demerged Company pertaining to the Non-Core Assets or in connection with or relating to the Demerged Company in respect of the Non-Core Assets and all other interests of whatsoever nature belonging to or in the ownership, power, possession or

TB
A
A



control of or vested in or granted in favors of or held for the benefit of or enjoyed by the Demerged Company and pertaining to the Non-Core Assets;

- (x) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programs, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the Non-Core Assets;
- (xi) All debts (whether secured or unsecured), borrowings, including loans and borrowings from banks and/or financial institutions, to the extent the said loans/borrowings are related, allocated or demarcated to the Non-Core Assets, and all obligations, duties and liabilities (including contingent liabilities) of the Demerged Company relating to the Non-Core Assets, more particularly defined in Schedule.
- (xii) any and all earnest monies and/or security deposits, pre-deposits under indirect taxes or other entitlements in connection with or relating to the Non-Core Assets;
- (xiii) all legal or other proceedings (past, present and future) of whatsoever nature relating to or involving the Demerged Company that pertain to the Non-Core Assets.
- (xiv) any other Asset specifically allocated by the Board of Directors of the Demerged Company or by the Competent Authority as relating to or belonging to the Non-Core Assets.

Any issue as to whether any Asset, Liability, rights, title, interest,



obligations, Demerger Proceedings, licenses, records and the like pertains to the Non-Core Assets shall be mutually decided between the Board of Directors of the Demerged Company and the Resulting Company on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Demerged Company);

- 1.17. **“SCI”** means The Shipping Corporation of India Limited”.
- 1.18. **“SCILAL”** means Shipping Corporation of India Land And Assets Limited.
- 1.19. **“Record Date”**: means a date after the effectiveness of the Scheme fixed by the board of SCI to determine the eligibility of shareholders to whom shares of the SCILAL (“Resulting Company”) shall be allotted pursuant to this Scheme.

Provided that in case, the Strategic Disinvestment of SCI happens before the Effective Date under the Scheme, the Record Date for purpose of promoters of SCI shall be deemed to be appointed date.

- 1.20. **“Regional Director”**: means the Regional Director (Western Region), Ministry of Corporate Affairs.
- 1.21. **“Remaining Business”** means all the undertakings, business, activities, operations, assets and liabilities of the Demerged Company, other than those Non-Core Assets which are transferred to the Resulting Company pursuant to Scheme of Demerger. as Non-Core Assets;
- 1.22. **“Registrar of Companies”** or **“RoC”**: means the Registrar of Companies at State of Maharashtra.
- 1.23. **“Rules”**: means the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- 1.24. **“Scheme”** or **“Scheme of Demerger”**: means this Scheme of Arrangement for Demerger of Non-Core Assets of the Demerged

AD
ML



Company to a Resulting Company under Sections 230 -232 of the Companies Act, 2013 as approved by the Board of Directors of both the Companies in its present form and with any modifications and amendment, if any as may be made from time to time by the Board of Directors of both the Companies and with appropriate approvals of Ministry of Ports, Shipping and Waterways, Government of India subject to sanction of the Ministry of Corporate Affairs and other relevant regulatory authorities as may be required under Companies Act, 2013, SEBI (LODR) and all other applicable laws and circulars issued in this regard.

1.25. **“Surplus Cash”** means any amount as may be ascertained to transfer to the Resulting Company in SCI Surplus Cash Account along with the Non-Core assets depending on utilisation for ongoing vessel acquisition and surplus from working capital requirements

“SCI Surplus Cash Account” means any account opened in the trust of the Resulting Company to transfer above mentioned surplus cash for the purpose of maintenance and upholding of the Non-Core assets.

1.26. **“SEBI”** means Securities and Exchange Board of India.

1.27. **“Shipping House, Mumbai”** means Shipping Building including land located at 245, Madam Cama Road, Nariman Point, Mumbai - 400021.

1.28. **“Strategic Disinvestment”** means sale of 63.75% stake of Government of India in the Shipping Corporation Of India Limited along with the transfer of management control in favour of the Acquirer.

1.29. **“Stock Exchanges”** shall mean BSE, NSE or any other Stock Exchange, where equity shares of SCI are currently listed/may be listed.

2. INTERPRETATION

Terms and expressions which are used in this Scheme but not defined herein



shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the IT Act, the Securities Contracts (Regulation) Act, 1956 and Securities Contracts (Regulation) Rules, 1957, the Depositories Act, 1996, the Competition Act, 2002, the SEBI Act, 1992, the Code of Civil Procedure, 1908 and other Applicable Laws, including any statutory amendment, modifications or re-enactment thereof, from time to time.

Unless otherwise expressly provided the provisions and clauses of Chapter 1 shall be applicable to the entire Scheme.

[Handwritten signatures]



CHAPTER 2
DEMERGER OF NON-CORE ASSETS OF SCIL INTO SCILAL

PART I
CAPITAL STRUCTURE

1. Capital Structure:

1.1. The authorized, issued, subscribed and paid-up share capital of the Demerged Company (i.e. SCI) as per its audited financial statement as of the Appointed Date is as under:

Authorized Share Capital	Amount (Rs.)
1,00,00,00,000 equity shares of Rs. 10/- each	10,00,00,00,000/-
Paid up Share Capital	Amount (Rs.)
46,57,99,010 equity shares of Rs. 10/- each	4,65,79,90,100/-
Total	4,65,79,90,100/-

1.2. The authorized, issued, subscribed and paid-up share capital of the Resulting Company (i.e. SCILAL) on the date of incorporation is as under:

Authorized Share Capital	Amount (Rs.)
50,000 equity shares of Rs10 each	5,00,000/-
Issued, Subscribed and Paid up Share Capital	Amount (Rs.)
10,000 equity shares of Rs10 each	1,00,000/-
Total	1,00,000/-

The Resulting Company is the wholly owned subsidiary of Demerged Company. However, once the Scheme is effective, the Resulting Company will have a replica shareholding of the SCI and thereafter it shall function as an Independent Listed Company.



PART II

DEMERGER AND VESTING OF NON-CORE ASSETS OF THE DEMERGED COMPANY INTO THE RESULTING COMPANY

2. Upon the coming into effect of this Scheme, with effect from the Appointed Date and subject to the provisions of Chapter 2 of this Scheme, the Non-Core Assets shall, without any further act, instrument, deed, matter or thing, be demerged from the Demerged Company and transferred to and vested with and into the Resulting Company on a going concern basis, in the manner described hereunder.

3. TRANSFER OF ASSETS AND LIABILITIES

3.1. Transfer of Assets

- 3.1.1. Upon the coming into effect of this Scheme, all the rights, title, interest and claims of the Demerged Company in any freehold/ leasehold/leave and license/right of way properties of the Demerged Company in relation to the Non-core Assets (as defined in Schedule), which are to be transferred to the Resulting Company, shall, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to or vested in the Resulting Company on the same terms and conditions.

- 3.1.2. If any of the freehold properties or leasehold properties forming part of Non-core Asset, are sold or transferred during the pendency of the Scheme, after Appointed Date and before the Scheme getting effective, the consideration received or receivable on such sale or transfer shall form part of the Demerged Company and shall be deposited in a separate escrow account of the Demerged Company where the Resulting Company will be the 'Beneficiary' or as may be decided by the Board of Resulting Company or any Competent Authority and this money shall be transferred to the Resulting Company, upon the Scheme becoming effective.

- 3.1.3. In respect of such of the assets of the Non-Core Assets as are movable in nature and/or otherwise capable of transfer by manual or constructive



delivery and/or by endorsement and delivery, the same shall stand transferred by the Demerged Company without requiring any deed or instrument of conveyance, and shall become the property of the Resulting Company.

3.1.4. In respect of assets other than those dealt with in Clause 3.1.2. above, *vis a vis* sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits, if any, whether recoverable in cash or in kind or for value to be received, bank balances, etc. in respect of Non-Core Assets, the same shall stand transferred to and vested in the Resulting Company without any notice or other intimation to any person, such that the right of the Demerged Company to recover or realize the same stands transferred to the Resulting Company and appropriate modification(s) would be made in their respective books/records to reflect the aforesaid changes.

3.1.5. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that all permits, licenses, permissions, right of way, approvals, clearances, consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favor of the Demerged Company, and the rights and benefits under the same, in so far as they relate to the Non-Core Assets and all quality certifications and approvals, trademarks, trade names, service marks, copy rights, domain names, designs, trade secrets, research and studies, technical knowhow and other intellectual properties and all other interests relating to the goods or services being dealt with by the Non-Core Assets, shall be transferred to and vested in the Resulting Company and the concerned licensors and grantors of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with Applicable Laws, the Resulting Company on such approvals, clearances, permissions so as to empower and facilitate the transfer and vesting of the Non-Core Assets of the Demerged Company in the Resulting Company and continuation of operations pertaining to the Non-Core Assets of the Demerged Company in the Resulting Company





without hindrance and that such approvals, clearances and permissions shall remain in full force and effect in favour of or against the Resulting Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.

3.1.6. In so far as various incentives, exemptions, service tax benefits, income tax holiday/benefit/losses and other benefits or exemptions or privileges enjoyed or availed by the Demerged Company in relation to the Non-Core Assets, whether granted by any government body, local authority or by any other person, the same shall, without any further act or deed, vest with and be available to the Resulting Company on the same terms and conditions.

3.1.7. All assets, estate, rights, title, interest and authorities acquired by the Demerged Company after the Appointed Date and prior to the Effective Date for operation of the Non-Core Assets shall also stand transferred to and vested in the Resulting Company.

3.2. TRANSFER OF LIABILITIES

3.2.1. All debts (whether secured or unsecured), borrowings, including loans and borrowings from banks and/or financial institutions, to the extent the said loans/borrowings are related, allocated or demarcated to the Non-Core Assets, and all obligations, duties and liabilities (including contingent liabilities) of the Demerged Company relating to the Non-Core Assets, more particularly defined in Schedule, shall without any further act, instrument or deed be and stand transferred to the Resulting Company and shall thereupon become the debts, borrowings, obligations, duties and liabilities of the Resulting Company, which it undertakes to meet, discharge and satisfy to the exclusion of the Demerged Company and to keep the Demerged Company indemnified at all times from and against all such debts, duties, obligations and liabilities and from and against all actions, demands and proceedings in respect thereto. 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.

3.2.2. Where any of the liabilities and obligations of the Demerged Company as on the Appointed Date, that are deemed to be transferred to the Resulting Company, have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company and all liabilities and obligations incurred by the Demerged Company for the operations of the Non-Core Assets after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company. To the extent any such liabilities and obligations relating to the Non-Core Assets outstanding on the Effective Date, they shall, without any further act or deed, be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company which shall meet, discharge and satisfy the same. It is clarified that all liabilities in relation to the Remaining Business shall vest solely with the Demerged Company, which alone shall be responsible to meet, discharge and satisfy the same. It is further clarified that where any liability or obligation vests solely with the Demerged Company or the Resulting Company in terms of this Clause 3.2.2., as the case may be, but has been met, discharged or satisfied by the other party, such other party shall be entitled to a reimbursement towards such liability or obligation from the party which should have incurred or discharged it.

3.2.3. Any claims, liabilities or demands arising on account of the Non-Core Assets which relate to the period prior to the Appointed Date but arise at any time after the Effective Date shall be entirely borne by the Resulting Company. In the event, that such liability is incurred by or such claim or demand is made upon the Demerged Company, then the Resulting Company shall indemnify the Demerged Company for any payments made in relation to the same.

3.2.4. In so far as the assets relating to the Non-Core Assets are concerned, the security, existing charges and mortgages over such assets, to the extent they relate to any loans or borrowings of the Remaining Business of the

Handwritten initials and signature in blue ink.



Demerged Company, shall, without any further act, instrument or deed, stand released and discharged and shall no longer be available as security in relation to those liabilities of the Demerged Company which are not transferred to the Resulting Company. The absence of any formal amendment which may be required by a bank and/or financial institution in order to affect such release shall not affect the operation of this Clause.

3.2.5. In so far as the assets of the Remaining Business of the Demerged Company are concerned, the security/existing charges and mortgages over such assets, to the extent they are relatable, allocable, demarcated to any loans or borrowings of the Non-Core Assets, the same shall stand released and discharged, without any further act, instrument or deed be released. The absence of any formal amendment which may be required by a bank and/or financial institution in order to affect such release shall not affect the operation of this Clause.

3.2.6. In so far as the existing security in respect of the loans of the Demerged Company and other liabilities relating to the Remaining Business of the Demerged Company are concerned, such security shall, without any further act, instrument or deed be continued with the Demerged Company only with respect to the assets of the Remaining Business.

3.2.7. Without prejudice to the provisions of the foregoing Clauses, the Demerged Company and the Resulting Company shall enter into and execute such deeds, instruments, documents and/or writings and/or do all acts and deeds, as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the ROC to give effect to the provisions of this Clause and foregoing Clauses, if required.

Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of the foregoing Clauses shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.



PART III

BUSINESS AND PROPERTY IN TRUST AND CONDUCT OF THE BUSINESS OF THE NON-CORE ASSETS FOR THE RESULTING COMPANY

4. With effect from the date of approval of the Scheme by the Boards and up to and including the Effective Date:

4.1. The Demerged Company shall be carrying on and be deemed to have been carrying on all business and activities relating to the Non-Core Assets and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Non- Core Assets including the Surplus Cash for and on account of, and in trust for the Resulting Company;

4.2. All income or profits accruing or arising to the Demerged Company, or all costs, charges, expenses or losses arising or incurred by it (including the effect of taxes, if any, thereon), relating to the Non-Core Assets shall, for all purposes, be treated as profits, income, costs, charges, expenses, taxes or losses, as the case may be, of the Resulting Company;

4.3. The Demerged Company undertakes that it will preserve and carry on the business of the Non-Core Assets with diligence and utmost business prudence and agrees that it will not, without prior written consent of a respective Boards of Resulting Company and the Demerged Company, alienate, charge, mortgage or encumber or otherwise deal with or dispose of the Non-Core Assets or any part thereof or recruit new employees (in each case except in the ordinary course of business) or conclude settlements with union or employees without the concurrence of the Resulting Company or undertake substantial expansion or change the general character or nature of the business of the Non-Core Assets ;

4.4. The Demerged Company and/or the Resulting Company shall be entitled,



pending sanction of the Scheme, to apply to the Central/State Government(s), regulatory/local/administrative bodies and all other agencies, departments and authorities concerned as are necessary under any Applicable Law for such consents, approvals and sanctions, which the Resulting Company may require to carry on the business of the Non-Core Assets; and

4.5. That in order to ensure smooth functioning and administration and due compliance, and in the interest of all stakeholders, keeping in mind the objectives set out in the Scheme, the Non-Core Assets and Remaining Business (and related business and activities of the Demerged Company and the Resulting Company) including with respect to marketing, accounting, financial, secretarial, administrative, compliance matters, shall forthwith be managed and carried on in the same manner as they would be on the Effective Date. The officers involved in operation and management of the Non-Core Assets and the Remaining Business shall ensure that all statutory compliances and other activities are duly carried out on timely manner.

4.6. Notwithstanding anything contained herein above, in case the Strategic Disinvestment of SCI happens before the Effective Date and the management and control of the Demerged Company is transferred to the Acquirer pursuant to Strategic Disinvestment, the powers and duties assigned to the Board of the Demerged Company, as may be mentioned in the Scheme, with respect to the Non-core Assets including the Surplus Cash as deposited with SCI Surplus Cash A/c, which are to be transferred to the Resulting Company, shall get effected and vested with the Board of the Resulting Company in the manner as is determined in this Scheme or as may be determined or directed by the Competent Authority.

5. LEGAL PROCEEDINGS

5.1. Upon the coming into effect of this Scheme, all legal or other proceedings (including before any statutory or quasi-judicial authority or MCA) by or against the Demerged Company, under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future, and in each



case relating to the Non-Core Assets, shall be continued and enforced by or against the Resulting Company. In the event that the legal proceedings referred to herein require the Demerged Company and the Resulting Company to be jointly treated as parties thereto, the Resulting Company shall be added as a party to such proceedings and shall prosecute and defend such proceedings in co-operation with the Demerged Company. In the event of any difference or difficulty in determining as to whether any specific legal or other proceedings relate to the Non-Core Assets or not, a decision jointly taken by the Board of Directors of the Demerged Company and the Resulting Company in this regard, shall be conclusive evidence of the matter.

- 5.2. If proceedings are initiated against the Demerged Company in respect of the matters referred to in clause 5.1 above, it shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company, and the latter shall reimburse and indemnify the Demerged Company against all the liabilities and obligations incurred by the Demerged Company in respect thereof.

The Resulting Company undertakes to have all legal and other proceedings initiated by or against the Demerged Company in respect of the matters referred to in Clause 5.1 above transferred to its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company.

6. CONTRACTS, DEEDS, ETC.

- 6.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, in relation to the Non-Core Assets, to which the Demerged Company is a party or whose benefit the Demerged Company may be eligible for, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect by or against or in favour of the Resulting Company, as the case may be, and may be enforced as fully and effectually as if, instead of the



Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.

- 6.2. Notwithstanding the fact that vesting of the Non-Core Assets occurs by virtue of the Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings, as may be necessary, to be executed in order to give effect to the above provisions with respect to Non-Core Assets. The Demerged Company will, if necessary, be a party to the above. The Resulting Company shall, with regard to the Non-Core Assets only, under the provisions of this Scheme, be deemed to have been authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances of the Non-Core Assets, that may be required to be carried out or performed by the Demerged Company.

7. SAVING OF CONCLUDED TRANSACTIONS

- 7.1. The transfer and vesting of the assets, liabilities and obligations of the Non-Core Assets under Clause 3 of this Chapter and the continuance of the proceedings by or against the Resulting Company under Clause 5 of this Chapter shall not affect any transactions or proceedings already completed by the Demerged Company on and after the Appointed Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.

8. TREATMENT OF TAXES

- 8.1. Upon the Effective Date and with effect from the Appointed Date, all taxes and duties payable by the Demerged Company (including under the IT Act,



Customs Act, 1962, Central Excise Act, 1944, state sales tax laws, Central Sales Tax Act, 1956, value added tax/ sales tax, service tax, goods and services tax, foreign trade policy and all other Applicable Laws), accruing and relating to the Non-Core Assets from the Appointed Date onwards, including but not limited to tax deducted at source, tax credits, advance taxes and deposits, minimum alternate tax credits, any refund and claims shall, for all purposes, be treated as tax deducted at source or refunds and claims, advance taxes and deposits, minimum alternate tax credits, as the case may be, of the Resulting Company.

- 8.2. Upon the Effective Date, all unutilized credits and exemptions, benefit of carried forward losses/ unabsorbed depreciation and other statutory benefits, including in respect of income tax (including but not limited to tax deducted at source, tax collected at source, advance tax, minimum alternate tax credit etc.), cenvat, customs, value added tax, sales tax, service tax, goods and services tax etc. relating to the Non-Core Assets to which the Demerged Company is entitled to shall be available to and vest in the Resulting Company, without any requirement of any further act or deed.
- 8.3. Upon the Effective Date, the Demerged Company and the Resulting Company are permitted to revise and file their respective income tax returns, withholding tax returns, including tax deducted at source certificates, sales tax/value added tax returns, service tax returns, GST returns and other tax returns for the period commencing on and from the Appointed Date, and to claim refunds/credits, pursuant to the provisions of this Scheme.
- 8.4. 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 Non-Core Assets and whether the same would be transferred to the Resulting Company.
- 8.5. Upon the Effective Date, any tax deposited, certificates issued or returns filed by the Demerged Company relating to the Non-Core Assets shall continue to hold good as if such amounts were deposited, certificates were issued and

Handwritten signatures and initials in blue ink.



returns were filed by the Resulting Company.

- 8.6. All the expenses incurred by the Demerged Company and the Resulting Company in relation to the demerger of the Non-Core Assets, including stamp duty expenses, if any, shall be allowed as deduction to the Demerged Company and the Resulting Company in accordance with Section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.
- 8.7. Any refund under the tax laws due to the Demerged Company pertaining to the Non-Core Assets consequent to the assessments made on the Demerged Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Resulting Company. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Resulting Company upon the passing of the orders on this Scheme by the MCA upon relevant proof and documents being provided to the said authorities.
- 8.8. The Demerged Company may be entitled to various incentive schemes and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies pertaining to the Non-Core Assets shall stand transferred to and vested in the Resulting Company and all benefits, entitlements and incentives of any nature whatsoever including benefits and refund claims under the income tax, excise duty, sales tax, value added tax, service tax, goods and services tax, exemptions, concessions, remissions, subsidies and other incentives in relation to the Non-Core Assets, to the extent statutorily available, shall be claimed by the Resulting Company.

AB
SA
AK

PART IV
ISSUANCE OF SHARES BY THE RESULTING COMPANY AND ACCOUNTING
TREATMENT

ISSUANCE OF SHARES BY THE RESULTING COMPANY



- 9.1. Upon the effectiveness of the Scheme, the investments in the equity share capital of Resulting Company as appearing in the books of accounts of Demerged Company shall stand cancelled. Simultaneous to such cancellation, the Resulting Company shall allot to the equity shareholders of the Demerged Company (whose names are registered in the register of members of the Demerged Company on the Record Date, or his/her/its legal heirs, executors or administrators or, as the case may be, successors), equity shares of face value Rs. 10/- (Rupees Ten) each credited as fully paid up of the Resulting Company in the ratio of 1(one) equity share of the face value of Rs. 10/- (Rupees Ten) each of the Resulting Company for every 1(one) equity share of face value Rs.10/- (Rupees Ten) credited as fully paid-up held in the Demerged Company.

Provided that in case, the Strategic Disinvestment of SCI happens before the Effective Date under the Scheme, the Record Date for purpose of Promoters of SCI shall be deemed to be Appointed Date of the Scheme and only the Government of India being the promoter of SCI as on the Appointed Date shall get shares in the Resulting Company under the promoters category. In such an event, the Record Date to determine the list of eligible shareholders other than the promoters of SCI shall be fixed by the Resulting Company.

- 9.2. The equity shares issued and allotted pursuant to Clause 9.1 above shall be issued and allotted in a dematerialized form to those equity shareholders who hold equity shares in Demerged Company in dematerialized form or as per the proviso of clause 9.1, into the account with the depository participant in which the equity shares of Demerged Company are held or such other account with the depository participant as is intimated by the equity shareholders to Resulting Company before the Record Date. All those equity shareholders of Demerged Company who hold equity shares of Demerged Company in physical form shall also have the option to receive the equity shares, as the case may be, in dematerialized form provided the details of their account with the depository participant are intimated in writing to

AB
SA



Resulting Company before the Record Date. In the event that Resulting Company has received notice from any equity shareholder of Demerged Company that equity shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her/its 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 shares of Resulting Company, then Resulting Company shall issue equity shares of Resulting Company in accordance with Clause 9.1 as the case may be, in physical form to such equity shareholder.

9.3. The equity shares issued and allotted by the Resulting Company in terms of Clause 9.1 above shall be subject to the provisions of the memorandum and articles of association of the Resulting Company and shall rank pari-passu in all respects.

9.4. In the event of there being any pending share transfers, whether lodged or outstanding, of any equity shareholder of Demerged Company, the Board of Directors of Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in Demerged Company as if such changes in registered holder were already operating as on the Record Date.

9.5. Where the equity shares of Resulting Company are to be allotted, pursuant to Clause 9.1 above, to heirs, executors or administrators or, as the case may be, to successors of deceased equity shareholders of Demerged Company, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of Directors of Resulting Company.

9.6. The equity shares to be issued by Resulting Company, pursuant to Clause 9.1 above, in respect of any equity shares of Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of court or otherwise, be

BB
MP
ave



held in abeyance by Resulting Company.

- 9.7. Approval of this Scheme by the equity shareholders of Resulting Company shall be deemed to be the due compliance of the provisions of Section 62 of the Act and other relevant and applicable provisions of the Act for the issue and allotment of the equity shares by Resulting Company to the equity shareholders of Demerged Company, as provided for in this Scheme.
- 9.8. Resulting Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities including the Reserve Bank of India, for the issue and allotment of equity shares by Resulting Company to the non-resident equity shareholders of Demerged Company. Resulting Company shall comply with Applicable Laws, if any, including the provisions of Foreign Exchange Management Act, 1999, to enable it to issue and allot equity shares to the non-resident equity shareholders of Demerged Company.
- 9.9. The equity shares to be issued by Resulting Company, in terms of Clause 9.1 above will, subject to exemption from SEBI, be listed and admitted to trading on the Stock Exchanges where the equity shares of Demerged Company are listed and/or admitted to trading in terms of Rule 19(7) of the Securities Contract (Regulation) Rules, 1957 and other applicable rules/ regulations. Resulting Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the Applicable Laws for complying with the formalities of the Stock Exchanges. On such formalities being fulfilled the Stock Exchanges shall list and /or admit such equity shares for the purpose of trading.
- 9.10. The equity shares allotted by Resulting Company, pursuant to Clause 9.1 above, shall remain frozen in the depositories system till the listing and trading permission is given by the Stock Exchanges.

11. Except for the issuance of equity shares by the Resulting Company pursuant





to Clause 9.1 above, there shall be no change in the shareholding pattern or control of the Resulting Company between the Record Date and the listing of its equity shares.

9.12. The cancellation of the equity share capital of the Resulting Company as per Clause 9.1 above and the consequential capital reduction shall be effected as a part of this Scheme itself and not under a separate procedure in terms of Section 66 of the Act. The consent of the shareholders of the Resulting Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 66 of the Act and no further compliances would be separately required.

9.13. The reduction of capital of the Resulting Company, as above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

9.14. Notwithstanding the reduction of the existing share capital of the Resulting Company in terms of Clause 9.1 above, the Resulting Company shall not be required to add "and reduced" as a suffix to its name.

9.15. The share entitlement ratio has been duly certified by Mr. Harish Chander Dhamija, an independent Registered Valuer. Further, Corporate Professionals Capital Private Limited, a SEBI Registered Category 1 Merchant Banker has provided a Fairness Opinion on fairness of the share entitlement ratio determined for the demerger. The Share Entitlement Report and the Fairness Opinion have been duly considered and approved by the Board of Directors of Demerged Company and Resulting Company.

10. INCREASE IN AUTHORIZED SHARE CAPITAL OF THE RESULTING COMPANY

10.1. Upon the Scheme getting approved by the MCA the existing authorized share capital of the Resulting Company i.e. Rs. 5,00,000 (Five Lakh Only) divided



into 50,000 equity shares of Rs. 10/- shall be increased to Rs.465,79,90,100 (Four Hundred And Sixty Five Crores Seventy Nine Lakhs Ninety Thousand and Hundred) divided into 46,57,99,010 (Forty Six Crores Fifty Seven Lakhs Ninety Nine Thousand and Ten) equity shares of Rs. 10/- each.

- 10.2. On approval of the Scheme by the members of the Resulting Company and Demerged Company pursuant to Section 230- 232 of the Companies Act, it shall be deemed that the said members have also accorded all relevant consents under Sections 13, 14, 61 and other applicable provisions of Companies Act, 2013 as may be applicable for the purpose of amendment of the Memorandum of Association of the Resulting Company as above. It is clarified that no separate Shareholders' resolution as required under Sections 13, 14 and 61 of the Companies Act, 2013 for amendment of the Memorandum of Association of the Resulting Company will be required.

The following Clause in the Memorandum and Article of Association of the Resulting Company shall stand amended to read as under:

"The Authorized Share Capital of the company is Rs.465,79,90,100 (Four Hundred And Sixty Five Crores Seventy Nine Lakhs Ninety Thousand and Hundred) divided into 46,57,99,010 (Forty Six Crores Fifty Seven Lakhs Ninety Nine Thousand and Ten) equity shares of Rs. 10/- each. The Company shall have power from time to time to increase, reduce or alter its share capital and issue any shares in original or new capital as equity or preference shares".

- 10.3. The Resulting Company shall file the necessary statutory compliances/forms with the concerned Registrar of Companies for giving effect to, inter alia, the increase in authorized capital and amendment in the Memorandum of Association of the Resulting Company, along with the applicable fees and duties, on or before the Record Date.

ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED



COMPANY

Upon this Scheme coming into effect on the Effective Date, and with effect from the Appointed Date, the Demerged Company shall account for the transfer and vesting of the Non-Core Assets with the Resulting Company in its books of accounts in accordance with the Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time and other generally accepted accounting principles in India as under:

- (i) the Demerged Company shall reduce the book values of assets and liabilities of the Non-Core Assets as at the close of business on the day immediately preceding the Appointed Date in its books of accounts; and
- (ii) Upon this Scheme coming into effect on the Effective Date, the Demerged Company shall make an adjustment equal to the book values of the Non-Core Assets as per Clause 11(i) above, first in the amount of retained earning created for bringing the Non-core Assets to their fair value in terms of IndAS 101,) forming part of the retained earnings to the extent available, thereafter, if required, in the General Reserve under the head "Other Equity".

12. ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANY

- 12.1. Upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Resulting Company shall account for the demerger and vesting of the Non-Core Assets with the Resulting Company in its books of accounts in accordance with the Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time and other generally accepted accounting principles in India as under:



- (i) The Resulting Company shall record the Assets and Liabilities of the Non-Core Assets vested in it pursuant to this Scheme at the respective book values appearing in the books of accounts of the Demerged Company;
- (ii) The Resulting Company shall credit its share capital account with the aggregate face value of the Shares issued by it to the shareholders of the Demerged Company pursuant to Clause 9.1 above;

The difference between Clauses 12.1(i) and 12.1(ii) above shall be recorded within "Other Equity" of the Resulting Company.

PART V CONDUCT OF REMAINING BUSINESS

13. REMAINING BUSINESS

13.1. The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed solely by the Demerged Company, subject to the provisions of the Scheme.

13.2. All legal or other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company. The Resulting Company shall in no event be responsible or liable in relation to any such legal or other proceedings by or against the Demerged Company.

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



- a) The Demerged Company shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;
- b) All profits accruing to the Demerged Company or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits, taxes or losses, as the case may be, of the Demerged Company; and
- c) all employees relatable to the Remaining Business shall continue to be employed by the Demerged Company and the Resulting Company shall not in any event be liable or responsible for any claims whatsoever regarding such employees.

CHAPTER 3

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

1. APPLICATIONS TO MINISTRY OF CORPORATE AFFAIRS (MCA)

The Companies shall, with all reasonable dispatch, make joint applications/petitions to the MCA pursuant to Sections 230 to 232 read with other applicable provisions of the Act, as may be applicable, from time to time, for holding/dispensing with the meetings of the shareholders and/or secured and unsecured creditors of all the Companies; obtaining one or more orders from the MCA sanctioning this Scheme and effecting this Scheme.

2. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 2.1 The Board of Directors of the Companies (or Committees thereof) may assent from time to time, on behalf of all persons concerned including the shareholders, to any modifications or amendments or additions to the Scheme or to any conditions or limitations, which either the Board of Directors of the Companies may deem fit, or which the MCA and/or any competent authority, if any, under the Applicable Laws may deem fit, to approve of or impose, and



which the Board of Directors of the Companies may in their discretion, deem fit, or to resolve all doubts or difficulties that may arise in carrying out and implementing this Scheme and to do all acts, instruments, deeds, matters and thing necessary or to review position relating to the satisfaction of the conditions of this Scheme and if necessary, to waive any of those (to the extent permissible under Applicable Laws) for bringing the Scheme into effect. In the event, any of the conditions that may be imposed by the MCA or other competent authorities including the SEBI and the Stock Exchanges, which the Companies may find unacceptable for any reason, whatsoever, then the Companies are at liberty to withdraw the Scheme. The aforesaid powers of the Companies may be exercised by their respective Board of Directors or Committees formed by the respective Board of Directors.

2.2 For the purpose of giving effect to the Scheme or to any modifications or amendments thereof, or additions thereto, the Board of Directors of the Demerged Company or Resulting Company may 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.

2.3 Notwithstanding Clauses 2.1 and 2.2 above, the Companies shall be at liberty to withdraw or modify the Scheme for the reason of any condition or alteration imposed by the MCA or any other governmental/regulatory authority not being acceptable to them. The Company may also withdraw the scheme voluntarily if any such directions of the Competent Authority are received in this regard.

2.4 If any Chapter (or part thereof) of the Scheme is held to be invalid or ruled illegal by any court of competent jurisdiction, or unenforceable under Applicable Laws, then such Chapter (or part thereof) shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such Chapter (or part thereof) shall cause the Scheme to become materially adverse to any party, in which case the Companies to

Handwritten initials and marks, including a large 'SAB' and other scribbles.



which such Chapter (or part thereof) relates to shall attempt to bring about the modifications in the Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such Chapter (or part thereof).

3. SEBI COMPLIANCES

- 3.1 Since the Demerged Company is a listed company, this Scheme is subject to the compliances by the Demerged Company of all the requirements under the Listing Regulations and all statutory directives of the SEBI insofar as they relate to sanction and implementation of the Scheme.

The Demerged Company shall also comply with the directives of relevant SEBI Circular.

4. CONDITIONALITY OF THE SCHEME

The effectiveness of the Scheme is conditional upon and subject to:

- 4.1 The Scheme being approved by the respective requisite majorities of the various classes of Shareholders and creditors of the Companies as required under the Act.
- 4.2 The approval of the Administrative Ministry and other Competent Authority/(ies)/stakeholders.
- 4.3 The sanction of Ministry of Corporate Affairs under Section 230 and 232 of the said Act whether with or without any modifications and amendments as the MCA may deem fit, in favor of the Companies and to the necessary Orders under Section 232 of the said Act, being obtained.
- 4.4 No Objection to the Scheme being given by the respective Stock Exchanges on which the shares of SCI are listed and SEBI.
- 4.5 Certified copies of the orders of the MCA above being filed by the Companies with the Registrar of Companies having jurisdiction over each of such Company.

NON-RECEIPT OF APPROVAL AND REVOCATION /WITHDRAWL OF



THIS SCHEME

In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/or the scheme not being sanctioned by the MCA, the board of directors of both the companies are hereby empowered and authorized to move an appropriate application before MCA to withdraw the Scheme. In case the Scheme is required to be withdrawn after the approval of MCA but any time before the same being effective, the same can be withdrawn only with the prior approval of MCA. Once the approval of the MCA is obtained to withdraw the Scheme, this Scheme will stand revoked, cancelled and will have no effect.

6. COST, CHARGES AND EXPENSES

- 6.1 All costs, charges, duty, taxes and expenses incurred, with relating to this Scheme, from the Appointed Date to the Effective Date or which may arise subsequent to the Effective Date but relate to a period between the Appointed Date and Effective Date, including the expenses, if any, arising out of/or incurred in securing approvals and sanctions for the Scheme and matters incidental thereto, shall be considered to be the cost, expense and charges incurred to make this scheme effective
- 6.2 All the expenses mentioned in clause 6.1 above, as and when they arise, shall be borne and paid by the Resulting Company solely. In the event the said expenses are borne/incurred by Demerged Company, the same shall be reimbursed to the Demerged Company and shall be appropriated in the accounts of Demerged Undertaking and also in the accounts of the Resulting Company.

7. DATE OF EFFECT AND OPERATIVE DATE:

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



8. SEVERABILITY

If any part of this Scheme is held invalid, ruled illegal by any Court of competent jurisdiction, or becomes unenforceable for any reason, whether under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties the benefits and obligations of this Scheme, including but not limited to such part.

9. MISCELLANEOUS

Notwithstanding anything contained in this Scheme, the Companies shall be entitled to declare, distribute and pay dividend, whether interim or final, to their respective shareholders prior to the Effective Date in accordance with Applicable Laws.

DETAILS OF ASSETS AND LAIBILITIES OF NON – CORE ASSETS AS ON 31.03.2021

PART-I

SHORT DESCRIPTION OF THE FREE HOLD PROPERTY OF THENON-CORE ASSETS DIVISION

S. N.	Location	Built up Area in Sq.ft	Book value as on 31.03.2021 in Rs.	Remark
1.	FLAT NO 32, AJANTA IDEAL CHS, 3RD FLOOR, NEAR COLABA BUS STATION, 75, COLABA MUMBAI-400005	1318	93,999.98	
2.	ANITA CHS, MOUNT PLEASANT ROAD, MUMBAI-400006	0	2,200.00	Parking Space with Separate Agreement
3.	FLAT NO 11, ANITA CHS, MOUNT PLEASANT ROAD, MUMBAI-400006	1865	50,916.25	
4.	FLAT NO 8, ASHA MAHAL APT, HOPE HALL CHS, DR GOPAL RAO DESHMUKH MARG, MUMBAI -400026	1450	49,726.02	



Draft Scheme of Demerger

5.	ASHRAYA CHSL, 266 Walkeshwar Road, Mumbai 400 006.	0	1,072.00	Parking Space with Separate Agreement
6.	21 ASHRAYA CHSL, 266 Walkeshwar Road, Mumbai 400 006.	1214	5,750.14	
7.	22 ASHRAYA CHSL, 266 Walkeshwar Road, Mumbai 400 006.	1214	5,760.86	
8.	12 ASHRAYA CHSL, 266 Walkeshwar Road, Mumbai 400 006.	1216	6,678.66	
9.	11 ASHRAYA CHSL, 266 Walkeshwar Road, Mumbai 400 006.	1516	7,003.66	
10.	53, ARABIAN SEA VIEW CHS, CASABLANCA APT, CUFFE PARADE COLABA MUMBAI 400005	1506	20,637.95	
11.	133, ARABIAN SEA VIEW CHS, CASABLANCA APT, CUFFE PARADE COLABA MUMBAI 400005	1506	26,500.02	
12.	163, ARABIAN SEA VIEW CHS, CASABLANCA APT, CUFFE PARADE COLABA MUMBAI 400005	1506	26,500.02	
13.	Flat No.505, Chanakya CHSL, Raheja Township, Malad (E). Mumbai 400097	850	93,500.00	
14.	Flat No.605, Chanakya CHSL, Raheja Township, Malad (E). Mumbai 400097	850	93,500.00	
15.	Flat No.703, Chanakya CHSL, Raheja Township, Malad (E). Mumbai 400097	850	93,500.00	
16.	Flat No.704, Chanakya CHSL, Raheja Township, Malad (E). Mumbai 400097	850	93,500.00	
17.	Flat No.701, Chanakya CHSL, Raheja Township, Malad (E). Mumbai 400097	900	1,19,075.00	
18.	Flat No.702, Chanakya CHSL, Raheja Township, Malad (E). Mumbai 400097	900	1,19,075.00	
19.	FLAT NO 13 CHITRAKOOT CHS, ALTAMOUNT ROAD, MUMBAI-400026	1965	21,291.72	
20.	FLAT NO 34 CHITRAKOOT CHS, ALTAMOUNT ROAD, MUMBAI-400026	2350	49,491.65	
21.	86 B, NAV DARYA MAHAL CHS, 80, NEPEAN SEA ROAD, MUMBAI 400006	1145	46,204.20	
22.	FLAT 7/8, DATTA KUTIR BUILDING, R.A.KIDWAI ROAD, WADALA, MUMBAI 400031	1100	11,252.04	
23.	Flat No. 9 ,Gundavali CHSL, FerozeApts, GundavaliGauthan, Andheri Kurla Road, Andheri (East), Mumbai-400069.	400	75,165.22	
24.	Flat No. 10 ,Gundavali CHSL, FerozeApts, GundavaliGauthan, Andheri Kurla Road, Andheri (East), Mumbai-400069.	400	75,165.22	
25.	Flat No. 11 ,Gundavali CHSL, FerozeApts, GundavaliGauthan, Andheri Kurla Road, Andheri (East), Mumbai-	400	75,165.22	

Handwritten signatures and initials in blue ink.



Draft Scheme of Demerger

	400069.			
26.	Flat No. 12 ,Gundavali CHSL, FerozeApts, GundavaliGauthan, Andheri Kurla Road, Andheri (East), Mumbai-400069.	400	75,165.22	
27.	Flat No. 15 ,Gundavali CHSL, FerozeApts, GundavaliGauthan, Andheri Kurla Road, Andheri (East), Mumbai-400069.	400	75,165.22	
28.	Flat No. 16 ,Gundavali CHSL, FerozeApts, GundavaliGauthan, Andheri Kurla Road, Andheri (East), Mumbai-400069.	400	75,165.22	
29.	Flat No. 17 ,Gundavali CHSL, FerozeApts, GundavaliGauthan, Andheri Kurla Road, Andheri (East), Mumbai-400069.	400	75,165.22	
30.	Flat No. 18 ,Gundavali CHSL, FerozeApts, GundavaliGauthan, Andheri Kurla Road, Andheri (East), Mumbai-400069.	400	75,165.22	
31.	Flat No. 21 ,Gundavali CHSL, FerozeApts, GundavaliGauthan, Andheri Kurla Road, Andheri (East), Mumbai-400069.	400	75,165.22	
32.	Flat No. 22 ,Gundavali CHSL, FerozeApts, GundavaliGauthan, Andheri Kurla Road, Andheri (East), Mumbai-400069.	400	75,165.22	
33.	Flat No. 305A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	590	75,634.56	
34.	Flat No. 405A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	590	75,634.56	
35.	Flat No. 505A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	590	75,634.56	
36.	Flat No. 605A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	590	75,634.56	
37.	Flat No. 705A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	590	75,634.56	
38.	Flat No. 401A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,07,101.84	
39.	Flat No. 402A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,07,101.84	
40.	Flat No. 501A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,07,101.84	



Draft Scheme of Demerger

41.	Flat No. 502A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,07,101.84	
42.	Flat No. 503A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,07,101.84	
43.	Flat No. 504A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,07,101.84	
44.	Flat No. 601A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,07,101.84	
45.	Flat No. 602A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,07,101.84	
46.	Flat No. 603A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,07,101.84	
47.	Flat No. 604A HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,07,101.84	
48.	Flat No. 105B HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,06,003.19	
49.	Flat No. 106B HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,12,328.19	
50.	Flat No. 107B HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,12,328.19	
51.	Flat No. 108B HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,12,328.19	
52.	Flat No. 209B HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,12,328.19	
53.	Flat No. 306B HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,12,328.19	
54.	Flat No. 309B HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,12,328.19	
55.	Flat No. 409B HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,12,328.19	
56.	Flat No. 506B HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,12,328.19	
57.	Flat No. 509B HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,12,328.19	
58.	Flat No. 606B HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,12,328.19	



Draft Scheme of Demerger

	400 097			
59.	Flat No. 706B HARSHAVARDHAN - b, Raheja Township, Malad (E), Mumbai 400 097	850	1,12,328.19	
60.	FLAT NO 151, VARUNA CHS, JOLLY MAKER APARTMENT-3, 119, CUFEE PARADE, COLABA, MUMBAI	1730	59,712.80	
61.	FLAT NO 1A, KAVITA CHS, ARTHUR BUNDER ROAD, COLABA MUMBAI 400005	1900	1,04,799.98	
62.	Flat No.5 A , Lands End Co-op. Hsg. Socy Ltd, 29-D Dongarshi Road, Mumbai 400 006	1680	50,627.50	
63.	FLAT NO 30, LOTUS COURT BUILDING, JAMSHEDJI TATA ROAD, CHURCHGATE, MUMBAI 400020	1506	53,896.02	
64.	FLAT NO 1A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
65.	FLAT NO 2A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
66.	FLAT NO 3A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
67.	FLAT NO 4A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
68.	FLAT NO 5A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
69.	FLAT NO 6A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
70.	FLAT NO 7A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
71.	FLAT NO 8A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	3,190.11	
72.	FLAT NO 9A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	

Handwritten initials and signatures in blue ink.



Draft Scheme of Demerger

73.	FLAT NO 10A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
74.	FLAT NO 11A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
75.	FLAT NO 12A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
76.	FLAT NO 13A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
77.	FLAT NO 14A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
78.	FLAT NO 15A, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
79.	FLAT NO 16, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
80.	FLAT NO 17, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
81.	FLAT NO 18, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
82.	FLAT NO 19, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
83.	FLAT NO 20, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
84.	FLAT NO 21, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	
85.	FLAT NO 22, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78	



Draft Scheme of Demerger

86.	FLAT NO 23, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78
87.	FLAT NO 24, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78
88.	FLAT NO 25, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78
89.	FLAT NO 26, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	5,468.78
90.	FLAT NO 27, SCI STAFF QUARTERS, JANGALA NAGAR, JEETENDRA ROAD, MALAD EAST, MUMBAI 4000097	400	3,190.11
91.	FLAT NO 3E, MEGHDOOT CHS, 12, ROWLAND ROAD, P.S. BALLYGUNGE, KOLKATA -700020	1323	8,490.65
92.	FLAT NO 9E, MEGHDOOT CHS, 12, ROWLAND ROAD, P.S. BALLYGUNGE, KOLKATA -700020	1323	8,490.65
93.	FLAT NO 2E, MEGHDOOT CHS, 12, ROWLAND ROAD, P.S. BALLYGUNGE, KOLKATA -700020	1323	8,490.65
94.	FLAT NO 4E, MEGHDOOT CHS, 12, ROWLAND ROAD, P.S. BALLYGUNGE, KOLKATA -700020	1299	8,068.50
95.	FLAT NO 5E, MEGHDOOT CHS, 12, ROWLAND ROAD, P.S. BALLYGUNGE, KOLKATA -700020	1299	8,068.50
96.	FLAT NO 6E, MEGHDOOT CHS, 12, ROWLAND ROAD, P.S. BALLYGUNGE, KOLKATA -700020	1299	8,068.50
97.	FLAT NO 7E, MEGHDOOT CHS, 12, ROWLAND ROAD, P.S. BALLYGUNGE, KOLKATA -700020	1299	8,068.50
98.	FLAT NO 8E, MEGHDOOT CHS, 12, ROWLAND ROAD, P.S. BALLYGUNGE, KOLKATA -700020	1299	8,068.50
99.	FLAT NO 2F, MEGHDOOT CHS, 12, ROWLAND ROAD, P.S. BALLYGUNGE, KOLKATA -700020	1322	8,217.99
100.	FLAT NO 3F, MEGHDOOT CHS, 12, ROWLAND ROAD, P.S. BALLYGUNGE, KOLKATA -700020	1322	8,217.99
101.	FLAT NO 2G, MEGHDOOT CHS, 12, ROWLAND ROAD, P.S. BALLYGUNGE, KOLKATA -700020	1362	8,478.00



Draft Scheme of Demerger

102.	FLAT NO 5C, MEGHDOOT CHS, 12, ROWLAND ROAD, P.S. BALLYGUNGE, KOLKATA -700020	1854	12,854.40	
103.	FLAT NO 2C, MEGHDOOT CHS, 12, ROWLAND ROAD, P.S. BALLYGUNGE, KOLKATA -700020	1854	12,854.40	
104.	FLAT NO 9C, 9TH FLOOR, MONALISA COOPERATIVE HOUSING SOCIETY, CAMAC STREET, KOLKATA -700017	1422	10,666.68	
105.	FLAT NO 7C, 7TH FLOOR, MONALISA COOPERATIVE HOUSING SOCIETY, CAMAC STREET, KOLKATA -700017	1422	10,666.68	
106.	106 NESTLE -1, Pandurang Budhakar Marg, Worli, Mumbai 400 025.	945	11,82,775.57	
107.	107 NESTLE -1, Pandurang Budhakar Marg, Worli, Mumbai 400 025.	945	11,82,775.57	
108.	Flat No. 34, New Gulistan Co-op. Hsg. Society. Ltd, Carmichel Road, Mumbai 400 026	1450	52,596.00	
109.	FLAT NO 204, OLYMPUS CHS, 5-C, ALTAMOUNT ROAD, MUMBAI, 400026	1980	74,499.98	
110.	23, PARADISE APT CHS, NEPEAN SEA ROAD, MUMBAI 400006	1150	32,019.35	
111.	133, PERSIPOLIS CHS, 100 CUFFE PARADE, COLABA, MUMBAI 400005	1100	56,184.00	
112.	163, PERSIPOLIS CHS, 100 CUFFE PARADE, COLABA, MUMBAI 400005	1100	57,240.00	
113.	RAJHANS CHS, 7TH FLOOR, DONGARSHI ROAD, MUMBAI 400006	0	1,166.67	Parking Space with Separate Agreement
114.	19, RAJHANS CHS, 7TH FLOOR, DONGARSHI ROAD, MUMBAI 400006	1260	12,221.92	
115.	SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	0	2,333.31	Parking Space with Separate Agreement
116.	146, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1258	35,087.99	
117.	156, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1258	35,381.29	
118.	16, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1258	36,252.09	
119.	26, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1258	37,142.70	
120.	86, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1258	37,436.21	
121.	96, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1258	37,729.79	
122.	106, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1258	38,023.30	

Handwritten signatures and initials in blue ink.



Draft Scheme of Demerger

123.	116, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1258	38,394.79	
124.	136, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1258	38,610.39	
125.	155, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1261	38,903.90	
126.	135, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1261	39,197.41	
127.	145, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1261	39,291.21	
128.	165, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1261	39,431.49	
129.	141, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1275	39,585.21	
130.	151, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1275	39,728.99	
131.	161, SATNAM APARTMENTS, Cuffe Parade, Colaba, Mumbai 400 005.	1275	40,026.49	
132.	18B, NEPEAN SEA CHS, SHANAZ, 90, NEPEAN SEA ROAD, MUMBAI 400006	1557	47,515.21	
133.	B WING, TYABJI BAGH CHS, SOMERSET HOUSE, 61-G, BHULABAI DESAI ROAD, 400026	0	1,375.00	Parking Space with Separate Agreement
134.	FLAT NO 84 B WING, TYABJI BAGH CHS, SOMERSET HOUSE, 61-G, BHULABAI DESAI ROAD, 400026	2110	77,002.91	
135.	Flat No. 1 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	310	63,937.50	
136.	Flat No. 9 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	310	63,937.50	
137.	Flat No. 11 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	350	72,187.50	
138.	Flat No. 4 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	395	81,052.11	
139.	Flat No. 12 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	395	81,468.75	
140.	Flat No. 201 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	530	1,11,520.86	
141.	Flat No. 204 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	530	1,12,354.14	
142.	Flat No. 301 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	530	1,12,625.00	
143.	Flat No. 304 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	530	1,12,625.00	
144.	Flat No. 401 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	530	1,13,729.14	
145.	Flat No. 404 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	530	1,13,729.14	
146.	Flat No. 501 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	530	1,14,833.36	
147.	Flat No. 504 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	530	1,14,833.36	

Handwritten signatures and initials in blue ink.



Draft Scheme of Demerger

148.	Flat No. 601 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	530	1,15,937.50	
149.	Flat No. 602 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	530	1,15,937.50	
150.	Flat No. 603 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	530	1,15,937.50	
151.	Flat No. 604 SUNDERAM - 3, Raheja Complex, Malad (E), Mumbai-400 097	530	1,15,937.50	
152.	13 TWIN TOWERS PRIMISES CHSL, Off Veer Savarkar Marg, Prabhadevi, Mumbai 400 025 - A-WING	1206	79,358.16	
153.	22 TWIN TOWERS PRIMISES CHSL, Off Veer Savarkar Marg, Prabhadevi, Mumbai 400 025 - A-WING	1261	79,358.16	
154.	23 TWIN TOWERS PRIMISES CHSL, Off Veer Savarkar Marg, Prabhadevi, Mumbai 400 025 - A-WING	1206	79,358.16	
155.	43 TWIN TOWERS PRIMISES CHSL, Off Veer Savarkar Marg, Prabhadevi, Mumbai 400 025 - A-WING	1206	79,358.16	
156.	21 TWIN TOWERS PRIMISES CHSL, Off Veer Savarkar Marg, Prabhadevi, Mumbai 400 025 - A-WING	1720	1,11,671.44	
157.	Vijay Laxmi Apartment Co-op. Hsg. Society Ltd. 16, Carmichal Road, Mumbai 400 026.	0	4,772.98	Parking Space with Separate Agreement
158.	Vijay Laxmi Apartment Co-op. Hsg. Society Ltd. 16, Carmichal Road, Mumbai 400 026.	0	7,801.48	Parking Space with Separate Agreement
159.	Vijay Laxmi Apartment Co-op. Hsg. Society Ltd. 16, Carmichal Road, Mumbai 400 026.	0	8,380.52	Parking Space with Separate Agreement
160.	Flat No. 11/13, Vijay Laxmi Apartment Co-op. Hsg. Society Ltd. 16, Carmichal Road, Mumbai 400 026.	1360	13,064.20	
161.	Flat No. 12/14, Vijay Laxmi Apartment Co-op. Hsg. Society Ltd. 16, Carmichal Road, Mumbai 400 026.	1360	13,956.60	
162.	Flat No. 21/23, Vijay Laxmi Apartment Co-op. Hsg. Society Ltd. 16, Carmichal Road, Mumbai 400 026.	1360	13,956.60	
163.	Flat No. 22/24, Vijay Laxmi Apartment Co-op. Hsg. Society Ltd. 16, Carmichal Road, Mumbai 400 026.	1360	13,956.60	
164.	Flat No. 31/33, Vijay Laxmi Apartment Co-op. Hsg. Society Ltd. 16, Carmichal Road, Mumbai 400 026.	1360	13,997.55	
165.	Flat No. 32/34, Vijay Laxmi Apartment Co-op. Hsg. Society Ltd. 16, Carmichal Road, Mumbai 400 026.	1360	14,384.75	

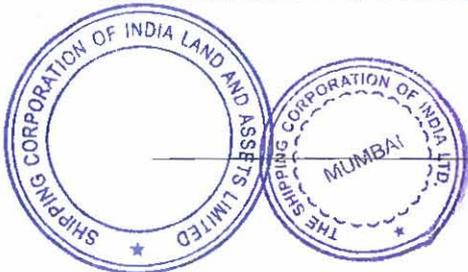
[Handwritten signatures]



Draft Scheme of Demerger

166.	5- B1, Wing B, New Woodland CHSL, 57, Dr. G. Deshmukh Marg, Mumbai 400 026.	1002	45,600.00	
167.	13 STRAND ROAD, P.S.-HARE STREET, KOLKATA-700001 (Land)	11885	65,030.00	
168.	13 Strand Road, P.S.-HARE STREET, KOLKATA-700001 (Shipping House-Kolkata)	86510	10,55,842.70	
169.	Shipping House – Bombay (Building)	141783	26,88,252.00	

S. N.	Location	Built up Area in Sq.ft	Book value as on 31.03.2021 in Rs.	Remark
170.	1 'A' (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	425	-	
171.	2 'A' (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	425	-	
172.	3 'A' (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	425	-	
173.	4 'A' (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	425	-	
174.	5 'A' (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	425	-	A Qtr Building - Area In sq.m. 145.74
175.	6 'A' (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	425	-	
176.	D1 (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	1459	-	
177	D2 (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	1459	-	
178	D3 (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	1459	-	D I Qtr Building - Area In sq.m. 708.7
179	D4 (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	1459	-	
180	D5 (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	1459	-	
181	D6 (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	1459	-	D II Qtr Building - Area In sq.m. 708.7



182	B1 (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	609.52	-	B Qtr Building - Area In sq.m 552.03
183	B2 (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	609.52	-	
184	B3 (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	609.52	-	
185	B4 (MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072	609.52	-	
S. N.	Location	Built up Area in Sq. Meter	Book value as on 31.03.2021 in Rs.	Remark
186	(MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072 (Land)*	178871.1	23,76,29,00,000.00	MTI Land Area In sq.m.
187	(MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072 (All other buildings excluding SG, Data Centre & Qtrs-)	8013.78	5,22,56,322.55	All other buildings excluding Sagar Gyan, Data Centre & Qtrs-Area In sq.m.
188	(MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072 (Data centre)	860.99	1,67,06,997.60	Data centre-Area In sq.m.
189	(MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072 (Sagar Gyan Building)	7368.69	3,83,44,886.87	Sagar Gyan Building-Area In sq.m.
190	(MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072 (Solar Plant Phase 1)	NA	2,17,74,860.72	Solar Power plant 353.5 KW
191	(MTI) Maritime Training Institute, Adi-Shankaracharya Marg, Powai, Mumbai 400 072 (Solar Plant Phase 2)	NA	87,62,172.11	162 KWP Augmentation of solar plant

PART-II**SHORT DESCRIPTION OF THE LEASEHOLD PROPERTY OF THE NON-CORE ASSETS DIVISION**

S. N.	Particulars	Book value as on 31.03.2021 in Rs.
1.	Shipping House, 245, Madam Cama Road, Nariman Point, Mumbai 400021 (Land)	Rs. 8,89,401

**PART III
SURPLUS CASH AT BANK**

S. N.	Particulars	Amount in Rs.
1.	**Minimum Surplus Cash at "SCI Surplus Cash A/c for holding and maintenance of Non-Core Assets"	1000,00,00,000

****The Rs. 1000 Crores as appearing above can be enhanced in future depending on the utilisation for ongoing vessel acquisition and surplus from working capital requirements.**

PART-IV

DETAILS OF OTHER ASSETS AND INVESTMENT

S. N.	Particulars	Book value as on 31.03.2021 in Rs.
1.	Investment in 49% equity shares of Irano Hind Shipping Co.	39,10,777
	Less: Investment loss allowance	(39,10,777)
	Net Investment amount shown	-
2.	Advance to Irano Hind Shipping Co. Ltd.	23,40,129
	Less: Provision for Doubtful advances	(23,40,129)
	Net Advance amount shown	-
3.	1,00,000 (Prev.yr.1,00,000) shares of Rs 10 each fully paid up of SAIL SCI Shipping Company Pvt. Ltd.~	10,00,000
	Less: Impairment loss allowance	(3,32,000)
	Net investment amount shown	6,68,000
4.	Shares of 1 USD each fully paid of ISI Maritime Ltd. (2,95,029 Shares of face value 1 USD are received as a gift from Irano-Hind Shipping Co. Ltd.)	0.00
5.	Shares of USD 1 each fully paid up of BIIS Maritime (16 Shares of face value 1USD are received as a gift from Irano-Hind Shipping Co. Ltd.)	0.00

~ SAIL SCI Shipping Company Pvt. Ltd. has been strucked off.

PART-V

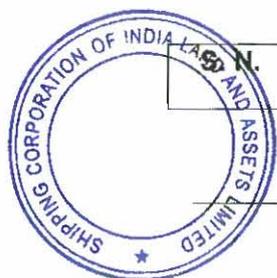
DETAILS OF LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE OF THE NON-CORE ASSETS

S. N.	Particulars	Book value as on 31.03.2021 in Rs.
1.	Other Current Labilities - Amount payable to Irano Hind Shipping Co. (US\$ 29.642 Million)	217,88,16,761.79

PART- VI

LEASE LIABILITY ASSOCIATED WITH NON-CORE ASSETS

S. N.	Particulars	Book value as on 31.03.2021 in Rs.
-------	-------------	------------------------------------



1.	Lease liability	8,84,639.00
----	-----------------	-------------

PART- VII

DEFERRED TAX LIABILITY ASSOCIATED WITH NON-CORE ASSETS

S. N.	Particulars	Book value as on 31.03.2021 in Rs.
1.	Deferred Tax Liability on upward valuation of MTI Land	55,02,00,000

Notes:

The above list of Non-core assets is subject to change upon the approval of the Competent Authority in this regard.

* This includes land at MTI Powai along with its Building and Solar Plant. If a decision to sell/ transfer entire MTI as a unit/undertaking is taken, all associated assets and liabilities of MTI as appearing in the financial statements will be deemed to be part of Non-Core Assets for this Scheme.

For & On behalf of
The Shipping Corporation of India Limited

ARane

Smt Swapnita Vikas Yadav
Company Secretary

Date:
Place: Mumbai

For & on behalf of
Shipping Corporation of
India Land and Assets Limited

ARane

Smt Swapnita Vikas Yadav
Authorised Representative on behalf of
Board of Shipping Corporation of India Land and
Assets Limited

Date:
Place: Mumbai

011.2021
ARane

