

**SCHEME OF AMALGAMATION
UNDER SECTION 232 OF THE COMPANIES ACT, 2013**

BETWEEN

**COASTAL CORPORATION LIMITED
(TRANSFEREE COMPANY)**

CERTIFIED TRUE COPY

AND

**CONTINENTAL FISHERIES INDIA PRIVATE LIMITED
(TRANSFEROR COMPANY)**

AND

THEIR RESPECTIVE SHAREHOLDERS

A. PREAMBLE OF THE SCHEME

This Scheme of Amalgamation is presented under Sections 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, and it provides for the Amalgamation of **M/s. Continental Fisheries India Private Limited** (i.e CFIPL- Transferor Company) into **M/s. Coastal Corporation Limited** (i.e CCL - Transferee Company).

The Scheme also provides for various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme.

B. DESCRIPTION OF THE COMPANIES

1. Coastal Corporation Limited (CCL) (Transferee Company) was originally incorporated as Private Limited Company under the name and style "Coastal Trawlers Private Limited" in the state of Andhra Pradesh on 30.05.1981 vide Registration No. 01-003047 under the Provisions of Companies Act, 1956. The Corporate Identity Number (CIN) of the Company is **L63040AP1981PLC003047** and the PAN of the Company is **AACCC6045J** (Hereinafter referred to as the "Transferee Company").

The Registered Office of the Transferee Company is situated at 15-1-37/3, Nowroji Road, Jayapradha Apartments Maharani-peta Visakhapatnam Andhra Pradesh - 530002.

The present main objects of the Transferee Company are as follows:

1) To establish, undertake and carry on the business of shippers, ship owners, shipping agents, ship operators, ship repairers & scrap ship chandlers, ship and shipping brokers, charters, charter trawlers, wharfingers, bunkers, marine surveyors, steamer agency, wharf and general agents, stevedores, cold storage operators, fleet owners, freight contractors, carriers, underwriters, to lease, purchase, hire fishing boats, dum barges, self-propelled barges, dredgers, welding and developing ports and all kinds of related business.

2. To establish, undertake, administer and carry on the business of all kinds of agencies, suppliers, stockists, Agents, Buyers, Sellers, Clearing Agents, Merchants, Freight

For **COASTAL CORPORATION LTD.**


(T. VALSARAJ)
Managing Director

Contractors, Steamer Agents, Forwarding Agents, Dealers, Distributors or otherwise to deal in all kinds of electronic, electrical goods, scrap, plastics, computers, hardware devices, tele communications equipments, data processing equipments, all kinds of metals, alloys, industrial & chemical raw materials, pharmaceuticals, leather products, sports goods, automobiles, handicrafts, ornamental stones, straw products, apparels, furniture including all general merchandise.

3. To establish, undertake, promote, administer and carry on the business of Exporters, Importers, Liason Agents, Suppliers, Stockists, agents, buyers, sellers, C & F Agents, dealers and distributors of all kinds of foods, household goods, food grains, cereals, seeds, fruits, agricultural products and produce, rice, sugar, tea, coffee, nuts, fruits, coconuts, cashew nuts, spices and pickles, vegetables, agro-herbal, horticultural, aquaculture, pisciculture, sericulture, agriculture and floriculture products, aqua seed and equipment, mushrooms, crabs, medicinal herbs and poultry, dairy & dairy products, processed food products and all kinds of vegetarian and non-vegetarian, frozen, health and instant foods.

4. To carry on the business and to deal in Bio-medical products through Bio- Technology in agriculture, horticulture, floriculture, sericulture, apiculture, pisciculture, aquaculture, dairy and mushrooms growing of any description and to cultivate on its own and on contract basis both commercial and noncommercial crops, maintaining nurseries and gardens and related products either in raw or processed, refined or manufactured state, whether in India or abroad and to promote, organize and engage in industries and business in biotechnology, plant and animal hybrid production, tissue culture, hybrid seed production, bio-chemical and biological products, Research & Development centres and Biotech parks etc.,

The authorised, issued, subscribed and paid-up capital of the Transferee Company as on 31.03.2019 is as follows:

| Share Capital | Amount in Rs. |
|---|----------------------|
| Authorised Capital | |
| 1,50,00,000 equity shares of Rs. 10/- each | 15,00,00,000 |
| Total | 15,00,00,000 |
| Issued, Subscribed and Paid up Capital | |
| 1,01,68,800 equity shares of Rs. 10/- each | 10,16,88,000 |
| Total | 10,16,88,000 |

Subsequent to 31.03.2019 and till the date of approving of the resolution for the scheme of Amalgamation by the Board of Directors of the Transferee Company, there has been no change in the capital structure of the Transferee Company.

For COASTAL CORPORATION LTD.


T. N. SARAU
Managing Director

The Shareholding Pattern of the Transferee Company as on 31.03.2019 is as follows:

| S. No | Category of shareholder | No. of shareholders | No. of fully paid up equity shares held | % of shareholding |
|-------|-------------------------|---------------------|---|-------------------|
| 1. | Promoter | 12 | 33,27,040 | 32.72 |
| 2. | Public | 1881 | 68,41,760 | 67.28 |
| | Grand Total | 1893 | 1,01,68,800 | 100.00 |

The Transferee Company (CCL) is the Holding Company of the Transferor Company (CFIPL) holding 100% of the Paid-up equity share capital of the Transferor Company (CFIPL).

2. Continental Fisheries India Private Limited (CFIPL) (Transferor Company) was originally incorporated as Private Limited Company under the name and style "Continental Fisheries India Private Limited" in the state of Andhra Pradesh on 23.07.2014 vide Registration No. 01-094907 under the Provisions of Companies Act, 2013. The Corporate Identity Number (CIN) of the Company is U05000AP2014PTC094907 and the PAN of the Company is AAFCC7368H (hereinafter referred to as the "Transferor Company").

The Registered Office of the Transferor Company is presently situated at 15-1-37/2, Nowroji Road Maharaniapeta Visakhapatnam Andhra Pradesh 530002.

The present main objects of the Transferor Company are as follows:

1. To Continue and carry on, as a going concern the business of M/s. Continental Fisheries, a Partnership firm, which was originally constituted as a Partnership Firm and registered with the Registrar of Firms and duly converted into Continental Fisheries India Private Limited under Part I of the Chapter XXI of the Companies Act, 2013 along with the business of 3 tuna long liners all kinds of fishing trawlers and other assets and liabilities.
2. To acquire, take on charter Mechanized Fishing Trawlers, vessels or any type of vehicles of any length, foreign, indigenous from any other source within or out of India to catch prawn fish and other marine foods, to use the same as supply vessels to support the fishing vessels/bigger supply/research vessels for offshore operation.
3. To acquire land by purchase, lease or otherwise for construction of all kinds of processing units, deep freezing units, ice plants, frozen storage, IQF plant, cold storages and similar constructions for manufacturing, processing, storing, freezing, exporting and otherwise to deal in all kinds of aqua products, marine products, agri products, food products and merchandise with or without collaboration of any Indian or Foreign agencies.
4. To procure, purchase, catch, process, pack, can, store, sell, export, trade and otherwise to deal in all kinds of shrimps, prawns, lobster, scampy, crab, fish and other similar marine and fresh water products in India and abroad.

For COASTAL CORPORATION LTD.


T. VALSARAJ
Managing Director

5. To take on lease and develop aqua culture farms, ponds, hatcheries, stock development centers, to research and development, to introduce new species of aqua culture animals, to sell indigenous and to export the said products.

6. To carry on the business of processors, exporters, importers, liason agents, suppliers, buyers, sellers, dealers and distributors of all kinds of aqua culture, seafood, marine products and to construct or to take on lease marine food or any other food processing plant or plants with or without collaboration of any Indian or foreign agencies and to process, manufacture sea foods or any other food products and to sell such products in home markets or to export to foreign countries.”

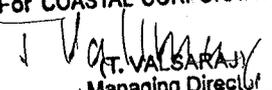
The authorised, issued, subscribed and paid-up capital of the Transferor Company as on 31.03.2019 is as follows:

| Share Capital | Amount in Rs. |
|---|---------------------|
| Authorised Capital | |
| 2,00,00,000 equity shares of Rs. 10/- each | 20,00,00,000 |
| Total | 20,00,00,000 |
| Issued, Subscribed and Paid up Capital | |
| 30,27,600 equity shares of Rs. 10/- each | 3,02,76,000 |
| Total | 3,02,76,000 |

Subsequent to 31.03.2019 and till the date of approving of the resolution for the scheme of Amalgamation by the Board of Directors of the Transferor Company, there is no change in the capital structure.

The Shareholding Pattern of the Transferor Company as on 31.03.2019 is as follows:

| S. No | Category of shareholder | No. of shareholders | No. of fully paid up equity shares held | % of shareholding |
|-----------|-----------------------------|---------------------|---|-------------------|
| 1. | Promoter | | | |
| 1. | Valsaraj Thottoli | 1 | 2,500 | 0.082% |
| 2. | Coastal Corporation Limited | 1 | 3025100 | 99.91% |
| | | | | |
| | Grand Total | 2 | 30,27,600 | 100 |

For COASTAL CORPORATION LTD.

 T. VALSARAJ
 Managing Director

The Transferor Company (CFIPL) is the Wholly-owned Subsidiary of the Transferee Company (CCL) and the entire paid up capital of the Transferor Company (CFIPL) is held by the Transferee Company (CCL).

Subsequent to 31.03.2019 and till the date of approving of the resolution for the scheme of Amalgamation by the Board of Directors of the Transferor Company, there is no change in the shareholding Pattern of the Company.

C. RATIONALE, OBJECTIVE & PURPOSE OF THE SCHEME

- a) The Scheme is presented under section 232 of the Companies Act, 2013 and it provides for amalgamation of Transferor Company into Transferee Company, resulting in consolidation of business of two Companies in one entity and thereby strengthening the position of the amalgamated entity by enabling it to harness and optimize the synergies of equipments and human resources, which is in the best interest of both the Companies and their respective shareholders.
- b) The proposed amalgamation will reduce administrative costs and also result in reduction of overheads and other expenses, economies of scale, reduction in administrative and procedural work, enable the amalgamated company to effect internal economies and optimize profitability as also to reduce administrative inefficiencies by reducing duplication of functions.
- c) In order to achieve the objectives as mentioned in clause (a) to (d) above, the Boards of Directors of the Transferor Company and the Transferee Company have proposed to consolidate the Transferor Company and the Transferee Company into a Single Company by amalgamating the businesses carried on by both the Companies.
- d) The Scheme shall be beneficial and in the best interests of the shareholders, creditors and employees of the Transferor Company, the Transferee Company and to the interest of public at large and all concerned.

D. SCOPE OF THE SCHEME

The Scheme of Amalgamation provides for:

1. Amalgamation of Transferor Company into Transferee Company.
2. Various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme.
3. This Scheme of Amalgamation has been drawn up to comply with the conditions as specified under section 2(1B) of Income Tax Act, 1961, such that:
 - a) All the properties of Transferor Company, immediately before the amalgamation, become the properties of Transferee Company by virtue of amalgamation.
 - b) All the liabilities of Transferor Company, immediately before the amalgamation, become the liabilities of Transferee Company by virtue of amalgamation.

For COASTAL CORPORATION LTD,


T. V. VALISARIA
Managing Director

trade names, trademarks, leases, leave and license agreements, software licenses, software agreements, service level agreements, tenancy rights, premises, ownership flats, hire purchase, lending arrangements, benefits of security arrangements, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, website designing equipments, software development equipments and installations and utilities, electricity, water and other service connections, contracts and arrangements, powers, authorities, permits, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, preliminary expenses, benefit of deferred revenue expenditure, provisions, advances, receivables, deposits, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits, whether granted by state government or central government or any such other authority, (including but not limited to credits in respect of income-tax, tax on book profits, value added tax, sales tax, service tax, etc.), and other claims and powers, all books of accounts, documents and records of whatsoever nature and where so ever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date.

- d) All statutory licenses, franchises, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements / leases (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), of the Transferor Company's on the Appointed Date.
- e) All staff, workmen and employees engaged in the Transferor Company.
- f) All records, files, papers, information, computer programs, software applications, manuals, data, catalogues, quotations, advertising materials, lists of present and former customers, pricing information and other records, whether in physical form or electronic form of the Transferor Company.

1.4 "Appointed date" means **01.04.2019 (First of April Two Thousand Nineteen)** or such other date as may be approved by the Hon'ble National Company Law Tribunal at Hyderabad or such other competent authority having jurisdiction to sanction the Scheme.

1.5 "Board of Directors" or "Board" in relation to Transferor Company and Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, includes any Committee of Directors or any person authorized by the Board of Directors or such Committee of Directors.

For COASTAL CORPORATION LTD.

(T. VALSARAJ)
Managing Director

1.6 "Effective Date" means the date on which the Hon'ble Regional Director at Hyderabad registers the Scheme of Amalgamation and issues a confirmation order to the Companies. Any references in the Scheme to the phrase "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "Scheme coming into effect" shall mean the "Effective Date".

1.7 "Registrar of Companies" means the Registrar of Companies at Hyderabad for the State of Telangana and Andhra Pradesh.

1.8 "Regional Director" means the office of the Regional Director of the south East Region at Hyderabad.

1.9 "Scheme of Amalgamation" or "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form or with any modifications, imposed or approved or directed by the Board of Directors of Transferee Company and/ or Transferor Company, or by the members or creditors of the Companies involved and /or by the Regional Director, Registrar of Companies or by the Official Liquidator or by any other appropriate authority.

1.10 "Shareholders" means respectively the persons registered as holders of Equity Shares of the Company concerned.

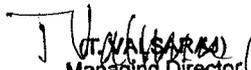
1.11 "Transferee Company" means Coastal Corporation Limited (CCL), a Company incorporated under the provisions of Companies Act, 1956, bearing Corporate Identity Number (CIN) L63040AP1981PLC003047 and having its registered office situated at 15-1-37/3, Nowroji Road, Jayapradha Apartments, Mharanipeta, Visakhapatnam Andhra Pradesh 530002.

1.12 "Transferor Company" means Continental Fisheries India Private Limited (CFIPL), a Company incorporated under the provisions of Companies Act, 1956, bearing Corporate Identity Number (CIN) U05000AP2014PTC094907 and having its registered office situated at 15-1-37/2, Nowroji Road, Mharanipeta, Visakhapatnam, Andhra Pradesh 530002

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961 or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. EFFECTIVE DATE AND OPERATIVE DATE

The Scheme set out herein in its present form is subject to any modification(s) approved or imposed or directed by the Board of Directors of Transferee Company and / or Transferor Company, or by the members or creditors of the Companies involved and /or by the Regional Director, Registrar of Companies or by the Official Liquidator or by any other appropriate authority, unless otherwise specified in the Scheme, shall be operative from the Appointed Date but shall be ~~operative from the~~ **Effective Date.**

COASTAL CORPORATION LTD.

Managing Director

PART-B

AMALGAMATION OF TRANSFEROR COMPANY INTO TRANSFEREE COMPANY

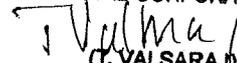
SECTION 1: TRANSFER & VESTING OF AMALGAMATING UNDERTAKING

3. **Transfer of assets, properties, estates, claims, refunds, debts, duties, liabilities, obligations etc.,**

3.1 Subject to the provisions of this Scheme as specified herein and with effect from the appointed date, the entire amalgamating undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- a) The Amalgamating Undertaking of the Transferor Company comprising of its business, all assets and liabilities of whatsoever nature and where-so-ever situated, shall, under the provisions of Sections 233 of the Companies Act, 2013 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in sub clauses (b) (c) and (d) below) be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the Undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.
- b) All the Immovable properties of the Transferor Company shall under the provisions of Sections 232 of the Companies Act, 2013, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the Properties of the Transferee Company.
- c) All the movable assets including but not limited to computers and equipments, office equipment, machineries, software's, products, websites, portals, capital work in progress, cash in hand of the Transferor Company capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company.
- d) In respect of movables other than those specified in sub clause (c) above, including, outstanding loans and advances, Investments (whether current or non - current), trade receivables, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and for be deemed to be transferred to and stand vested in the Transferee Company under the provisions of Sections 232 of the Companies Act, 2013.

For COASTAL CORPORATION LTD.


(T. VALSARAJ)
Managing Director

- e) In relation to all licenses, franchises, permissions, approvals, consents, entitlements, sanctions, permits, rights, privileges and licenses including rights arising from contracts, deeds, license instruments and agreements, if any, belonging to the Transferor Company, which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case maybe, as and when required.
- f) All secured and/or unsecured debts, if any, all liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of account and whether disclosed or undisclosed in the balance sheet of the Transferor Company shall also, under the provisions of Sections 232 of the Companies Act, 2013, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or restructuring by virtue of which such secured and/or unsecured debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub clause.

It is clarified that unless otherwise determined by the Board of Directors of the Transferee Company, in so far as the borrowings/debts and assets comprising the Transferor Company are concerned:

- a. the security or charge, if any existing or created in future before the effective date, for the loans or borrowings of the Transferor Company shall, without any further act or deed continue to relate to the said assets after the Effective Date; and
- b. the assets of the Transferee Company shall not relate to or be available as security in relation to the said borrowings of the Transferor Company;
- g) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including credit on account of tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), granted by any government body, local authority or by any other person and availed by the Transferor Company, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

3.2 The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company, to implement and carry out all formalities and compliances, if required, referred to above.

3.3 All the properties or assets of the Transferor Company whether movable or immovable, being transferred pursuant to this Scheme, which are registered and standing in the name of Transferor Company shall, upon the scheme becoming effective, be registered in the name of the Transferee Company and the name of the Transferor Company shall be substituted with **Front Coastal Corporation Ltd.**


J. V. Valsaraj
Managing Director

Transferee Company in all such certificates of registration, endorsements, records and in revenue/mutation records in case of immovable properties by such appropriate authorities.

3.4 Any tax liabilities under the Income-tax Act, 1961, service tax laws, customs law, Goods and Service Tax or other applicable laws/ regulations dealing with taxes/ duties / levies of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date, if any, shall be transferred to Transferee Company.

3.5 Any refund under the Income-tax Act, 1961, service tax laws, Goods and Service Tax or other applicable laws / regulations dealing with taxes/ duties / levies tax due to Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

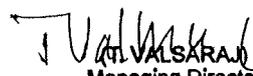
3.6 On or after the Effective Date, all rights, entitlements and powers to revise returns and filings of the Transferor Company under the Income-tax Act, 1961, service tax laws and other laws, and to claim refunds and / or credits for taxes paid, etc. and for matters incidental thereto, shall be available to, and vest with the Transferee Company.

3.7 All tax assessment proceedings / appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and / or enforced until the Effective Date against the Transferor Company and from the Effective Date, the same shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company into the Transferee Company or anything contained in the Scheme.

3.8 All the tax payments (including, without limitation payments under the Income-Tax Act, 1961 Service Tax law, Goods and Service Tax and other laws) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by Transferor Company on transactions with the Transferee Company, if any (from Appointed Date till Effective Date) shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings be dealt with accordingly.

COASTAL CORPORATION LTD.


T. VALSARAJ
Managing Director

3.9 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company under the Income-tax Act, 1961, service tax laws, or other applicable laws / regulations dealing with taxes/ duties / levies shall be made or deemed to have been made and duly complied with by the Transferee Company.

3.10 This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, 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(1B) of the Income-tax Act, 1961.

4. Legal Proceedings

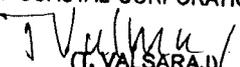
4.1 Upon the Scheme becoming effective, all legal and other proceedings, including before any statutory or quasi-judicial authority or tribunal of whatsoever nature, if any, by or against the Transferor Company pending and/or arising at the Appointed Date, shall be continued and enforced by or against the Transferee Company only, to the exclusion of the Transferor Company in the manner and to the same extent as it would have been continued and enforced by or against the Transferor Company. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the Transferor Company in the same manner and to the same extent as it would or might have been initiated by the Transferor Company.

4.2 After the Appointed Date, if any proceedings are taken against the Transferor Company the same shall be defended by and at the cost of the Transferee Company.

5. Contracts, deeds and other instruments

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, leave and license agreements, licenses, engagements, certificates, benefits, privileges, entitlements, grants, sanctions, permissions, consents, approvals, concessions, any schemes under which the Transferor Company are registered with the government or any other authorities and incentives (including but not limited to benefits under the Income-Tax Act, 1961, service tax, and other laws), remissions, remedies, subsidies, guarantees, licences and other instruments, if any, of whatsoever nature to which the Transferor Company is a party and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force, and be effective against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company may enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite restructurings, confirmations or novations, to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary.

For COASTAL CORPORATION LTD.


(T. VALSARAJ)
Managing Director

The Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

6. Saving of concluded transactions

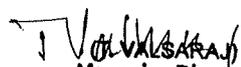
The transfer of Amalgamating Undertaking under clause 3 above and the continuation of proceedings by or against the Transferee Company under clause 4 above and the effectiveness of the contracts and deeds under clause 5 shall not affect any transactions and proceedings or contracts or deeds already concluded by the Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all such acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

7. Staff, workmen and employees

7.1 On the Scheme coming into effect, all staff, workmen and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Effective Date without any break in their service and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date.

7.2 It is expressly provided that, in so far as the Gratuity Fund, Provident Fund, Super Annuation Fund, if applicable, Employee's State Insurance Corporation Contribution, Labour Welfare Fund or any other Fund created or existing for the benefit of the staff, workmen and employees of the Transferor Company is concerned, upon the Scheme coming into effect, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund or funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees of the Transferor Company under such Funds and Trusts shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.

7.3 In so far as the Provident Fund, Gratuity Fund, Superannuation Fund, if applicable or other Special Scheme(s) Fund(s) created or existing for the benefit of the employees of the Transferor Company are concerned upon the coming into effect of this Scheme, balances lying in the accounts of the employees of Transferor Company. In the said fund


Managing Director

Effective Date shall stand transferred from the trusts / funds of the Transferor Company to the corresponding trusts funds set up by the Transferee Company.

8. Clubbing of authorized share capital of Transferor Company with the authorized share capital of Transferee Company

8.1 Upon this Scheme becoming effective, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share capital of the Transferee Company amounting to Rs.35,00,00,000/- (Rupees Thirty Five Crores only) comprising of 3,50,00,000 (Three crores Fifty lakhs) equity shares of Rs.10/- (Rupees Ten only) each.

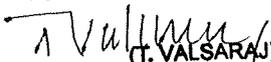
8.2 For the purpose of sub clause 8.1 above, the stamp duties and fees paid on the authorized share capital of the Transferor Company by the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for clubbing the authorized share capital of the Transferor Company to that extent.

8.3 The Memorandum of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purpose of effecting sub-clause 8.1 no further resolution(s) under Sections 13, 61, 64 of the Companies Act, 2013 and other applicable provisions of the Act would be required to be separately passed.

8.4 Upon the coming into effect of this Scheme, Clause V of the Memorandum of Association shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 61, 64 of the Companies Act, 2013 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:-

"The Authorized Share Capital of the Company is Rs.35,00,00,000/- (Rupees Thirty Five Crores only) comprising of 3,50,00,000 (Three Crores Fifty Lakhs) equity shares of Rs.10/- (Rupees Ten only) each. The Share Capital of the Company (whether original, increased or reduced) may be sub-divided, consolidated or divided into such classes of shares as may be allowed under law for the time being in force relating to companies with such privileges or rights as may be attached and to be held upon such terms as may be prescribed by the regulations of the Company".

For COASTAL CORPORATION LTD.


(T. VALSARAJ)
Managing Director

SECTION 2: CONDUCT OF BUSINESS

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

9.1 The Transferor Company shall carry on and be deemed to have carried on its business and activities and shall stand possessed of Amalgamating Undertaking, in trust for the Transferee Company and shall account for the same to the Transferee Company,

9.2 Any income or profit accruing or arising to the Transferor Company and all costs, charges, expenses and losses or taxes incurred by the Transferor Company shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Transferee Company and shall be available to the Transferee Company for being disposed off in any manner as it thinks fit.

9.3 All liabilities debts, duties, obligations which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Transferee Company.

9.4 The Transferor Company shall carry on its business with reasonable diligence and in the same manner as it had been doing hitherto and the Transferor Company shall not alter or substantially expand its business except with the written concurrence of the Transferee Company,

9.5 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent of approval also to the ancillary and incidental alterations, if any, to be carried out to the Memorandum of Association of the Company as may be required under the Act and there would be no further requirement of obtaining the members approval for such alterations arising pursuant to the sanctioned Scheme.

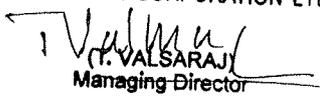
SECTION 3: CONSIDERATION

10. In view of the fact that the Transferor Company is a wholly owned subsidiary company of Transferee Company, upon the Scheme becoming effective, no shares will be issued / allotted under the Scheme by the Transferee Company to any person.

10.1 Further, upon the Scheme becoming effective, all the equity shares of the Transferor Company held by Transferee Company, shall stand cancelled and the investments of Transferee Company, as appearing on the Asset side of the Balance Sheet of Transferee Company, shall stand cancelled to the extent of book value of the equity shares of the Transferor Company_

10.2 On completion of the scheme, all equity shares of the Transferor Company held by Transferee Company shall stand cancelled and the share certificates held by Transferee Company shall be destroyed.

For COASTAL CORPORATION LTD.


(T. VALSARAJ)
Managing Director

SECTION 4: ACCOUNTING TREATMENT

11. Accounting Treatment in the Books of the Transferee Company:

- 11.1 Upon the Scheme becoming effective, the Transferee Company shall record the assets and liabilities of the Transferor Company transferred to the Transferee Company pursuant to this Scheme and account for the amalgamation of the Transferor Company pursuant to this Scheme in accordance with Accounting Standard -14 as notified by the Companies (Accounting Standards) Rules, 2006, as amended from time to time.
- 11.2 Inter-corporate deposits/loans and advances, if any, outstanding between the Transferee Company and the Transferor Company inter-se shall stand cancelled and there shall be no further obligation / outstanding in that behalf. Any difference arising on such cancellation should be adjusted in the reserves of the Transferee Company.
- 11.3 Upon the Scheme becoming effective, the equity shares held by the Transferee Company as investments in the share capital of the Transferor Company shall stand cancelled.
- 11.4 The difference, if any, of the value of the assets over the value of the liabilities and reserves of the Transferor Company being vested in the Transferee Company pursuant to this Scheme and recorded in the books of account of the Transferee Company shall be adjusted in the Reserves in the Balance Sheet of the Transferee Company. In terms of the provisions of the Accounting Standard 14, any surplus/deficit arising out of Amalgamation shall be adjusted in the Reserves of the Transferee Company.
- 11.5 In case of any differences in accounting policy between the Transferor Company and Transferee Company, the accounting policies followed by Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted against Profit and Loss Account, to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 11.6 Notwithstanding the above, the Transferee Company in consultation with its Auditors, is authorized to account for any of this balances in any manner, whatsoever if considered appropriate.

12. Dissolution of the Transferor Company

On the Scheme coming into effect, the Transferor Company, i.e. M/s. Thathi Consultants Private Limited shall, without any further act or deed, stand dissolved without going through the process of winding up.


(T. V. S. BARAL)
Managing Director

PART —C
GENERAL TERMS AND CONDITIONS

13. Impact of the Scheme on creditors

This Scheme of Amalgamation, if approved by the appropriate authorities, shall not have any adverse impact on the creditors whether secured or unsecured, of Transferee Company and / or Transferor Company.

14. Dividends

14.1 Nothing contained in this Scheme shall be construed as restricting or restraining any of the Companies from being entitled to declare and pay dividends, whether interim or Final, to their respective equity shareholders, whether during the pendency of the Scheme or otherwise.

14.2 The holders of the Shares of respective Companies shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under the Articles of Association of the respective Companies concerned including the right to receive dividends.

14.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of any Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Boards of Directors of the respective Companies and subject to the approval of the shareholders of the respective Companies.

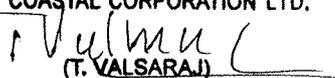
15. Filing of applications/petitions with the Central Government Regional Director

The Transferee Company and the Transferor Company shall, jointly or severally, with all reasonable diligence, make and file all necessary applications, affidavits, petitions etc., before the Hon'ble Regional Director for obtaining the sanction to this Scheme of Amalgamation under Section 233 of the Companies Act, 2013 and each of them shall apply for all necessary approvals as may be required under law.

16. Modification to the Scheme

16.1 The Transferee Company and Transferor Company by their respective Board of Directors or any Committee thereof or any Director authorized in that behalf (hereinafter referred to as the "Delegate") may assent to, or make, from time to time, any modifications or amendments or additions to this Scheme which the Regional Director, Registrar of Companies or Official liquidator or any appropriate authority (ies) under law may deem fit to approve or impose and which Transferee Company and Transferor Company may in their discretion accept or such modifications or amendments or additions as Transferee Company and Transferor Company or as the case may be, their respective Delegate may deem fit, or required for the

For COASTAL CORPORATION LTD.


(T. VALSARA J)
Managing Director

purpose of resolving any doubts or difficulties that may arise for carrying out this Scheme, and Transferee Company and Transferor Company by their respective Boards of Directors or Delegates are hereby authorised to do, perform and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect. In the event that any conditions may be imposed by any authorities, which Transferee Company and Transferor Company find unacceptable for any reason, then Transferee Company and Transferor Company shall be at liberty to withdraw the Scheme. The aforesaid powers of Transferee Company and Transferor Company may be exercised by their respective Delegates.

16.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates (acting jointly) of Transferee Company and Transferor Company may give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders of the respective Companies), or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those conditions (to the extent permissible under law).

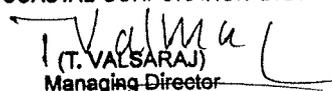
17. Scheme Conditional Upon

17.1 This Scheme is conditional upon and subject to:

- a) it being agreed to by the respective requisite majorities of the members and various classes of creditors (if any) of the Transferor Company and the Transferee Company as required under the Act and the requisite no objections from the Registrar of Companies and the Official Liquidator being obtained.
- b) the requisite sanctions and approvals, as may be required by law in respect of this Scheme being obtained; and

17.2 In the event of this Scheme failing to take effect before 31.03.2018 or such later date as may be agreed by the respective Boards of Directors of Transferee Company and Transferor Company, this Scheme shall stand revoked, cancelled and be of no effect and become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Companies or their shareholders or creditors or employees or any other person. In such case, both the Companies shall bear its own costs, charges and expenses or shall bear costs, charges and expenses as may be mutually agreed.

For COASTAL CORPORATION LTD.


(T. VALSARAJ)
Managing Director

18. Validity of existing resolutions, etc. in respect of the prior acts

Upon this Scheme becoming effective, the resolutions passed by the Transferor Company, as are considered necessary by the Board of the Transferee Company and which are valid and subsisting on the date of this Scheme becoming effective, shall continue to be valid and subsisting in respect of the relative acts performed steps taken prior to the date of this Scheme becoming effective and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then said limits as are considered necessary by the Board of the Transferee Company shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

19. Effect of non-receipt of approvals

In the event of any of the said sanctions and approvals referred to in clause 18 above not being obtained (unless otherwise decided by the Board of Directors) and / or the no objections of the Registrar of Companies and the Official Liquidator to the Scheme is not obtained, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

21. Severability

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall subject to the decision of Transferee Company and Transferor Company, not affect the validity or implementation of the other parts and / or provisions of this Scheme.

22. Costs, charges, etc.

All costs, charges, levies and expenses (including stamp duty) in relation to or in connection with or incidental to this Scheme or the implementation thereof shall be borne and paid by Transferee Company.

For COASTAL CORPORATION LTD.


(T. VALSARAJ)
Managing Director
