

EXPLANATORY STATEMENT PURSUANT TO SECTION 102, 230 AND 232 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE CALLING THE MEETINGS OF SECURED AND UNSECURED CREDITORS OF PERFECT CONNECTIONS LIMITED AND EQUINOX SOLUTIONS LIMITED PURSUANT TO ORDER DATED 19TH MAY 2023 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH

1. Pursuant to the Order dated 19th May, 2023 passed by the Ahmedabad Bench of the Hon'ble National Company Law Tribunal ("NCLT" or "Tribunal"), Separate meetings of the Secured Creditors and Unsecured Creditors of two of the Applicant Companies viz. Perfect Connections Limited and Equinox Solutions Limited are being convened and will be held, for the purpose of considering and, if thought fit, approving with or without modification(s), the Scheme of Amalgamation of Avikal Tradelink Private Limited, Perfect Connections Limited with Equinox Solutions Limited and their respective shareholders and creditors ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 ("Act") (including any statutory modification or re-enactment or amendment thereof) read with the rules issued there under. The Hon'ble NCLT has vide the abovereferred order, dispensed with the meetings of the Shareholders of all the Applicant Companies as well as the unsecured creditor of Avikal, the Transferor Company-1, in view of the written consents from all of them having been placed on record. There are no Secured Creditors of Avikal, the Transferor Company-1, and hence no meeting is held to be necessary.
2. The definitions contained in the scheme will apply to this Explanatory Statement also.
3. A copy of the Scheme setting out in detail the terms and conditions of the arrangement, *inter alia*, providing for the proposed Scheme of Amalgamation of Avikal Tradelink Private Limited, Perfect Connections Limited with Equinox Solutions Limited and their respective shareholders and creditors, which has been approved by the Board of Directors of all the Applicant Companies at their respective meetings held on 18th November, 2022 is attached to this explanatory statement and forms part of this statement as **Annexure A**.
4. As stated earlier, NCLT by its said Order has, inter alia, directed that separate meetings of the unsecured creditors of two of the Applicant Companies shall be convened and held on Tuesday, 18th July 2023 by video conferencing or other Audio Visual Mode as per following schedule:
Perfect Connections Limited. : 10.30 am
Equinox Solutions Limited : 1.00 pm
5. Further, NCLT by its said Order has, inter alia, directed that separate meetings of the secured creditors of two of the Applicant Companies shall be convened and held on the Monday, 17th July 2023 at the corporate office of Equinox Solutions Limited at 101-103, 1st Floor, North Tower, ONE42, Behind Ashok Vatika, Iscon Ambli Road, Ambli, Ahmedabad 380058 in the state of Gujarat as per the following schedule;
Equinox Solutions Limited : 11.00 am
Perfect Connections Limited. : 2.30 pm

NCLT by its said Order has further directed to undertake vote in the said meetings of (i) unsecured creditors through e-voting system at the time of meeting and (ii) Secured Creditors by physical ballot / polling paper at the venue of the meeting.

In accordance with the provisions of Section 230-232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourth in value of the concerned parties of the Applicant Companies, agree to the Scheme.

The scrutinizer appointed will submit his separate reports to the Chairman of the meetings or to the person so authorised by him after completion of the scrutiny of the e-voting at the meetings of unsecured creditors and physical voting at the meetings of secured creditors cast by the concerned parties so as to announce the results of the Meetings.

6. Background of Avikal Tradelink Private Limited, the Applicant Transferor Company-1.

(i) Avikal Tradelink Private Limited, (hereinafter referred to as “Avikal” Or “the Applicant Transferor Company – 1”), is a private limited company originally incorporated on 30th December 1983 under the provisions of the Companies Act, 1956, in the name and style of Avikal Investments Private Limited before the Registrar of Companies, Gujarat. The name of the company was changed to Avikal Tradelink Private Limited vide Fresh certificate dated 10th April 2012. The CIN is U74110GJ1983PTC006639. The Permanent Account Number of the Transferor Company-1 is **AABCA6294N**. Email id of the Transferor Company-1 is **ashwin.bhatt@equinoxgroup.in**. The Registered Office of Avikal is situated at 41, 3rd Floor, NOBLES, Opp. Nehru Bridge, Ashram Road, Ahmedabad 380009 in the state of Gujarat.

(ii) The share capital of Avikal as on March 31, 2022 is as under:

Particulars	Amount in Rs.
<u>Authorised</u>	
10,42,500 equity shares of ₹ 10/- each	1,04,25,000
7,500 Redeemable Preference Shares of ₹ 10/-each	00
<u>Total</u>	1,05,00,000
<u>Issued Subscribed & Paid-up</u>	
1018751 equity shares of ₹ 10/- each fully paid up	1,01,87,510

There is no change in the capital structure of the company since the above referred date.

(iii) The main objects of Avikal are as under:

- To carry on the business to construct, build, establish, promote, fabricate, design, manipulate, die-smoke, process, produce, erect, manufacture of or to act as commission agent and dealing in all types, kinds, varieties of commercial and domestic kitchen equipments, cold rooms, cold storage, all types of refrigeration equipment, industrial and consumer cooling and heating temperature controlling plants, plant and temperature control equipments, components and accessories and such other similar and relevant equipments including central stations, gases for air-conditioning, equipments, compressors and grill and also to carry on the business of importing, exporting, buying, selling, indenting and otherwise dealing in such implements.
- To buy, purchase, sell, take on lease, give on lease, exchange or otherwise acquire lands, building, flats, godowns, warehouses, cold storages, industrial estates and hereditaments of any tenure or description in India or elsewhere whether for residential, commercial business manufacturing or other purpose and any rights, easements, advantages and privileges relating thereto and either for investment or sell or for trafficking in the same and to deal the same into account as may seem expedient and to alter, improve, decorate, develop, furnish and maintain offices, flats, houses, factories, warehouses, godowns, shops, buildings industrial estates, cold storages and other structures, works and conveniences of all kinds on any of the lands or immovable properties purchased or acquired by the Company.
- To carry on business as general merchants, buyers, sellers, traders, importers, exporters, brokers, dealers, distributors, stockiest, franchiser, representatives and commission

agents in merchandise, goods, machinery and equipment including agricultural products, aquaculture, horticulture, floriculture, hatcheries, tobacco products, food & dairy products, sugar, apparel, Textile, glass and glass products, cosmetics, paints, varnishes, dyes & pigments, oil & lubricants, personal care products, pharmaceuticals, fertilizers, pesticides, precious & semiprecious stones, diamonds, tea, coffee, granites, marble and other stones, pipes, tubes, cement and cement products, paper, plastic and plastic products, moulded luggage, packing and packing materials, rubber & rubber products, musical & sports goods, electrical goods, computer peripherals, hardware, software, entertainment/electronic media software and domestic appliances, consumer durables & non-durables, Power equipments, solar & renewable energy, equipment for hospitality industry and to provide all kind of services related to above and to establish and manage institutes for skill development, up-gradation, education for of all kinds including management, general and specialized skill building, technical, scientific, literary, commercial and other general disciplines and also other specialized educational and vocational courses and fields.

- (iv) Avikal Tradelink Private Limited, the Applicant Transferor Company-1 is a private limited company and belongs to the same group of management as the Transferee Company. It holds approx. 93% of the Equity Share Capital of Equinox, the Applicant Transferee Company. It also holds about 80% of the Equity Share Capital of Perfect Connections Limited, the Applicant Transferor Company-2. The said company is engaged in the business as general merchants. Buying, selling, importing, exporting and also acting as distributor, brokers, commission agents, franchiser, stockiest – for variety of goods and equipment. These include amongst others, commercial and domestic kitchen equipment, cold rooms, cold storage, all types of refrigeration equipment, hot and cold temperature-controlled machines, air conditioners, compressors etc., as also all parts and accessories for all types of equipment. It is also involved in designing, fabricating, manufacturing and promoting all the above equipment. It also provides services related to installation, commissioning and maintenance of all equipment. During the financial year ended on 31st March, 2022, Avikal had total revenue of Rs. 69.65 lacs and Net Profit of 41.66 lacs. It had Reserves of Rs. 34.48 lacs. Copies of audited financial statements of Avikal as on 31st March, 2022 and unaudited financials as on 31st March 2023 are annexed herewith as Annexures

7. Background of Perfect Connections Limited, the Applicant Transferor Company-2.

- (i) Perfect Connections Limited, (hereinafter referred to as “PCL” Or “the Applicant Transferor Company – 2”), is a closely held public limited company, originally incorporated on 5th December 1994 under the provisions of the Companies Act, 1956, as a private limited company with the Registrar of Companies, Gujarat. The name of the company was changed with conversion of the company as public limited company vide fresh certificate dated 22nd August 2003. The Corporate Identity Number is U74140GJ1994PLC023765. The Permanent Account Number of the Transferor Company-2 is **AABCP1545K**. Email id of the Transferor Company-2 is **neena@uniglobepperfect.com** The Registered Office of **PCL** is situated at 41-A, NOBLES Commercial Centre, 3rd Floor, Right Wing, Ashram Road, Ahmedabad 380009 in the state of Gujarat.

- (ii) The share capital of PCL as on 31st March 2022, is as under:-

Particulars	Amount in Rs.
<u>Authorised</u>	
1,50,000 equity shares of ₹ 10/- each	15,00,000
<u>Issued Subscribed & Paid-up</u>	
1,50,000 equity shares of ₹ 10/- each fully paid up	15,00,000

There is no change in the capital structure of the company since the above referred date. 80% of the above referred Equity Share Capital is held by Avikal, the Transferor Company-1.

- (iii) The main objects of PCL as per the Memorandum of Association are as under:
- To promote, represent, organize, undertake, establish, conduct, handle, arrange, manage, own, operate, participate, facilitate, sponsor, encourage and provide the business as package tour operators for religious, educational and picnic purposes; daily passenger service operators, conducted tour operators; travelling agent for booking and

reserving accommodation, seats, berths, compartments, coupes, complete bogies on railways, motor ships, motor boats, airplanes, steamships, motor bus and omnibuses; vehicle booking agent, hotel booking agents; authorized railway ticket booking agent, ship booking agent, authorised airlines ticket booking agent, cargo agents, representatives of other travelling agencies, courier service agents, correspondents parcel and postage boding agents, telephone booth operators to provide necessary services for passport and visa; to handle conference and meeting; to handle inward foreign tourist activities in India and abroad; to provide for guides, safe deposits and baggage transport; to act as an agent of bankers and to arrange travelers, cheques, coupon drafts and other modes of foreign exchange on their behalf; to publish magazines, bulletins and other literatures for tourism; export and import agent and to own, engage, hire, let on hire, contract or arrange buses, coaches, bogies, charter steamships, Air taxies, charter flights, helicopters, motor launchers, boats, taxies, rickshaws, tangas, haggis and other vehicles for tourists and passengers and to provide such facilities for national and international tourists as may be incidental or necessary for the accomplishment of above objects.

- (iv) PCL is a Subsidiary of the Applicant Transferor Company-1 viz. Avikal. PCL is a leading provider of travel management services with partner offices through Uniglobe in more than 60 countries across six continents. Through its network, the company specializes in managing the diverse and changing travel needs of companies and travelers in more than 20 cities across India with “hands-on” owner driven, responsive service. During the financial year ended on 31st March, 2022, PCL had total revenue of Rs. 56.35 lacs and Net Profit of Rs. 8.91 lacs. It had Reserves of Rs. 123.58 lacs. Copies of audited financial statements of PCL as on 31st March, 2022 and unaudited financials as on 31st March 2023 are annexed herewith as Annexures.

8. Background of Equinox Solutions Limited, “Transferee Company” is as under:

- (i) Equinox Solutions Limited, (hereinafter referred to as “Equinox” Or “the Applicant Transferee Company), is a closely held public limited company. It was originally incorporated on 8th October 1984 as a private limited company under the provisions of the Companies Act, 1956, in the name and style of Kelvin Metal Krafts Private Limited with the Registrar of Companies, Gujarat. The name of the company was changed to Equinox Solutions Private Limited vide fresh certificate dated 8th August 2003. The status of the company was changed to public limited company and consequently the name was changed to Equinox Solutions Limited vide certificate dated 21st August 2003. The Corporate Identity Number is U29190GJ1984PLC007317. The Permanent Account Number of the Transferee Company is **AAACK6136C**. Email id of the Transferee Company is **NAISHADH.PARIKH@EQUINOXGROUP.IN**. The Registered Office of TGPL is situated at 41, NOBLES, A Building, Ashram Road, Ahmedabad 380009 in the state of Gujarat.
- (ii) The authorised, issued, subscribed and paid-up share capital of Equinox as on 31st March 2022, is as under:-

Particulars	Amount in Rs.
<u>Authorised</u>	
10,99,500 equity shares of ₹ 10/- each	1,09,95,000
5,000 Redeemable Preference Shares of ₹ 1/-each	5,000
<u>Total</u>	1,10,00,000
<u>Issued, Subscribed & Paid-up</u>	
10,94,500 equity shares of ₹ 10/- each fully paid-up	1,09,45,000

There has been no change in the capital structure of the company since the above referred date. Approx. 93% of the above referred Equity Share Capital is held by Avikal, the Transferor Company-1.

- (iii) The main objects of Equinox as per Memorandum of Association are as under:

1. To carry on the business of fabricating, designing, manipulating, die-smoking,

processing, producing, erecting, and manufacturing, manufacture of and dealing in all types, kinds varieties of Air-conditioning, refrigeration, plant and temperature control equipments components and accessories and such other similar and relevant equipments including central stations, cooling towers, gases for air-conditioning, equipments, compressors and grill and also to carry on the business of importing, exporting, buying, selling, indenting and otherwise dealing in such implements.

2. To carry on the business of buying, selling, manufacturing, servicing, repairing, importing, exporting, altering, erecting of air conditioners, refrigerators, water coolers, bottle coolers, deep freezers, all types of refrigeration equipment, industrial and consumer cooling and heating temperature controlling plants, cold storages, fabricating, erecting, repairs etc. ,
 3. To design, develop, manufacturing of and manufacture standard products for room-air conditioners, watercoolers, deep freezers units, dehumidifiers etc.
 4. To carry on the business of providing solutions to customers and meeting their needs by offering products and services.
 5. To establish, promote, encourage, maintain, organize, undertake, manage, develop, operate, conduct and to run in India or abroad, either on its own or as franchisee, schools, colleges, institutes, boarding houses, teaching Classes and coaching classes for primary, secondary, higher education, professional education and imparting training in the field of computer, management, commerce, art, science, fashion designing, engineering, medical, pharmacy, dance, music, acting, media, sports, journalism, banking, social welfare, and industry which- can be imparted to the students, professionals, businessmen, employees of corporates, banks, etc.
- (iv) The Transferee company Equinox Solutions Limited, is a closely held public limited company which is a Subsidiary of the Applicant Transferor Company-1 viz. Avikal Tradelink Private Limited. The company is engaged in business of turnkey commercial kitchen projects and solutions for refrigeration equipment for storage and dispensing of food and beverages. The business can be looked at as having verticals:
- (a) EPC (engineering, procurement & commissioning) / Contracting business with focus on 5 star and premium hotels, corporates, clubs and restaurant/bar chains.
 - (b) Solutions Business: ESL provides customized solutions to Quick Service Restaurants chains like Pizza Hut, Dominoes, KFC, Starbucks, BWW, McDonalds etc. Here ESL provides specialized equipment as well as takes up Annual Maintenance Contracts for the chain. During the financial year ended on 31st March, 2022, Equinox had total revenue of Rs. 28.89 crores. However it had operative loss of Rs. 5.43 crores. It had Reserves of Rs. 3.77 crores. Copies of audited financial statements of Equinox as on 31st March, 2022 and provisional supplementary statements as on 31st March 2023 are annexed herewith as Annexures.

9. Rationale and Valuation Report:

All the three companies belong to the same management group. As indicated earlier, Avikal is the Holding Company for both PCL and ESL. Although the current commercial activities of these three companies are different in nature, it has been realised by the Board of Directors of these companies that the amalgamation of these companies shall be helpful to achieve the following objectives:-

- (a) The amalgamation will result in business and operational synergies in terms of complete integration of facilitates which would result in optimum utilization of capital and resources and reduction in overall operating and maintenance cost and benefits of economies of scale.
 - (b) simplify management structure, leading to better administration and a reduction in costs from more focused operational efforts, rationalization, standardization and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses;
 - (c) The amalgamation will result in reduction in the multiplicity of legal and regulatory compliances and reduced costs.
 - (d) Simplify shareholding structure and reduce shareholding tiers;
- In view of the aforesaid, the Board of Directors of these companies have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Companies with the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act and other relevant provisions of the Act, and other Applicable Laws. The proposed amalgamation shall result in the Reduction of part of the Issued and Subscribed Capital of Equinox Solutions Limited, the Transferee Company due to cancellation of the

shares held in it by Avikal, the Transferor Company-1. However, considering the issue of new shares by Equinox to the shareholders of both Avikal and PCL, there will not be Net Reduction of the Capital. This being consequential in nature is proposed as an integral part of the Scheme of Arrangement and separate procedure for Reduction of Capital as envisaged under Section 66, shall not be required to be separately complied with, in terms of provisions of Section 230, Explanation.

The report confirming the proposed Entitlement Ratio of Equity Shares, being just and reasonable, dated 18th November 2022, provided by Mr. Mohit Solanki, a Registered Valuer, is annexed

10. Salient features of the Scheme:

“1. Definitions:

1.2 “**Appointed Date**” means April 1, 2022;

1.3 “**Effective Date**” means the date on which the last of conditions referred to in Clause 18 hereof have been fulfilled;

1.4 “**Scheme of Arrangement**” or “**this Scheme**” or “**the Scheme**” means this Scheme of in nature of Amalgamation and Consequential Reduction of Capital in its present form or with any modifications made under Clause 17 of the Scheme or any modifications approved or directed by the Tribunals or any other Governmental Authority;

1.8 “**Undertakings**” means all the undertakings and entire business of the Transferor Companies including, without limitation:

- i. all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, work-in-progress, present, future or contingent of whatsoever nature) of the Transferor Companies, whether or not recorded in the books of accounts of the Transferor Companies (including, without limitation, the freehold and leasehold properties of the Transferor Companies), investments of all kinds (including but not limited to shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates, including in subsidiaries, associates, joint ventures, whether in India or abroad), licenses, furniture, fixtures, machinery, office equipment, computers, fixed assets, current assets (including, without limitation, all inventories, stock-in-trade or stock-in-transit, supplies, finished goods, packaging items, wherever located), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company financial assets, vehicles, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and where-so-ever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies or in connection with or relating to the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies, whether in India or abroad;
- ii. all permissions, approvals, consents, subsidies, privileges, permits, quotas, rights, claims, entitlements, refunds, registrations (including relating to sales tax, service tax, excise duty, value added tax (hereafter “VAT”), entry tax, octroi, Goods and Services Tax (hereafter “GST”)), licenses (including all licenses, benefits and approvals relating to EXPORTS), clearances, exemptions, authorizations, no objection certificates, registrations, income tax benefits and exemptions, indirect tax benefits and exemptions (including, but not limited to credits in respect of income tax, sales tax, service tax, excise duty, VAT, turnover tax, GST, tax credits, tax refunds, all tax holiday, including its continued benefits, incentives, exemptions, concessions and other benefits or privileges, security transaction tax, Minimum Alternate Tax (hereafter “MAT”) credit, duty entitlement credit certificates), all other rights, benefits and Transferor Companies Liabilities related thereto, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Companies;
- iii. all contracts, agreements, concessions (of any nature and any rights therein or thereto or thereunder), memoranda of understanding, letters of intent, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, if any, whether written, oral or

otherwise, to which either of the Transferor Companies is a party to, or to the benefit of which the Transferor Companies may be eligible;

- iv. all intellectual property rights of any nature whatsoever, books, records, files, papers, software licenses (whether proprietary or otherwise), and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Companies along with any and all goodwill of the Transferor Companies;
- v. right to any claim not presented or made by the Transferor Companies in respect of refund of any tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Companies and any interest thereon, with regard to any Law made by any Governmental Authority, and in respect of set-off, carry forward of accumulated losses, unabsorbed depreciation and MAT credit, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under and in accordance with any Law, whether in India, or anywhere outside India; and
- vi. all Transferor Company Liabilities, lien, security or Encumbrance in relation thereto, whether in Indian rupees or foreign currency.

It is intended that the definition of 'Undertakings' under this Clause would enable the transfer of all property, assets, rights, duties, licenses of the Transferor Companies and liabilities of the Transferor Companies into the Transferee Company pursuant to this Scheme.

4. AMALGAMATION OF TRANSFEROR COMPANIES WITH TRANSFEE COMPANY

- 4.1. Upon coming into effect of the Scheme and with effect from the Appointed Date and subject to the provisions of the Scheme, the entire Undertakings of the Transferor Companies shall, pursuant to the sanction of the Scheme by the Tribunal and pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act, be and stand transferred to and vested in and/ or deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, deed, instrument, matter so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
- 4.2. All the movable assets of the Transferor Companies and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, without the need to execute any separate instrument, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date. Such delivery shall be made on a date which shall be mutually agreed upon between the Transferor Companies and the Transferee Company on or after the Effective Date.
- 4.3. Upon this Scheme becoming effective, the secured creditors of the Transferor Companies, if any and/or other holders of security over the properties of the Transferor Companies shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferor Companies, as existing immediately prior to the amalgamation of the Transferor Companies with the Transferee Company and the secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferee Company, as existing immediately prior to the amalgamation of the Transferor Companies with the Transferee Company. It is hereby clarified that pursuant to the amalgamation of the Transferor Companies with the Transferee Company, (a) the secured creditors of the Transferor Companies and/or other holders of security over the properties of the Transferor Companies shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Transferee Company and therefore, such assets of the Transferor Companies which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company and (b) the secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Transferor Companies and therefore, such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company.
- 4.4. Upon the Scheme coming into effect and with effect from the Appointed Date, in respect of any assets of the Transferor Companies other than those mentioned in Clause 4.2 above, including actionable claims, sundry debtors, outstanding loans and advances, if any, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or kind or for value to be received and deposits, if any, with any person including any Governmental Authority, semi-Government, local and other authorities and bodies and customers, shall, without any further act, instrument or deed, be and stand

transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company. The Transferee Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.

- 4.5. Upon the Scheme coming into effect and with effect from the Appointed Date, all immovable property (including but not limited to freehold and leasehold properties, and any work-in-progress) of the Transferor Companies, and any document of title, rights, interest and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, as a successor of the Transferor Company, without any act or deed to be done or executed by the Transferor Companies and/ or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay appropriate rent, rates, taxes and charges and fulfil all obligations, in relation to or applicable to all such immovable properties. The mutation and/or substitution of the title to the immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate Governmental Authorities and third parties pursuant to the sanction of the Scheme by the Tribunals and upon the Scheme becoming effective in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Companies and/ or the Transferee Company. It is clarified that the Transferee Company shall be liable to pay the applicable stamp duty upon the order of the Tribunal sanctioning the scheme.
- 4.6. Upon coming into effect of the Scheme and with effect from the Appointed Date, all Transferor Companies' Liabilities, and duties and obligations of the Transferor Companies, as on or after the Appointed Date whether provided for or not in the books of accounts of the respective Transferor Companies, and all other Transferor Companies' Liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall, pursuant to the Tribunal Order(s) or such other Governmental Authority as may be applicable under the provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Appointed Date the Transferor Company Liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.
- 4.7. Without prejudice to the above provisions, upon the Scheme coming into effect and with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes. For the avoidance of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Appointed Date, to the extent there are inter-corporate loans, deposits, obligations, balances or other outstanding as between the Transferor Companies inter-se and/or the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.
- 4.8. Without prejudice to the above provisions, upon the Scheme coming into effect and with effect from the Appointed Date, all inter-se contracts solely between the Transferor Companies and the Transferee Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company. With effect from the Appointed Date, there will be no accrual of income or expense on account of any transactions, including inter-alia any transactions in the nature of sale or transfer of any goods, materials or services, between the Transferor Companies and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Appointed Date, there will be no accrual of interest or other charges in respect of any inter se loans, deposits or balances between the Transferor Companies and the Transferee Company.
- 4.9. Upon coming into effect of the Scheme, all taxes (including but not limited to income tax, sales tax, excise duty, service tax, VAT, GST) paid or payable by the Transferor Company in respect of their respective operations and/or the profits of businesses, on account of the Transferor Companies and, in so far as it relates to tax payment whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the operations and/or the profits of the business after the Appointed Date shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 4.10. Upon coming into effect of the Scheme, all the profits or income, taxes (including any carry forward accumulated losses, unabsorbed depreciation, advance tax, tax deducted at source, foreign tax credit and MAT credit as per applicable tax laws) or any costs, charges, expenditure accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Companies shall for all purposes be treated and

deemed to be and accrue from the Appointed Date as the profits or income, taxes (including any carry forward of accumulated tax losses, unabsorbed depreciation, advance tax, tax deducted at source, foreign tax credit, MAT credit in terms of applicable tax laws), costs, charges, expenditure or losses of the Transferee Company, as the case may be.

- 4.11. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon coming into effect of this Scheme and with effect from the Appointed Date, in accordance with the provisions of relevant Laws, consents, approvals, permissions, all licenses and approvals, registrations, certificates, grants, concessions, authorities (including for the operation of bank accounts and demat accounts), powers of attorneys given by, issued to or executed in favour of the Transferor Companies, and the rights and benefits and liabilities under the same shall, in so far as they relate to the Transferor Companies and all quality certifications and approvals, permits, quotas, rights, entitlements, tenancies, immovable properties, patents and domain names, copyrights, brands, trade secrets, product registrations and other intellectual and industrial property and all other interests relating to the goods or services being dealt with by the Transferor Companies, shall without any further act or deed be transferred to and vested in the Transferee Company under the same terms and conditions as were applicable to the Transferor Companies immediately prior to the coming into effect of this Scheme. In so far as the various incentives, sales tax, deferral benefits, subsidies (including applications for subsidies), available tax credits (including MAT credit, if any), rehabilitation schemes, grants, permissions, approvals, sanctions, remissions, special reservations, income tax benefits and exemptions, all tax holiday, including its continued benefits, incentives, exemptions, concessions and other benefits or privileges, concessions, special status and other benefits or privileges enjoyed, granted by any person (including any Governmental Authority), or availed of or to be availed of by the Transferor Companies is concerned, the same shall, without any further act or deed, in so far as they relate to the respective Transferor Company, vest with and be available to the Transferee Company on the same terms and conditions as were applicable immediately prior to the coming into effect of this Scheme. The Transferee Company may apply for the endorsement of the Governmental Authorities as may be required under Applicable Law and shall file the relevant intimations, if any, for the record of the Governmental Authorities who shall take them on file, pursuant to the Scheme coming into effect.
- 4.12. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant consents, approvals, patents, permissions, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Transferor Companies in favour of the Transferee Company, the Board of Directors of the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable and the same shall be considered as giving effect to the Tribunal Order(s) and shall be considered as an integral part of this Scheme. Further, the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of the Transferor Company and to carry out or perform all such formalities or compliance required for the purpose of implementation of the provisions of the Scheme.
- 4.13. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Companies and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Companies in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Companies to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.
- 4.14. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that with effect from the Effective Date and till such time the name of the bank accounts of the Transferor Companies would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies in the name of the respective Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, deposit slips, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of Transferor Companies for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Companies. It is hereby expressly clarified

that any legal proceedings by or against the Transferor Companies in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of either of the Transferor Companies shall be instituted, or as the case may be, continued, by or against, the Transferee Company after the coming into effect of the Scheme.

5. CONSEQUENTIAL TAX MATTERS

- 5.1. Upon the Scheme becoming effective, the Transferee Company shall have the right to revise their respective tax returns along with prescribed forms, filings and annexures under the IT Act (even in a case where the due date to revise the income tax returns have expired under the provisions of the IT Act), and laws in relation to the GST, central sales tax, applicable State VAT, entry tax, service tax, excise duty and other tax laws, and to claim refunds and/or credit for taxes paid (including advance tax, self-assessment tax, tax deducted at source, MAT, foreign tax credit, dividend distribution tax, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 5.2. All tax assessment/adjudication proceedings/ appeals of whatsoever nature by or against the Transferor Companies pending and/or arising at the Appointed Date and relating to the Transferor Companies shall be continued and/or enforced until the Effective Date by the Transferor Company. As and from the Effective Date, the tax proceedings 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.
- 5.3. 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 Companies with the Transferee Company or anything contained in the Scheme.
- 5.4. Any refund, under the IT Act and laws in relation to service tax, excise duty, central sales tax, applicable state VAT, entry tax, customs, foreign trade policy, GST, State industrial and incentive policies and schemes or other Applicable Laws or regulations dealing with taxes or duties or levies due to Transferor Companies consequent to the assessment made on Transferor Companies (including any refund for which no credit is taken in the accounts of the Transferor Companies) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company upon this Scheme becoming effective.
- 5.5. The tax payments (including, without limitation income tax, dividend distribution tax, service tax, excise duty, central sales tax, applicable state VAT, entry tax, customs, GST etc.) whether by way of tax deducted at source, advance tax or otherwise howsoever, by the Transferor Companies after the Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 5.6. Further, any tax deducted at source by Transferor Companies or the Transferee Company on transactions with the Transferee Company or the Transferor Companies, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax / advance tax deducted at source paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 5.7. Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies shall be made or deemed to have been made and duly complied with by the Transferee Company.
- 5.8. All intangible assets (including but not limited to goodwill) belonging to but not recorded in the books of account of the Transferor Companies and all intangible assets (including but not limited to goodwill) arising or recorded in the process of the amalgamation in books of account of Transferee Company shall, for all purposes, be regarded as an intangible asset in terms of Explanation 3(b) to Section 32(1) of the IT Act and Transferee Company shall be eligible for depreciation on the same at the prescribed rates.
- 5.9. For the period after the Appointed Date, all its continued benefits, incentives, exemptions, concessions and other benefits or privileges enjoyed by the Transferor Companies granted by any government body, regulatory authority, local authority, by any other person or law or availed of by the Transferor Companies, the same shall without any other further act or deed shall vest with and be available to the Transferee Company on the same terms and conditions.
- 5.10. Without prejudice to the generality of the above, all benefits, incentives, losses (including but not limited to book losses, tax losses), book unabsorbed depreciation, tax unabsorbed depreciation, credits (including, without limitation income tax, MAT, tax deducted at source, foreign tax credit, dividend distribution tax, wealth tax, service tax, excise duty, central sales tax, applicable state VAT, customs duty, foreign trade policy benefits, State industrial policy and incentive schemes, drawback, etc.) to which the Transferor Company is entitled to, shall be available to and vest in the Transferee Company, in terms of Applicable Laws, upon this Scheme coming into effect.

5.11. Upon the coming into effect of this scheme, all tax compliances under any tax laws by the Transferor Companies on or after Appointed Date shall be deemed to be made by the Transferee Company.

6. LEGAL PROCEEDINGS

- 6.1. If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the "Legal Proceedings") by or against the Transferor Companies are pending on the Effective Date, the same shall not abate / be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme, but on and from the Effective Date, the Legal Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.
- 6.2. It is clarified that until this Scheme comes into effect, the Transferor Companies shall in consultation with the Transferee Company continue and enforce the Legal Proceedings whether pending or initiated pending the coming into effect of this Scheme.

11. DISSOLUTION OF THE TRANSFEROR COMPANIES

- 11.1 On the Scheme becoming effective, the Transferor Companies shall be dissolved without being wound up without any further act by the Transferor Companies and the Transferee Company.
- 11.2 On and with effect from the Effective Date, the names of the Transferor Companies shall be struck off from the records of the RoC. The Transferee Company shall make all necessary filings in this regard.
- 11.3 Any obligations or steps which need to be undertaken by the Transferor Companies pursuant to the sanction of this Scheme shall be fulfilled by the Transferee Company.

12. CONSIDERATION

12.1 Upon this Scheme becoming effective and in consideration of the transfer of and vesting of the Undertakings of the Transferor Companies in the Transferee Company pursuant to this Scheme, the Transferee Company shall without any further application, act, instrument or deed, issue and allot Shares to the shareholders the Transferor Companies in accordance with the Exchange Ratio certificate. The shares shall be issued to the Equity shareholders of the Transferor Companies whose names appear in the Register of Members of the Transferor Companies on the Date to be determined by the Board of Directors of the Transferee Company, or to such of their respective heirs, executors, administrators or successors or other legal representatives in title in the following proportion:

- (i) 1083 (One Thousand Eighty Three) New Equity Shares of Rs.10/- (Rupees Ten only) each credited as fully paid-up of Equinox, the Transferee Company to be issued for every 1000 (One Thousand) equity shares of the face value of Rs.10/- (Rupees Ten only) each held by the Equity shareholders in Avikal, the Transferor Company-1.
- (ii) 475 (Four Hundred Seventy Five) New Equity Shares of Rs.10/- (Rupees Ten only) each credited as fully paid-up of Equinox, the Transferee Company to be issued for every 1000 (One Thousand) equity shares of the face value of Rs.10/- (Rupees Ten only) each held by the Equity shareholders in PCL, the Transferor Company-2.

12.2 Upon the Scheme becoming effective, the new Equity Shares of the Transferee Company to be issued and allotted to the shareholders of the Transferor Companies shall be subject to the Scheme and the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank paripassu in all respects including dividends with the then existing equity shares of Transferee Company. The issue and allotment of new Shares by the Transferee Company to the shareholders of the Transferor Companies as provided in the Scheme is an integral part hereof and shall be deemed to have been carried out pursuant to the Act.

12.3 No fractional entitlements shall be issued in favour of any member of any of the Transferor Companies holding Equity Shares of the respective Transferor Company in respect of the fractional entitlements if any, to which he may be entitled on issue or allotment of the shares of the Transferee Company as aforesaid. The same shall be consolidated and rounded up the aggregate of such fractions to the next whole number.

12.4 Mr. Mohit Jayeshbhai Solanki, Independent Registered valuer, having IBBI Registration No. IBBI/RV/06/2022/14822, has issued a report on the valuation of shares and have recommended the Fair and Reasonable Exchange Ratio for the new shares to be issued

by the Transferee Company to the Equity Shareholders of the Transferor Company-1 and to the shareholders of the Transferor Company-2.

12.5 Upon coming into effect of this Scheme, the Equity shares held by the Avikal, the Transferor Company-1 in Equinox, the Transferee Company shall stand automatically cancelled with effect from the Effective Date without any further application, act or deed. The same shall result into consequential reduction in the share capital of Equinox, the Transferee Company. However, considering the new shares being issued by the Transferee Company, there shall not be Net Reduction in the Issued, Subscribed and Paid Up Share Capital of the Transferee Company.

12.6 Upon coming into effect of this Scheme, the Equity shares of Perfect Connections the Transferor Company-2, held by Avikal, the Transferor Company-1 and Equinox, the Transferee Company shall stand automatically cancelled with effect from the Effective Date without any further application, act or deed. New shares of Equinox, the Transferee Company shall not be issued against these shares.

12.7 The resolution for approval of this Scheme by the shareholders of both the Companies shall be deemed to be the due compliance of the provisions of Section 42, Section 62 and Section 66 of the Companies Act, 2013 and the other relevant and applicable provisions of the Act for the issue and allotment of shares by the Transferee Company to the shareholders of Transferor Companies as provided in the Scheme.

13. ACCOUNTING TREATMENT

13.1 Notwithstanding anything in the other parts of the Scheme, the amalgamation of the Transferor Companies with the Transferee Company shall be accounted for in the books of account of the Transferee Company in accordance with 'Pooling of Interest Method' of accounting as per Accounting Standard 14 (AS-14) prescribed under Section 133 of the Act, which is applicable to the Transferee Company since this is a common control business combination.

13.2 Upon the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as under:

- (a) All the assets including intangible assets, whether or not recorded in the books of the Transferor Companies and liabilities of the Transferor Companies, including reserves shall stand transferred to the Transferee Company, and shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form as at the Appointed Date.
- (b) The investments in the share capital of Transferor Companies shall stand cancelled and corresponding effect shall be given in the books of accounts and records of the Transferee Company.
- (c) Inter-company balances and dues, if any, between the Transferor Companies and the Transferee Company shall stand cancelled and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- (d) The difference between the net assets (assets less liabilities) and reserves of the Transferor Companies shall be transferred to the Transferee Company, and shall be adjusted in the capital reserve of the Transferee Company.
- (e) It is hereby clarified that pursuant to this Scheme, all transactions conducted during the period between the appointed date and the effective date relating to the Transferor Companies would be duly reflected in the Financial Statements of the Transferee Company, upon the Scheme coming into effect.

13.3 In case of any differences in accounting policy between the Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference till the Appointed Date will be quantified and adjusted in the Profit and Loss account, to ensure that the financial statements of the Transferee Company reflects the financial position on the basis of a consistent accounting policy.

14. CONSOLIDATION OF AUTHORISED SHARE CAPITAL AND AMENDMENT TO MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE TRANSFEE COMPANY

A. CAPITAL CLAUSE:

14.1 As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorized share capital of the Transferor Companies shall be deemed to be combined with the authorized share capital of the Transferee Company, without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to the RoC and the stamp duty and fees paid by the Transferor Companies on its authorized share capital shall be set-off against any stamp duty and fees

payable by the Transferee Company on any increase in the authorized share capital of the Transferee Company pursuant to the Scheme.

14.2 Consequently, Clause V of the Memorandum of Association and Clause 5 of the Articles of Association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to applicable provisions of the Act. Clause V of the Memorandum of Association of the Transferee Company in Post Scheme scenario shall be as follows:

“The Authorised Share Capital of the company is Rs. 2,30,00,000/- (Two Crores Thirty Lakhs Only) comprising Equity Share Capital of Rs. 2,29,20,000 (Two Crores Twenty Nine Lakhs Twenty Thousand Only) divided into 22,92,000 (Twenty Two Lakhs Ninety Two Thousand) Equity Shares of Rs.10/- (Rupees Ten) each and Preference Share Capital of Rs. 80,000 (Eighty Thousand) divided into 8,000 (Eight Thousand) Preference Shares of Rs. 10/- (Rupees Ten) each with rights, privileges and conditions attaching thereto as may be determined by the Board of Directors of the Company at the time of the issue with power to increase and reduce the capital for the company and to divide the share capital for the time being into several classes and to attach there to respectively such preferential, deferred, guaranteed, qualified or special rights, privileges and conditions as may be determined by the Board of the Directors of the company and to vary, modify, amalgamate or abrogate any such rights privileges or conditions in such manner as may for the time being provided by the Resolution of the Board of Directors of the Company”

B: OBJECTS CLAUSE:

14.3 In order to enable Equinox, the Transferee Company to carry on the commercial activities of Avikal, the Transferor Company-1 and PCL, the Transferor Company-2, the following shall be added to the Main Objects clause of MOA of Equinox- after the existing clause:

- “(i) To prompt, represent, organize, undertake, establish, conduct, handle, arrange, manage, owe, Operate, participate, facilitate, sponsor, encourage and provide the business as package tour Operators for religious, educational and picnic purposes; daily passenger service operators, Conducted tour operators; traveling agent for booking and reserving accommodation, seats, Berths, compartments, coupes, complete bogies on railways, motor ships, motor boats, Aeroplanes, steamships, motor bus and omnibuses; vehicle booking agent, hotel booking Agents; authorized railway ticket booking agent, ship booking agent authorized airlines ticket Booking agent, cargo agents, representatives of other travelling agencies, courier service Agents, correspondents parcel and postage boding agents, telephone booth operators to Provide necessary services for passport and visa; to handle conference and meeting; to handle Inward foreign tourist activities in India and abroad; to provide for guides, safe deposits and Baggage transport; to act as an agents of bankers and to arrange travellers, cheques, coupon Drafts and other modes of foreign exchange on their behalf; to publish magazines, bulletins And other literatures for tourism; export and import agent and to own, engage, hire, let on Hire, contract or arrange buses, coaches, bogies, charter steamships, Air taxis, charter flights, Helicopters, motor launchers, boats, taxis, rickshaws, tangas, baggis and other vehicles for Tourists and passengers and to provide such facilities for national and international tourists As many be incidental or necessary for the accomplishment of above objects.
- (ii) To buy, purchase, sell, take on lease, give on lease, exchange or otherwise acquire lands, building, flats, godowns, warehouses, cold storages, industrial estates and hereditaments of any tenure or description in India or elsewhere whether for residential, commercial business manufacturing or other purpose and any rights, easements, advantages and privileges relating thereto and either for investment or sell or for trafficking in the same and to deal the same into account as may seem expedient and to alter, improve, decorate, develop, furnish and maintain offices, flats, houses, factories, warehouses, godowns, shops, buildings industrial estates, cold storages and other structures, works and conveniences of all kinds on any of the lands or immovable properties purchased or acquired by the Company
- (iii) To carry on business as general merchants, buyers, sellers, traders, importers, exporters, brokers, dealers, distributors, stockiest, franchiser, representatives and commission agents in merchandise, goods, machinery and equipments including agricultural products, aquaculture, horticulture, floriculture, hatcheries, tobacco products, food & dairy products, sugar, apparel, Textile, glass and glass products, cosmetics, paints, varnishes, dyes & pigments, oil & lubricants, personal care products, pharmaceuticals, fertilizers, pesticides, precious & semiprecious stones, diamonds, tea, coffee, granites, marble and other stones, pipes, tubes, cement and cement products, paper, plastic and plastic products, moulded luggage, packing and packing materials, rubber & rubber products, musical & sports goods, electrical goods, computer peripherals, hardware, software,

entertainment/electronic media software and domestic appliances, consumer durables & non-durables, Power equipments, solar & renewable energy, equipments for hospitality industry and to provide all kind of services related to above and to establish and manage institutes for skill development, up-gradation, education for of all kinds including management, general and specialized skill building, technical, scientific, literary, commercial and other general disciplines and also other specialized educational and vocational courses and fields.”

14.4 Under the accepted principle of Single Window Clearance, it is hereby provided that the above referred amendment in MOA viz. Change in the Capital Clause as well as Objects Clause shall become operative on the Scheme being effective by virtue of the fact that the shareholders of the Resulting Company, while approving the Scheme as a whole, have also resolved and accorded the relevant consents as required respectively under Section 13, 14 , 61 & 64 of the Companies Act, 2013 or any other provisions of the Act and shall not be required to pass separate resolutions as required under the Act.”

THE FEATURES SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME OF ARRANGEMENT, THE EQUITY SHAREHOLDERS OF THE APPLICANT TRANSFEREE COMPANY ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME OF ARRANGEMENT TO GET THEMSELVES FULLY ACQUAINTED WITH THE PROVISIONS THEREOF.

11. The proposed Scheme was placed before the Board of Directors of all the Applicant Companies on 18th November 2022. The Board of Directors of all the Applicant Companies passed a resolution by which it was resolved that the Scheme of Arrangement in the nature of Amalgamation placed before the Board be submitted to National Company Law Tribunal.

Pursuant to the same, The Application has been filed jointly by all the three Applicant Companies, viz. Avikal Tradelink Private Limited, Perfect Connections Limited (Transferor Companies) and Equinox Solutions Limited (Transferee Company) before the Ahmedabad Bench of the National Company Law Tribunal for the sanction of the Scheme under Section 230 read with Section 232 of the Companies Act, 2013.

12. Directors, Promoters and Key Managerial Personnel:

- a) The Directors of both the Transferor Companies and Transferee Company may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in the companies, or to the extent the said Directors are common Directors in the companies, or to the extent the said Directors are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/or beneficiary of trust, that hold shares in any of the Companies. The shareholding of the Directors of all the three companies is annexed herewith as Annexure-A.
- b) Key Managerial Personnel (KMPs) other than Directors and their relatives may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding directly in the respective companies that are the subject of the Scheme. None of the KMPs of any of these companies hold any shares in any of these companies.
- c) Save as aforesaid, none of the Directors and KMPs of the Transferor Companies and the Transferee Company and their relatives have any material concern or interest, financial and / or otherwise in the Scheme.

13. The Capital Clause V of MOA of Equinox shall be modified upon consolidation of Authorised Capital of the Transferor Companies with that of the Transferee Company as follows:

“The Authorised Share Capital of the company is Rs. 2,30,00,000/- (Two Crores Thirty Lakhs Only) comprising Equity Share Capital of Rs. 2,29,20,000 (Two Crores Twenty Nine Lakhs Twenty Thousand Only) divided into 22,92,000 (Twenty Two Lakhs Ninety Two Thousand) Equity Shares of Rs.10/- (Rupees Ten) each and Preference Share Capital of Rs. 80,000 (Eighty Thousand) divided into 8,000 (Eight Thousand) Preference Shares of Rs. 10/- (Rupees Ten) each with rights, privileges and conditions attaching thereto as may be determined by the Board of Directors of the Company at the time of the issue with power to increase and reduce the capital for the company and to divide the share capital for the time being into several classes and to attach there to respectively such preferential,

deferred, guaranteed, qualified or special rights, privileges and conditions as may be determined by the Board of the Directors of the company and to vary, modify, amalgamate or abrogate any such rights privileges or conditions in such manner as may for the time being provided by the Resolution of the Board of Directors of the Company”

14. The copy of the proposed Scheme is being filed by the Companies before the concerned Registrar of Companies.
15. The audited Accounting Statements of the Transferor Companies and the Transferee Company as on 31st March, 2022 and unaudited financial results of all the Companies for the period ended on 31st March, 2023 are enclosed as **Annexure D** to this Notice.
16. Details of capital restructuring:
- (i) Upon coming into effect of this Scheme, the Equity shares of Perfect Connections the Transferor Company-2, held by Avikal, the Transferor Company-1 and Equinox, the Transferee Company shall stand automatically cancelled with effect from the Effective Date without any further application, act or deed. New shares of Equinox, the Transferee Company shall not be issued against these shares.
- (ii) Upon coming into effect of this Scheme, the Equity shares held by the Avikal, the Transferor Company-1 in Equinox, the Transferee Company shall stand automatically cancelled with effect from the Effective Date without any further application, act or deed. The same shall result into consequential reduction in the share capital of Equinox, the Transferee Company. However, considering the new shares being issued by the Transferee Company, there shall not be Net Reduction in the Issued, Subscribed and Paid Up Share Capital of the Transferee Company.
17. Amounts due to secured creditors (as on 31st March 2023)
 Avikal—Rs. NIL
 PCL-Rs. 1,46,02,336/-
 Equinox- Rs. 26,12,22,874/--(Including Fund Based Rs.9,49,22,943/- & Non Fund Based Rs.16,62,99,931/-)
18. Amounts due to unsecured creditors (as on 31st March 2023)
 Avikal—Rs. NIL
 PCL-Rs. 50,19,439/-
 Equinox- Rs. 31,01,73,759/-
19. Disclosure about effect of the compromise or arrangement on:

Sr. No.	Particulars	Transferee Company	Transferor Companies
A	Key Managerial Personnel (KMP)	No Effect	Shall cease to be KMPs
B	Directors	No Effect	Shall cease to be Directors
C	Promoters	No effect	Shall cease to be promoters.
D	Non-promoter members	No effect as there is no non-promoter member in any company.	
E	Depositors	No Effect as none of the Companies have accepted any deposits	
F	Creditors	No Effect	Creditors, of Transferor Companies shall become the creditors of the Transferee Company and paid off in the ordinary course of business. Inter-company creditors, if any, would get cancelled.

G	Debenture holders	Not applicable as none of the Companies have issued any debentures	
H	Deposit trustee and debenture	Not applicable as none of the Companies have any Deposit trustees or Debenture trustees.	
I	Employees of the company	No adverse effect	No adverse effect as employees of Transferor Companies as on effective date will become employees of the Transferee Company

20. There are no investigation or proceedings pending against any of the companies.

21. Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed scheme of compromise or arrangement.

Notice under Section 230(5) of Companies Act, 2013 is being given to the Central Government, Registrar of Companies and Income Tax Authorities in respect of all Companies.

Notice under Section 230(5) of Companies Act, 2013 is being given to the Official Liquidator in respect of Transferor Companies.

22. General:

- i. The rights and interests of the Equity Shareholders, Secured or Unsecured Creditors of the Applicant Companies will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all called from them nor their rights sought to be modified in any manner.
- ii. There are no winding up proceedings or any proceedings under the Insolvency and Bankruptcy Act, pending against any of the Applicant Companies as of date.
- iii. The following additional documents will be open for inspection to the Secured and Unsecured Creditors of all Applicant Companies at the Registered Office between 11.00 am to 1.00 p.m. on all working days (except Saturday and Sunday) upto one day prior to the date of meeting:
 1. Audited financial results of all the Applicant Companies as on 31st March 2022
 2. Unaudited financial results of all the Applicant Companies as on 31st March 2023
 3. Papers and proceedings in Company Application No. 33 of 2023 including certified copy of the Order of the Ahmedabad Bench of the National Company Law Tribunal in the said Company Application dispensing with the meetings of Equity Shareholders of all Applicant Companies and meetings of secured and unsecured creditors of Transferor Company-1 and directing the convening and holding of the meetings of the Secured and Unsecured Creditors of two of the Applicant Companies;
 4. Copy of Scheme of Arrangement;
 5. Memorandum of Association and Articles of Association of all Applicant Companies.
 6. Valuation Report dated 18th November 2022 provided by Mr. Mohit Jayeshbhai Solanki, Chartered Accountants and Registered Valuers;
 7. Copy of the Statutory Auditors' certificates dated 16th March 2023 for the Applicant Transferor Companies issued by M/s Parikh, Shah & Associates and for the Transferee Company issued by CNK Khandawala certifying that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013
 8. Copies of the resolutions passed by the Board of Directors of Transferor Companies and Transferee Company dated 18th November 2022, approving the Scheme.
- iv. A copy of the Scheme, Explanatory Statement may be obtained free of charge on any working day (except Saturday and Sunday) from the Registered Office of the Applicant Companies or / and at the office of Advocates Mrs. Swati Saurabh Soparkar, situated at 301, Shivalik 10, Opp. SBI Zonal Office, S.M. Road, Ambawadi, Ahmedabad-380015, in the state of Gujarat..
- v. This statement may be treated as an Explanatory Statement under Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Section 102 and other applicable provisions of the Companies Act, 2013

Sd/
Amar N Bhatt

Dated : 12th June, 2023

Chairman appointed for the Meetings

Registered Office:

41, NOBLES, A Building,
Ashram Road, Ahmedabad 380009
in the state of Gujarat.

ANNEXURE - A

Avikal Tradelink Pvt Ltd			
Director Shareholding as on 31st March 2023			
Sr No	Name & Address of members	No. of Shares held	%OF Shares
1	Naishadh Indrakant Parikh	407501	40.00%
2	Neena Naishadh Parikh	308025	30.24%

Equinox Solutions Limited			
Director Shareholding as on 31st March 2023			
Sr No	Name & Address of members	No. of Shares held	%OF Shares
1	Naishadh Indrakant Parikh	44000	4.02%
2	Neena Naishadh Parikh	4950	0.45%
3	Ashit Parikh	600	0.05%

Perfect Connections Ltd			
Director Shareholding as on 31st March 2023			
Sr No	Name & Address of members	No. of Shares held	%OF Shares
1	Naishadh Parikh & Neena Parikh	3750	0.025%
2	Neena Parikh & Naishadh Parikh	3750	0.025%
3	Naishadh Indrakant Parikh	3750	0.025%