ALLCARGO LOGISTICS LIMITED

Regd. Office: Avashya House, 6th Floor, CST Road, Kalina, Santacruz (East), Mumbai – 400 098
Tel Nos.: +91 22 6679 8100/2667 5800 Fax No. : +91 22 6679 8195
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COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS
Day : Monday
Date : February 25, 2013
Time : 11.00 A.M.
Venue : Avashya House, 5th Floor, CST Road, Kalina, Santacruz (East), Mumbai – 400 098

CONTENTS ..... PAGE NO.

Notice of Court Convened Meeting of the Equity Shareholders of Allcargo Logistics Limited 2

Explanatory Statement under Section 393 of the Companies Act, 1956 4

Scheme of Amalgamation under Sections 391 to 394
read with Section 78, 100 to 103 of the Companies Act, 1956 12

Form of Proxy 21

Attendance Slip 23

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 59 OF 2013

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 read with Section 78, 100 to 103 of the Companies Act, 1956;

AND

In the matter of MHTC Logistics Private Limited, a Company incorporated under the provisions of the Companies Act, 1956 having its registered office at Avashya House, 3rd Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098, Maharashtra, India.

AND

In the matter of Scheme of Arrangement between MHTC Logistics Private Limited, Allcargo Logistics Limited and their respective shareholders and creditors.

Allcargo Logistics Limited, a Company incorporated under the provisions of the Companies Act, 1956 having its Registered Office at Avashya House, 6th Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098

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NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS OF ALLCARGO LOGISTICS LIMITED, THE APPLICANT COMPANY

To,

The Equity Shareholders of **Allcargo Logistics Limited**, the Applicant Company:

TAKE NOTICE that by an Order made on the 24th day of January, 2013, in the above Company Summons, the Hon'ble High Court of Judicature at Bombay has directed that a meeting of the Equity Shareholders of Allcargo Logistics Limited, the Applicant Company, be convened and held at Avashya House, 5th Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098 on Monday, 25th day of February, 2013 at 11.00 a.m., for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed arrangement embodied in the Scheme of Arrangement between Allcargo Logistics Limited and MHTC Logistics Private Limited and their respective Shareholders and Creditors.

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the Equity Shareholders of Allcargo Logistics Limited, the Applicant Company, will be held at Avashya House, 5th Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098 on Monday, 25th day of February, 2013 at 11.00 a.m., at which place, day, date and time you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorized representative, is deposited at the Registered Office of the Applicant Company at Avashya House, 6th Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098, not later than 48 hours before the said meeting.

The Hon'ble High Court has appointed Mr. Shashi Kiran Shetty, Chairman and Managing Director of the Applicant Company, and failing him, Mr. Keki Elavia, Independent Non Executive Director of the Applicant Company, and failing him, Mr. Adarsh Hegde, Executive Director of the Applicant Company to be the Chairman of the said meeting.

A copy of the Statement under Section 393 of the Companies Act, 1956, Scheme of Arrangement, Attendance Slip and Form of Proxy are enclosed.

Dated this 28th day of January, 2013

Sd/-

Shashi Kiran Shetty

Chairman appointed for the meeting

Registered office:

Avashya House, 6th Floor,

CST Road, Kalina, Santacruz (East),

Mumbai 400 098

Notes:

1. All alterations made in the Form of Proxy should be initialed.
2. Only registered shareholders of the Applicant Company may attend and vote (either in person or by proxy or by Authorised Representative under Section 187 of the Companies Act, 1956) at the Equity Shareholders' meeting. The representative of a body corporate which is a registered Equity Shareholder of the Applicant Company may attend and vote at the Equity Shareholders' meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate is deposited at the registered office of the Applicant Company not later than 48 hours before the meeting authorizing such representative to attend and vote at the Equity Shareholders' meeting.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 59 OF 2013

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 read with Section 78, 100 to 103 of the Companies Act, 1956;

AND

In the matter of MHTC Logistics Private Limited, a Company incorporated under the provisions of the Companies Act, 1956 having its registered office at Avashya House, 3rd Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098, Maharashtra, India.

AND

In the matter of Scheme of Arrangement between MHTC Logistics Private Limited, Allcargo Logistics Limited and their respective shareholders and creditors.

Allcargo Logistics Limited, a Company incorporated under the provisions of the Companies Act, 1956 having its Registered Office at Avashya House, 6th Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098

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EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. Pursuant to an Order dated 24th day of January, 2013 passed by the Hon'ble High Court of Judicature at Bombay in the Company Summons referred to hereinabove, a meeting of the Equity Shareholders of Allcargo Logistics Limited, the Applicant Company, is being convened at Avashya House, 5th Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098 on Monday, 25th day of February, 2013 at 11.00 a.m., for the purpose of considering and if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Arrangement between Allcargo Logistics Limited ('ALL' or 'the Transferee Company' or 'the Applicant Company') and MHTC Logistics Private Limited ('MHTC' or 'the Transferor Company') and their respective Shareholders and Creditors ('the Scheme' or 'this Scheme').

2. In this statement, Allcargo Logistics Limited is hereinafter referred to as 'ALL' or 'the Applicant Company' or 'Transferee Company' and MHTC Logistics Private Limited as 'MHTC' or 'the Transferor Company'. The other definitions contained in the Scheme shall apply to this Explanatory Statement also.

3. The proposed Scheme envisages amalgamation of Transferor Company with the Applicant Company with effect from April 1, 2012 ('The Appointed Date') pursuant to the relevant provisions of the Companies Act, 1956.

4. A copy of the Scheme setting out in detail the terms and conditions of the amalgamation which has been approved by the Board of Directors of the Applicant Company and Transferor Company at their respective meetings held on August 7, 2012, is attached and forms part of this explanatory statement.

5. The background of both the Companies involved in the Scheme are as under:

   5.1 Allcargo Logistics Limited:

   (a) The Applicant Company was incorporated on August 18, 1993 under the name of All Cargo Movers (India) Private Limited. The name of the Applicant Company was changed from All Cargo Movers (India) Pvt. Ltd. to Allcargo Movers (India) Pvt. Ltd. with effect from June 25, 2004. The name of the Applicant Company was further changed to Allcargo Global Logistics Pvt. Ltd. with effect from December 8, 2005. On becoming a Public Company, the name of the Applicant Company was changed to Allcargo Global Logistics Ltd. with effect from January 17, 2006. The name of the Applicant Company was further changed to Allcargo Logistics Limited with effect from July 29, 2011.

(b) The Registered Office of the Applicant Company is situated at Avashya House, 6th Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098.

(c) The authorized, issued, subscribed and paid-up share capital of the Applicant Company as on March 31, 2012 was as under:

Share Capital	**Rupees**
Authorized Share Capital	
175,000,000 Equity Shares of Rs.2 each	350,000,000
	350,000,000
Issued, Subscribed and Paid Up	
130,547,322 Equity Shares of Rs.2 each fully paid-up	261,094,644
	261,094,644

Post March 31, 2012, the Applicant Company has announced the buyback of its equity shares from the open market through stock exchanges in accordance with the provisions of Sections 77A, 77AA and 77B of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended. Pursuant to the buyback of shares, the Applicant Company has bought back 4,136,314 equity shares of Rs.2 each from the shareholders of the Company. Consequently, the issued, subscribed and paid up capital after such buyback of shares is Rs.252,822,016/- divided into 126,411,008 equity shares of Rs.2 each.

(d) The Equity Shares of the Applicant Company are listed on BSE Limited and National Stock Exchange of India Limited.

(e) The objects of the Applicant Company as set out in the Memorandum of Association are as follows:

i. To carry on the business of storage, warehousing, transportation and handling of all kinds of cargo, whether containerized or not, from any port station to any container freight station or to any inland container depot and freight carriers, transportation of goods, animals or passengers from place to place either by land or by air, sea or partly by sea and partly by land or air, whether by means of motor vehicles and/or aeroplanes or other means of transport, to establish and to construct and operate container freight stations, inland container depots, and allied activities and operate railway sidings and to own, lease, use container and deploy the containers in the business of international freight forwarding by means of road, sea, transport and multimodal transport, and to carry on the business of clearing & shipping agent, hires, fleet owners of trucks, trailors, cranes bulldozers and all types of earth moving equipments and machines.

ii. To undertake and carry on the business of carriers, shipowners, ship brokers, ship agents, ship underwriters, ship managers, tug-owners, freight brokers, freight contractors, carriers of good and passengers by land air and water, transport haulage and general contractors, barge owners, and wharfingers.

iii. To carry on activities connected with transport business with store houses, godowns, warehouses and other buildings for the housing and repairs of trucks, lorries, motor cars and omnibuses and for storage of fuel and other oils required for the working of the said vehicles and maintaining garages

iv. To undertake and carry out consolidation, containers, packaging, packaging of all types, forwarding agents, domestic and all India freight carrier service on board service, specifically fragile and/or special articles, undertake collection of goods from various parts and from various places, to undertake\ on “Turnkey Basis” transport of goods from manufacturing place to the customs, completing all formalities of excise, customs, octroi, insurance documentation for banking and shipping, invoices reports, engineering plans, prints, tenders, product literature, inter-office-correspondence all samples of clothing, machine parts, slides, transparencies, diskettes, computer tapes, samples of unrestricted items, gifts parcels the service draw the line however, at foodstuffs, liquor and tobacco.

v. To co-operate and reciprocate with Transporters and Carriers in India for rendering every assistance, financial or otherwise, in meeting any unforeseen crisis and adopting means to disseminate true and helpful information and knowledge amongst the clients in particular and the public a general about the transport and other business of the Company of Transport and Carriers business in India

vi. To carry on the business as clearing, forwarding and carting, agents and contractors and to hire or charter motor bus, motor lorries, trucks, motor cars, wagons, carts and carriages of every descriptions, taxis for the purpose of carrying goods

(f) The Applicant Company commenced the business of providing comprehensive logistic solutions for national and international trade, warehousing, transportation and handling of all kinds of cargo, running container freight stations and shipping agents, as also other businesses as permitted by its Memorandum of Association ever since August 1993. The Applicant's operations are spread across the globe. The present operations of the Applicant Company comprise of the following five key areas of the logistics business:

* Multi-modal Transport Operations

* Inland Container Depot / Container Freight Stations

* Project & Engineering Solution

* Warehousing

5.2 MHTC Logistics Private Limited:

(a) The Transferor Company was incorporated on April 8, 1986 under the name of Material Handling & Transport Consultants (India) Private Limited. On becoming a Public Company, the name of the Transferor Company was changed to Material Handling & Transport Consultants (India) Limited with effect from June 28, 1996. The name of the Transferor Company was further changed to MHTC Logistics Limited with effect from August 5, 1996. In the year 2007, the Transferor Company was converted from Public Company to Private Company and accordingly the name of the Transferor Company was changed from MHTC Logistics Limited to MHTC Logistics Private Limited with effect from September 25, 2007.

(b) The Registered Office of the Transferor Company is situated at Avashya House, 3rd Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098.

(c) The authorized, issued, subscribed and paid-up share capital of Transferor Company as on March 31, 2012 is as under:

Share Capital	**Rupees**
Authorized Share Capital	
495,000 Equity Shares of Rs.10 each	4,950,000
500 4% Cumulative Redeemable Preference Shares of Rs.100 each	50,000
TOTAL	**5,000,000**
Issued, Subscribed and Paid Up	
200,000 Equity Shares of Rs.10 each fully paid-up	2,000,000
TOTAL	**2,000,000**

Post March 31, 2012, there is no change in the share capital of the Transferor Company.

(d) The Equity Shares of Transferor Company are not listed on any Stock Exchange.

(e) The objects of the Transferor Company as set out in the Memorandum of Association are as follows:

(i) To undertake contracts for, to provide services in connection with, to render consultancy on and to act as clearing and forwarding agents, in relation to:

(a) Transportation and handling of all kinds of cargo and materials including over-dimensional or odd shaped cargo in any part of the world by land, sea, air or any other modes of conveyance.

(b) Acquisition, by purchase, lease, hire or otherwise; erection and/or operation of cranes or other plant and machinery necessary and suitable for handing and transportation of any type of materials and goods in any part of the world.

(c) Setting up projects including undertaking of turnkey contracts for the purposes of handing and transportation of goods and materials, including making available by purchase or otherwise, cranes, vehicles, erection and transport equipment and such other plant and machinery required for handing and transportation of cargo.

(ii) To own, purchase, charter, hire or otherwise acquire, sell, exchange or deal with, operate, trade in or with or acquire any share or interest in steamship or other ships, boats, vessels, trucks or other vehicles piled on road, railways, aircraft or other means of transport and conveyance of any description propelled or worked or capable of being propelled or worked by or with the help of steam, electricity, Petrol, oil, gas or any other motive power, with all equipment and furniture, and to employ the same for carriage or conveyance of passengers, mails and freight and for any other purpose including the conveyance of troops, munitions of war, live stock, corn and other produce, machinery and goods, merchandise and food articles of whatsoever nature or kind between such ports and places in any part of the world as may seem expedient, and also to acquire or obtain any postal or other subsidy etc. and generally to establish, maintain and operate lines or regular services of steamships or other vessels and other transport vehicles on such trade routes and services as may be allotted to the Company.

(iii) To purchase, own , maintain, repair, replace, restore, sell or dispose of engines, boilers, machinery, component parts, accessories and fittings, required for ships or vessels, cranes and other erection equipments, trucks, and other vehicles, used for transportation, of any description or kind.

(f) MHTC is engaged in the business of, inter alia,

* Project Logistics

* Freight Forwarding

6. The Applicant Company is now proposing amalgamation of the Transferor Company with the Applicant Company through a Scheme of Arrangement under Section 391 to 394 read with Section 78, 100 to 103 of the Companies Act, 1956.

7. The above arrangement has been proposed considering the following:

a) ALL is in the phase of integration and consolidation of its logistics business with a view to provide world class logistic services to various business constituents and the society at large by spreading its footprint domestically and globally. In its process of integration and consolidation, ALL has successfully acquired various companies in the recent past.

b) There exist synergies in the business of ALL and MHTC and the amalgamation of the two entities would consequently result in managing the Project Logistics and Freight Forwarding Business through a single network. It will thus be possible to combine the business of MHTC with the business of ALL under one umbrella without incurring avoidable expenditure on infrastructure and staff and will enable ALL to avail ventures of an industrial and commercial nature.

c) ALL will be in a better position to avail of the financial, managerial, technical, distribution and marketing and other capital resources of MHTC and its expertise in the Project Cargo and Freight Forwarding business. Such an arrangement will enable the merged entity to expand the business operations with minimum additional cost and shortest possible time;

d) The financial position of the merged entity will be better as compared to that of the stand-alone entities;

e) The integration proposed would enables cost savings, optimum utilization of available resources, will make management control systems more efficient and effective which will enhance the management focus thereby not only leading to higher profitability but will also increase the shareholder's value of both companies.

f) In furtherance to its aforesaid objects and in view of existence of business synergies between ALL and MHTC, and to enhance shareholders value, ALL intends to acquire MHTC in accordance with the provision of this Scheme of Amalgamation.

8. The proposed arrangement was placed before the Board of Directors of the Applicant Company and the Transferor Company on August 7, 2012.

9. The salient features of the Scheme are as follows:

i) The Scheme of Arrangement, inter-alia, provides for the amalgamation of the Transferor Company, which is the wholly owned subsidiary of Applicant Company, with the Applicant Company pursuant to Section 391 to 394 read with Section 78, 100 to 103 and other relevant provisions of the Companies Act, 1956.

ii) Appointed Date for the Scheme will be April 1, 2012 or such other date as may be fixed or approved by the High Court of Judicature at Bombay.

iii) On the amalgamation of the Transferor Company with the Applicant Company, the entire undertaking of the Transferor Company as on the appointed date shall, subject to the provisions in relation to the mode of vesting and pursuant to Section 394(2) of the Act, without any further act or deed, stand transferred to and vested in Applicant Company and form part of the undertaking of Applicant Company.

iv) In respect of such of the assets of the Transferor Company, including cash and bank balances, as are movable in nature or are otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, the same shall be so transferred by the Transferor Company, and shall become the property of the Applicant Company as an integral part of the Undertaking.

v) In respect of such of the assets belonging to the Transferor Company other than those referred to in sub-clause (iv) above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Applicant Company on the Appointed Date, pursuant to the provisions of Section 394 of the Act.

vi) All assets acquired by the Transferor Company after the Appointed Date and prior to the Effective Date for operations of the Transferor Company shall also stand transferred to and vested in the Applicant Company, upon the coming into effect of the Scheme.

vii) Upon the coming into effect of the Scheme, the liabilities and obligations of the Transferor Company as mentioned therein as on the Appointed Date, shall be deemed to have been transferred to the Applicant Company and to the extent they are outstanding on the Effective Date shall, without any further act or deed be and stand transferred to the Applicant Company and shall become the liabilities and obligations of the Applicant Company which shall undertake to meet, discharge and satisfy the same.

viii) The Applicant Company undertakes to engage, on and from the Effective Date, all employees of the Transferor Company who are working exclusively for the Transferor Company and such other employees of the Transferor Company who are transferred to the Applicant Company, and which employees are in the employment of the Transferor Company as on the Effective Date ("Transferred Employees"), on the same terms and conditions on which they are engaged by the Transferor Company, without any interruption of service as a result of the amalgamation. The Applicant Company undertakes to continue to abide by any agreement or settlement entered into by the Transferor Company with any union/employee of the Transferor Company being the Transferred Employees. The Applicant Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of the Transferred Employees with the Transferor Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

ix) In so far as the existing provident fund trusts, gratuity fund and pension and/or superannuation fund trusts created by the Transferor Company for its Employees (including the Transferred Employees) are concerned, the part of the funds referable to the Transferred Employees shall be continued for the benefit of the Transferred Employees pursuant to this Scheme in the manner provided hereinafter. The Applicant Company shall take all necessary steps to set up its own funds as soon as practicable from the Effective Date. In the event that the Applicant Company has set up its own funds in respect of any of the funds of the Transferor Company referred to above, the amounts in such funds in respect of contributions pertaining to the Transferred Employees of the Transferor Company shall, subject to the necessary approvals and permissions, if any, be transferred to the relevant funds of the Applicant Company. Until such time that the Applicant Company creates its own fund, the Applicant Company may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the Transferred Employees to the relevant funds of the Transferor Company and at the time that the Applicant Company creates its own fund, the contributions pertaining to the Transferred Employees shall be transferred to the funds created by the Applicant Company.

x) Any tax liabilities under the Income Tax Act, 1961, Fringe Benefit Tax Laws, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, Central Sales Tax Act, 1956 and any other state sales tax/value Added Tax laws, Service Tax or other applicable laws/regulations dealing with taxes/duties/levies/cess (hereinafter in this Clause referred to as "Tax Laws") allocable or related to the Transferor Company to the extent not provided for or covered by tax provisions in the Accounts made as on date immediately preceding the Appointed Date shall be transferred to the Applicant Company. Any surplus in the provision for taxation/duties/levies accounts including advance tax and TDS as on the date immediately preceding the Appointed Date shall be transferred to account of and belong to the Applicant Company.

xi) All pending legal proceedings of whatever nature filed by or against the Transferor Company, shall not abate or be discontinued or in any way prejudicially affected by reason of the amalgamation, but the said legal proceedings may be continued, prosecuted and enforced by or against the Applicant Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

xii) All contracts, deeds, bonds, agreements and other instruments of whatever nature to which Transferor Company is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of the Applicant Company, and may be enforced by or against the Applicant Company as fully and effectually as if, instead of the Transferor Company, the Applicant Company had been a party thereto.

xiii) The entire issued, subscribed and paid-up share capital of the Transferor Company is held by the Applicant Company. Hence, upon the Scheme becoming effective, no shares of the Applicant Company shall be issued and allotted in lieu or exchange of its holding in the Transferor Company and the share capital of the Transferor Company shall stand cancelled

xiv) The Transferor Company is holding 373,491 equity shares of Rs.2 each fully paid up of the Applicant Company prior to it becoming the subsidiary of the Applicant Company and hence upon the Scheme becoming effective, the shares of the Applicant Company held by the Transferor Company shall also stand cancelled and consequently would result in the reduction of share capital of the Applicant Company to that extent.

xv) Upon sanction of this Scheme, the Authorised Share Capital of the Applicant Company shall automatically stand increased without any further act, instrument or deed on the part of the Applicant Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorised share capital of the Transferor Company as on the Effective Date.

xvi) On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

xvii) No consideration shall be payable to the shareholders of the Transferor Company on transfer and vesting of the Transferor Company, as the Transferor Company is the wholly owned subsidiary of the Applicant Company and the Applicant Company, being the sole shareholder of the Transferor Company, has waived its right to be allotted and receive any shares of the Applicant Company arising on amalgamation of Transferor Company with the Applicant Company.

xviii) "Effective Date" means the later of the dates on which certified copies of the Order of the Hon'ble Bombay High Court vesting the assets, properties, liabilities, rights, duties, obligations and the like of the Transferor Company in the Applicant Company are filed with the Registrar of Companies, Mumbai, Maharashtra after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary therefore.

xix) ALL will account for the amalgamation in its books as follows:

a) The investments in the equity share capital of the Transferor Company as appearing in the books of accounts of the Applicant Company, shall stand cancelled

b) Inter-company balances will stand cancelled;

c) All the assets and liabilities recorded in the books of the Transferor Company shall be transferred to and vested in the Applicant Company pursuant to the Scheme and shall be recorded by the Applicant Company at their respective book value;

d) 373,491 Equity Shares of Rs. 2/- each fully paid held by the Transferor Company in the Applicant Company shall stand cancelled and the issued, subscribed and paid up share capital of the Applicant Company shall stand reduced by Rs.746,982. The balance investment amount of Rs.63,519,943 made by the Transferor Company in Applicant Company shall stand cancelled and the same shall be debited to Securities Premium Account of the Applicant Company.

e) The identity of the reserves of the Transferor Company, if any, shall be preserved and they shall appear in the financial statements of the Applicant Company in the same form and manner in which they appeared in the financial statements of the Transferor Company prior to this Scheme becoming effective

f) The excess of the net assets value of the Transferor Company transferred to the Applicant Company, after making the adjustment as mentioned in sub-clauses (a), (b) and (e) above, would be credited to the 'General Reserve Account'. In case of there being a deficit, the same shall be debited by the Applicant Company to its 'General Reserve Account'.

g) Reduction of issued, subscribed and paid up share capital and the application and reduction of the Securities Premium Account, as per sub-clause (d) above, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.

h) If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Company and the Applicant Company, the Applicant Company may make suitable adjustments and reflect the effect thereof in the statement of the Profit and Loss of the Applicant Company in accordance with the applicable Accounting Standards

xx) The Scheme is conditional upon and subject to:

a) The Scheme being agreed to by the respective requisite majority in number and value of such classes of the members and creditors (where applicable) of the Transferor Company and the Applicant Company as required under the Act and the requisite orders of the Hon'ble Bombay High Court referred hereof being obtained.

b) The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

c) The certified copies of the Orders of High Court of Judicature at Bombay under Sections 391 and 394 of the Act sanctioning the Scheme being filed with the Registrar of Companies, Mumbai, Maharashtra by the Transferor Company and the Applicant Company.

d) Any other sanction or approval of the Appropriate Authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the Transferor Company and the Applicant Company, being obtained and granted in respect of any of the matters for which such sanction or approval is required.

The features set out above being only the salient features of the Scheme; the members are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

10. There will be no change in the shareholding pattern of the Applicant Company post amalgamation, as envisaged under the Scheme except to the extent of shares held by the Transferor Company in the Applicant Company which shall stand cancelled on the Scheme becoming effective. Consequently, the share capital of the Applicant Company shall stand reduced to that extent.

The pre and post amalgamation shareholding pattern of the Applicant Company as on January 18, 2013 is as under:

CATEGORY		Pre Scheme		Post Scheme	
		No. of Shares held	% of holding	No. of Shares held	% of holding
A	**Promoters' Holding**	91,134,025	72.09	91,134,025	72.31
	Sub- Total (A)	**91,134,025**	**72.09**	**91,134,025**	**72.31**
B	**Non- Promoters' Holding**				
1	**Institutions**				
a.	Financial Institutions/ Banks	196,289	0.16	196,289	0.16
b.	Foreign Institutional Investors	13,674,292	10.82	13,674,292	10.85
2	**Non - Institutions**				
a.	Mutual Funds	491	0.00	491	0.00
b.	Bodies Corporate	1,705,577	1.35	1,332,086	1.06
c.	Individuals	2,698,527	2.13	2,698,527	2.13
d.	Clearing Member	26,512	0.02	26,512	0.02
e.	Non Resident Indian	99,657	0.08	99,657	0.08
f.	Foreign Companies	16,735,400	13.24	16,735,400	13.28
g.	Independent Directors	67,528	0.05	67,528	0.05
h.	Trusts	72,710	0.06	72,710	0.06
Sub- Total (B)		**35,276,983**	**27.91**	**34,903,492**	**27.69**
Grand Total (A+B)		**126,411,008**	**100.00**	**126,037,517**	**100.00**

11. The Directors of the Applicant Company and the Transferor Company may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in the respective 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. Save as aforesaid, none of the Directors of the company have any material interest in the proposed Scheme of Amalgamation.

12 (a) The extent of the shareholding of the Directors of ALL in ALL and MHTC either singly or jointly or as nominee as on January 18, 2013 is as under:

Sr No	Name of the director	Designation	Equity shares in ALL	Equity shares in MHTC
1	Shashi Kiran Shetty	Chairman & Managing Director	81,623,390	1053 (as nominee of ALL)
2	Arathi Shetty	Executive Director	3,759,720	Nil
3	Adarsh Hegde	Executive Director	950,770	Nil
4.	Umeshkumar Shetty	Executive Director	950,770	Nil
5	Kaiwan Kalyaniwalla	Non Executive Independent Director	50,175	Nil
6	Keki Elavia	Non Executive Independent Director	5,000	Nil
7	Mohinder Pal Bansal	Non Executive Independent Director	Nil	Nil
8	Satish Gupta	Non Executive Independent Director	12,353	Nil
9	Akhilesh Gupta	Non Executive Director	Nil	Nil
10	Hari Mundra	Non Executive Independent Director	Nil	Nil

(b) The extent of the shareholding of the Directors of MHTC in MHTC and ALL either singly or jointly or as nominee as on January 18, 2013 is as under:

Sr No	Name of the director	Designation	Equity shares in MHTC	Equity shares in ALL
1	Adarsh Hegde	Director	Nil	950,770
2	Jatin Chokshi	Director	Nil	87,795

13. The Applicant Company has obtained No Objection to the Scheme in terms of Clause 24(f) of the Listing Agreements with BSE Limited and the National Stock Exchange of India Limited vide their letters dated November 08, 2012 and November 06, 2012 respectively.

14. The financial position of the Applicant Company will not be adversely affected by the Scheme. Further, the rights and interests of the creditors (if any) of the Applicant Company will not be prejudicially affected by the Scheme as the Applicant Company, post arrangement will be able to meet its liabilities as they arise in the ordinary course of business. Further, the rights and interests of the shareholders and creditors of the Applicant Company will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner.

15. No investigation proceedings are pending or are likely to be pending under Sections 235 to 251 of the Companies Act, 1956 in respect of the Applicant Company .

16. In the event of any of the sanctions and approvals referred to in the Scheme not being obtained and / or the Scheme not being sanctioned by the High Court or such other competent authority and / or the order or orders not being passed as aforesaid before March 31, 2013 or such other date as may be agreed by the respective Board of Directors of the Transferor Company and the Applicant Company, the Board of Directors of the Transferor Company and the Applicant Company shall review the Scheme and take such decisions thereon as may be mutually acceptable.

17. Inspection of the following documents may be taken by the Equity Shareholders of the Applicant Company at the Registered Office of the Applicant Company upto one day prior to the date of the meeting between 11 a.m. and 1 p.m. on all working days (except Saturdays, Sundays and public holidays).

    (a) Copy of the Order dated 24th day of January, 2013 of the High Court of Judicature at Bombay passed in Company Summons for Direction No.59 of 2013 directing the convening of the meeting of the Equity Shareholders of the Applicant Company.

    (b) Scheme of Arrangement.

    (c) Memorandum and Articles of Association of the Applicant Company and the Transferor Company.

    (d) The Audited Financial Statements of the Applicant Company for the last three financial years ended March 31, 2012, December 31, 2010 and December 31, 2009 and the Audited Financial Statements of the Transferor Company for the last three financial years ended March 31, 2012, March 31, 2011 and March 31, 2010.

    (e) Copy of No Objection letters to the Scheme received from BSE Limited and the National Stock Exchange of India Limited dated November 08, 2012 and November 06, 2012.

    (f) Auditors Certificate on Accounting treatment mentioned in the Scheme.

    This statement may be treated as an Explanatory Statement under Section 173 of the Companies Act, 1956. A copy of the Scheme, Explanatory Statement and Form of Proxy may be obtained from the Registered Office of the Applicant Company and/or at the office of the Advocates M/s Maneksha & Sethna at 8, Hamam Street, Fort, Mumbai – 400 001.

    Dated this 28th day of January, 2013

Sd/-
Shashi Kiran Shetty
Chairman appointed for the meeting

Registered office:

Avashya House, 6th Floor, CST Road,
Kalina, Santacruz (East),
Mumbai 400 098

SCHEME OF AMALGAMATION
OF
MHTC LOGISTICS PRIVATE LIMITED
WITH
ALLCARGO LOGISTICS LIMITED

I. BACKGROUND AND RATIONALE FOR THE SCHEME OF AMALGAMATION

(a) **Allcargo Logistics Limited** (hereinafter referred to as **'ALL'** or '**the Transferee Company**') is engaged in the business of providing comprehensive logistic solutions for national and international trade. Its operations are spread across the globe. The present operations of ALL comprise of the following key areas of the logistics business:

* Multi-modal Transport Operations
* Inland Container Depot / Container Freight Stations
* Project & Engineering Solution
* Warehousing

(b) **MHTC Logistics Private Limited** (hereinafter referred to as **'MHTC'** or **'the Transferor Company'**) is engaged in the business of Project Logistics and Freight Forwarding

(c) MHTC is the wholly-owned subsidiary of ALL.

(d) ALL is in the phase of integration and consolidation of its logistics business with a view to provide world class logistic services to various business constituents and the society at large by spreading its footprint domestically and globally. In its process of integration and consolidation, ALL has successfully acquired various companies in the recent past.

(e) There exist synergies in the business of ALL and MHTC and the amalgamation of the two entities would consequently result in managing the Project Logistic and Freight Forwarding Business through a single network. It will thus be possible to combine the business of MHTC with the business of ALL under one umbrella without incurring avoidable expenditure on infrastructure and staff and will enable ALL to avail ventures of an industrial and commercial nature.

(f) ALL will be in a better position to avail of the financial, managerial, technical, distribution and marketing and other capital resources of MHTC and its expertise in Project Cargo and Freight Forwarding business. Such an arrangement will enable the merged entity to expand the business operations with minimum additional cost and shortest possible time;

(g) The financial position of the merged entity will be better as compared to that of the stand-alone entities; and

(h) The integration proposed would enable cost savings, optimum utilization of available resources, will make management control systems more efficient and effective which will enhance the management focus thereby not only leading to higher profitability but will also increase the shareholder's value of both companies.

(i) In furtherance to its aforesaid objects and in view of existence of business synergies between ALL and MHTC, and to enhance shareholders value, ALL intends to acquire MHTC in accordance with the provision of this Scheme of Amalgamation.

(j) This Scheme of Amalgamation (hereinafter referred to as **"the Scheme"**), inter-alia, provides for the amalgamation of **MHTC** with **ALL** pursuant to Section 391 to 394 read with sections 78, 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Act.

(k) The Scheme also makes provisions for various other matters consequential or related thereto and otherwise integrally connected therewith.

II. PARTS OF THE SCHEME

This Scheme of Arrangement is divided into the following parts:

(i) PART I deals with the definitions, Share Capital and related aspects;

(ii) PART II deals with transfer and vesting of Transferor Company;

(iii) PART III deals with General Clauses; and

(iv) PART IV deals with other terms and conditions applicable to this Scheme of Arrangement.

PART I – GENERAL

1. DEFINITIONS

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

(a) **"Act"** means the Companies Act, 1956 or any statutory modification or reenactment thereof;

(b) **"The Appointed Date"** means, April 1, 2012 or such date as the Boards of the Transferor Company and the Transferee Company may decide and as approved by the Hon'ble Bombay High Court.

(c) **"Board"** means Board of Directors of the Transferor Company and the Transferee Company, which will include any committees constituted by the Boards from time to time.

(d) **"Court" or "High Court"** means the Hon'ble High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable.

(e) **"Effective Date"** means the later of the dates on which certified copies of the Orders of the Hon'ble Bombay High Court vesting the assets, properties, liabilities, rights, duties, obligations and the like of the Transferor Company in the Transferee Company are filed with the Registrar of Companies, Mumbai, Maharashtra after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary therefore.

(f) **"Scheme"** means this Scheme of Amalgamation in its present form as submitted to the Honorable High Court of Judicature at Bombay or with any modification(s) approved or imposed or directed by the Hon'ble Bombay High Court with any modification(s) made under Clause 21 of this Scheme.

(g) **"Transferor Company"** means MHTC Logistics Private Limited, a Company incorporated under the Indian Companies Act, 1956, whose Registered Office is situated at Avashya House, 3rd Floor, CST Road, Kalina, Santacruz (E), Mumbai – 400 098, Maharashtra, India.

(h) **"Transferee Company"** means Allcargo Logistics Limited, a Company incorporated under the Companies Act, 1956, whose Registered Office is situated at Avashya House, 6th Floor, CST Road, Kalina, Santacruz (East), Mumbai – 400 098, Maharashtra, India.

(i) **"Undertaking"** means all the undertakings and entire business of the Transferor Company as a going concern, including, without limitation:

(i) all the assets and properties (whether moveable or immoveable, tangible or intangible, real, or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company, whether situated in India or abroad, including, without limitation, all lands (whether leasehold or freehold), plants, machinery, equipment, buildings and structures, offices, residential and other premises, capital work-in-progress, furniture, fixtures, office equipments, computers, appliances, accessories, power lines, all stocks, stocks of fuel, rolling stock, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units or pass through certificates), 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, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, prospective licenses and leases (in each case including the benefit of any applications made therefore) and the surface rights in relation thereto, receivables and liabilities related thereto, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties for the employees or other persons, vehicles, guest houses, godowns, warehouses and stores, share of any joint assets, and other facilities, right to use jetties and ports, fixed and other assets, 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 wheresoever 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 Company or in connection with or relating to the Transferor Company 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 Company, whether in India or abroad;

(ii) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permission, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertaking for the residual period, i.e. for the period remaining as on the Appointed Date out of the total period for which the deduction is available in law if the amalgamation pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, 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 Company.

(iii) all earnest moneys and/or security deposits paid or deemed to have been paid by the Transferor Company;

(iv) all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the Liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Indian rupees or foreign currency, whether provided for or not in the books of account or disclosed in the balance sheet of the Transferor Company; and

(v) all intellectual property rights, trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmers', manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company.

1.2 All terms and words used but 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 Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.

1.3 References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.

1.4 The headings herein shall not affect the construction of this Scheme.

1.5 The singular shall include the plural and vice versa; and references to one gender include all genders.

1.6 Any phrase introduced by the terms "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

1.7 References to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative body (whether or not having separate legal personality).

2. SHARE CAPITAL AND SHAREHOLDING PATTERN

(a) As on March 31, 2012, the share capital of the Transferor Company is as follows:

Share Capital	**Rupees**
Authorized Share Capital	
495,000 Equity Shares of Rs.10 each	4,950,000
500 4% Cumulative Redeemable Preference Shares of Rs.100 each	50,000
TOTAL	**5,000,000**
Issued, Subscribed and Paid Up	
200,000 Equity Shares of Rs.10 each fully paid-up	**2,000,000**

(b) Post March 31, 2012, there is no change in the share capital of the Transferor Company.

The Transferor Company holds 373,491 equity shares of Rs.2 each fully paid of the Transferee Company.

(c) As on March 31, 2012, the share capital of the Transferee Company is as follows:

Share Capital	**Rupees**
Authorized Share Capital	
175,000,000 Equity Shares of Rs. 2/- each	**350,000,000**
Issued, Subscribed and Paid Up	
130,547,322 Equity Shares of Rs. 2/- each fully paid-up	**261,094,644**

(d) During the year 2006, the Transferee Company had granted 51,300 stock options (256,500 after sub-division of shares from Rs.10 per equity share to Rs.2 per equity share) to its employees and employees of its subsidiary companies, which upon exercise and together with allotment of bonus shares entitled thereon will increase the issued, subscribed and paid up equity share capital of the Transferee Company.

(e) Post March 31, 2012, the Transferee Company has announced the buyback of its equity shares from the open market through stock exchanges in accordance with the provisions of Sections 77A, 77AA and 77B of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended. Pursuant to the buyback of shares, the Company has bought back 2,543,310 equity shares of Rs.2 each from the shareholders of the Company. Consequently, the issued, subscribed and paid up capital after such buyback of shares is Rs. 256,008,024 divided into 128,004,012 equity shares of Rs.2 each. The equity shares of the Transferee Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

(f) The 100% paid up share capital of the Transferor Company is held by the Transferee Company.

(g) Post the Scheme and subject to Clause (e) above, there will be no change in the shareholding of the Transferee Company as there will be no issue and allotment of shares of the Transferee Company in consideration of the transfer of the Transferor Company's undertaking contemplated by the Scheme.

(h) Upon sanction of the Scheme, the Authorised Share Capital of the Transferor Company of the face value of Rs.10/- per Equity Share shall be automatically stand sub-divided to face value of Rs.2/- per Equity Share, and the Authorised Share Capital of the Transferee Company shall automatically stand increased by the Authorised Share Capital of the Transferor Company as on the Effective Date without any further act, instrument or deed (including payment of stamp duty and fees payable to Registrar of Companies) on the part of the Transferee Company. The provisions of the Memorandum of Association and Articles of Association of the Transferee Company relating to its Authorized Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, and for this purpose the stamp duties and fees paid on the Authorized Share Capital of the Transferor Company shall be utilized and applied to the increased Authorized Share Capital of the Transferee Company and no payment of any further stamp duty and/or fee shall be payable by the Transferee Company for increase in its Authorised Share Capital to that extent.

(i) It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE OF THE SCHEME

The Scheme, set out herein in its present form or with any modification(s) as approved by the High Court of Judicature at Bombay, shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART II- TRANSFER AND VESTING OF THE UNDERTAKING OF THE TRANSFEROR COMPANY

4 (a) With effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Company including all the estate, assets, right, title and interest including any benefit, claim or amount which is received by the Transferor Company after the Appointed Date or at any time pursuant to Section 394 of the Act, be transferred to and vested, at their book values as on the Appointed Date, in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, right, title and interest of the Transferee Company.

(b) In respect of all of the assets of the Transferor Company, including cash and bank balances, as are movable in nature or are otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, the same shall be so transferred by the Transferor Company, and shall become the property of the Transferee Company.

(c) In respect of all of the assets belonging to the Transferor Company, other than those referred to in sub-clause (b) above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company on the Appointed Date, pursuant to the provisions of Section 394 of the Act.

(d) All assets acquired by the Transferor Company after the Appointed Date and prior to the Effective Date shall also stand transferred to and vested in the Transferee Company, upon the coming into effect of the Scheme.

(e) In so far as the assets comprised in the Transferor Company is concerned, the security or charge over such assets relating to any loans, debentures or borrowings of the Transferor Company shall without any further act or deed be a security or charge over such assets in the Transferee Company.

(f) It is clarified, for the removal of doubt, that, on and from the Effective Date, for the purposes of determining any eligibility criteria or for qualifying to bid for any project or contract or work relating to the Transferor Company, only the Transferee Company shall have the benefit of the experience and track record of the Transferor Company and shall not be entitled to directly or indirectly claim or rely upon any such track record or past experience.

(g) It is clarified, for the removal of doubt, that the transfer of any goods imported by the Transferor Company and transferred to the Transferee Company as per the Scheme shall not be deemed to have breached any condition of the import licenses or the applicable clauses of the Import Policy or notifications under the relevant customs and/or any other applicable laws.

(h) All duty free entitlements, concessions, benefits, income tax benefits, etc. which the Transferor Company is entitled to in respect of the Amalgamation shall vest in and be available to the Transferee Company on the same terms and conditions thereof.

(i) On and from the Appointed Date, if any certificate for tax deducted at source or any other tax credit certificate relating to the Transferor Company is received in the name of the Transferor Company, it shall be deemed to have been received by the Transferee Company which alone shall be entitled to claim credit for such tax deducted or paid and the relevant tax authorities are hereby directed to permit the Transferee Company to claim the benefit of such tax credit even though such tax deducted at source or tax credit certificate stands in the name of the Transferor Company.

5 (a) With effect from the appointed date, all debts, liabilities, contingent liabilities, duties and obligations of Transferor Company, as on the Appointed Date whether provided for or not in the books of accounts of Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or upto the day of the Appointed Date shall, pursuant to the Orders of the High Courts or such other competent authority as may be applicable under Section 394 and other applicable provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

(b) All of the liabilities and obligations of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company and all loans raised and used and all liabilities, after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company which shall undertake to meet discharge and satisfy the same.

(c) The transfer of all debts in terms of sub-clause (a) above shall be without prejudice to any agreements or arrangements including in respect of security entered into between the Transferor Company and the lenders existing on the Appointed Date which shall continue in full force notwithstanding that the liability for repayment of the principal amount and payments of interest is taken over by the Transferee Company.

(d) The Transferee Company shall make repayments of such principal amounts and payments of interest thereon on behalf of the Transferor Company in respect of any liability mentioned hereinabove, if the Transferor Company is required to make payment to satisfy such liability.

6. All the assets and liabilities of the Transferor Company shall be transferred at the values appearing in the books of accounts of the Transferor Company as at the Appointed Date.

7. With effect from the Effective Date, and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company be required, the reserves of the Transferor Company will be merged with those of the Transferee Company in the same form as they appeared in the financial statements of the Transferor Company. In other words, the identity of the reserve of the Transferor Company will be preserved at the hands of the Transferee Company.

In case of any differences in accounting policy between the Companies, the impact of the same till the amalgamation will be quantified and adjusted in the Revenue Reserve(s) mentioned earlier to ensure that the financial statements of the Transferee Company reflects the financial position on the basis of consistent accounting policy.

8. With effect from the Appointed Date, all the said liabilities shall, without any further act or deed, be and stand transferred, to the Transferee Company pursuant to the applicable provisions of the said Act, so as to become as from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company.

9. With effect from the Appointed Date, the ceiling in terms of Section 372A of the Act for the purpose of inter corporate loans, investments, security, guarantee, etc. shall, if required without further act or deed, stand increased to the extent of inter corporate loans & investments made, security & guarantee given by the Transferor Company notwithstanding that the amount invested/loan granted, security/guarantee provided (existing and proposed) may exceed 60% of the paid-up capital and free reserves of the Transferee Company or 100% of the free reserves of the Transferee Company. It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval also to the enhancement of the limit of inter corporate loans, investments, security, guarantee, etc. as required under Section 372A and other applicable provisions of the Act.

10. CANCELLATION OF SHARE CAPITAL OF THE TRANSFEROR COMPANY

The entire share capital of the Transferor Company is held by the Transferee Company. Upon coming into effect of the Scheme, all the shares of the Transferor Company held by the Transferee Company shall, without any further application, act, instrument or deed be deemed to have been automatically cancelled/extinguished and be of no effect and no new shares of the Transferee Company shall be issued to the shareholders of the Transferor Company in consideration of the transfer of and vesting of the Undertaking and the Liabilities of the Transferor Company to the Transferee Company in terms hereof.

11. ACCOUNTING TREATMENT

I) In the books of Transferee Company

11.1 On the Scheme becoming effective, the Transferee Company shall account for the merger in its books of accounts as under:

(a) The investments in the equity share capital of the Transferor Company as appearing in the books of accounts of the Transferee Company, shall stand cancelled;

(b Inter-company balances will stand cancelled;

(c) All the assets and liabilities recorded in the books of the Transferor Company shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book value;

(d) 373,491 Equity Shares of Rs. 2/- each fully paid held by the Transferor Company in the Transferee Company shall stand cancelled and the issued, subscribed and paid up share capital of the Transferee Company shall stand reduced by Rs.746,982. The balance investment amount of Rs.63,519,943 made by the Transferor Company in Transferee Company shall stand cancelled and the same shall be debited to Securities Premium Account of the Transferee Company.

(e) The identity of the reserves of the Transferor Company, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Company prior to this Scheme becoming effective.

(f) The excess of the net asset value of the Transferor Company transferred to the Transferee Company, after making the adjustment as mentioned in sub-clauses (a), (b) and (e) above, would be credited to the 'General Reserve Account'. In case of there being a deficit, the same shall be debited by the Transferee Company to its 'General Reserve Account'.

(g) Reduction of issued, subscribed and paid up share capital and the application and reduction of the Securities Premium Account, as per sub-clause (d) above, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.

(h) If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Company and the Transferee Company, the Transferee Company may make suitable adjustments and reflect the effect thereof in the statement of the Profit and Loss of the Transferee Company in accordance with the applicable Accounting Standards

12. DISSOLUTION

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

PART III – GENERAL CLAUSES

13. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

Subject to other provisions contained in the Scheme, all contracts, deeds, bonds, debentures, agreements and other instruments of whatever nature to which the Transferor Company is a party subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favor of the Transferee Company, as the case may be, and may be enforced as fully and as effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

14. LEGAL PROCEEDINGS

(a) Upon the coming into effect of the Scheme, all legal or any other proceedings (including arbitrations) by or against the Transferor Company, and as agreed between the Transferor Company and the Transferee Company, whether pending on the Appointed Date or which may be instituted in future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date shall be continued and enforced by or against the Transferee Company after the Effective Date.

(b) If proceedings are taken against the Transferor Company in respect of the matters referred to in sub clause (a) above, it shall defend the same in accordance with the advice of the Transferee Company and at the cost and risk of the Transferee Company.

(c) The Transferee Company undertakes to have all legal or other proceedings (including arbitrations) initiated by or against the Transferor Company referred to in sub-clause (a) above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company.

15. TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES

All the staff, workmen and other employees, if any, in the service of the Transferor Company immediately before the amalgamation under the Scheme shall become the staff, workmen and employee of the Transferee Company on the basis that :

(a) Their service shall have been continuous and shall not have been interrupted by reason of the amalgamation of the Companies;

(b) The terms and conditions of service applicable to the said staff, Workmen or employees after such transfer shall not in any way be less favorable to them than those applicable to them immediately before the transfer;

(c) It is expressly provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Funds as per the terms provided in the respective Trust Deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees employed in different units of the Transferor Company under such Funds and Trusts shall be protected. It is clarified that the services of the employees of the Transferor Company will also be treated as having been continuous for the purpose of the aforesaid Funds or provisions.

16. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY TILL EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company:

(a) shall carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company and all the profits accruing to the Transferor Company or losses arising or incurred by it shall, for all purposes, be treated as the profits or losses of the Transferee Company as the case may be;

(b) hereby undertakes to carry on its business until the Effective Date with reasonable diligence and shall not, without the written consent of the Transferee Company, alienate, charge or otherwise deal with the said undertaking or any part thereof except in the ordinary course of its business;

(c) shall not, without the written consent of the Transferee Company, undertake any new business.

17. TAXES

(a) Any tax liabilities under the Income Tax Act, 1961, Fringe Benefit Laws, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, Central Sales Tax Act, 1956 and any other state sales tax/value Added Tax laws, Service Tax or other applicable laws/regulations, dealing with taxes/duties/levies/cess (hereinafter in this Clause referred to as "Tax Laws") allocable or related to the Transferor Company to the extent not provided for or covered by tax provisions in the Accounts made as on date immediately preceding the Appointed Date shall be transferred to the account of and belong to the Transferee Company.

(b) Any refund under the Tax Laws due to the Transferor Company consequent to the assessments made on the 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.

(c) Without prejudice to the generality of the above, all benefits including under Income Tax, Excise (including CENVAT), Sales Tax (including deferment of sales tax), to which the Transferor Company is entitled to in terms of the applicable Tax Laws, shall be available to and vest in the Transferee Company.

18. DIVIDEND AND PROFITS

(a) Subject to the approval of the Transferee Company, the Transferor Company may declare and pay dividends, whether interim or final, to its members in respect of the accounting period prior to the Effective Date.

(b) 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 the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Directors of the Transferee Company.

(c) The Transferor Company shall not declare any dividend for the period commencing from and after April 1, 2012 without the written consent of the Transferee Company.

(d) Subject to the provisions of the Scheme, the profits of the Transferor Company for the period beginning from April 1, 2012 shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit including declaration of dividend by the Transferee Company in respect of its financial year ending March 31, 2012 or any year thereafter.

(e) The Transferor Company shall not issue or allot any Rights Shares or Bonus Shares, out of its Authorized or unissued Share Capital for the time being.

19. SAVING OF CONCLUDED TRANSACTIONS

The transfer of the entire business and the undertaking of the Transferor Company to the Transferee Company shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things done and/or executed by the Transferor Company in regard thereto as having been done or executed on behalf of the Transferee Company.

PART V - GENERAL TERMS & CONDITIONS

20. APPLICATIONS TO HIGH COURT

The Transferor Company and the Transferee Company hereto shall, with all reasonable despatch, make applications under Sections 391 and 394 of the said Act to the High Court of Judicature at Bombay separately for sanctioning the Scheme and for dissolution of the Transferor Company without winding up.

21. MODIFICATIONS/AMENDMENTS TO THE SCHEME

(a) The Transferor Company (by its Board of Directors or any duly authorised committee) and the Transferee Company (by its Board of Directors or any duly authorised committee) may assent to any modification or amendment to the Scheme or agree to any terms and/or conditions which the Courts and/or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect.

(b) For the purpose of giving effect to the Scheme or to any modification thereof, the Directors of the Transferee Company are hereby Authorized to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

22. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with the Scheme and of carrying out and implementing/completing the terms and provisions of the Scheme and/or incidental to the completion of amalgamation of the Transferor Company in pursuance of the Scheme shall be borne and paid solely by the Transferee Company.

23. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

The Scheme is conditional upon and subject to:

(a) The Scheme being agreed to by the respective requisite majority in number and value of such classes of the members and creditors (where applicable) of the Transferor Company and the Transferee Company as required under the Act and the requisite orders of the Hon'ble Bombay High Court referred hereof being obtained.

(b) The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

(c) The certified copies of the Orders of High Court of Judicature at Bombay under Sections 391 and 394 of the Act sanctioning the Scheme being filed with the Registrar of Companies, Mumbai, Maharashtra by the Transferor Company and the Transferee Company.

(d) Any other sanction or approval of the Appropriate Authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the Transferor Company and the Transferee Company, being obtained and granted in respect of any of the matters for which such sanction or approval is required.

24. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding Clause 23 not being obtained and / or the Scheme not being sanctioned by the High Court or such other competent authority and / or the order or orders not being passed as aforesaid before March 31, 2013 or such other date as may be agreed by the respective Board of Directors of the Transferor Company and the Transferee Company, the Board of Directors of the Transferor Company and the Transferee Company shall review the Scheme and take such decisions thereon as may be mutually acceptable.

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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO.59 OF 2013

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 read with Section 78, 100 to 103 of the Companies Act, 1956;

AND

In the matter of MHTC Logistics Private Limited a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Avashya House, 3rd Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098, Maharashtra, India.

AND

In the matter of Scheme of Arrangement between MHTC Logistics Private Limited, Allcargo Logistics Limited and their respective shareholders and creditors.

Allcargo Logistics Limited, a Company incorporated under the provisions of Companies Act, 1956 having its Registered Office at Avashya House, 6th Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098

)
)
)
)
)…….. Applicant Company

FORM OF PROXY

* I/ We ……, the undersigned, being the Equity Shareholder(s) of Allcargo Logistics Limited, the Applicant Company do hereby appoint *Mr./Ms. _____ of _____ and failing *him/her _____ of _____ as my/our proxy, to act for me/us at the meeting of the Equity Shareholders to be held at Avashya House, 5th Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098 on Monday, 25th day of February, 2013 at 11.00 a.m. for the purpose of considering and, if thought fit, approving, with or without modification, the proposed Arrangement embodied in the Scheme of Arrangement between Allcargo Logistics Limited and MHTC Logistics Private Limited and their respective Shareholders and Creditors and at such meeting, and any adjournment/ adjournments thereof, to vote, for *me/us and in *my/ our name(s) _____(herein, if for insert 'FOR', if against insert 'AGAINST' and in the latter case strike out the words "either with or without modifications" after the word "Arrangement") the said Arrangement embodied in the Scheme of Arrangement either with or without modifications as *my/our proxy may approve.

*Strike out whichever is not applicable

Dated this _____ day of _____, 2013

Name: _____

Address: _____

_____

_____

Reg. Folio No. _____

Client ID No. _____

DP ID No. _____

No. of shares _____

Signature

Signatures of

Shareholder(s) : Sole / First Holder : _____

Second Holder _____

Third Holder _____

Affix Re. 1/- revenue stamp

Signature of Proxy: _____

Notes:

(1) The Proxy must be deposited at the Registered Office of the Company at Avashya House, 6th Floor, CST Road, Kalina, Santacruz (East), Mumbai 400 098 at least 48 hours before the time for holding the meeting. The proxy need not be a member of the Applicant Company.
(2) All alterations made in the form of Proxy should be initialed.
(3) In case of multiple proxies, the proxy later in time shall be accepted.

ALLCARGO LOGISTICS LIMITED

Regd. Office: Avashya House, 6th Floor, CST Road, Kalina, Santacruz (East), Mumbai – 400 098

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

I hereby record my presence at the Meeting of the Equity Shareholders of the Applicant Company, convened pursuant to the Order dated 24th day of January, 2013 of the Hon'ble High Court of Judicature of Bombay, at Avashya House, 5th Floor, CST Road, Kalina, Santacruz (East), Mumbai – 400 098 on Monday, 25th day of February, 2013 at 11.00 a.m.

Name and Address of Equity Shareholder **(IN BLOCK LETTERS)**

_____

Signature : _____

Reg.Folio No. : _____

Client ID : _____

D.P. I.D. : _____

No. of Shares : _____

Name of the Proxy **(IN BLOCK LETTERS)**

_____

Signature : _____

NOTE :

1. Shareholders attending the Meeting in person or by Proxy are requested to complete the Attendance Slip and hand it over at the entrance of the meeting hall.
2. Joint shareholders may obtain additional Attendance Slip at the venue of the meeting.