

Court Convened Meeting of the Equity Shareholders of Bang Overseas Limited

Day : Friday
Date : 1st day of April, 2011
Time : 10.00 a.m.
**Venue : Maheshwari Bhavan, 603,
Jagannath Shankar Seth Road,
Mumbai- 400 002.**

Contents	Page No.
Notice of Court Convened Meeting of the Equity Shareholders of Bang Overseas Limited	2
Explanatory Statement under Section 393 of the Companies Act, 1956	3-8
Scheme of Arrangement under Sections 391 to 394 read with Sections 78 and 100 to 103 of the Companies Act, 1956	9-16
Form of Proxy	17
Attendance Slip	18

Extra-Ordinary General Meeting of the Equity Shareholders of Bang Overseas Limited

Day : Friday
Date : 1st day of April, 2011
**Time : 11.00 a.m. or soon after the
conclusion of the Court
Convened Meeting of the
shareholders of the Company
whichever is later**
**Venue : Maheshwari Bhavan, 603,
Jagannath Shankar Seth Road,
Mumbai- 400 002.**

Contents	Page No.
Notice of Extra-Ordinary General Meeting of the Equity Shareholders of Bang Overseas Limited	19
Explanatory Statement under Section 173(2) of the Companies Act, 1956	20
Form of Proxy	21
Attendance Slip	22

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 140 OF 2011**

In the matter of the Companies Act, 1956;

AND

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

AND

In the matter of Bang Overseas Limited, a Company incorporated
under the Companies Act, 1956 and having its Registered Office at
Masjid Manor, 2nd Floor, 16 Homi Modi Street, Fort, Mumbai 400
023.

AND

In the matter of Scheme of Arrangement between Bang Overseas
Limited ("the Demerged Company") and Thomas Scott (India)
Limited ("the Resulting Company") and their respective
shareholders

BANG OVERSEAS LIMITED, a company incorporated under
the Companies Act, 1956 having its registered office
at Masjid Manor, 2nd Floor, 16 Homi Modi Street, Fort,
Mumbai 400 023.
)
)
)
) Applicant Company

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS

To,
The Equity Shareholders of **BANG OVERSEAS LIMITED** ('the Applicant Company')

- (a) **TAKE NOTICE** that by an Order made on the 25th day of February, 2011, in the above Company Summons for Direction, the Hon'ble High Court of Judicature at Bombay has directed that a meeting of the Equity Shareholders of the Applicant Company be convened and held at Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai- 400 002 on Friday, the 1st day of April, 2011 at 10.00 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 Bang Overseas Limited ("the Demerged Company") and Thomas Scott (India) Limited ("the Resulting Company") and their respective shareholders ("the Scheme").
- (b) **TAKE FURTHER NOTICE** that in pursuance of the said Order, a meeting of the Equity Shareholders of the Applicant Company will be held at Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai- 400 002 on Friday, the 28th day of April, 2011 at 10.00 a.m. at which place, day, date and time you are requested to attend the said meeting.
- (c) **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 authorised representative, is deposited at the Registered Office of the Applicant Company at Masjid Manor, 2nd Floor, 16 Homi Modi Street, Fort, Mumbai 400 023 not later than 48 hours before the scheduled time of the meeting.
- (d) The Hon'ble High Court has appointed Mr. Venugopal Bang, Chairman of the Applicant Company, failing him, Mr. Vijay Ajgaonkar, Independent Director of the Applicant Company, to be the Chairman of the said Meeting.
- (e) A copy of the Scheme of Arrangement, the Explanatory Statement under Section 393 of the Companies Act, 1956, the Attendance Slip and the Form of Proxy are enclosed.

Mumbai
Dated this 28th day of February, 2011

Registered Office
Masjid Manor,
2nd Floor, 16 Homi Modi Street,
Fort, Mumbai 400 023

Sd/-
Venugopal Bang
Chairperson appointed for the Meeting

Note: All alterations made in the Form of Proxy should be initialled.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 140 OF 2011**

In the matter of the Companies Act, 1956;

AND

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

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under the Companies Act, 1956 and having its Registered Office at
Masjid Manor, 2nd Floor, 16 Homi Modi Street, Fort, Mumbai 400
023.

AND

In the matter of Scheme of Arrangement between Bang Overseas
Limited ("the Demerged Company") and Thomas Scott (India)
Limited ("the Resulting Company") and their respective
shareholders

BANG OVERSEAS LIMITED, a company incorporated under)
the Companies Act, 1956 having its registered office at)
Masjid Manor, 2nd Floor, 16 Homi Modi Street, Fort, Mumbai)
400 023.) Applicant Company

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. Pursuant to an Order dated the 25th day of February, 2011 passed by the Hon'ble High Court of Judicature at Bombay in the Company Summons for Direction referred to hereinabove, a meeting of the Equity Shareholders of the Applicant Company is being convened and held at Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai- 400 002 on Friday, the 1st day of April, 2011 at 10.00 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 Bang Overseas Limited ("the Demerged Company") and Thomas Scott (India) Limited ("the Resulting Company") and their respective shareholders ("the Scheme").
2. In this Statement, Bang Overseas Limited is hereinafter referred to as "the Company" or "the Applicant Company" or "the Demerged Company" or "BOL" and Thomas Scott (India) Limited is hereinafter referred to as "the Resulting Company" or "TSIL". The other definitions contained in the Scheme will apply to this Explanatory Statement also.
3. A copy of the Scheme of Arrangement ('the Scheme') setting out in detail the terms and conditions on which the Scheme is proposed is enclosed. The proposed Scheme envisages inter alia the demerger of Retail Division of BOL into TSIL.
4. BOL was incorporated under the provisions of the Indian Companies Act, 1956 in Mumbai, the State of Maharashtra on 1st day of June, 1992, under the name "Bang Overseas Private Limited". Subsequently the name was changed to "Bang Overseas Limited" vide fresh certificate of incorporation dated 4th day of February, 2005.
5. The Registered Office of the Applicant Company is situated at Masjid Manor, 2nd Floor, 16 Homi Modi Street, Fort, Mumbai 400 023.
6. The share capital structure of the Applicant Company as per audited balance sheet on March 31, 2010 is as under:

Particulars	Amount (in Rupees)
Authorised Capital	
1,60,00,000 Equity Shares of Rs.10 each	16,00,00,000
Total	16,00,00,000
Issued, Subscribed and Paid - up Capital	
1,35,60,000 Equity Shares of Rs.10 each fully paid up	13,56,00,000
Total	13,56,00,000

There has been no change in the capital structure of the Applicant Company after March 31, 2010 till the date of this Scheme being approved by the Board of Directors of the Applicant Company.

7. The main objects of the Applicant Company are briefly as under:

“1. To carry on the business of importers, exporters, merchants, traders, buyers, sellers, dealers, stockiest or in any other capacity in India or elsewhere and to import, export, buy, sell, trade and deal in goods, produce, articles and merchandise of any kind whatsoever.

1(a) To carry on business of manufacturers, producers, processors, purchasers, sellers, retailers, distributors, importers, exporters and dealers in all kinds of readymade garments and fabric accessories and related items, shirting, suiting, trousers, jeans, textile goods, hosiery goods, elastic cloth, elastic tapes, knitted cloth, made to measure garment, tapestry, knit wear, ribbons, saree borders, woven labels, parachute strings, ties, collars, cuffs, scarves cells, and tinsel fabric and thread, underwear's, brassieres, dress materials, fashion accessories and to carry on the business of hosiers, clothiers, dress makers, costumers, dress agents, outfitters.

1(b) To carry on business of manufacturer, processors, exporter, importer, indenter and dealer in Yarn, Thread, Fabric, Made-ups, and Garments made from 100% Cotton, Man made Filament & Staple Fibres, Wool, Silk.”

8. The Applicant Company is presently engaged in the business of manufacturing, trading & retailing of readymade garments, fabric, fabric accessories and related items.

9. TSIL was incorporated on the 22nd day of October, 2010, under the Companies Act, 1956 under the name “Thomas Scott (India) Limited”.

10. The Registered Office of TSIL is presently situated at 50, Kewal Industrial Estate, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013.

11. The share capital structure of TSIL as on Decemebr 31, 2010 is as under:

Particulars	Amount (in Rs.)
Authorised Capital	
50,000 Equity Shares of Rs. 10 each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up	
50,000 Equity shares of Rs. 10 each fully paid up	5,00,000
Total	5,00,000

As on date, TSIL is a wholly owned subsidiary of the Applicant Company and the entire paid-up equity share capital of TSIL is held by the Applicant Company.

12. The main objects of TSIL are briefly as under:

“1. To carry on the business of manufacturers, importers and exporters, wholesale and retail dealers of and in men's, women's and children's clothing and wearing apparel and readymade, garments of every kind, nature and description including shirts, bush shirts, pyjama siuts, vests, underwears, suits, pants, workmen's clothes, uniforms for the Army, Navy, Air force and other personnel, foundation garments for ladies dresses brasseries, maternity belts, knee caps, coats, panties, nighties, all kinds of fabrics, hosiery goods of every kind, nature and description, for men, women and children including, socks, stockings, sweaters, laces and so on and of all or anything which is used in hosiery goods, carpets, durries, mats, rugs, namdas, blankets, shawls, tweeds, linens, flannels and all other articles of woollen and worsted materials and of all articles similar to the foregoing or any of them or connected therewith.”

13. The Applicant Company believes that the reorganisation exercise would achieve focused operations and efficient management control and systems and would result in unlocking shareholders value.

Thus, the management has proposed the Scheme, which would be to the mutual advantage for the Company and its shareholders.

14. Accordingly, the Board of Directors of BOL at its meeting held on December 23, 2010 has approved the Scheme of Arrangement between Bang Overseas Limited (“the Demerged Company”) and Thomas Scott (India) Limited (“the Resulting Company”) and their respective shareholders under sections 391 to 394 read with sections 78 and 100 to 103 of the Companies Act, 1956.

15. The salient features of the Scheme are as under:

(a) Appointed date of the Scheme is 1st day of April, 2011.

(b) With effect from the Appointed Date and upon the Scheme becoming effective, the whole of the Retail Division of BOL

shall under the provisions of Sections 391 and 394 of the Act and pursuant to the orders of the High Court sanctioning this Scheme and without any further act or deed be transferred and/or deemed to be transferred to and vested in TSIL so as to become the undertaking, assets, properties, liabilities, obligations, rights, title and interest of TSIL.

- (c) With effect from the Appointed Date, and upon the Scheme becoming effective, any and all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not or disclosed in the books of accounts of BOL relating to the Retail Division, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of TSIL and TSIL undertakes to meet, discharge and satisfy the same.
- (d) Upon this Scheme becoming operative and upon vesting of the Retail Division of BOL in TSIL in terms of this Scheme, TSIL, shall, without any further application or deed, issue and allot to every member of BOL, holding fully paid up equity shares in BOL and whose name appears in the Register of Members of BOL on the Record Date, his/her heirs, executors, administrators or the successors-in-title, as the case may be, in respect of every 4(Four) equity shares of the face value of Rs.10 (Rupees Ten Only) each fully paid-up held by him/ her/ it in BOL, 1 (One) equity share of the face value of Rs.10 each (Rupees Ten only) of TSIL, as fully paid-up.
- (e) Upon the Scheme becoming effective and allotment of New Equity Shares by Resulting Company, the Old Equity Shares of the Resulting Company shall, without any application or deed, stand cancelled without any payments to the holders of such Old Equity Shares of Resulting Company.
- (f) On the Scheme becoming operative, all staff, workmen and employees of the Retail Division of BOL in service on the Effective Date shall be deemed to have become staff, workmen and employees of TSIL with effect from the Appointed Date without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with BOL shall not be less favourable than those applicable to them with reference to the Retail Division of BOL on the Effective Date.
- (g) All costs, charges, taxes including duties, levies and all other expenses, if any arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by BOL.

The members are requested to read the entire text of the Scheme, annexed to this notice, to get better acquainted with the provisions thereof. As stated above, the aforesaid are only salient features thereof.

16. The pre and post-demerger shareholding pattern of BOL based on shareholding as on December 31, 2010 is as under:

Category of Shareholder	Pre-Demerger		Post-Demerger	
	Total No. of shares	%	Total No. of shares	%
Shareholding of Promoter and Promoter Group				
Indian				
Individuals/ Hindu Undivided Family	9,186,960	67.75	9,186,960	67.75
Central Government / State Government (s)	--	--	--	--
Bodies Corporate	41,780	0.31	41,780	0.31
Financial Institutions / Banks	--	--	--	--
Any Other (specify)	--	--	--	--
Sub-Total (A)(1)	9,228,740	68.06	9,228,740	68.06
Foreign				
Individuals (Non –Resident Individuals/ Foreign Individuals)	--	--	--	--
Bodies Corporate	--	--	--	--
Institutions	--	--	--	--
Any Other (specify)	--	--	--	--
Sub-Total (A)(2)	--	--	--	--
Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	9,228,740	68.06	9,228,740	68.06
Public Shareholding				
Institutions				
Mutual Funds / UTI	--	--	--	--
Financial Institutions / Banks	--	--	--	--
Central Government/State Government(s)	--	--	--	--
Venture Capital Funds	--	--	--	--
Insurance Companies	--	--	--	--
Foreign Institutional Investors	7,890	0.06	7,890	0.06
Foreign Venture Capital Investors	--	--	--	--
Any Other (specify)	--	--	--	--
Sub-Total (B)(1)	7,890	0.06	7,890	0.06

Category of Shareholder	Pre-Demerger		Post-Demerger	
	Total No. of shares	%	Total No. of shares	%
Non-institutions				
Bodies Corporate	1,670,377	12.32	1,670,377	12.32
Individuals-(i) Individual shareholders holding nominal share capital up to Rs.1 lakh.	1,768,176	13.04	1,768,176	13.04
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	839,769	6.19	839,769	6.19
Any Other (specify)	--	--	--	--
- NRI	22,132	0.16	22,132	0.16
- Clearing members	22,916	0.17	22,916	0.17
- Overseas Bodies Corporate	--	--	--	--
Sub-Total (B)(2)	4,323,370	31.88	4,323,370	31.88
Total Public Shareholding (B)=(B)(1)+(B)(2)	4,331,260	31.94	4,331,260	31.94
TOTAL (A)+(B)	13,560,000	100.00	13,560,000	100.00
Shares held by Custodians and against which Depository Receipts have been issued (C)	--	--	--	--
GRAND TOTAL (A)+(B)+(C)	13,560,000	100.00	13,560,000	100.00

17. The pre and post-demerger shareholding pattern of TSIL based on shareholding as on December 31, 2010 is as under:

Category of Shareholder	Pre-Demerger		Post-Demerger	
	Total No. of shares	%	Total No. of shares	%
Shareholding of Promoter and Promoter Group				
Indian				
Individuals/ Hindu Undivided Family	15	0.03	2,296,740	67.75
Central Government/State Government (s)	--	--	--	--
Bodies Corporate	49,985	99.97	10,445	0.31
Financial Institutions / Banks	--	--	--	--
Any Other (specify)	--	--	--	--
Sub-Total (A)(1)	50,000	100.00	2,307,185	68.06
Foreign				
Individuals (Non -Resident Individuals/ Foreign Individuals)				
Bodies Corporate	--	--	--	--
Institutions	--	--	--	--
Any Other (specify)	--	--	--	--
Sub-Total (A)(2)	--	--	--	--
Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	50,000	100.00	2,307,185	68.06
Public Shareholding				
Institutions				
Mutual Funds / UTI	--	--	--	--
Financial Institutions / Banks	--	--	--	--
Central Government/State Government(s)	--	--	--	--
Venture Capital Funds	--	--	--	--
Insurance Companies	--	--	--	--
Foreign Institutional Investors	--	--	1,973	0.06
Foreign Venture Capital Investors	--	--	--	--
Any Other (specify)	--	--	--	--
Sub-Total (B)(1)	--	--	1,973	0.06
Non-institutions				
Bodies Corporate	--	--	417,594	12.32
Individuals-(i) Individual shareholders holding nominal share capital up to Rs.1 lakh.	--	--	442,044	13.04
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	--	--	209,942	6.19

Category of Shareholder	Pre-Demerger		Post-Demerger	
	Total No. of shares	%	Total No. of shares	%
Any Other (specify)	-	-		
- NRI	-	-	5,533	0.16
- Clearing members	-	-	5,729	0.17
- Overseas Bodies Corporate	-	-	-	-
Sub-Total (B)(2)	-	-	1,080,842	31.88
Total Public Shareholding (B)=(B)(1)+(B)(2)	50,000	100.00	1,082,815	31.94
GRAND TOTAL (A)+(B)	50,000	100.00	3,390,000	100.00

18. The Directors of BOL and TSIL may be deemed to be concerned and /or interested in the proposed Scheme to the extent of their shareholding or that of the Companies, firms and/or Institutions of which they are Directors, Partners or Members and which hold Shares in either BOL or TSIL.

19. The extent of the shareholding of the Directors of BOL in BOL and TSIL either singly or jointly or as nominee as on December 31, 2010 is as under:

Director	Holding in BOL	Holding in TSIL
Mr. Venugopal Bang	27,06,600	1
Mr. Brijgopal Bang	15,21,000	10
MR. ViswanathCheruvu	-	-
Mr. Vijay Ajgaonkar	115	-
Mr. Mithilesh Kumar Sinha	-	-

20. The extent of the shareholding of the Directors of TSIL in TSIL and BOL either singly or jointly or as nominee as on December 31, 2010 is as under:

Director	Holding in TSIL	Holding in BOL
Mr. Venugopal Bang	1	27,06,600
Mr. Brijgopal Bang	10	15,21,000
Mr. Krishna Kumar Bang	-	6,47,100

21. The financial position of BOL will not be adversely affected by the Scheme of Arrangement. BOL will be able to meet and pay its debts as and when they arise in the normal course of business.

22. No investigation proceedings have been initiated or are pending under Section 235 to Section 251 of the Companies Act, 1956 against BOL.

23. The rights and interests of the members of BOL will not be prejudicially affected by the Scheme.

24. Inspection of the following documents may be had at the Company's Registered Office at Masjid Manor, 2nd Floor, 16 Homi Modi Street, Fort, Mumbai 400 023 on all working days (except Saturday) of the Company between 10.00 a.m. and 1.00 p.m. up to one day prior to the date of the Court Convened Meeting.

- Memorandum and Articles of Association of BOL and TSIL;
- Audited financial statements as on March 31, 2010 of BOL;
- Unaudited financial statement as on December 31, 2010 of BOL;
- Unaudited financial statement as on December 31, 2010 of TSIL;
- No objection certificates to the Scheme received from Bombay Stock Exchange Limited dated January 6, 2011 and the National Stock Exchange of India Limited dated January 14, 2011;
- Certified Copy of the Order dated the 25th day of February, 2011 of the High Court of Judicature at Bombay in Company Summons for Direction No.140 of 2011 directing the convening of the meeting of the Equity Shareholders of the Company; and
- Scheme of Arrangement.

This statement may be treated as an Explanatory Statement under Section 173 and Section 393 of the Companies Act, 1956. A copy of the Scheme, Explanatory Statement and Form of Proxy may be obtained from the Company's Registered Office at Masjid Manor, 2nd Floor, 16 Homi Modi Street, Fort, Mumbai 400 023 and/or at the office of the Advocates M/S RAJESH SHAH & Co., 16, Oriental Building, 30, Nagindas Master Road, Flora Fountain, Mumbai 400 001, during ordinary business hours on all working days except Saturdays.

Place : Mumbai

Dated this 28th day of February, 2011

Sd/-

Venugopal Bang

Chairperson appointed for the Meeting

Registered Office

Masjid Manor,
2nd Floor, 16 Homi Modi Street,
Fort, Mumbai 400 023

**Scheme of Arrangement
Between
Bang Overseas Limited
And
Thomas Scott (India) Limited
And
Their respective Shareholders
Under Sections 391 to 394 read with Sections 78 and 100 to 103 of the
Companies Act, 1956**

This Scheme of Arrangement is presented for:

Vesting of the Retail Division of Bang Overseas Limited having its registered office at Masjid Manor, 2nd Floor, 16 Homi Modi Street, Fort, Mumbai 400 023 as a going concern into Thomas Scott (India) Limited having its registered office at 50, Kewal Industrial Estate, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013 under the provisions of sections 391 to 394 and other applicable provisions of the Companies Act, 1956 in the manner laid down in this Scheme.

The Scheme is divided into following parts:

1. Part A deals with the definitions and share capital;
2. Part B deals with the demerger of the Retail Division of Bang Overseas Limited; and
3. Part C deals with the general terms and conditions.

PART A DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereunder), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1 **“Act” or “the Act”** means the Companies Act, 1956 and shall include any statutory modification, re-enactment or amendment thereof.
- 1.2 **“Appointed Date”** means April 1, 2011 or such other date as may be fixed by the High Court of Judicature at Bombay or such other competent authority as may be applicable.
- 1.3 **“Bang Overseas Limited” or “BOL” or “the Demerged Company”** means Bang Overseas Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Masjid Manor, 2nd Floor, 16 Homi Modi Street, Fort, Mumbai 400 023.
- 1.4 **“Effective Date”** means the date on which the certified copies of the Orders sanctioning this Scheme of Arrangement passed by the High Court of Judicature at Bombay or such other competent authority, as may be applicable, are filed with the Registrar of Companies, Maharashtra by both the companies.
- 1.5 **“High Court”** means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable.
- 1.6 **“Old Equity Shares of the Resulting Company”** means the existing issued, subscribed and paid-up Equity Share Capital of Rs. 5,00,000 divided into 50,000 equity shares of Rs. 10 each held by the existing shareholders of the Resulting Company in the Resulting Company.
- 1.7 **“Record Date”** means such date to be fixed by the Board of Directors of BOL to determine the Members of BOL to whom equity shares of Thomas Scott (India) Limited will be allotted and to ensure allotment of equity shares of Thomas Scott (India) Limited in accordance with Clause 5 of the Scheme.
- 1.8 **“Remaining Business”** means the manufacturing business of the BOL and all other businesses and divisions of BOL after demerger of the Retail Division;
- 1.9 **“Retail Division”** means the business of selling, distribution and marketing apparel products through value format stores, retail outlets and any other medium and includes the undertaking comprising:
 - 1.9.1 All assets (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent, tangible or intangible) wherever situated pertaining to and relatable to the Retail Division;

1.9.2 All present and future liabilities arising out of the activities or operations of Retail Business, including loans, debts, current liabilities and provisions, duties and obligations relatable to the Retail Division;

1.9.3 Without prejudice to the generality of the above, the Retail Division shall include in particular:

- a. all properties required for the Retail Division wherever situated, including all current assets, funds, offices, furniture, fixtures, office equipment, appliances, accessories, vehicles;
- b. all permits, rights, entitlements, bids, tenders, letters of intent, expressions of interest, municipal and other statutory permissions, approvals, consents, licenses, registrations, subsidies, concessions, exemptions, remissions related to Retail Division, tenancies in relation to office and/or residential property for the employees related to Retail Division, offices, intellectual property rights (including patents, trademarks, copy rights, etc.) related to Retail Division, investment, cash balances, the benefit of any deposit and financial assets related to Retail Division, funds belonging to or proposed to be utilized for the Retail Division, bank balances and bank accounts relating to the day to day operations and specific to the working of Retail Division, privileges, all other rights and benefits, lease rights, licenses, domain names, trade name and other intellectual property rights of any nature whatsoever and licenses in respect thereof, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephone, telexes, facsimile connection and installations, utilities, power lines, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interest in connection with or relating to the Retail Division;
- c. all records, files, papers, computer programs, manuals, data, libraries, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form in connection with or relating to the Retail Division;
- d. all employees of BOL substantially engaged in the Retail Division as determined by the Board of Directors of BOL;
- e. all duties and obligations which are relatable to Retail Division;
- f. all earnest moneys and/or security deposits, if any, paid or received by the BOL in connection with or relating to the Retail Division.

1.10 **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Scheme of Arrangement in its present form as submitted to the Honorable High Court or with such modification(s), if any made, as per Clause 16 of the Scheme.

1.11 **"Thomas Scott (India) Limited"** or **"TSIL"** or **"the Resulting Company"** means Thomas Scott (India) Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 50, Kewal Industrial Estate, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract 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 from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) and amendment(s) made under Clause 16 of the Scheme shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. SHARE CAPITAL

3.1 The share capital of the BOL as on latest audited Balance Sheet dated March 31, 2010 is as under:

Particulars	Amount (in Rs)
Authorised Capital	
1,60,00,000 Equity Shares of Rs.10 each	16,00,00,000
Total	16,00,00,000
Issued, Subscribed and Paid-up Capital	
1,35,60,000 Equity Shares of Rs.10 each fully paid up	13,56,00,000
Total	13,56,00,000

There has been no change in the capital structure of the BOL after March 31, 2010 till the date of this Scheme being approved by the Board of Directors of the BOL.

- 3.2 The share capital of the Resulting Company as on the date of this Scheme being approved by the Board of Directors of the Resulting Company is as under:

Particulars	Amount (in Rs)
Authorised Capital	
50,000 Equity Shares of Rs.10 each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up Capital	
50,000 Equity Shares of Rs. 10 each fully paid-up	5,00,000
Total	5,00,000

As on date, the Resulting Company is a wholly owned subsidiary of BOL and the entire paid-up equity share capital of the Resulting Company is held by BOL.

PART B DEMERGER OF THE RETAIL DIVISION OF BOL INTO RESULTING COMPANY

4. TRANSFER AND VESTING OF THE RETAIL DIVISION OF BOL

- 4.1. The Retail Division of BOL, the Demerged Company, shall be transferred to and vested in or deemed to be transferred to and vested in the Resulting Company, as a going concern, in accordance with Section 2(19AA) of the Income Tax Act, 1961 and in the following manner:

4.1.1. With effect from the Appointed Date and upon the coming into effect of this Scheme and subject to the provisions of this Scheme the whole of the Retail Division of the BOL, of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 391 to 394 and all other applicable provisions of the Act, without any further act or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company at their book values as at the close of the business on the day immediately preceding the Appointed Date, so as to vest in the Resulting Company the right, title and interest of the BOL therein;

4.1.2. Without prejudice to the generality of the foregoing, with effect from the Appointed Date:

- (i) any and all assets relating to the Retail Division, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme shall stand transferred and vested by the BOL to the Resulting Company and shall become the property and an integral part of the Resulting Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred and vested accordingly;
- (ii) any and all movable properties of the BOL relating to the Retail Division, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, be transferred and vested as the property of the Resulting Company;
- (iii) any and all immovable properties of BOL relating to the Retail Division, whether freehold or leasehold and any documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in the Resulting Company, without any act or deed done by BOL or the Resulting Company. With effect from the Appointed Date, the Resulting Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfil all obligations, in relation to or applicable to such immovable properties;
- (iv) any and all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not or disclosed in the books of accounts of BOL relating to the Retail Division, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company and the Resulting Company undertakes to meet, discharge and satisfy the same;
- (v) it shall not be necessary to obtain the consent of any third party or other person who is a party to any

contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;

- (vi) where any of the liabilities and obligations attributed to the Retail Division on or after the Appointed Date has been discharged by BOL on behalf of the Retail Division after the Appointed Date but prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Resulting Company;
- (vii) all loans raised between the Appointed Date and the Effective Date and liabilities incurred by BOL during such period for operations of the Retail Division shall be discharged by the Resulting Company. Where any of the liabilities and obligations attributed to the Retail Division on the Appointed Date have been discharged by BOL after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Resulting Company;
- (viii) any and all contracts, agreements, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements and other instruments of whatsoever nature in relation to the Retail Division, to which BOL is a party or to the benefit of which, the Retail Division may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect, on or against or in favour of the Resulting Company and may be enforced as fully and effectually as if, instead of BOL, the Resulting Company had been a party or beneficiary or obligee thereto;
- (ix) all permits, no objection certificates, permissions, approvals, consents quotas, rights, entitlements, licenses including those relating to trademarks, tenancies, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Retail Division to which BOL is a party or to the benefit of which BOL may be eligible and which are subsisting or having effect immediately before the Effective Date, shall stand transferred to and vested in the Resulting Company without any further act or deed done by BOL and the Resulting Company and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Resulting Company upon the vesting and transfer of the Retail Division pursuant to this Scheme, and shall be and remain in full force, operative and effectual for the benefit of the Resulting Company, and may be enforced by the Resulting Company as fully and effectually as if, instead of BOL, the Resulting Company had been the original party or beneficiary or obligee thereto;
- (x) all taxes, duties, cess payable by BOL from Appointed Date relating to the Retail Division including all or any refunds/credit/claims relating thereto shall be treated as the liability or refunds/credit/claims, as the case may be, of the Resulting Company, provided however that any direct and indirect taxes that cannot specifically be earmarked as the liability or refunds/credit/claims relating to the Retail Division shall continue to be borne by BOL.

4.1.3. The transfer and vesting of the Retail Division as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof relating to the Retail Division to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of the Retail Division.

5. CONSIDERATION

- 5.1. Upon this Scheme becoming operative and upon vesting of the Retail Division of BOL in the Resulting Company in terms of this Scheme, the Resulting Company, shall, without any further application or deed, issue and allot to every member of BOL, holding fully paid up equity shares in BOL and whose name appears in the Register of Members of BOL on the Record Date, his/her heirs, executors, administrators or the successors-in-title, as the case may be, in respect of every 4 (Four) equity share of the face value of Rs.10 (Rupees Ten Only) each fully paid-up held by him/ her/ it in BOL, 1 (One) equity share of the face value of Rs.10 each (Rupees Ten only) of the Resulting Company, as fully paid-up.
- 5.2. The shares issued under Clause 5.1 of this Scheme (hereinafter referred to as the "New Equity Shares"), would be with rights attached thereto as under:
 - (a) The New Equity Shares to be issued and allotted by the Resulting Company in terms hereof will be subject to their respective Memorandum and Articles of Association. The Resulting Company shall, to the extent required, increase its authorized share capital in order to issue New Equity Shares under this Scheme.
 - (b) The Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of New Equity Shares to the shareholders of BOL under the Scheme.

- (c) The New Equity Shares of the Resulting Company will be issued in dematerialized form to the equity shareholders who hold shares of BOL. All those equity shareholders who hold shares of BOL in certificate form will be issued Equity Shares of the Resulting Company in the certificate form unless otherwise communicated in writing by the shareholders on or before such date as may be determined by the Resulting Company.
- (d) In so far as New Equity Shares which are to be issued in dematerialized form, the same will be issued in dematerialized form to the equity shareholders of BOL, provided all details relating to the account with the Depository participant are available to Resulting Company. All those equity shareholders who hold equity shares of BOL and do not provide their details relating to the account with the depository participant will be issued New Equity Shares in the certificate form unless otherwise communicated in writing by the shareholders on or before Record Date.
- (e) Notwithstanding anything contained herein, in the event of any shareholders of BOL having a shareholding such that such shareholder becomes entitled to a fraction of the New Equity Shares in the Resulting Company, all the fractional entitlements of various shareholders shall be aggregated and without any further act, deed or thing to be done, such consolidated New Equity Shares shall stand vested to a director or an officer of the Resulting Company, as the case may be, or such other person as the respective Board of Directors shall appoint in this behalf who shall hold the New Equity Shares in trust on behalf of the members entitled to fractional entitlements with the express understanding that such director(s) or officer(s) or person(s) shall sell the same in the market at such time or times and at such price or prices and to such person or persons, as it/he/they may deem fit, and pay to the Resulting Company, the net sale proceeds thereof, whereupon the Resulting Company shall distribute such net sale proceeds subject to taxes, if any, to the members in proportion to their respective fractional entitlements.
- (f) In the event of their being any pending share transfer, whether lodged or outstanding, of any shareholder of BOL, the Board of Directors or any committee of the Resulting Company shall be empowered even subsequent to the Effective Date, to effectuate such transfer as if such changes in the registered holder were operative from the Effective Date.
- (g) The equity shares to be issued to the members of BOL in terms of clause 5.1 above shall be subject to the provisions of Articles of Association of the Resulting Company.
- (h) The New Equity Shares to be issued by Resulting Company in terms of this Scheme to shareholders of BOL shall be listed on the stock exchange/s in India, where the existing equity shares of BOL are presently listed. The New Equity Shares of Resulting Company allotted pursuant to the Scheme shall remain frozen in the depositories system till listing and trading permission is given by the designated stock exchanges.

5.3. The issue and allotment of New Equity Shares by Resulting Company to the shareholders of BOL, as the case may be, as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 81(1A) and any other applicable provisions of the Act were duly complied with.

6. ACCOUNTING TREATMENT

Upon coming into effect of this Scheme and with effect from the Appointed Date:

6.1. In the books of the Resulting Company

- 6.1.1. All the assets and liabilities related to the Retail Division as appearing in the books of accounts of BOL as on the Appointed Date shall stand transferred to and vested in the Resulting Company pursuant to the Scheme and shall be recorded by the Resulting Company at their book values (ignoring revaluations, if any) as appearing in the books of BOL.
- 6.1.2. The Resulting Company shall credit to their share capital account, the aggregate face value of the New Equity Shares issued by them pursuant to Clause 5.1 of this Scheme.
- 6.1.3. The difference, being the excess of net value of assets and liabilities as recorded under 6.1.1 above, of the Retail Division over New Equity Shares issued by the Resulting Company on demerger shall be credited to General Reserve Account.

6.2. In the Books of BOL

- 6.2.1. Pursuant to Clause 7.1 of this Scheme, the investment in the equity shares of the Resulting Company appearing in the books of account of BOL shall stand cancelled.
- 6.2.2. The excess of book value of assets over the book value of liabilities as appearing in the balance sheet of BOL and

transferred as a part of the Retail Division and after making the adjustment as mentioned in sub-clause 6.2.1 above, shall be debited to Securities Premium Account.

- 6.2.3. The utilisation of Securities Premium Account, as mentioned above, shall be effected as an integral part of the Scheme itself in accordance with the provisions of Section 78 and Sections 100 to 103 of the Act without having to follow the process under Section 100 to 103 of the Act separately and the Order of the High Court sanctioning the Scheme shall be deemed to be also the Order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital to the shareholders and the provisions of Section 101 of the Act will not be applicable.

7. CANCELLATION OF THE OLD EQUITY SHARE CAPITAL OF THE RESULTING COMPANY

- 7.1. Upon the Scheme becoming effective and allotment of New Equity Shares by Resulting Company, the Old Equity Shares of the Resulting Company shall, without any application or deed, stand cancelled without any payments to the holders of such Old Equity Shares of Resulting Company.
- 7.2. The cancellation of the Old Equity Shares of the Resulting Company, as mentioned above, shall be effected as an integral part of this Scheme without having to follow the process under Section 100 to 103 of the Act separately and the Order of the High Court sanctioning the Scheme shall be deemed to be also the Order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital to the shareholders and the provisions of Section 101 of the Act will not be applicable.

PART C - GENERAL TERMS AND CONDITIONS.

8. TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

Between the Appointed Date and the Effective Date:

- i) BOL in respect of the Retail Division shall carry on and be deemed to have been carrying on the business and activities and shall stand possessed of and hold all of its properties and assets for and on account of and in trust for the Resulting Company. BOL hereby undertakes to hold the said assets with utmost prudence until the Effective Date;
- ii) all the profits or income accruing or arising to BOL in respect of the Retail Division or expenditure or losses arising to or incurred by BOL in respect of the Retail Division, shall for all purposes and intents be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses (as the case may be) of the Resulting Company;
- iii) BOL in respect of the Retail Division shall carry on the business and activities with reasonable diligence, business prudence and shall not without the prior written consent of the Resulting Company alienate, charge, mortgage, encumber or otherwise deal with or dispose of the undertaking or any part thereof except in the ordinary course of business nor shall it undertake any new business or a substantial expansion of its existing Retail Division; and
- iv) The Retail Division of BOL shall not, without the prior written consent of the Resulting Company, undertake any new business or a substantial expansion of its existing business.

9. CONDUCT OF BUSINESS

- 9.1. As and from the date of acceptance of this Scheme by the Board of Directors of BOL and the Board of Directors of the Resulting Company and till the Effective Date is the Appointed Date, whichever is later:
- (a) BOL shall carry on the business of the Retail Division with reasonable diligence in the ordinary course of business and in the same manner as it had been doing hitherto fore, and BOL shall not alter or expand the business of the Retail Division except with the concurrence of the Resulting Company and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment;
 - (b) BOL shall not, without the written concurrence of Board of the Resulting Company, alienate, charge or encumber any of its properties defined in Clause 1.9 above except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of BOL and the Resulting Company;
 - (c) BOL shall not vary or alter, except in the ordinary course of its business and as may be required for reorganization, the terms and conditions of employment of any of its employees in relation to the said the Retail Division.

- 9.2. With effect from the Effective Date or the Appointed Date, whichever is later, the Resulting Company shall commence and carry on and shall be authorized to carry on the businesses of the Retail Division of BOL; and
- 9.3. BOL shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Resulting Company may require to own and carry on the business of the Retail Division.

10. STAFF, WORKMEN & EMPLOYEES

- 10.1. On the Scheme becoming operative, all staff, workmen and employees of the Retail Division of BOL in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Resulting Company with effect from the Appointed Date without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with BOL shall not be less favourable than those applicable to them with reference to the Retail Division of BOL on the Effective Date.
- 10.2. It is expressly provided that, the provident fund, superannuation fund or any other special scheme(s), fund(s) created or existing for the benefit of the employees of Retail Division, on and from the Effective Date or the Appointed Date, whichever is later, shall stand transferred to the Resulting Company and the Resulting Company shall stand substituted for BOL for all purposes whatsoever relating to the administration or operation of such schemes or funds or in relation to obligations to make contributions to the said schemes or funds in accordance with the provisions of such schemes or funds as per the terms provided in the respective trust deeds or other documents to the end and intent that all rights, duties, powers and obligations of BOL in relation to such funds or schemes shall become those of Resulting Company. It is clarified that the service of the Employees of Retail Division of BOL will be treated as having been continued for the purpose of the aforesaid funds or schemes or provisions.

11. LEGAL PROCEEDINGS

- 11.1. All legal proceedings of whatsoever nature by or against BOL pending and/ or arising at the Appointed Date and relating to the Retail Division of BOL or its properties, assets, debts, liabilities, duties and obligations referred to in Clause 1.9 as and from the Effective Date shall be continued and enforced by or against the Resulting Company in the manner and to the same extent as would or might have been continued and enforced by or against BOL;
- 11.2. After the Appointed Date, if any proceedings are taken against BOL in respect of the matters referred to in the sub-clause 11.1 above, it shall defend the same at the cost of the Resulting Company and the Resulting Company shall reimburse and indemnify BOL against all liabilities and obligations incurred by BOL in respect thereof; and
- 11.3. The Resulting Company undertakes to have all legal or other proceedings initiated by or against BOL referred to in Clause 11.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of BOL.

12. CONTRACTS, DEEDS, ETC.

- 12.1. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance policies, agreements and other instruments, if any, of whatsoever nature relating to the Retail Division and to which BOL is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Resulting Company as the case may be, and may be enforced by or against the Resulting Company as fully and effectually as if, instead of BOL, the Resulting Company had been a party thereto;
- 12.2. The Resulting Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which BOL will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The Resulting Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of BOL and to implement or carry out all formalities required on the part of BOL to give effect to the provisions of this Scheme.

13. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Resulting Company under Clause 11 above shall not affect any transaction or proceedings already concluded by BOL on or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by BOL in respect thereto as done and executed on behalf of itself.

14. REMAINING BUSINESS

The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by BOL.

15. APPLICATION TO HIGH COURT

BOL and the Resulting Company shall with all reasonable dispatch make applications under Sections 391 and 394 of the Act and other applicable provisions of the Act to the High Court for seeking approval of the Scheme.

16. MODIFICATION OR AMENDMENTS TO THE SCHEME

BOL and the Resulting Company by their respective Board of Directors may assent to any modifications / amendments to the Scheme or to any conditions or limitations that the Court and / or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors). BOL and the Resulting Company by their respective Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected therewith.

17. CONDITIONALITY OF THE SCHEME

This scheme is and shall be conditional upon and subject to:

- 17.1. The Scheme being approved by the respective requisite majorities of the members and / or creditors of BOL and the Resulting Company, as may be directed by the High Court and/or any other competent authority as may be applicable;
- 17.2. The Scheme being sanctioned by the High Court and / or any other competent authority, as may be applicable under Sections 391 to 394 of the Act;
- 17.3. 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;
- 17.4. The filing of the certified copies of the orders of the Courts with the Registrar of Companies of Mumbai.

18. EFFECT OF NON-RECEIPT OF APPROVALS

In the event Effective Date shall not have occurred by December 31, 2011 or by such later date as may be agreed to by and between the respective Boards of Directors of BOL and Resulting Company (the 'Cut-off Date'), the Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case BOL shall bear the entire costs. In case the Scheme is not sanctioned by the High Court, or in the event any of consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme not being obtained or complied or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void, and each Company shall bear its own cost, charges and expenses in connection with the Scheme unless otherwise mutually agreed.

19. COSTS, CHARGES & EXPENSES

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

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 140 OF 2011**

In the matter of the Companies Act, 1956;

AND

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

AND

In the matter of Scheme of Arrangement between Bang Overseas
Limited ("the Demerged Company") and Thomas Scott (India)
Limited ("the Resulting Company") and their respective
shareholders

BANG OVERSEAS LIMITED, a company incorporated under)
the Companies Act, 1956 having its registered office at Masjid)
Manor, 2nd Floor, 16 Homi Modi Street, Fort, Mumbai 400 023.) Applicant Company

FORM OF PROXY

I/We _____ the undersigned, being the equity shareholder/(s) of Bang
Overseas Limited the above named Applicant Company, do hereby appoint _____ of
_____ and failing him/her _____ of
_____ as my/our proxy, to act for me/us at the meeting of the equity shareholders of the
Applicant Company to be held at Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai- 400 002, on Friday, 1st day
of April, 2011 at 10.00 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 Bang Overseas Limited ("the Demerged Company") and
Thomas Scott (India) Limited ("the Resulting Company") and their respective shareholders ("Scheme"), at such meeting, and at
any adjournment or adjournments thereof, to vote, for me/us and in my/our name (s) _____
(here, 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 modification(s)*, as my/our proxy may approve.

Dated this ____ day of _____, 2011

Name : _____

Address: _____

Affix
Re 1/-
revenue
stamp

Signature across the stamp

(For Physical holding) Folio No. _____

(For Demat holding) DP ID _____

Client ID _____

No. of Shares held : _____

Signature of Shareholder(s) Sole holder / First holder _____

Second holder _____

Third holder _____

Signature of Proxy _____

Notes:

1. Proxy need not be a member
2. Alterations, if any, made in the Form of Proxy should be initialled.
3. Proxy must be deposited at the Registered Office of the Applicant Company, not later than 48 (FORTY EIGHT) hours before the time scheduled / fixed for the said meeting.
4. In case of multiple proxies, the proxy later in time shall be accepted.

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ATTENDANCE SLIP

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

DP Id* – _____ Folio No. – _____

Client Id* – _____ No. of Share(s) held – _____

NAME AND ADDRESS OF THE EQUITY SHAREHOLDER (in block letters):

NAME AND ADDRESS OF THE PROXY HOLDER (in block letters, to be filled on by the proxy attending instead of the equity shareholder):

I / We hereby record my / our presence at the Court Convened Meeting of the Equity Shareholders of Bang Overseas Limited, the Applicant Company, convened pursuant to the Order dated 25th day of February, 2011 of the High Court of Judicature at Bombay at Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai- 400 002 on Friday, 1st day of April, 2011 at 10.00 a.m.

Signature of the equity shareholder or proxy

*Applicable for shareholders holding shares in dematerialized form.

Notes :

1. Shareholders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after fixing their signature on it.
2. Shareholders who come to attend the meeting are requested to bring with them copy of the Copy of the Scheme of Arrangement.

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NOTICE OF THE EXTRA-ORDINARY GENERAL MEETING

To,
The Equity Shareholders of **BANG OVERSEAS LIMITED**

NOTICE is hereby given that an Extra-Ordinary General Meeting of the Equity Shareholders of Bang Overseas Limited ("the Company") will be held at Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai- 400 002 on Friday, the 1st day of April, 2011 at 11.00 a.m. or soon after the conclusion of the Court Convened Meeting of shareholders of the Company whichever is later to transact the following special business:

To consider and, if thought fit, to pass with or without modification(s), the following as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Sections 78 and 100 to 103 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and of the Articles of Association of the Company and subject to the sanction of the Scheme of Arrangement between Bang Overseas Limited and Thomas Scott (India) Limited and their respective shareholders ("Scheme") by the Hon'ble High Court of Judicature at Bombay under Sections 391 to 394 read with Sections 78 and 100 to 103 and other applicable provisions of the Companies Act, 1956 and subject to the Scheme becoming effective and further subject to such conditions as may be prescribed while granting such approvals, consents, permissions, sanctions, which the Board of Directors of the Company may agree and accept, consent of the Equity Shareholders be and is hereby accorded for reduction of Securities Premium Account in terms of the Scheme, without requiring the Company to add words 'And Reduced' as suffix to its name.

RESOLVED FURTHER THAT Mr. Brijgopal Bang or Mr. Venugopal Bang, Directors of the Company or Ms. Kavita Lunawat, Company Secretary of the company, or any other person which the Board of Directors of the Company may nominate/constitute to exercise its powers (including the powers by this Resolution), be and each of them severally is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper and to settle any question or difficulty that may arise with regard to implementation of the Scheme and this resolution, without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have given all necessary approvals thereto expressly by the authority of this resolution."

By Order of the Board of Directors

Sd/-

Venugopal Bang
Chairman

dated this 28th day of February, 2011

Registered Office:

Masjid Manor,
2nd Floor, 16 Homi Modi Street, .
Fort, Mumbai 400 023.

NOTES

1. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out material facts in respect of the business of this notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE Extra-Ordinary GENERAL MEETING.
3. Members/Proxies should bring the enclosed Attendance Slip duly filled in for attending the Meeting.
4. All documents referred into the notice and other related documents including the copies of Memorandum of Association and Articles of Association of the Company are available for inspection by any member at the registered office of the Company between 10 a.m. and 1 p.m on all working days (except Saturdays) prior to the date of the Extra-Ordinary General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

The Board of Directors of Bang Overseas Limited ("BOL" or "the Company") in its meeting held on December 23, 2010 has approved the Scheme of Arrangement between Bang Overseas Limited ("the Company" or "BOL") and Thomas Scott (India) Limited ("TSIL") and their respective shareholders ("the Scheme") under Sections 78 and 100 to 103 and other applicable provisions of the Companies Act, 1956.

The proposed Scheme, inter alia, envisages the following:

- Demerger of the Retail division of BOL into TSIL;
- Cancellation of existing equity share capital of TSIL and;
- Reduction of Securities Premium Account of BOL.

Upon the Scheme becoming effective,

1. The investment in the equity shares of the Resulting Company appearing in the books of account of BOL shall stand cancelled.
2. The excess of book value of assets over the book value of liabilities as appearing in the balance sheet of BOL and transferred as a part of the Retail Division and after making the adjustment as mentioned above, shall be debited to Securities Premium Account.
3. The reduction of securities premium account of BOL as mentioned above shall be effected as an integral part of this Scheme without having to follow the process under Section 78 read with Sections 100 to 103 of the Companies Act, 1956 separately. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital and the provisions of Section 101 of the Companies Act, 1956 will not be applicable and accordingly the Order under Section 102 of the Companies Act, 1956 shall not be required.

Accordingly, since the Scheme results in reduction of the Securities Premium Account of BOL, the approval of the Equity Shareholders by a Special Resolution would be required in terms of Section 78 read with 100 of the Companies Act, 1956. The Scheme is subject to the confirmation of the Hon'ble High Court of Judicature at Bombay and/or approval of such other regulatory authority as may be required according to the laws in force.

The approval of the Scheme would also operate as approval for the aforesaid reduction. However, for better corporate governance practice and removal of any possible misinterpretation of statute or setting aside any doubts, approval of the Equity Shareholders is sought on the basis that the proposed utilisation of Securities Premium would require the approval of the Equity Shareholders by way of a Special Resolution to be passed at the General Meeting.

The detailed features of the Scheme, approved by the Board of Directors of the Company in its meeting held on December 23, 2010, including the pre and post Scheme capital structure and shareholding pattern, have been appropriately described in the Explanatory Statement under Section 393 of the Companies act, 1956, which has been enclosed along with the notice convening the meeting of the Equity Shareholders pursuant to Order made by the High Court of Judicature at Bombay on the 25th day of February, 2011.

The Directors recommend the above resolution to the Equity Shareholders for their approval.

None of the Directors of the Company are interested in passing of the proposed resolution, except to the extent of their respective holding of equity shares of the Company.

By Order of the Board of Directors

Sd/-

**Venugopal Bang
Chairman**

dated this 28th day of February, 2011

Registered Office:

Masjid Manor,
2nd Floor, 16 Homi Modi Street,
Fort, Mumbai 400 023.

FORM OF PROXY

I/We _____ of _____, being the member / member(s) of Bang Overseas Limited, hereby appoint _____ of _____ and failing him/her _____ of _____ as my/our proxy to attend and vote for me/our behalf at the Extra-Ordinary General meeting of the Company to be held at Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai- 400 002, on Friday, 1st day of April, 2011 at 11.00 a.m. or soon after the conclusion of the Court Convened Meeting of shareholders of the Company whichever is later and at any adjournment thereof.

Dated this ____ day of _____, 2011

Name : _____

Address: _____

Affix
Re 1/ -
revenue
stamp

Signature across the stamp

(For Physical holding) Folio No. _____

(For Demat holding) DP ID _____

Client ID _____

No. of Shares held : _____

Signature of Shareholder(s) Sole holder / First holder _____

Second holder _____

Third holder _____

Signature of Proxy _____

Notes:

1. Proxy need not be a member
2. Alterations, if any, made in the Form of Proxy should be initialled.
3. Proxy must be deposited at the Registered Office of the Applicant Company, not later than 48 (FORTY EIGHT) hours before the time scheduled / fixed for the said meeting.
4. In case of multiple proxies, the proxy later in time shall be accepted.

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ATTENDANCE SLIP

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

DP Id* - _____ Folio No. - _____

Client Id* - _____ No. of Share(s) held - _____

NAME AND ADDRESS OF THE EQUITY SHAREHOLDER (in block letters):

NAME AND ADDRESS OF THE PROXY HOLDER (in block letters, to be filled on by the proxy attending instead of the equity shareholder):

I / We hereby record my / our presence at the Extra-Ordinary General Meeting of the equity shareholders of the Company, convened at Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai- 400 002 on Friday, 1st day of April, 2011 at 11.00 a.m. or soon after the conclusion of the Court Convened Meeting of shareholders of the Company whichever is later.

Signature of the equity shareholder or proxy

*Applicable for investors holding shares in electronic form.

Notes:

Shareholders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after fixing their signature on it.

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Book-Post

If undelivered please return to:



BANG OVERSEAS Ltd.

BANG OVERSEAS LIMITED

Registered Office: Masjid Manor, 2nd Floor,
16 Homi Modi Street, Fort, Mumbai 400 023.