

COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

AMONGST

THOMAS COOK (INDIA) LIMITED

AND

TRAVEL CORPORATION (INDIA) LIMITED

AND

TC TRAVEL SERVICES LIMITED

AND

TC FOREX SERVICES LIMITED

AND

SOTC TRAVEL MANAGEMENT PRIVATE LIMITED

AND

QUESS CORP LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

(UNDER SECTIONS 230 TO 232 READ WITH SECTIONS 52, 55 AND 66 AND OTHER
RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013)



I. PREAMBLE

1. This Composite Scheme of Arrangement and Amalgamation ("**Scheme**") is presented pursuant to the provisions of Sections 230 to 232 read with 52, 55 and 66 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Sections 2 (19AA), 2(1B), and other relevant provisions of the IT Act, as may be applicable, for the:

- (i) demerger of the Demerged Undertaking 1 (*more particularly defined hereinafter*) of Travel Corporation (India) Limited ("**TCI**") into SOTC Travel Management Private Limited ("**SOTC TRAVEL**") on a going concern basis;
- (ii) subject to the demerger of the Demerged Undertaking 1, amalgamation of residual TCI, TC Travel Services Limited ("**TCTSL**") and TC Forex Services Limited ("**TCF**") into Thomas Cook (India) Limited ("**TCIL**") and consequent dissolution of TCI, TCTSL and TCF without winding up; and
- (iii) subject to demerger of the Demerged Undertaking 1 with SOTC TRAVEL and amalgamation of residual TCI, TCTSL and TCF with TCIL, demerger of Demerged Undertaking 2 (*more particularly defined hereinafter*) of TCIL into Quess Corp Limited ("**Quess**") on a going concern basis.

II. BACKGROUND AND DESCRIPTION OF THE COMPANIES

1. TCIL is a public limited company incorporated on October 21, 1978 under the Companies Act, 1956 with CIN L63040MH1978PLC020717 and having its registered office at Thomas Cook Building, Dr. D. N. Road, Fort, Mumbai 400001, Maharashtra. The equity shares of TCIL are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"). TCIL is currently engaged in the following broad segments either directly and/ or indirectly through its subsidiaries, joint ventures and associates:
 - a. Financial services – which includes wholesale and retail purchase and sale of foreign currencies and paid documents including prepaid, forex cards, wire transfers, etc.;
 - b. Travel and related services – which includes tour operations, travel management, visa services, travel insurance, destination management services, MICE and other related services;
 - c. Vacation ownership and resorts business – which includes time share holiday's business, resort management, resort construction, etc.; and



- d. Human resource services – which includes staffing services for conducting tours and other businesses, talent development and training, resource management business, facilities management services, selection services, food services and engineering services.
2. Quess is a public limited company incorporated on September 19, 2007 under the Companies Act, 1956 with CIN L74140KA2007PLC043909 and having its registered office at 3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore 560103, Karnataka. The equity shares of Quess are listed on BSE and NSE. Quess is India's leading integrated business services provider and is engaged in providing services in the fields of: (i) industrial asset management, (ii) integrated facility management, (iii) human resource services, (iv) global technology solutions, and (v) internet business. Quess excels in helping large and emerging companies manage their non-core activities by leveraging its integrated service offerings across industries and geographies which provides significant operational efficiencies to its client.
3. TCI is a public limited company incorporated on July 19, 1961 under the Companies Act, 1956 with CIN U63040MH1961PLC012067 and having its registered office at 324, Dr. D. N. Road, Fort, Mumbai 400001, Maharashtra. TCI is engaged in the business of handling inward foreign tourist activity in India including independent and conducted tours, safaris, expeditions, conferences, meetings and other group movements and also to handle similar foreign tourist activity in other parts of the world through its own offices and agents and correspondents. TCI is a wholly owned subsidiary of TCIL.
4. TCTSL (formerly known as TC Travel And Services Limited) is a public limited company incorporated on October 15, 2008 under the Companies Act, 1956 with CIN U63040MH2008PLC187559 and having its registered office at 324, Dr. D.N. Road, Fort, Mumbai 400001, Maharashtra. TCTSL is engaged in the business of travel and ticketing business and offers a wide range of services including airline ticketing, booking hotel accommodation, visa and passport facilitation, travel insurance etc. TCTSL is a wholly owned subsidiary of TCIL.
5. TCF (formerly known as Tata Capital Forex Limited) is a public limited company incorporated on November 7, 2006 under the Companies Act, 1956 with CIN U65921MH2006PLC238745 and having its registered office at 324, Dr. D. N. Road, Fort, Mumbai 400001, Maharashtra. TCF is engaged in offering a complete range of travel related foreign exchange products. The wide range of products provided by TCF includes currency notes, travel cards and traveller's cheques etc. TCF is registered with the RBI as Full Fledged Money Changer and deals in buying, selling and conversion of all types of foreign currencies. TCF is a wholly owned subsidiary of TCIL.



6. SOTC TRAVEL (formerly known as SITA Travels and Tours Private Limited) is a private limited company incorporated on April 20, 2001 under the Companies Act, 1956 with CIN U63040MH2001PTC131693 and having its registered office at 7th Floor, Tower A, Urmi Estate 95, Ganpatrao Kadam Marg, Lower Parel (W), Mumbai 400013, Maharashtra. SOTC TRAVEL is engaged in the business of travel agents and tour operators and booking and reserving accommodation, seats berths for passenger, persons, for carriage by air, sea, lands, waterways and work as agents for airlines, shipping, tour operators, railways, travel agencies, and cruises within India or outside India. SOTC TRAVEL is a wholly owned subsidiary of TCIL.

III. RATIONALE AND PURPOSE OF THE SCHEME

1. TCIL is engaged in the following broad segments either directly and/ or indirectly through its subsidiaries, joint ventures and associates - financial services, travel and related services, vacation ownership and resorts business and human resource services.
2. TCI is a wholly owned subsidiary of TCIL and is engaged in the business of handling inward foreign tourist activity in India including independent and conducted tours, safaris, expeditions, conferences, meetings and other group movements and also to handle similar foreign tourist activity in other parts of the world through its own offices and agents and correspondents.
3. TCF is a wholly owned subsidiary of TCIL and is engaged in the business of providing complete range of travel related foreign exchange products. The wide range of products provided by TCF includes currency notes, travel cards and traveller's cheques etc. TCF is registered with the RBI as full-fledged money changer and deals in buying, selling and conversion of all types of foreign currencies.
4. TCTSL is a wholly owned subsidiary of TCIL and is engaged in the travel and ticketing business. TCTSL offers a wide range of services including airline ticketing, booking hotel accommodation, visa and passport facilitation, travel insurance etc.
5. SOTC TRAVEL is a wholly owned subsidiary of TCIL and is engaged in the business of travel agents and tour operators and allied services.
6. Quess is India's leading integrated business services provider and is engaged in providing services in the fields of: (i) industrial asset management, (ii) integrated facility management, (iii) human resource services, (iv) global technology solutions, and (v) internet business. Quess excels in helping large and emerging companies manage their non-core activities by leveraging its integrated service offerings across industries and geographies which provides significant operational efficiencies to its client.



7. TCIL is streamlining its business and proposes to demerge its Human Resource Services Business (more particularly defined hereinafter) and consolidate its travel related businesses carried on by its wholly owned subsidiaries viz. Transferor Companies. As part of this arrangement, the Inbound Business (more particularly defined hereinafter) of TCI will be demerged into SOTC TRAVEL and thereafter, the residual business of TCI will be merged along with the other wholly owned subsidiaries viz. TCTSL and TCF with TCIL. This arrangement is in consonance with the global corporate practices which intend and seek to achieve flexibility and integration of size, scale and financial strength, in the business carried on by TCIL. Further, TCIL will demerge Demerged Undertaking 2 which is the Human Resource Services Business into Quess. Upon segregation of identified business undertakings and amalgamation, TCIL, SOTC TRAVEL and Quess shall achieve higher long-term financial returns, increased competitive strength, cost reduction and efficiencies, productivity gains, and logistical advantages, thereby significantly contributing to future growth in their respective business verticals. Apart from the various benefits/advantages stated and illustrated above, the management of TCIL, SOTC TRAVEL, Quess and Transferor Companies are of the opinion that the following benefits shall also be enjoyed and realized by all the stakeholders:

- (i) Streamlining businesses: Currently, TCIL along with its subsidiaries, joint ventures and associate companies is engaged in various businesses such as financial services, travel and related services, vacation ownership and resorts business and human resource services. SOTC TRAVEL is engaged in business of tours & travels, travel agents, tour operators etc. Further, Transferor Companies are engaged in business of forex, tours etc. Quess is India's leading integrated business services provider and is engaged in providing services in the field of: (i) industrial asset management, (ii) integrated facility management, (iii) human resource services, (iv) global technology solutions, and (v) internet business. In order to streamline the business both from operating and management perspective, it is proposed to consolidate alike businesses into a single identified entity and segregate other businesses into another identified entity creating a niche dedicated and focused business segment without any risk or overlap of one business over the other. Accordingly, the Inbound Business of TCI will be demerged into SOTC TRAVEL and residual TCI, TCF and TCTSL will amalgamate into TCIL. The 'Human Resource Service Business' carried on by TCIL through itself and through Quess has significant potential for growth and profitability. The nature of risk, challenges, competition, opportunities for the 'Human Resource Service Business' is distinct and separate from the travel related business carried on by TCIL. The 'Human Resource Service Business' is capable of attracting a different set of investors, strategic partners and



stakeholders. The proposed Scheme would create enhanced value for the stakeholders.

- (ii) Resources: The Scheme will improve organizational capability arising from the pooling of human capital that have diverse skills, talent, and vast experience, and facilitate mobility of human resources of Transferor Companies and the employees in the subsidiaries belonging to the Transferor Companies and vice versa, greater integration and greater employees' strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value and will improve the competitive position of all the companies.
 - (iii) Streamlining the holding in various operating companies of the group: The Scheme will result in administrative and operational rationalization, organizational efficiencies, and in economies of scale, reduction in overheads and other expenses and optimum utilization of resources, which will go a long way in strengthening the business model that would be competitive and cogent.
 - (iv) Focused management: Pursuant to the Scheme, similar businesses will vest together thereby providing focused management and propel the growth of each business.
 - (v) Efficiency in fund raising and de-risking businesses: With consolidation of like businesses, the companies can leverage on the combined strength of the businesses and raise funds efficiently as well as de-risk other businesses that are segregated.
 - (vi) Reduction in number of companies and regulatory compliance thereof: TCI, TCF and TCTSL are wholly owned subsidiaries of TCIL. This will lead to a reduction of shareholding layers, overheads and facilitate administrative convenience.
8. The proposed corporate restructuring mechanism by way of a composite scheme of arrangement and amalgamation under the provisions of the Act is beneficial, advantageous and not prejudicial to the interests of the shareholders, creditors and other stakeholders of all the companies involved.
9. This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.
10. The Scheme will not in any manner be prejudicial to the interests of the concerned shareholders and creditors or general public at large.



IV. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

1. **PART A** deals with definitions, interpretation, effective date and share capital;
2. **PART B** deals with the transfer of the Demerged Undertaking 1 from TCI and its vesting in SOTC TRAVEL for consideration and matters incidental thereto;
3. **PART C** deals with amalgamation of residual TCI, TCTSL and TCF into TCIL and matters incidental thereto;
4. **PART D** deals with the transfer of Demerged Undertaking 2 from TCIL and its vesting in Quess for consideration and matters incidental thereto; and
5. **PART E** deals with the general terms and conditions.



PART A

DEFINITIONS, INTERPRETATION, EFFECTIVE DATE AND SHARE CAPITAL

1. DEFINITIONS

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

- 1.1 **"Act"** means the Companies Act, 2013 and any rules, regulations, circulars or guidelines issued thereunder and shall, if the context so requires and as may be applicable, mean the Companies Act, 1956 and any rules, regulations, circulars or guidelines issued thereunder, as amended from time to time and shall include any statutory replacement or re-enactment thereof.
- 1.2 **"Amalgamated Undertaking"** means collectively: (i) with respect to TCI, all its assets, immovable properties (including lease rights, if any), identified investments, rights, approvals, brands, trademarks, licenses and powers, and all its debts, outstandings, liabilities, duties, obligations and employees other than relating to Demerged Undertaking 1, (ii) with respect to TCTSL, all its assets, immovable properties (including lease rights, if any), investments, rights, approvals, brands, trademarks, licenses and powers, and all its debts, outstandings, liabilities, duties, obligations and employees, (iii) with respect to TCF, all its assets, immovable properties (including lease rights, if any), investments, rights, approvals, brands, trademarks, licenses and powers, and all its debts, outstandings, liabilities, duties, obligations and employees, including, but not in any way limited to, the following in respect of each of the Transferor Companies:
- a) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature), whether or not recorded in the books of accounts of the Transferor Companies (including, without limitation, the freehold and leasehold properties of the Transferor Companies), investments of all kinds (i.e., shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), furniture, fixtures, machinery, office equipment, computers, fixed assets, current assets, wherever located), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Companies, financial assets, vehicles, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of



assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and 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 Companies or in connection with or relating to the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies, whether in India or abroad;

- b) all Consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto;
- c) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expressions of interest, letters of intent, supply contracts, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/ panchnamas for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;
- d) all goodwill of the Transferor Companies associated with the Amalgamated Undertaking;
- e) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, brands, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature;
- f) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other



services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies;

- g) all the credits for taxes such as income tax, sales tax, service tax, Central Value Added Tax ("**CENVAT**"), Good and Service Tax ("**GST**") including but not limited to tax deduction at source, Minimum Alternate Tax ("**MAT**") credit and advance tax of the Transferor Companies;
- h) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programs, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form;
- i) all debts, secured and unsecured, liabilities including contingent liabilities, duties, taxes and obligations of the Transferor Companies of whatsoever kind, nature and description and howsoever arising, raised, incurred or utilized;
- j) all staff and employees and other obligations of whatsoever kind, including liabilities of the Transferor Companies, with regard to their employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise;
- k) all legal proceedings, including quasi-judicial, arbitral and other administrative proceedings, of whatsoever nature involving the Transferor Companies.



1.3

"Applicable Law" means (a) all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications, guidelines or policies of any applicable country and/or jurisdiction; (b) writ, injunction, directions, directives, judgment, arbitral award, decree, orders or



approvals of, or agreements with, any Governmental Authority or recognized stock exchange.

- 1.4 **"Appointed Date"** means April 1, 2019.
- 1.5 **"Board of Directors"** means the Board of Directors of TCIL, TCI, TCF, TCTSL, SOTC TRAVEL and/or Quess, as the context may require, and includes the Stakeholders Relationship Committee by whatever name called and committees of the Board (if any) empowered for the implementation of this Scheme.
- 1.6 **"BSE"** means BSE Limited.
- 1.7 **"Consent"** means any notice, consent, approval, authorization, waiver, permit, permission, clearance, license, exemption, no objection certificate, registration, with, of, from or to any Person.
- 1.8 **"Demerged Undertaking 1"** means the entire Inbound Business of TCI, as a going concern as of the Appointed Date, including all its assets, contracts, identified investments, rights, approvals, licenses and powers and all its debts, outstandings, liabilities, duties, obligations and employees pertaining to the Inbound Business including, but not in any way limited to, the following:
- a) all assets, as are movable in nature pertaining to and in relation to the Inbound Business, whether present or future or contingent, tangible or intangible (other than brands and trademarks), in possession or reversion, including electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipment, computers, communication facilities, installations, vehicles, inventory and tools and plants, actionable claims, current assets, earnest monies and sundry debtors, financial assets, identified investment, outstanding loans and advances recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other Persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to service tax input credits, GST credits or set-offs;
 - b) all Consents (including but not limited to IATA license), benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively to the Inbound Business;



- c) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/license agreements, joint venture agreement, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Inbound Business;
- d) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by TCI pertaining to or in connection with the Inbound Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by TCI and pertaining to the Inbound Business;
- e) all the credits for taxes such as sales tax, service tax, CENVAT, GST that pertain to the Inbound Business. In case, there is any credit or GST, CENVAT, refunds, Service Exports from India Scheme ("SEIS") etc. pertaining to Inbound Business and paid or deemed to be paid by TCI but could not be transferred, such amounts shall be appropriately reimbursed by TCIL post amalgamation of residual TCI;
- f) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programs, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the Inbound Business;



- g) all debts, liabilities, duties, taxes and obligations of TCI pertaining to the Inbound Business;
- h) all employees of TCI employed/engaged in the Inbound Business as on the Effective Date; and
- i) all legal proceedings, including quasi-judicial, arbitral and other administrative proceedings of whatsoever nature relating to the Inbound Business.

Explanation:

In case of any question that may arise as to whether a specific asset or liability or employee pertains or does not pertain to the said Demerged Undertaking 1 or whether it arises out of the activities or operations of the Demerged Undertaking 1 shall be decided by a mutual agreement between the Board of Directors of TCI, TCIL and SOTC TRAVEL.

1.9 **"Demerged Undertaking 2"** means the entire Human Resource Services Business of TCIL, as a going concern as of the Appointed Date, including all its assets, investments (including the shares of Quess held by TCIL), rights, contracts, approvals, licenses and powers and all its debts, outstandings, liabilities, duties, obligations and employees pertaining to the Human Resources Services Business including, but not in any way limited to, the following:

- a) all assets, as are movable in nature pertaining to and in relation to the Human Resources Services Business, whether present or future or contingent, tangible or intangible, in possession or reversion, including electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipment, computers, communication facilities, installations, tools, plants, vehicles, inventory and stock in trade and merchandise, wherever lying, actionable claims, current assets, earnest monies and sundry debtors, financial assets, investment (including in subsidiaries, associates, joint ventures, whether in India or abroad), outstanding loans and advances recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and service tax input credits, GST credits or set-offs, that pertain to the Human Resources Services Business;
- b) all Consents (including but not limited to IATA license), benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments,



quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively to the Human Resources Services Business;

- c) all contracts, agreements (including but not limited to the agreement with Amadeus IT Group, S.A.), purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expressions of interest, hire and purchase arrangements, agreements/panchnamas for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with the supplier/ service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Human Resources Services Business;
- d) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature that pertain exclusively to the Human Resources Services Business;
- e) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by TCIL pertaining to or in connection with the Human Resources Services Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by TCIL and pertaining to the Human Resources Services Business;
- f) all the credits for indirect taxes such as sales tax, service tax, CENVAT, GST that pertain to the Human Resources Services Business;



- g) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programs, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the Human Resources Services Business;
- h) all debts, liabilities, duties, taxes and obligations of TCIL pertaining to the Human Resources Services Business;
- i) all employees of TCIL employed/engaged in the Human Resources Services Business as on the Effective Date; and
- j) all legal or other proceedings of whatsoever nature relating to the Human Resources Services Business.

Explanation:

In case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the Human Resources Services Business or whether it arises out of the activities or operations of the Human Resources Services Business, the same shall be decided by mutual agreement between the Board of Directors of TCIL and Qness.

- 1.10 **"Effective Date"** means the Appointed Date or the date on which the last of conditions referred to in Clause 48 hereof have been fulfilled, whichever is later.
- 1.11 **"Encumbrance"** means : (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law; (ii) a contract to give or refrain from giving any of the foregoing; (iii) any voting agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any Person; and (iv) any adverse claim as to title, possession or use; and the term **"Encumbered"/ "Encumber"** shall be construed accordingly.
- 1.12 **"ESOP Schemes"** shall mean the following employee stock option schemes of TCIL: (i) Thomas Cook Employees Stock Option Plan 2007, (ii) Thomas Cook Employees



Stock Option Plan 2013, (iii) Sterling Holiday Resorts (India) Limited Employee Stock Option Scheme 2012, (iv) Thomas Cook Employees Stock Option Scheme 2018 – Execom, and (v) Thomas Cook Employees Stock Option Scheme 2018 – Management.

- 1.13 **“Governmental Approvals”** means any Consent of any Governmental Authority.
- 1.14 **“Governmental Authority”** means any government authority, statutory authority, regulatory authority, agency, government department, board, commission, the RBI, SEBI, Stock Exchanges, administrative authority, tribunal or court or any authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, having or purporting to have jurisdiction on behalf of the Republic of India or any state or province or other political subdivision thereof or any municipality, district or other subdivision thereof or in any other nation over TCIL and/ or Ques, as the context may require.
- 1.15 **“Human Resource Services Business”** means business of TCIL relating to staffing/ human resource services for conducting tours and other businesses, talent development and training, resource management, facilities management services, selection services, food services and engineering services.
- 1.16 **“IATA”** means International Air Transport Association.
- 1.17 **“Inbound Business”** means the business of TCI consisting of handling inward foreign tourist activity in India, including independent and conducted tours, safaris, expeditions, conferences, meetings and other group movements and also to handle similar foreign tourist activity in other parts of the world through its own offices and agents and correspondents.
- 1.18 **“IT Act”** means the Indian Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force.
- 1.19 **“NCLT”** means, the National Company Law Tribunal, Mumbai Bench having jurisdiction in relation to TCIL, TCF, TCI, SOTC TRAVEL, TCTSL and the National Company Law Tribunal, Bengaluru Bench having jurisdiction in relation to Ques, or such other forum or authority as may be vested with any of the powers of the above mentioned tribunal under the Act for approving any scheme of arrangement, compromise or reconstruction of a company under Sections 230 to 232 of the Act.
- 1.20 **“NCLT Order”** means all order(s) passed by the NCLT sanctioning the Scheme and includes any order passed by NCLT or any other Governmental Authority's order(s) for extension of time or condonation of delay in filing of the requisite forms with the Registrar of Companies in relation to this Scheme, if applicable.



- 1.21 **"NCOCPS"** means non-cumulative optionally convertible redeemable preference shares of face value of Rs. 10/- each to be issued by SOTC TRAVEL on the terms and conditions set out in **Schedule 1**.
- 1.22 **"NSE"** means National Stock Exchange of India Limited.
- 1.23 **"Person"** means any individual or other entity, whether a corporation, firm, company, joint venture, trust, association, organization, partnership or proprietorship, including any governmental agency or regulatory body.
- 1.24 **"Quess"** means Quess Corp Limited.
- 1.25 **"RBI"** means Reserve Bank of India.
- 1.26 **"Record Date 1"** means the date to be mutually fixed by the Board of Directors of TCI, TCIL and SOTC TRAVEL, for the purpose of determining the shareholders of TCI who shall be entitled to receive shares of SOTC TRAVEL pursuant to and as contemplated under this Scheme.
- 1.27 **"Record Date 2"** means the date to be mutually fixed by the Board of Directors of TCIL and Quess, for the purpose of determining the shareholders of TCIL who shall be entitled to receive shares of Quess pursuant to and as contemplated under this Scheme.
- 1.28 **"Registrar of Companies"** means the Registrar of Companies, Mumbai having jurisdiction over TCIL, TCI, TCF, TCTSL, SOTC TRAVEL and the Registrar of Companies, Bengaluru having jurisdiction over Quess.
- 1.29 **"Remaining Business 1"** with respect to TCI means the business, assets, and liabilities of TCI other than the Demerged Undertaking 1.
- 1.30 **"Remaining Business 2"** with respect to TCIL means the business, assets and liabilities of TCIL other than the Demerged Undertaking 2.
- 1.31 **"Rupees"** or **"Rs."** or **"INR"** means the lawful currency of India.
- 1.32 **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Composite Scheme of Arrangement and Amalgamation in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other Governmental Authorities.
- 1.33 **"SEBI"** means Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- 1.34 **"SEBI Circular"** means (i) Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, (ii) Circular No. CFD/DIL3/CIR/2017/26 dated March 23, 2017, (iii) Circular No.



CFD/ DIL3/CIR/2017/105 dated September 21, 2017, (iv) Circular No. CFD/DIL3/CIR/2018/2 dated January 3, 2018 issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time.

- 1.35 **"SOTC TRAVEL"** means SOTC Travel Management Private Limited.
- 1.36 **"Stock Exchanges"** means BSE and NSE collectively.
- 1.37 **"TCF"** means TC Forex Services Limited.
- 1.38 **"TCI"** means Travel Corporation (India) Limited.
- 1.39 **"TCIL"** means Thomas Cook (India) Limited.
- 1.40 **"TCTSL"** means TC Travel Services Limited.
- 1.41 **"Transferor Companies"** means collectively, TCF, TCTSL and TCI (with respect to the Remaining Business 1).

2. INTERPRETATION

- 2.1 In addition to the above terms, certain terms may be defined elsewhere in this Scheme and wherever such terms are used in this Scheme, they shall have the meaning so assigned to them.
- 2.2 The terms referred to in this Scheme shall, unless defined otherwise in this Scheme or inconsistent with the context or meaning thereof, bear the meaning ascribed to them under the relevant statute/legislation.
- 2.3 All references in this Scheme to statutory provisions shall be construed as meaning and including references to:
 - (a) any statutory modification, consolidation or re-enactment made after the date of approval this Scheme by the Board of Directors of TCIL, TCI, TCTSL, TCF and Quess and for the time being in force;
 - (b) all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated);
 - (c) all statutory instruments or orders made pursuant to a statutory provision;
 - (d) any statutory provisions of which these statutory provisions are a consolidation, re-enactment or modification.

2.4

Words denoting the singular shall include the plural and words denoting any gender shall include all genders.



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- 2.5 Headings, subheadings, titles, subtitles to clauses, sub-clauses, sections and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the schedules hereto and shall be ignored in construing the same.
- 2.6 References to clauses, and schedules are, unless the context otherwise requires, references to clauses, and schedules to this Scheme.
- 2.7 Reference to days, months and years are to calendar days, calendar months and calendar years, respectively.
- 2.8 Any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form.
- 2.9 The words "include" and "including" are to be construed without limitation.
- 2.10 Where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any foregoing words.

3. DATE OF TAKING EFFECT

- 3.1 The Scheme shall be effective from the Appointed Date mentioned herein but shall be operative from the Effective Date. The various parts of the Scheme shall be deemed to have taken effect in following sequence:
- 3.1.1 Firstly, Part B of the Scheme (relating to demerger of the Demerged Undertaking 1 of TCI into SOTC TRAVEL) shall be deemed to have taken effect, prior to Part C or Part D of the Scheme;
- 3.1.2 Thereafter, Part C of the Scheme (relating to amalgamation of the Amalgamated Undertaking into TCIL) shall be deemed to have taken effect, after Part B of the Scheme, and prior to Part D of the Scheme; and
- 3.1.3 Lastly, Part D of the Scheme (relating to demerger of Demerged Undertaking 2 into Quess) shall be deemed to have taken effect, after Part B and Part C of the Scheme.

4. SHARE CAPITAL

- 4.1 The share capital of TCIL as on March 31, 2018 is as follows:

Particulars	Amount in INR
Authorised:	
Equity Shares:	
1,335,000,000 Equity Shares of Re. 1 each	1,335,000,000



Preference Shares:	
250,000,000 Preference Shares of Rs. 10 each	2,500,000,000
Total	3,835,000,000
Issued, Subscribed and Paid-up:*	
Equity Shares:	
370,207,374 Equity Shares of Re. 1 each	370,207,374
Total	370,207,374

* Certain employee stock options granted to employees of TCIL through ESOP Schemes may get exercised before the Effective Date. Further, the details of unexercised employee stock options (net of cancellation) of the employees of TCIL as on March 31, 2018 are set out below:

Unexercised stock options	Amount in INR
2,131,539 options entitling equivalent Equity Shares of Re. 1 each	2,131,539
Total	2,131,539

In addition to the above, the Board may grant additional 6,074,091 options under the Thomas Cook Employees Stock Option Plan 2013, Thomas Cook (India) Limited Employee Stock Option Scheme 2018 – Execom and the Thomas Cook (India) Limited Employee Stock Option Scheme 2018 – Management.

4.2 The share capital of TCI as on March 31, 2018 is as follows:

Particulars	Amount in INR
Authorised:	
Equity Shares:	
19,430,000 Equity Shares of Rs. 10 each	194,300,000
Preference Shares:	
300,000,000 Preference Shares of Rs. 10 each	3,000,000,000
Total	3,194,300,000
Issued, Subscribed and Paid-up:	



Equity Shares: 1,649,931 Equity Shares of Rs. 10 each	16,499,310
Preference Shares: 263,709,264 Preference Shares of Rs. 10 each	2,637,092,640
Total	2,653,591,950

4.3 The share capital of TCTSL as on March 31, 2018 is as follows:

Particulars	Amount in INR
Authorised:	
Equity Shares: 25,000,000 Equity Shares of Rs. 10 each	250,000,000
Total	250,000,000
Issued, Subscribed and Paid-up:	
Equity Shares: 25,000,000 Equity Shares of Rs. 10 each	250,000,000
Total	250,000,000

4.4 The share capital of TCF as on March 31, 2018 is as follows:

Particulars	Amount in INR
Authorised:	
Equity Shares: 20,000,000 Equity Shares of Rs. 10 each	200,000,000
Total	200,000,000
Issued, Subscribed and Paid-up:	
Equity Shares: 11,845,133 Equity Shares of Rs. 10 each	118,451,330
Total	118,451,330



4.5 The share capital of SOTC TRAVEL as on March 31, 2018 is as follows:

Particulars	Amount in INR
Authorised:	
Equity Shares:	
10,000 Equity Shares of Rs. 10 each	100,000
Total	100,000
Issued, Subscribed and Paid-up:	
Equity Shares:	
10,000 Equity Shares of Rs. 10 each	100,000
Total	100,000

4.6 The share capital of Quess as on March 31, 2018 is as follows:

Particulars	Amount in INR
Authorised:	
200,000,000 Equity Shares of Rs. 10 each	2,000,000,000
Total	2,000,000,000
Issued, Subscribed and Paid-up: ##	
145,484,178 Equity Shares of Rs. 10 each	1,454,841,780
Total	1,454,841,780

Certain employee stock options granted to employees of Quess may get exercised before the Effective Date. The details of unexercised employee stock options (net of cancellation) of the employees of Quess as on March 31, 2018 are set out below:

Unexercised stock options	Amount in INR
1,502,675 options entitling equivalent Equity Shares of Rs. 10 each	15,026,750
Total	15,026,750



PART B

TRANSFER AND VESTING OF DEMERGED UNDERTAKING 1 OF TCI INTO SOTC TRAVEL

5. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING 1

5.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Undertaking 1 shall, subject to the terms and conditions of this Scheme and, without any further act, instrument or deed, be demerged from TCI and stand transferred to and vested in and/ or deemed to have been demerged from TCI and stand transferred to and vested in SOTC TRAVEL, so as to become the undertaking of SOTC TRAVEL by virtue of and in the following manner:

5.1.1 All assets of TCI in relation to the Demerged Undertaking 1 that are movable in nature and/or otherwise capable of transfer by physical or constructive delivery, novation and/or endorsement and delivery or by operation of law, pursuant to the NCLT Order, shall be vested in SOTC TRAVEL. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognized as that of SOTC TRAVEL, absolutely and forever.

5.1.2 In respect of such of the assets of TCI in relation to the Demerged Undertaking 1 other than those referred to in Clause 5.1.1 above, outstanding loans and advances, if any, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or in kind or for value to be received, deposits, if any, with Governmental Authorities and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in SOTC TRAVEL and/or be deemed to be transferred to and vested in SOTC TRAVEL on the Appointed Date upon effectiveness of the Scheme. SOTC TRAVEL shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.

5.1.3 All the assets, rights, title, interests and investments of TCI in relation to the Demerged Undertaking 1 shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in SOTC TRAVEL upon the coming into effect of this Scheme.

5.1.4 Upon the Scheme coming into effect, all debts (secured and unsecured), liabilities, bonds, debentures (including contingent liabilities), duties and obligations of every kind, nature and description of TCI in relation to the Demerged Undertaking 1 shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, SOTC



TRAVEL, so as to become on and from the Appointed Date, the debts, liabilities, bonds, debentures (including contingent liabilities), duties and obligations of SOTC TRAVEL on the same terms and conditions as were applicable to TCI, and further that it shall not be necessary to obtain the Consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by TCI in relation to the Demerged Undertaking 1.

- 5.1.5 Subject to the other provisions of this Scheme, in so far as the assets of the Inbound Business are concerned, Encumbrance over such assets, to the extent they relate to any loans or borrowings of the Remaining Business 1 of TCI, shall without any further act, instrument or deed be released and discharged from the same and shall no longer be available as Encumbrance in relation to those liabilities of TCI which are not transferred to SOTC TRAVEL. The absence of any formal amendment which may be required by a bank and/ or financial institution in order to affect such release shall not affect the operation of this Clause.
- 5.1.6 In so far as the assets of the Remaining Business 1 are concerned, the Encumbrance over such assets, to the extent they relate to any loans or borrowings of the Inbound Business shall, without any further act, instrument or deed be released and discharged from such Encumbrance. The absence of any formal amendment which may be required by a bank and/ or financial institution in order to affect such release shall not affect the operation of this Clause.
- 5.1.7 In so far as the existing Encumbrance in respect of the loans and other liabilities relating to the Remaining Business 1 are concerned, such Encumbrance shall, without any further act, instrument or deed be continued with TCI only on the assets that are remaining with TCI.
- 5.1.8 All Governmental Approvals and other Consents, quotas, rights, authorizations, entitlements, no objection certificates and licenses, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which TCI in relation to the Demerged Undertaking 1 is a party or to the benefit of which TCI in relation to the Demerged Undertaking 1 may be entitled to use or which may be required to carry on the operations of TCI in relation to the Demerged Undertaking 1, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect in favour of or against SOTC TRAVEL and may be enforced as fully and effectually as if, instead of TCI, SOTC TRAVEL had been a party, a beneficiary or an obligee thereto and shall be appropriately mutated by the relevant Governmental Authorities in favour of SOTC TRAVEL. In so far as the various incentives, service tax benefits, subsidies (including



applications for subsidies), rehabilitation schemes, grants, special status, rights, and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by TCI in relation to the Demerged Undertaking 1 are concerned, the same shall, without any further act or deed, vest with and be available to SOTC TRAVEL on the same terms and conditions as are available to TCI in relation to the Demerged Undertaking 1.

- 5.1.9 All registrations, licenses, copyrights, domain names, applications for copyrights, etc. pertaining to TCI in relation to the Demerged Undertaking 1, if any, shall stand vested in SOTC TRAVEL without any further act, instrument or deed, upon the sanction of the Scheme and upon this Scheme becoming effective.
- 5.1.10 All taxes (including but not limited to value added tax, sales tax, service tax, GST etc.) payable by or refundable to TCI in relation to the Demerged Undertaking 1 with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc. as the case may be, of SOTC TRAVEL, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST input credits etc., as would have been available to TCI in relation to the Demerged Undertaking 1, shall pursuant to this Scheme becoming effective, be available to SOTC TRAVEL. In case, any credit or tax deduction at source, advance tax, MAT, GST, CENVAT, refunds, SEIS, etc. pertaining to Inbound Business and paid or deemed to be paid by TCI but could not be transferred shall be appropriately reimbursed by TCIL post amalgamation of residual TCI.
- 5.1.11 Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Orders sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of SOTC TRAVEL as successor in interest, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, SOTC TRAVEL shall file certified copies of such NCLT Order and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, non-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.
- 5.1.12 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all Consents (including registration / approval from IATA), certificates, power of attorneys given by, issued to



or in favour of TCI in relation to the Demerged Undertaking 1 shall stand transferred to SOTC TRAVEL, as if the same were originally given by, issued to or executed in favour of SOTC TRAVEL, and SOTC TRAVEL shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to SOTC TRAVEL.

5.1.13 SOTC TRAVEL shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which TCI in relation to the Demerged Undertaking 1 have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. SOTC TRAVEL shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of TCI in relation to the Demerged Undertaking 1 and to carry out or perform all such formalities or compliances referred to above on the part of TCI in relation to the Demerged Undertaking 1.

5.1.14 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant Consents, patents, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to TCI in relation to the Demerged Undertaking 1 in favour of SOTC TRAVEL, the Board of Directors of TCI, TCIL and SOTC TRAVEL shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable and the same shall be considered as giving effect to the NCLT Order and shall be considered as an integral part of this Scheme.

6. CONSIDERATION

6.1 Upon the coming into effect of this Scheme, and in consideration of the transfer and vesting of the Demerged Undertaking 1 of TCI in SOTC TRAVEL, SOTC TRAVEL shall, immediately following such transfer and vesting of the Demerged Undertaking 1 of TCI into SOTC TRAVEL described in Clause 5 of this part without any further application, act, instrument or deed, issue and allot NCOCPS to all the equity and preference shareholders of TCI, whose names appear in the register of members on the Record Date 1, in the following manner:

- (i) 75 NCOCPS of SOTC TRAVEL of INR 10/- each fully paid up for 100 equity shares held in TCI of INR 10/- each fully paid up; and
- (ii) 75 NCOCPS of SOTC TRAVEL of INR 10/- each fully paid up for 100 preference shares held in TCI of INR 10/- each fully paid up



- 6.2 The NCOCPS to be issued by SOTC TRAVEL pursuant to Clause 6.1 above in respect of such equity shares of TCI which are held in abeyance under the provisions of Section 126 of the Act (erstwhile Section 206A of the Companies Act, 1956) or otherwise shall, pending allotment or settlement of the dispute by order of a court or otherwise, also shall be kept in abeyance by SOTC TRAVEL.
- 6.3 The NCOCPS issued pursuant to Clause 6.1 above, shall be issued to the shareholders of TCI in physical form.
- 6.4 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of TCI, the Board of Directors, shall be empowered prior to the Record Date 1, to effectuate such transfers in TCI as if such changes in registered holders were operative as on the Record Date 1, in order to remove any difficulties arising in relation to the NCOCPS to be issued by SOTC TRAVEL pursuant to Clause 6.1 above after the Scheme is effected. The Board of Directors of TCI shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in SOTC TRAVEL on account of difficulties faced in the transition period.
- 6.5 The NCOCPS issued and allotted by SOTC TRAVEL, in terms of Clause 6.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of SOTC TRAVEL and shall rank *pari passu* in all respects with the then existing NCOCPS of SOTC TRAVEL, if any.
- 6.6 It is clarified that upon the approval of this Scheme by the shareholders of TCI and SOTC TRAVEL under Sections 230 and 232 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 62, 188 and any other applicable provisions under the Act and that no separate approval from the shareholders to that extent shall be required to be sought for the matters specified in this Scheme.
- 6.7 Fractional entitlements, if any, by SOTC TRAVEL, to the equity and preference shareholders of TCI at the time of issue and allotment of NCOCPS under Clause 6.1 above shall be ignored.

7. ACCOUNTING TREATMENT

- 7.1 Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, TCI and SOTC TRAVEL shall give effect to the accounting treatment in its books of account in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and more particularly, IND AS 103, or any other relevant or related requirement under the Act, as applicable on the Effective Date.



7.2 Accounting treatment in the books of TCI:

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

- 7.2.1 TCI, as on the Appointed Date, shall reduce the carrying value of assets and liabilities pertaining to the Inbound Business, transferred to and vested in SOTC TRAVEL from the carrying value of assets and liabilities in its books;
- 7.2.2 The difference, if any, between the assets and liabilities transferred to SOTC TRAVEL pursuant to Clause 7.2.1 shall be transferred to 'Reserve on restructuring' account in the books of TCI.

7.3 Accounting treatment in the books of SOTC TRAVEL:

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

- 7.3.1 SOTC TRAVEL, as on the Appointed Date, shall record the assets and liabilities pertaining to the Demerged Undertaking 1, transferred to and vested in it pursuant to this Scheme at their respective carrying values, if any, as appearing in the books of TCI in accordance with 'Pooling of Interest' method as prescribed in IND AS 103.
- 7.3.2 SOTC TRAVEL shall credit to its share capital in its books of account, the aggregate face value of the new NCOCPS issued by it to the members of TCI pursuant to this Scheme.
- 7.3.3 The difference, if any, between the assets and liabilities, consideration issued (as per Clause 7.3.2 above) shall be transferred to capital reserve account in the books of SOTC TRAVEL.

8. SAVING OF CONCLUDED TRANSACTIONS

- 8.1 Subject to the terms of the Scheme, the transfer and vesting of the Demerged Undertaking 1 and continuance of proceedings by or against SOTC TRAVEL, as provided herein, shall not affect any transactions or proceedings already concluded by TCI before the Effective Date, to the end and intent that SOTC TRAVEL accepts and adopts all acts, deeds and things done and executed by and/or on behalf of TCI in relation to the Demerged Undertaking 1 as acts, deeds and things done and executed by and on behalf of SOTC TRAVEL.

9. CONTRACTS, DEEDS, AND OTHER INSTRUMENTS

- 9.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature, in relation to the Demerged Undertaking 1, to which TCI is a party or to the benefit of which TCI may be eligible



and which are subsisting or having effect on the Appointed Date, without any further act, instrument or deed, shall be in full force and effect against or in favour of SOTC TRAVEL, as the case may be, and may be enforced by or against SOTC TRAVEL as fully and effectively as if, instead of TCI, SOTC TRAVEL had been a party or beneficiary or obligee thereto.

- 9.2 Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Demerged Undertaking 1 occurs by virtue of this Scheme itself, SOTC TRAVEL may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement, to which TCI is a party in relation to the Demerged Undertaking 1, as may be necessary to be executed in order to give formal effect to the above provisions. SOTC TRAVEL shall be deemed to be authorised to execute any such writings on behalf of and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of TCI.

10. **LEGAL PROCEEDINGS**

- 10.1 All legal proceedings relating to the Demerged Undertaking 1 of whatsoever nature by or against TCI pending and/or arising before the Effective Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against SOTC TRAVEL, as the case may be, in the same manner and to the same extent as would or might have been continued and enforced by or against TCI. It is hereby expressly clarified that any legal proceedings by or against TCI in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of TCI and pertaining to the Demerged Undertaking 1 shall be instituted, or as the case may be, continued, by or against, SOTC TRAVEL after the coming into effect of the Scheme.

- 10.2 All legal or other proceedings initiated by or against the Demerged Undertaking 1 referred in Clause 10.1 above shall stand transferred to the name of SOTC TRAVEL and the same shall be continued, prosecuted, defended and enforced as the case may be by or against SOTC TRAVEL, to the exclusion of TCI.

11. **STAFF, EMPLOYEES & WORKMEN**

- 11.1 Upon the coming into effect of this Scheme, all the employees on the payroll of TCI engaged in or in relation to the Demerged Undertaking 1 immediately prior to the Effective Date, shall become the employees of SOTC TRAVEL without any break or interruption of service and with the benefit of continuity of service on terms and



conditions which are not less favourable than the terms and conditions as were applicable.

- 11.2 SOTC TRAVEL agrees that the service of all employees engaged in or in relation to the Demerged Undertaking 1 immediately prior to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in TCI immediately prior to coming into effect of this Scheme. SOTC TRAVEL further agrees that for the purpose of payment of any retrenchment compensation, gratuity, grants, stock options or other terminal benefits, such past service with TCI, shall also be taken into account and agrees and undertakes to pay the same as and when payable.
- 11.3 Upon the coming into effect of this Scheme, SOTC TRAVEL shall make all the necessary contributions for such transferred employees engaged in or in relation to the Demerged Undertaking 1 and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. SOTC TRAVEL will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of SOTC TRAVEL for TCI.
- 11.4 Subject to the Applicable Law, the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by TCI for employees engaged in or in relation to the Demerged Undertaking 1, shall be continued on the same terms and conditions and will be transferred to the necessary funds, schemes or trusts of SOTC TRAVEL without any separate act, deed or approval and till the time such necessary funds, schemes or trusts are created by SOTC TRAVEL, all contribution shall continue to be made to the existing funds, schemes or trusts of TCI.

12. TREATMENT OF THE SCHEME FOR THE PURPOSES OF IT ACT

- 12.1 This part of the Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the IT Act. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section shall prevail and the Scheme shall stand modified to the extent necessary to comply with the Section 2(19AA) of the IT Act. Such modification will however not affect other parts of the Scheme.

COSTS



- 13.1 Until the Effective Date, TCI and the SOTC TRAVEL shall respectively bear their own costs, charges and expenses, in relation to or in connection with or incidental to the Scheme. Provided however that all stamp duty charges with respect to the issuance and allotment of shares contemplated under this Part of the Scheme, payment of all stamp duty and registration charges and other transfer charges in relation to this Part of the Scheme and the matters contemplated herein shall be borne and paid by SOTC TRAVEL.

14. INCREASE IN AUTHORISED SHARE CAPITAL OF SOTC TRAVEL

- 14.1 In terms of Clause 6 of the Scheme, upon the scheme becoming effective, and in consideration of the demerger of the Inbound Business and the transfer and vesting thereof into SOTC TRAVEL, SOTC TRAVEL shall issue and allot fully paid up 0.01% NCOCPS to the equity shareholders of TCI, as on the Record Date 1 in terms of the Scheme. To accommodate such issue and allotment of 0.01% NCOCPS by SOTC TRAVEL, which would result in increase in its paid up share capital, the authorized equity and preference share capital of SOTC TRAVEL shall be adequately enhanced by transferring from the authorized preference share capital of TCI, an amount of Rs. 300,00,00,000/- (Rupees Three Hundred Crores only) to the authorized preference share capital of SOTC TRAVEL as an integral part of the Scheme, and consequently, upon the Scheme becoming effective, the authorized equity and preference share capital of SOTC TRAVEL set out in Clause 4.5 of the Scheme hereinabove shall stand enhanced to Rs. 300,01,00,000/- (Rupees Three Hundred Crores and One Lakh only) divided into 30,00,00,000 (Thirty Crores only) preference shares of face value of Rs. 10/- (Rupees Ten) each and 10,000 (Ten Thousand only) equity shares of face value of Rs. 10/- each, without any further act, instrument or deed by SOTC TRAVEL and without any liability for payment of additional fee or stamp duty in respect thereof since the stamp duty and fee already paid by TCI on the said authorized equity and preference share capital so transferred the benefit of which shall accordingly stand transferred in favour of SOTC TRAVEL pursuant to Scheme becoming effective.

- 14.2 Subsequent to enhancement of authorized share capital of SOTC TRAVEL as contemplated herein, existing clause V. of the memorandum of association of SOTC TRAVEL (pertaining to authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 61 and 232 and other applicable provisions of the Act as the case may be and be replaced by the following clause:

V. *"The Authorized Share Capital of the Company is Rs. 300,01,00,000 (Rupees Three Hundred Crores and One Lakh only) divided into 30,00,00,000 (Thirty Crores only) Preference Shares of Rs. 10/- (Rupees Ten only) each and 10,000 (Ten*



Thousand only) Equity Shares of Rs. 10/- (Rupees Ten only) each. The Company has the power, from time to time, to increase or reduce its capital and to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such right, privilege or condition or restrictions in such manner as may for the time being be permitted by the Articles of Association of the Company or the legislative provisions of the time being in force in that behalf."

- 14.3 Further, the existing clause 3. of the Articles of Association of SOTC TRAVEL shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 14, 61 and 232 and other applicable provisions of the Act as the case may be and be replaced by the following clause:

"3. The Capital of the Company is as reflected in Clause V of the Memorandum of Association from time to time."

- 14.4 It is hereby clarified that for the purposes of Clauses 14.1, 14.2 and 14.3 above, the consent of the shareholders of SOTC TRAVEL to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment and increase in the authorized share capital of SOTC TRAVEL, and no further resolutions or actions under Section 13, 14 or 61 of the Act would be required to be separately passed or taken. However, SOTC TRAVEL shall file the requisite documents with the relevant Registrar of Companies, which has jurisdiction over SOTC TRAVEL, for such increase of its authorized share capital, as aforesaid.

15. **REMAINING BUSINESS 1**

- 15.1 The Remaining Business 1 and all the assets, liabilities and obligations pertaining thereto shall continue to belong solely to and continue to be vested solely in and be managed by TCI.
- 15.2 All legal, tax and other proceedings by or against TCI under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, whether or not in respect of any matter arising before the Effective Date, which does not specifically pertain or relate to TCI (including those relating to any right, power, liability, obligation or duty, of TCI in respect of the Remaining Business 1) shall be continued and enforced solely by or against TCI only, without any liability arising on SOTC TRAVEL or its shareholders.

16. TCI shall carry on all business and activities pertaining or relating to the Remaining Business 1 in its own name and on its own account and its own behalf in all respects.



17. **CONDUCT OF BUSINESS TILL EFFECTIVE DATE**

With effect from the date of approval of the Scheme by the Board of Directors of TCI and SOTC TRAVEL and up to the Effective Date:

- 17.1 TCI shall, in respect of the Demerged Undertaking 1, be deemed to have been carrying on and shall carry on its business and activities and shall hold and stand possessed of and hold all its properties and assets for and on account of and in trust for SOTC TRAVEL. TCI hereby undertakes to hold its said assets with utmost prudence until the Effective Date.
- 17.2 On or after the Appointed Date but before the Effective Date, all the profits or income accruing or arising to TCI, in respect of the Demerged Undertaking 1 or expenditure or losses arising to or incurred by TCIL in respect of the Demerged Undertaking 1, 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 SOTC TRAVEL.
- 17.3 TCI shall carry on the business and activities with reasonable diligence and prudence and shall not without the prior written consent of SOTC TRAVEL, alienate, charge, mortgage, Encumber or otherwise deal with or dispose-off, the Demerged Undertaking 1, except in the ordinary course of business. TCI shall not undertake any new businesses within the Demerged Undertaking 1 except in the ordinary course of its business.
- 17.4 Where any of the liabilities and obligations attributed to the Demerged Undertaking 1, has been discharged by TCI, on or after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been for and on behalf of SOTC TRAVEL.
- 17.5 All loans raised and liabilities incurred by TCI, after the Appointed Date but before the Effective Date and subsisting as on the Effective Date, for operations of the Demerged Undertaking 1 shall be discharged by SOTC TRAVEL on or after the Effective Date.
- 17.6 TCI shall not vary the terms and conditions of service of the employees or conclude settlements with unions or employees, except in the ordinary course of business or consistent with past practice or pursuant to any pre-existing obligation without the prior written consent of the Board of Directors of SOTC TRAVEL.



PART C

TRANSFER AND VESTING OF AMALGAMATED UNDERTAKING INTO TCIL

18. TRANSFER AND VESTING OF THE AMALGAMATED UNDERTAKING

- 18.1 Upon coming into effect of the Scheme and with effect from the Appointed Date (after Part B is deemed to have taken effect) and subject to the provisions of the Scheme, the Amalgamated Undertaking shall, subject to the terms and conditions of this Scheme and, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in TCIL so as to become the undertaking of TCIL by virtue of and in the following manner:
- 18.1.1 All assets of the Transferor Companies that are movable in nature and/or otherwise capable of transfer by physical or constructive delivery, novation and/or endorsement and delivery or by operation of law, pursuant to the NCLT Order, shall be vested in TCIL. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of TCIL, absolutely and forever.
- 18.1.2 In respect of such of the assets of the Transferor Companies in relation to the Amalgamated Undertaking other than those referred to in Clause 18.1.1 above, outstanding loans and advances, if any, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or in kind or for value to be received, deposits, if any, with Governmental Authorities and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in TCIL and/or be deemed to be transferred to and vested in TCIL on the Appointed Date upon effectiveness of the Scheme. TCIL shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.
- 18.1.3 All immovable properties of the Transferor Companies, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Companies, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in TCIL, by operation of law pursuant to the sanctioning of the Scheme and upon the Scheme becoming effective. Such assets shall stand vested in TCIL and shall be deemed to be and become the property as an integral part of TCIL by operation of law. TCIL shall upon the NCLT Order sanctioning the Scheme and upon this Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be



liable to pay appropriate rent, rates and taxes and fulfill all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of TCIL and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Governmental Authority shall suffice as record of continuing titles with TCIL and shall be constituted as a deemed mutation and substitution thereof. TCIL shall upon the Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of the Transferor Companies in any leasehold properties shall without any further act, instrument or deed, be vested in or be deemed to have been vested in TCIL. Further, at the discretion of TCIL, such immovable properties including leasehold rights can be vested pursuant to a separate conveyance or any other agreement as well.

- 18.1.4 All the other assets, brands, trademarks, rights, title, interests and identified investments of the Transferor Companies shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in TCIL upon the coming into effect of this Scheme.
- 18.1.5 Upon the Scheme coming into effect, all debts (secured and unsecured), liabilities, bonds, debentures (including contingent liabilities), duties and obligations of every kind, nature and description of the Transferor Companies shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in TCIL, so as to become on and from the Appointed Date, the debts, liabilities, bonds, debentures (including contingent liabilities), duties and obligations of TCIL on the same terms and conditions as were applicable to TCIL, and further that it shall not be necessary to obtain the Consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by the Transferor Companies, if any.
- 18.1.6 Upon this Scheme becoming effective, the secured creditors of the Transferor Companies and/or other holders of Encumbrance over the properties of the Transferor Companies shall be entitled to Encumbrance only in respect of the properties, assets, rights, benefits and interest of the Transferor Companies, as existing immediately prior to the amalgamation of the Transferor Companies with TCIL and the secured creditors of TCIL and and/or other holders of Encumbrance over the properties of TCIL shall be entitled to Encumbrance only in respect of the properties, assets, rights, benefits and interest of TCIL, as existing immediately prior to the amalgamation of the Transferor Companies with TCIL. It is hereby clarified that pursuant to the amalgamation of the Transferor Companies with TCIL, (a) the



secured creditors of the Transferor Companies and/or other holders of Encumbrance over the properties of the Transferor Companies shall not be entitled to any additional Encumbrance over the properties, assets, rights, benefits and interest of TCIL and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any Encumbrance thereon in future in relation to any current or future indebtedness of TCIL; and (b) the secured creditors of TCIL and/or other holders of Encumbrance over the properties of TCIL shall not be entitled to any additional Encumbrance over the properties, assets, rights, benefits and interest of the Transferor Companies and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any Encumbrance thereon in future in relation to any current or future indebtedness of TCIL.

- 18.1.7 On and from the Effective Date, and thereafter, TCIL shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Companies and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Companies in the name of TCIL in so far as may be necessary until the transfer of rights and obligations of the Transferor Companies to TCIL under this Scheme have been formally given effect to under such contracts and transactions.
- 18.1.8 With effect from the Effective Date, the borrowing and investment limits of TCIL under the Act shall be deemed without any further act or deed to have been enhanced by the borrowing and investment limits of the Transferor Companies, such limits being incremental to the existing limits of TCIL.
- 18.1.9 Any corporate approvals obtained by the Transferor Companies, whether for the purposes of compliance or otherwise, shall stand transferred to TCIL and such corporate approvals and compliance shall be deemed to have been obtained and complied with by TCIL.
- 18.1.10 All Governmental Approvals and other Consents, quotas, rights, authorizations, entitlements, no objection certificates and licenses, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be entitled to use or which may be required to carry on the operations of the Transferor Companies, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect in favour of or against TCIL and may be enforced as fully and effectually as if, instead of the Transferor Companies, TCIL had been a party, a beneficiary or an obligee thereto and shall be appropriately mutated by the relevant Governmental Authorities in favour of TCIL. In so far as the various incentives, service tax benefits, subsidies (including applications for subsidies), rehabilitation schemes, grants,



special status, rights, and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by the Transferor Companies are concerned, the same shall, without any further act or deed, vest with and be available to TCIL on the same terms and conditions as are available to the Transferor Companies.

18.1.11 All registrations, licenses, trademarks, brands, copyrights, domain names, applications for copyrights, trade-names and trademarks, etc. pertaining to the Transferor Companies, if any, shall stand vested in TCIL without any further act, instrument or deed, upon the sanction of the Scheme and upon this Scheme becoming effective.

18.1.12 All taxes (including but not limited to advance tax, tax deducted at source, MAT credits, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, GST etc.) payable by or refundable to the Transferor Companies with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc. as the case may be, of TCIL, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST input credits etc., as would have been available to the Transferor Companies, shall pursuant to this Scheme becoming effective, be available to TCIL. In case, any credit or tax deduction at source, advance tax, MAT, GST, CENVAT, refunds, SEIS etc. pertaining to Demerged Undertaking 1 and paid or deemed to be paid by TCI but could not be transferred shall be appropriately reimbursed by TCIL (post amalgamation of residual TCI into TCIL) to SOTC TRAVEL.

18.1.13 Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Order sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of TCIL as successor in interest, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, TCIL shall file certified copies of such NCLT Order and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

18.1.14 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all Consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in



favour of Transferor Companies shall stand transferred to TCIL, as if the same were originally given by, issued to or executed in favour of TCIL, and TCIL shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to TCIL.

18.1.15 TCIL shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Companies have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. TCIL shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies.

18.1.16 With effect from the Effective Date, all inter se contracts solely between the respective Transferor Companies and TCIL shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of TCIL.

18.1.17 With effect from the Effective Date, there will be no accrual of income or expense on account of any transactions, including inter alia any transactions in the nature of sale or transfer of any goods, materials or services, between the Transferor Companies and TCIL. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any inter se loans, deposits or balances between the Transferor Companies and TCIL.

18.1.18 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant Consents, patents, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Transferor Companies in favour of TCIL, the Board of Directors of the Transferor Companies and TCIL shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable and the same shall be considered as giving effect to the NCLT Order and shall be considered as an integral part of this Scheme. Further, TCIL shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of Transferor Companies and to carry out or perform all such formalities or compliance required for the purpose of implementation of the provisions of the Scheme.



19.

CONSIDERATION



- 19.1 As all the Transferor Companies are wholly-owned subsidiaries of TCIL, no consideration shall be payable pursuant to the amalgamation of Transferor Companies into TCIL, and the equity shares and preference shares held by TCIL on its own and together with its nominees in the respective Transferor Companies, as applicable, shall stand cancelled without any further act, application or deed.

20. ACCOUNTING TREATMENT

20.1 Accounting treatment in the books of TCIL:

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

- 20.1.1 TCIL shall account for the amalgamation of the Transferor Companies on the basis of 'Pooling of Interest' method as stated in Ind AS -103 Business Combination;
- 20.1.2 All the assets and liabilities of Transferor Companies shall be recorded at their respective carrying amounts and no adjustments are made to reflect fair values, or re-organize any new assets or liabilities.
- 20.1.3 The carrying value of investment in TCI shall be split between SOTC TRAVEL and TCI (new shares received as per Clause 6.1) in the books of accounts of TCIL in the ratio of assets and liabilities transferred to SOTC TRAVEL and retained by TCI.
- 20.1.4 The value of investments in the equity shares of the Transferor Companies post considering the effect in Clause 20.1.3 above held by TCIL shall stand cancelled in the books of the TCIL without any further act or deed.
- 20.1.5 The balance of the reserves appearing in the financial statements of Transferor Companies is aggregated with the corresponding balance appearing in the financial statements of TCIL.
- 20.1.6 The difference, if any, arising between carrying value of assets and liabilities and reserves pertaining to the Transferor Companies and the carrying value of investments in the books of TCIL shall be transferred to 'Reserve on restructuring' account in the books of TCIL.
- ## 21. SAVING OF CONCLUDED TRANSACTIONS
- 21.1 Subject to the terms of the Scheme, the transfer and vesting of the Amalgamated Undertaking and continuance of proceedings by or against TCIL, as provided herein, shall not affect any transactions or proceedings already concluded by the Transferor Companies before the Effective Date, to the end and intent that TCIL accepts and adopts all acts, deeds and things done and executed by and/or on behalf of Transferor Companies in relation to the Amalgamated Undertaking as acts, deeds and things done and executed by and on behalf of TCIL.



22. CONTRACTS, DEEDS, AND OTHER INSTRUMENTS

- 22.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be eligible and which are subsisting or having effect on the Appointed Date, without any further act, instrument or deed, shall be in full force and effect against or in favour of TCIL, as the case may be, and may be enforced by or against TCIL as fully and effectively as if, instead of TCIL, the Transferor Companies had been a party or beneficiary or obligee thereto.
- 22.2 Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Amalgamated Undertaking occurs by virtue of this Scheme itself, TCIL may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Companies are a party as may be necessary to be executed in order to give formal effect to the above provisions. TCIL shall be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of the Transferor Companies.

23. LEGAL PROCEEDINGS

- 23.1 All legal proceedings relating to the Amalgamated Undertaking of whatsoever nature by or against the Transferor Companies pending and/or arising before the Effective Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against TCIL, as the case may be, in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies. It is hereby expressly clarified that any legal proceedings by or against the Transferor Companies in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Companies and pertaining to the Amalgamated Undertaking shall be instituted, or as the case may be, continued, by or against, TCIL after the coming into effect of the Scheme.
- 23.2 All legal or other proceedings initiated by or against the Amalgamated Undertaking referred in Clause 23.1 above shall stand transferred to the name of TCIL and the same shall be continued, prosecuted, defended and enforced as the case may be by or against TCIL, to the exclusion of the Transferor Companies.



24. **STAFF, EMPLOYEES & WORKMEN**

- 24.1 Upon the coming into effect of this Scheme, all the employees on the payroll of the Transferor Companies engaged in or in relation to the Amalgamated Undertaking immediately prior to the Effective Date, shall become the employees of TCIL without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable.
- 24.2 The Transferor Companies agree that the service of all employees of the Transferor Companies immediately prior to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in TCIL immediately prior to the coming into effect of this Scheme. TCIL further agrees that for the purpose of payment of any retrenchment compensation, gratuity, grants, stock options or other terminal benefits, such past service with the Transferor Companies, shall also be taken into account and agrees and undertakes to pay the same as and when payable.
- 24.3 Upon the coming into effect of this Scheme, TCIL shall make all the necessary contributions for such transferred employees and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. TCIL will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of the respective Transferor Companies for TCIL.
- 24.4 Subject to the Applicable Law, the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by the Transferor Companies for their employees, shall be continued on the same terms and conditions and will be transferred to the necessary funds, schemes or trusts of TCIL without any separate act, deed or approval and till the time such necessary funds, schemes or trusts are created by TCIL, all contribution shall continue to be made to the respective existing funds, schemes or trusts of the Transferor Companies.

25. **TREATMENT OF THE SCHEME FOR THE PURPOSES OF IT ACT**

- 25.1 This part of the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the IT Act. If any of the terms or provisions of the Scheme is/are found or interpreted to be inconsistent with the provisions of Section 2(1B) of the IT at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(1B) of the IT Act shall prevail and the Scheme shall stand modified to the extent



necessary to comply with the provisions of Section 2(1B) of the IT Act. Such modification will however not affect other parts of the Scheme.

26. DISSOLUTION OF TRANSFEROR COMPANIES

- 26.1 Upon the Scheme becoming effective, each of the Transferor Companies shall stand dissolved without being wound up without any further act or deed.

27. CONSOLIDATION OF AUTHORISED SHARE CAPITAL OF TCIL

- 27.1 Upon Scheme becoming effective, the authorised share capital of TCIL shall stand increased without any further act, instrument or deed on the part of TCIL including payment of stamp duty and fees payable to Registrar of Companies, by the authorised share capital of all the Transferor Companies (post giving effect to Clause 14) amounting to Rs. 644,300,000 /- (Rupees Sixty Four Crores and Three Lakhs Only) comprising of 644,300,000 Equity Shares of Re. 1/- each and the memorandum of association and articles of association of TCIL (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of TCIL to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 61 of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorized capital of Transferor Companies shall be utilized and applied to the increased authorized share capital of TCIL and there would be no requirement for any further payment of stamp duty and / or fee by TCIL for increase in the authorised share capital to that extent.

- 27.2 Consequently, the existing clause V of the memorandum of association of TCIL shall stand appropriately amended, without any further act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13 and 61 and 232 and other applicable provisions of the Act as the case may be and be replaced by the following clause:

"V. The Authorized Share Capital of the Company is Rs. 4,479,300,000/- (Rupees Four Hundred Forty Seven Crores and Ninety Three Lakhs only) divided into 1,979,300,000/- (One Hundred and Ninety Seven Crores Ninety Three Lakhs only) Equity Shares of Re. 1/- (Rupee One only) each and 250,000,000 (Twenty Five Crores only) Preference Shares of Rs. 10/- (Rupees Ten only) each.

28. COSTS

- 28.1 Until the Effective Date, TCIL and the Transferor Companies shall respectively bear their own costs, charges and expenses, in relation to or in connection with or incidental to the Scheme. Provided however that all stamp duty, registration charges



and other transfer charges in relation to the Scheme and the matters contemplated herein shall be borne and paid by TCIL.

29. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

With effect from the date of approval of the Scheme by the Board of Directors of TCIL and Transferor Companies up to the Effective Date:

- 29.1 The respective Transferor Companies shall, in respect of the Amalgamated Undertaking, be deemed to have been carrying on and shall carry on their respective business and activities and shall hold and stand possessed of and hold all their respective properties and assets for and on account of and in trust for TCIL. The Transferor Companies hereby undertake to hold the said assets with utmost prudence until the Effective Date.
- 29.2 On or after the Appointed Date but before the Effective Date, all the profits or income accruing or arising to the Transferor Companies, in respect of the Amalgamated Undertaking or expenditure or losses arising to or incurred by the Transferor Companies in respect of the Amalgamated Undertaking, 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 TCIL.
- 29.3 The Transferor Companies shall carry on the their respective business and activities with reasonable diligence and prudence and shall not without the prior written consent of TCIL, alienate, charge, mortgage, Encumber or otherwise deal with or dispose-off, the Amalgamated Undertaking, except in the ordinary course of business. The Transferor Companies shall not undertake any new businesses within the Amalgamated Undertaking except in the ordinary course of its business.
- 29.4 Where any of the liabilities and obligations attributed to the Amalgamated Undertaking, has been discharged by the Transferor Companies, on or after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been for and on behalf of TCIL.
- 29.5 All loans raised and liabilities incurred by the Transferor Companies, after the Appointed Date but before the Effective Date and subsisting as on the Effective Date, for operations of the Amalgamated Undertaking shall be discharged by TCIL on or after the Effective Date.
- 29.6 The Transferor Companies shall not vary the terms and conditions of service of the employees or conclude settlements with unions or employees, except in the ordinary course of business or consistent with past practice or pursuant to any pre-existing obligation without the prior written consent of the Board of Directors of TCIL.



30. **AMENDMENT TO MEMORANDUM OF ASSOCIATION OF TCIL, VALIDITY OF EXISTING RESOLUTIONS ETC.**

- 30.1 In order to carry on the activities currently being carried on by the Transferor Companies upon coming into effect of the Scheme, applicable main objects in the memorandum of association of the Transferor Companies shall be added to the matters which are necessary for furtherance of the objects of the memorandum of association of TCIL, to the extent such objects are not already covered by those of TCIL. The objects clause as set out in **Schedule 2** shall be added to the memorandum of association of TCIL and the memorandum of association of TCIL shall be further reformatted and renumbered as per the applicable provisions of the Act.
- 30.2 It shall be deemed that the members of TCIL have also resolved and accorded all relevant Consents under Section 13 of the Act. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Section 13 of the Act for the amendment to the memorandum of association of TCIL.
- 30.3 Upon the coming into effect of the Scheme and with effect from the Appointed Date, the resolutions of the Board of Directors of respective Transferor Companies, including resolutions of any committees authorized by and comprising inter alia of members of the Board of Directors of Transferor Companies, as are considered necessary by the Board of Directors of TCIL and which are validly subsisting, shall be considered as resolutions of TCIL.
- 30.4 With effect from the Effective Date, the security creation, borrowing and investment limits of TCIL under the Act shall be deemed without any further act or deed to have been enhanced by the security creation, borrowing and investment limits of the Transferor Companies, such limits being incremental to the existing limits of TCIL.
- 30.5 Any corporate approvals obtained by the Transferor Companies, whether for purposes of compliance or otherwise, shall stand transferred to TCIL and such corporate approvals and compliance shall be deemed to have been obtained and complied with by TCIL.



PART D

TRANSFER AND VESTING OF DEMERGED UNDERTAKING 2 OF TCIL INTO QUESS

31. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING 2

31.1 Upon coming into effect of the Scheme and with effect from the Appointed Date (after Part B and Part C are deemed to have taken effect) and subject to the provisions of the Scheme, the Demerged Undertaking 2 shall, subject to the terms and conditions of this Scheme and, without any further act, instrument or deed, be demerged from TCIL and stand transferred to and vested in and/ or deemed to have been demerged from TCIL and stand transferred to and vested in Quess, so as to become the undertaking of Quess by virtue of and in the following manner:

31.1.1 All assets of TCIL in relation to the Demerged Undertaking 2 that are movable in nature and/or otherwise capable of transfer by physical or constructive delivery, novation and/or endorsement and delivery or by operation of law, shall be vested in Quess. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of Quess, absolutely and forever.

31.1.2 In respect of such of the assets of TCIL in relation to the Demerged Undertaking 2 other than those referred to in Clause 31.1.1 above, outstanding loans and advances, if any, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or in kind or for value to be received, deposits, if any, with Governmental Authorities and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in Quess and/or be deemed to be transferred to and vested in Quess from the Appointed Date upon effectiveness of the Scheme. Quess shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.

31.1.3 All the assets, rights, title, interests and investments of TCIL in relation to the Demerged Undertaking 2 shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in Quess upon the coming into effect of this Scheme. Any assets acquired by TCIL after the Appointed Date but prior to the Effective Date pertaining to the Demerged Undertaking 2 shall upon the coming into effect of this Scheme also without any further act, instrument or deed stand transferred to and vested in or be deemed to have been transferred to or vested in Quess upon the coming into effect of this Scheme.



- 31.1.4 Upon the Scheme coming into effect, all debts (secured and unsecured), liabilities, bonds, debentures (including contingent liabilities), duties and obligations of every kind, nature and description of TCIL in relation to the Demerged Undertaking 2 shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, Quess, so as to become on and from the Appointed Date, the debts, liabilities, bonds, debentures (including contingent liabilities), duties and obligations of Quess on the same terms and conditions as were applicable to TCIL, and further that it shall not be necessary to obtain the Consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by TCIL in relation to the Demerged Undertaking 2.
- 31.1.5 Subject to the other provisions of this Scheme, in so far as the assets of the Demerged Undertaking 2 are concerned, the Encumbrances over such assets, to the extent they relate to any loans or borrowings of the Remaining Business 2 of TCIL, shall without any further act, instrument or deed be released and discharged from the same and shall no longer be available as Encumbrances in relation to those liabilities of TCIL which are not transferred to Quess. The absence of any formal amendment in order to affect such release shall not affect the operation of this Clause. It is hereby clarified that in case of any existing Encumbrances over the assets of Demerged Undertaking 2 this Scheme shall not operate to enlarge such Encumbrances over other assets of Quess and Quess shall not be obliged to create any further or additional Encumbrances thereof after the demerger of Demerged Undertaking 2 has become effective or otherwise.
- 31.1.6 In so far as the assets of the Remaining Business 2 are concerned, the Encumbrances over such assets, to the extent they relate to any loans or borrowings of the Demerged Undertaking 2 shall, without any further act, instrument or deed be released and discharged from such Encumbrances. The absence of any formal amendment which may be required by a bank and/ or financial institution in order to affect such release shall not affect the operation of this Clause.
- 31.1.7 In so far as the existing Encumbrance in respect of the loans and other liabilities relating to the Remaining Business 2 are concerned, such Encumbrance shall, without any further act, instrument or deed be continued with TCIL only on the assets that are remaining with TCIL.
- 31.1.8 All Governmental Approvals and other Consents, quotas, rights, authorizations, entitlements, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which TCIL in relation to the Demerged Undertaking 2 is a party or to the benefit of which TCIL in relation to the



Demerged Undertaking 2 may be entitled to use or which may be required to carry on the operations of TCIL in relation to the Demerged Undertaking 2, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect in favour of or against Quess and may be enforced as fully and effectually as if, instead of TCIL, Quess had been a party, a beneficiary or an obligee thereto and shall be appropriately mutated by the relevant Governmental Authorities in favour of Quess. In so far as the various incentives, service tax benefits, subsidies (including applications for subsidies), rehabilitation schemes, grants, special status, rights, and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by TCIL in relation to the Demerged Undertaking 2 are concerned, if any, the same shall, without any further act or deed, vest with and be available to Quess on the same terms and conditions as are available to TCIL in relation to the Demerged Undertaking 2.

31.1.9 All registrations, licenses, trademarks, copyrights, domain names, applications for copyrights, trade-names and trademarks, etc. pertaining to TCIL in relation to the Demerged Undertaking 2, if any, shall stand vested in Quess without any further act, instrument or deed, upon the sanction of the Scheme and upon this Scheme becoming effective.

31.1.10 All taxes (including but not limited to value added tax, sales tax, service tax, GST etc.) payable by or refundable to TCIL in relation to the Demerged Undertaking 2 with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc. as the case may be, of Quess, and any tax incentives, advantages, privileges, exemptions, holidays, remissions, reductions, service tax input credits, GST input credits etc., as would have been available to TCIL in relation to the Demerged Undertaking 2, shall pursuant to this Scheme becoming effective, be available to Quess.

31.1.11 Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Orders sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of Quess as successor in interest, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, Quess shall file certified copies of such NCLT Order and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.



31.1.12 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all Consents, certificates, power of attorneys given by, issued to or in favour of TCIL in relation to the Demerged Undertaking 2 shall stand transferred to Quess, as if the same were originally given by, issued to or executed in favour of Quess, and Quess shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to Quess.

31.1.13 Quess shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which TCIL in relation to the Demerged Undertaking 2 have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. Quess shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of TCIL in relation to the Demerged Undertaking 2 and to carry out or perform all such formalities or compliances referred to above on the part of TCIL in relation to the Demerged Undertaking 2.

31.1.14 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant contracts, Consents, patents, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to TCIL in relation to the Demerged Undertaking 2 in favour of Quess, the Board of Directors of TCIL and Quess shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable and the same shall be considered as giving effect to the NCLT Order and shall be considered as an integral part of this Scheme.

32. CONSIDERATION

32.1 Upon the coming into effect of this Scheme, and in consideration of the transfer and vesting of the Demerged Undertaking 2 of TCIL in Quess, Quess shall, immediately following the transfer and vesting of the Demerged Undertaking 2 of TCIL into Quess described in Clause 31, without any further application, act, instrument or deed, issue and allot equity shares to all the equity shareholders of TCIL, whose names appear in the register of members as on the Record Date 2, fully paid up equity shares of Quess in the following manner ("**Share Entitlement Ratio**"):

1889 equity shares of Quess of INR 10/- each fully paid up for every 10,000 equity shares held in TCIL of INR 1/- each fully paid up.



- 32.2 In the event of any increase in the issued, subscribed or paid up share capital of Quess and/or TCIL or issuance of any instruments convertible into equity shares or restructuring of its equity share capital including by way of share split/ consolidation/ issue of bonus shares or other similar action in relation to the share capital of Quess and/or TCIL at any time before the Record Date 2, the Share Entitlement Ratio (defined above) shall be adjusted appropriately and the same shall be approved by the Boards of both Quess and TCIL.
- 32.3 The equity shares issued pursuant to Clause 32.1 above, shall be issued to the shareholders of TCIL in demat form, that is, dematerialized shares and in the demat account in which TCIL shares are held or such other account as is intimated by the equity shareholders to TCIL and/or its registrar. All those shareholders who hold equity shares of TCIL in physical form shall also have the option to receive the equity shares, as the case be, in dematerialized form provided the details of their account with the depository participant are intimated in writing to Quess and/or its registrar. In the event Quess has received notice from any person that equity shares are to be issued in physical form or if the person has not provided the requisite details relating to his/her/its account with a depository participant or other confirmations as may be required or if the details furnished by any person do not permit electronic credit of the equity shares, then Quess will issue equity shares in physical form to such person or persons.
- 32.4 The equity shares to be issued by Quess pursuant to Clause 32.1 above in respect of such equity shares of TCIL which are held in abeyance under the provisions of Section 126 of the Act (erstwhile Section 206A of the Companies Act, 1956) or otherwise shall, pending allotment or settlement of the dispute by order of a court or otherwise, also shall be kept in abeyance by Quess.
- 32.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of TCIL, the Board of Directors of TCIL, and/or the stakeholders relationship committee shall be empowered prior to the Record Date 2, to effectuate such transfers in TCIL as if such changes in registered holders were operative as on the Record Date 2, in order to remove any difficulties arising in relation to the shares to be issued by Quess pursuant to Clause 32.1 above after the Scheme is effected. The Board of Directors of TCIL shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in Quess on account of difficulties faced in the transition period.
- 32.6 It is clarified that presently, TCIL holds 71,323,496 (Seven Crores Thirteen Lakhs Twenty Three Thousand Four Hundred and Ninety Six) shares in Quess, out of which 18,015,604 (One Crore Eighty Lakhs Fifteen Thousand Six Hundred and Four)



shares in Quess are locked-in under Applicable Law ("**Locked in Shares**"). Consequently, in terms of SEBI Circular, post issuance and allotment of equity shares by Quess under Clause 32.1, 18,015,604 (One Crore Eighty Lakhs Fifteen Thousand Six Hundred and Four) equity shares to be issued to Fairbridge Capital (Mauritius) Limited ("**FCML**") shall be under locked in category for the remainder of the period for which the Locked in Shares are currently subject to lock in.

32.7 Upon issuance and allotment of equity shares by Quess to the promoter of TCIL i.e. FCML pursuant to Clause 32.1, FCML shall become the promoter of Quess in place of TCIL. The other existing promoters of Quess i.e., Ajit Isaac and Net Resources Investments Private Limited shall continue to be promoters of Quess, post demerger. Further, upon the coming into effect of this Scheme, all existing arrangements, between Ajit Isaac and/ or Net Resources Investments Private Limited and TCIL in relation to Quess shall stand novated in favour of FCML, in place of TCIL.

32.8 The equity shares issued and allotted by Quess, in terms of Clause 32.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of Quess and shall rank *pari passu* in all respects with the then existing equity shares of Quess, including the rights in respect of dividend and bonus shares, if declared, by Quess on or after the Effective Date. Further, Quess shall, if required, take all necessary steps for increase of authorized share capital for issue of equity shares pursuant to Clause 32.1 above.

32.9 It is clarified that upon the approval of this Scheme by the shareholders of TCIL and Quess under Sections 230 and 232 of the Act read with Section 52, 55 and 66 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 62, 188 and any other applicable provisions under the Act and that no separate approval from the shareholders to that extent shall be required to be sought for the matters specified in this Scheme.

32.10 Fractional entitlements, if any, by Quess, to the equity shareholders of TCIL at the time of issue and allotment of equity shares under Clause 32.1 above shall be consolidated and shall be dealt with as mentioned in Clause 32.11 below.

32.11 After giving effect to Clause 32.10 above, at the time of issue and allotment of equity shares the Board of Directors of Quess shall consolidate all fractional entitlements, and allot equity shares in lieu thereof to a corporate trustee or such other authorized representative(s) as the Board of Directors of Quess shall appoint in this behalf, who shall hold the equity shares issued in Quess, in trust on behalf of the equity shareholders entitled to fractional entitlements with the express understanding that such corporate trustee or other authorized representative(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 Quess, the net sale proceeds thereof,



whereupon Quess shall distribute such net sale proceeds (after deduction of applicable taxes, if any), to the equity shareholders in proportion to their respective fractional entitlements. The Board of Directors of Quess, if it deems necessary, in the interests of allottees, approve such other method in this behalf as it may, in its absolute discretion, deem fit.

- 32.12 The equity shares allotted and issued in terms of Clause 32.1 above, shall be listed and/or admitted to trading on the Stock Exchanges, where the equity shares of Quess are listed and/or admitted to trading; subject to Quess obtaining the requisite Governmental Approvals pertaining to their listing.

33. ACCOUNTING TREATMENT

- 33.1 Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, TCIL and Quess shall give effect to the accounting treatment in its books of account in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and more particularly, IND AS 103, or any other relevant or related requirement under the Act, as applicable on the Effective Date.

33.2 Accounting treatment in the books of TCIL:

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

- 33.2.1 TCIL, as on the Appointed Date, shall reduce the carrying value of assets and liabilities pertaining to the Demerged Undertaking 2, transferred to and vested in Quess from the carrying value of assets and liabilities in its books;

- 33.2.2 The difference, being excess / shortfall of carrying value of assets over the carrying value of liabilities of the Demerged Undertaking 2 shall be transferred to 'Reserve on restructuring' account in the books of TCIL.

33.3 Accounting treatment in the books of Quess:

- 33.3.1 Upon coming into effect of this Scheme, transfer of Demerged Undertaking 2 of TCIL into Quess shall be accounted for in the books of Quess in accordance with the applicable accounting standard prescribed under Section 133 of the Act and / or as per generally accepted accounting principles.

- 33.3.2 Upon coming into effect of this Scheme, Quess shall record the assets and liabilities, of the Demerged Undertaking 2 vested in it pursuant to this Scheme, at their respective carrying values of TCIL.



33.3.3 The difference, if any, between the carrying value of assets and liabilities under Clause 33.3.2 above transferred to Quess and the consideration discharged by way of new shares issued to the shareholders of TCIL in lieu of Demerged Undertaking 2 shall be recorded as capital reserve in the books of Quess.

33.3.4 In case of any difference in the accounting policy between Quess and Demerged Undertaking 2 of TCIL, the impact of the same will be quantified and adjusted in the capital reserves of Quess to ensure that the financial statements of Quess reflect the financial position on the basis of consistent accounting policy.

33.3.5 Transaction costs including stamp duty and other regulatory fee/charges due to issue of new shares shall be accounted in accordance with applicable IND AS.

34. SAVING OF CONCLUDED TRANSACTIONS

34.1 Subject to the terms of the Scheme, the transfer and vesting of the Demerged Undertaking 2 and continuance of proceedings by or against Quess, as provided herein, shall not affect any transactions or proceedings already concluded by TCIL before the Effective Date, to the end and intent that Quess accepts and adopts all acts, deeds and things done and executed by and/or on behalf of TCIL in relation to the Demerged Undertaking 2 as acts, deeds and things done and executed by and on behalf of Quess.

35. CONTRACTS, DEEDS, AND OTHER INSTRUMENTS

35.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature, in relation to the Demerged Undertaking 2, to which TCIL is a party or to the benefit of which TCIL may be eligible and which are subsisting or having effect on the Appointed Date, without any further act, instrument or deed, shall be in full force and effect against or in favour of Quess, as the case may be, and may be enforced by or against Quess as fully and effectively as if, instead of TCIL, Quess had been a party or beneficiary or obligee thereto.

35.2 Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Demerged Undertaking 2 occurs by virtue of this Scheme itself, Quess may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement, to which TCIL is a party in relation to the Demerged Undertaking 2, as may be necessary to be executed in order to give formal effect to the above provisions. Quess shall be deemed to be authorised to execute any such writings on behalf of



TCIL and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of TCIL.

36. LEGAL PROCEEDINGS

36.1 All legal proceedings relating to the Demerged Undertaking 2 of whatsoever nature by or against TCIL pending and/or arising before the Effective Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against Quess, as the case may be, in the same manner and to the same extent as would or might have been continued and enforced by or against TCIL. It is hereby expressly clarified that any legal proceedings by or against TCIL in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of TCIL and pertaining to the Demerged Undertaking 2 shall be instituted, or as the case may be, continued, by or against, Quess after the coming into effect of the Scheme.

36.2 All legal or other proceedings initiated by or against the Demerged Undertaking 2 referred in Clause 36.1 above shall stand transferred to the name of Quess and the same shall be continued, prosecuted, defended and enforced as the case may be by or against Quess, to the exclusion of TCIL.

37. STAFF, EMPLOYEES & WORKMEN

37.1 Upon the coming into effect of this Scheme, all the employees on the payroll of TCIL engaged in or in relation to the Demerged Undertaking 2 immediately prior to the Effective Date, shall become the employees of Quess without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable.

37.2 Quess agrees that the service of all employees engaged in or in relation to the Demerged Undertaking 2 immediately prior to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in TCIL immediately prior into coming into effect of this Scheme. Quess further agrees that for the purpose of payment of any retrenchment compensation, gratuity, grants, or other terminal benefits, such past service with TCIL, shall also be taken into account and agrees and undertakes to pay the same as and when payable. Further, it is hereby clarified that the employees of TCIL engaged in or in relation to the Demerged Undertaking 2 are neither holding any stock options of TCIL nor shall be granted any stock options by TCIL.



37.3 Upon the coming into effect of this Scheme, Quess shall make all the necessary contributions for such transferred employees engaged in or in relation to the Demerged Undertaking 2 and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Quess will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of Quess for TCIL.

37.4 Subject to the Applicable Law, the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by TCIL for employees engaged in or in relation to the Demerged Undertaking 2, shall be continued on the same terms and conditions and will be transferred to the necessary funds, schemes or trusts of Quess without any separate act, deed or approval and till the time such necessary funds, schemes or trusts are created by Quess, all contribution shall continue to be made to the existing funds, schemes or trusts of TCIL.

38. **EMPLOYEE STOCK OPTIONS**

38.1 Details of the employee stock options ("**ESOPs**") under the ESOP Schemes are provided in **Schedule 3** to this Scheme.

38.2 As on 5 Business Days prior to the Effective Date, all ESOPs which have not been granted under the (i) Thomas Cook Employees Stock Option Plan 2007 and (ii) Sterling Holiday Resorts (India) Limited Employee Stock Option Scheme 2012, shall lapse automatically without any further act, instrument or deed by TCIL, or its employees and without any approval or acknowledgment of any third party.

38.3 With respect to the outstanding ESOPs as referred to in **Schedule 3** ("**Outstanding ESOPs**") as on 5 Business Days prior to the Effective Date, TCIL shall, for the exercise of the Outstanding ESOPs, set up an employee benefit trust ("**ESOP Trust**") for the benefit of the relevant grantees of such Outstanding ESOPs ("**Relevant Employees**") (as approved by the Nomination & Remuneration Committee and as defined in each of the respective ESOP Schemes mentioned in **Schedule 3**), for the sole purpose of implementing the provisions of this Clause. Further, the Outstanding ESOPs as referred to in **Schedule 3** shall be reduced by any equity shares allotted pursuant to exercise of options that are exercised between March 31, 2018 and 5 Business Days before the Effective Date.

38.4 On or after the Effective Date but before the Record Date 2, (i) all Outstanding ESOPs shall stand accelerated in accordance with the terms of the respective ESOP Schemes ("**Acceleration**"), (ii) TCIL shall, as per Section 67 of the Act, Rule 16 of



Companies (Share Capital and Debenture) Rules, 2014, SEBI (Share Based Employee Benefits) Regulations 2014 ("**SEBI ESOP Regulations**") and other applicable provisions of the Act, SEBI ESOP Regulations and rules, regulations, circulars and notifications framed thereunder, grant an interest free loan ("**ESOP Loan**") to the ESOP Trust to enable the ESOP Trust to pay, the price (determined as per IT Act) towards the exercise of Outstanding ESOPs, (iii) the ESOP Trust shall immediately on receipt of the ESOP Loan, pay the entire amount of the ESOP Loan to TCIL as payment of the price towards Outstanding ESOPs, (iv) TCIL shall allot equity shares of TCIL to the ESOP Trust against the Outstanding ESOPs, and (v) the ESOP Schemes shall be subsumed under the ESOP Trust.

- 38.5 If the ESOP Trust is a shareholder of TCIL as on the Record Date 2, upon coming into effect of the Scheme, Quess shall issue and allot equity shares to the ESOP Trust as per the Share Entitlement Ratio and in accordance with Clause 32 (Consideration) of the Scheme. The equity shares issued and allotted by Quess to the ESOP Trust, in terms of Clause 38.4 above, shall be subject to the provisions of the Memorandum and Articles of Association of Quess and shall rank *pari passu* in all respects with the then existing equity shares of Quess.
- 38.6 Once equity shares have been issued to the ESOP Trust as per the above Clause, the Relevant Employees whose Outstanding ESOPs were vested prior to the Acceleration, shall be entitled to the equity shares of TCIL and Quess held by the ESOP Trust, only on payment of the exercise price to the ESOP Trust as set out in the applicable ESOP Schemes. The Relevant Employees whose Outstanding ESOPs were not vested prior to the Acceleration, shall on completion of the remaining vesting period as per the applicable ESOP Schemes, be entitled to the equity shares of TCIL and Quess held by the ESOP Trust, only on payment of the exercise price to the ESOP Trust, as set out in the applicable ESOP Schemes. The ESOP Trust shall use the exercise price paid by the Relevant Employee to repay the ESOP Loan to TCIL. The above should be deemed to be amendment to ESOP Schemes.
- 38.7 It is further clarified that each of the Relevant Employee will be entitled to the equity shares of Quess based on the Share Entitlement Ratio as mentioned in Clause 32 of the Scheme, based on TCIL shares received by them.
- 38.8 Fractional entitlements arising, if any, in respect of equity shares of Quess at the time of transfer by ESOP Trust to any Relevant Employee based on the Share Entitlement Ratio as mentioned in Clause 32 of the Scheme shall be dealt in accordance with following clause.
- 38.9 In respect of all the fractional entitlements, ESOP Trust shall consolidate all fractional entitlements, and transfer equity shares of Quess in lieu thereof to a trustee(s) of the ESOP Trust ("**Trustee**") or such other authorized representative(s) as the Trustee



shall appoint in this behalf, who shall hold the equity shares of Quess, in trust on behalf of the Relevant Employee entitled to fractional entitlements with the express understanding that such Trustee or other authorized representative(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 he may deem fit, and pay to ESOP Trust, the net sale proceeds thereof, whereupon ESOP Trust shall distribute such net sale proceeds (after deduction of applicable taxes, if any) to the Relevant Employee in proportion to their respective fractional entitlements. The Trustee, if it deems necessary, in the interests of Relevant Employees, approve such other method in this behalf as it may, in its absolute discretion, deem fit.

38.10 It is clarified that subject to Applicable Law, the consent to the Scheme by the shareholders of TCIL shall be deemed to be Consent, as an integral part of this Scheme, to (i) the amendment to the ESOP Schemes; (ii) setting up of the ESOP Trust; (iii) grant and repayment of the ESOP Loan; and (iv) the implementation of the ESOP Schemes and the exercise of the Outstanding ESOPs as per the requirements of the Act, SEBI ESOP Regulations or any other Applicable Law.

38.11 TCIL shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause.

38.12 For the purposes of this Clause 38, the term "**Business Day**" means a day (excluding Saturdays, Sundays and public holidays) on which banks are generally open in Mumbai for the transaction of normal banking business.

39. **TREATMENT OF THE SCHEME FOR THE PURPOSES OF IT ACT**

39.1 This part of the Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the IT Act. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section shall prevail and the Scheme shall stand modified to the extent necessary to comply with the Section 2(19AA) of the IT Act. Such modification will however not affect other parts of the Scheme.

40. **COSTS**

40.1 Until the Effective Date, TCIL and Quess shall bear their own costs, charges and expenses, in relation to or in connection with or incidental to the Scheme. Provided however that all stamp duty charges with respect to the issuance and allotment of shares contemplated under this Part of the Scheme, payment of all stamp duty and



registration charges and other transfer charges in relation to this Part of the Scheme and the matters contemplated herein shall be borne and paid by TCIL and Quess as applicable in their respective States.

41. REMAINING BUSINESS 2

- 41.1 The Remaining Business 2 and all the assets, liabilities and obligations relating or pertaining thereto shall continue to belong solely to and continue to be vested solely in and be managed by TCIL.
- 41.2 All legal, tax and other proceedings by or against TCIL under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, whether or not in respect of any matter arising before the Effective Date, which does not specifically pertain or relate to the Demerged Undertaking 2 (including those relating to any right, power, liability, obligation or duty, of TCIL in respect of the Remaining Business 2) shall be continued and enforced solely by or against TCIL only, without any liability arising on Quess or its shareholders.
- 41.3 TCIL shall carry on all business and activities pertaining or relating to the Remaining Business 2 in its own name and on its own account and its own behalf in all respects.

42. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

With effect from the date of approval of the Scheme by the Board of Directors of TCIL and Quess and up to the Effective Date:

- 42.1 TCIL shall, in respect of the Demerged Undertaking 2, be deemed to have been carrying on and shall carry on its business and activities and shall hold and stand possessed of and hold all its properties and assets for and on account of and in trust for Quess. TCIL hereby undertakes to hold its said assets with utmost prudence until the Effective Date.
- 42.2 On or after the Appointed Date but before the Effective Date, all the profits or income accruing or arising to TCIL, in respect of the Demerged Undertaking 2 or expenditure or losses arising to or incurred by TCIL in respect of the Demerged Undertaking 2, 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 Quess.
- 42.3 TCIL shall carry on the business and activities with reasonable diligence and prudence and shall not without the prior written consent of Quess, alienate, charge, mortgage, Encumber or otherwise deal with or dispose-off, the Demerged Undertaking 2, except in the ordinary course of business. TCIL shall not undertake any new businesses within the Demerged Undertaking 2 except in the ordinary course of its business.



- 42.4 Where any of the liabilities and obligations attributed to the Demerged Undertaking 2, has been discharged by TCIL, on or after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been for and on behalf of Quess.
- 42.5 All loans raised and liabilities incurred by TCIL, after the Appointed Date but before the Effective Date and subsisting as on the Effective Date, for operations of the Demerged Undertaking 2 shall be discharged by Quess on or after the Effective Date.
- 42.6 TCIL shall not vary the terms and conditions of service of the employees or conclude settlements with unions or employees, except in the ordinary course of business or consistent with past practice or pursuant to any pre-existing obligation without the prior written consent of the Board of Directors of Quess.



PART E

GENERAL TERMS & CONDITIONS

43. APPLICATIONS TO NCLT

- 43.1 TCIL, TCI, TCTSL, TCF, SOTC TRAVEL and Quess, shall, with all reasonable dispatch, simultaneously, make necessary applications/ petitions to the NCLT, where the registered offices of TCIL, TCF, TCTSL, SOTC TRAVEL, TCI and Quess are situated, for sanctioning this Scheme and all matters ancillary or incidental thereto under Sections 230 to 232 read with Sections 52, 55 and 66 and other applicable provisions of the Act.

44. CAPITAL REORGANIZATION OF TCIL, TCI AND QUESS

- 44.1 The balance in the 'Reserve on restructuring' account in the books of TCIL (as per Clause 33.2.2 and Clause 20.1.6 above), shall be transferred to capital redemption reserve (to the extent available) and the balance, if any, to securities premium account of TCIL. The said reduction (i.e. of capital redemption reserve and/ or securities premium account) shall be in accordance with the provisions of Section 230 read with Sections 52, 55 and 66 of the Act as the same does not involve either diminution of liability in respect of unpaid share capital of TCIL or payment to any shareholder of any paid up share capital of TCIL and without having to follow the procedure under Section 66 of the Act and the NCLT Order(s) sanctioning the Scheme shall be deemed to be an order under the relevant provisions of the Act confirming such reduction of share capital of TCIL.

- 44.2 Further, the balance in the 'Reserve on restructuring' account in the books of TCI created as per Clause 7.2.2 above, shall be transferred to capital redemption reserve (to the extent available) and the balance, if any, to securities premium account of TCI. The said reduction (i.e. of capital redemption reserve and/ or securities premium account) shall be in accordance with the provisions of Section 230 read with Sections 52, 55 and 66 of the Act as the same does not involve either diminution of liability in respect of unpaid share capital of TCI or payment to any shareholder of any paid up share capital of TCI and without having to follow the procedure under Section 66 of the Act and the NCLT Order(s) sanctioning the Scheme shall be deemed to be an order under the relevant provisions of the Act confirming such reduction of share capital of TCI.

- 44.3 Pursuant to the provisions of Sections 230 to 232 read with Section 66 of the Act upon the Scheme coming into effect, the shares of Quess received pursuant to transfer of Demerged Undertaking 2 shall stand cancelled and reduced without any



further act or deed. The said reduction shall be in accordance with the provisions of Section 230 of the Act and without having to follow the procedure under Section 66 of the Act and the NCLT Order(s) sanctioning the Scheme shall be deemed to be an order under the relevant provisions of the Act confirming such reduction of share capital of Quess.

- 44.4 Further, the balance in capital reserve account created in the books of Quess as per clause 33.3.3 shall be utilized (to the extent available) towards the cancellation of shares in Quess received pursuant to transfer of Demerged Undertaking 2 as per Clause 44.3 above. The difference, if any, shall be transferred to general reserve. The said utilization of capital reserve shall be in accordance with the provisions of Section 230 read with Section 66 of the Act without having to follow the procedure under Section 66 of the Act, as the said utilization of capital reserve does not involve payment to any shareholder and the NCLT Order(s) sanctioning the Scheme shall be deemed to be an order under the relevant provisions of the Act confirming such utilization of capital reserve in the books of Quess.

45. **CHANGE OF NAME OF TCIL AND SOTC TRAVEL**

- 45.1 Upon sanction of this Scheme, the name of TCIL shall automatically stand changed without any further act, instrument or deed on the part of TCIL to **"TC Travel Services Limited"** or any other name approved by Registrar of Companies and the memorandum of association and articles of association of TCIL shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 13, 14 and Section 16 of the Act or any other applicable provisions of the Act, would be required to be separately passed.

- 45.2 Upon sanction of this Scheme, the name of SOTC TRAVEL shall automatically stand changed without any further act, instrument or deed on the part of SOTC TRAVEL, to **"Travel Corporation (India) Limited"** or any other name approved by Registrar of Companies and the memorandum of association and articles of association of SOTC TRAVEL shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 13, 14 and Section 16 of the Companies Act, 2013 or any other applicable provisions of the Act, would be required to be separately passed.

- 45.3 Upon coming into effect of this scheme, SOTC TRAVEL shall be converted into a public company in compliance of Section 14 of the Act; and SOTC TRAVEL shall adopt a new set of articles of association as may be approved by its Board of Directors or shall adopt the articles of association as that of TCI and the consent of



the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 14 of the Act or any other applicable provisions of the Act, would be required to be separately passed.

46. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

- 46.1 TCIL, TCI, TCTSL, TCF, SOTC TRAVEL and Quess by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, may, collectively, make and/or Consent to any modifications/ amendments to the Scheme or to any conditions or limitations that the NCLT or any other Governmental Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. TCIL, TCI, TCTSL, TCF, SOTC TRAVEL and Quess by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, shall be authorised 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. In case, post approval of the Scheme by the NCLT, there is any confusion in interpreting any clause of this Scheme, or otherwise, the Board of Directors of TCIL, TCI, TCTSL, TCF, SOTC TRAVEL and Quess shall jointly have complete power to take the most sensible interpretation so as to render the Scheme operational.

47. WITHDRAWAL OF THE SCHEME

- 47.1 TCIL, TCI, TCTSL, TCF, SOTC TRAVEL and Quess shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by all of the Board of Directors of TCIL, TCI, TCTSL, TCF, SOTC TRAVEL and Quess prior to the Effective Date. In such a case, TCIL, TCI, TCTSL, TCF, SOTC TRAVEL and Quess shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, TCIL, TCI, TCTSL, TCF, SOTC TRAVEL or Quess shall not be entitled to withdraw the Scheme unilaterally without the prior written Consent of the other.

48. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

- 48.1 The Scheme is and shall be conditional upon and subject to the following:

- 48.1.1 The requisite Consents, no-objections and approvals of the Stock Exchanges and SEBI to the Scheme in terms of the SEBI Circular and/or SEBI (Listing Obligations



and Disclosures Requirements) Regulations, 2015, on terms acceptable to TCIL, TCI, TCTSL, TCF, SOTC TRAVEL and Quess;

- 48.1.2 The Scheme being approved by respective requisite majorities in numbers and value of such classes of members and creditors of the companies as may be directed by the NCLT;
- 48.1.3 The Scheme being approved by the majority of shareholders including non-interested Promoter or Promoter group (members) of Quess (by way of e-voting) as required under the SEBI Circular;
- 48.1.4 TCIL having received an approval from the RBI for making investment in non-financial services activities overseas.
- 48.1.5 The Scheme being sanctioned by the NCLTs under Section 230 to 232 read with Section 52, 55 and 66 of the Act, on terms acceptable to TCIL, TCI, TCTSL, TCF, SOTC TRAVEL and Quess; and
- 48.1.6 Last of the certified copies of the NCLT Order(s) being filed with the Registrar of Companies by TCIL, TCI, TCTSL, TCF, SOTC TRAVEL and Quess respectively.

49. **EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS**

- 49.1 The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 48.1 above are satisfied and in such an event, unless each of the conditions are satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter se TCIL, TCI, TCTSL, TCF, SOTC TRAVEL and Quess or their respective shareholders or creditors or employees or any other Person.

50 **SCHEME AS AN INTEGRAL WHOLE AND SEVERABILITY**

- 50.1 The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the respective Board of Directors of TCIL, TCI, TCTSL, TCF, SOTC TRAVEL and Quess.

51. **MISCELLANEOUS**

- 51.1 If any part and/ or provision of this Scheme hereof is invalid, ruled illegal by any court or tribunal of competent jurisdiction or unenforceable under present or future laws, then it is the intention of the parties to the Scheme that such provision shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part and/ or provision shall cause this Scheme to become materially adverse to any party, in which case the parties to the Scheme



shall attempt to bring about a modification in the Scheme, as will best preserve for such parties the benefits and obligations of the Scheme, including but not limited to such part and/ or provision.



SCHEDULE 1

TERMS AND CONDITIONS OF NCOCPS

1.	Dividend	0.01% p.a.
2.	Face value	Rs. 10 each
3.	Terms of conversion	Convertible at the option of the issuer (SOTC TRAVEL)
4.	Conversion	One (1) NCOCPS of Rs. 10/- each will be converted into One (1) equity share of Rs. 10/- each
5.	Redemption	Preference shares outstanding at the end of 20 years shall be converted into equity shares as per the above conversion ratio
6.	Call Option	Issuer (SOTC TRAVEL) will have an option to convert the NCOCPS or redeem the NCOCPS at any time after the end of one (1) year from the date of allotment



SCHEDULE 2

The following objects clause shall be added to the matters which are necessary for furtherance of the objects specified in Clause III.(A)(4) of the memorandum of association of TCIL :

1. To carry on the business of handling inward foreign tourist activity in India including independent and conducted tours, safaris, expeditions, conferences, meetings and other group movements and also to handle similar foreign tourist activity in other parts of the world through its own offices and agents and correspondents.
2. To carry on the business of designing, developing, establishing, maintaining, buying, importing, exporting, selling, trading, providing, licensing, implementing, consulting and training in all kinds of software, hardware, systems, programs, products, applications and services, including handling of customer support services in relation to travel & tourism industry and travel related and allied services, by establishing business process outsource units, knowledge process outsource units, call centers, data centers and the like whether pertaining to own customers or clients customers from within India or outside, for requests received over telephone, fax, email, web, kiosk, post, video conferencing or any other mode and to set up research and development centers and train, educate in one or more of the above areas and to market the latest developments in national and international scenario and implement the same to economize and simplify the operations and to carry on the business of providing communication facilities either computer aided or telephone or any other mode in India or anywhere in world.
3. To carry on the business of booksellers, stationers, publishers and restaurant proprietors, and to carry on the business of booking seats at theatres, cinemas and other places of amusements.
4. To carry on the business of handling travel and tourist activity including organizing independent and conducted tours and safaris, expeditions, conferences, meetings and other group movements in India as well as other parts of the world through its own offices, agents and correspondents; to carry on business as tourist agents and contractors and to facilitate traveling, provide for tourist and travellers, conveniences of all kinds in the way of tickets of all types, hotel and lodging accommodation, guides and safe deposit facilities; to charter, book or reserve ships, trains, aeroplanes, omnibus, motorbus, motor lorries, motor cars, wagons, carts and carriages of every description and to book and to reserve accommodations and rooms in hotels, restaurants and boarding and/or



lodging houses and to take houses on hire, furnished or unfurnished; to own, hire, let, ply, run and maintain cars, buses, coaches, aeroplanes, conveyance and other transport services for tourist and passengers in India and abroad; to carry on the business of providing business process outsourcing services in India or abroad of any and every description, using the latest IT - enabled tools, including electronic document and account management services, back office services, e-commerce services, development of consumer oriented e-commerce, web-base information systems, client server application, network management, software development services, computer related consultancy services, support services and any other similar or related services and to provide customer, technical and other support and for the purpose to act as representative, consultant, know how provider, sponsor, franchiser or licenser necessary for tour, travel, entertainment and leisure business; to carry on the business of marketing of various financial products, providing back office support like data processing, payroll accounting, accounting and such other financial services; providing for services of human resource development including recruitment of manpower and training and development, in India or elsewhere and for all the aforesaid activities to engage and deploy manpower to the customers.

5. To act as money changers, brokers, dealers, agents, buyers and sellers of all foreign exchange in the form of currencies, travellers' cheques, bonds, notes, instruments, papers, documents, subject to the approval of the Reserve Bank of India and other competent authorities, wherever necessary; to take positions, hold and trade on the movements of foreign currencies on behalf of customers or otherwise, to hold, operate and transact in foreign currencies and/or exchange by maintaining foreign currency bank accounts or otherwise, and to issue or act as agents for travellers' cheques, credit cards, phone cards and all instruments in any currency, subject to all rules, regulations and approvals as may be necessary and to deal in documents related to import or export trade, payables or receivables or securities either within or outside India; to engage in the foreign exchange money changing business, money transfer services in foreign exchange, either in the form of foreign currency notes / coins or travellers' cheques or any other negotiable instruments to or from India or abroad; to deal in currency or exchange options, swaps, futures, in foreign or Indian currencies in direct or derivative forms in India or abroad on the Company's own behalf or on behalf of its clients; to manage, acquire, hold, exchange, dispose of monies, foreign exchange, investments, funds, pools relating to and/or emanating from India or elsewhere on its own behalf or on behalf of its clients, customers, dealers, brokers, agents, trusts, funds, Government or other bodies; to do the business of broking in exchange, currencies.



6. To acquire by purchase, lease, license, let/mortgage, exchange, rent, hire, or otherwise, and to own, hold, exploit, use, develop, operate, sell, sublet / underlet, assign, transfer, convey, exchange, create security interests in, take options over, pledge or otherwise dispose off or deal in and with, any property / assets, moveable or immovable and any rights or privileges of any kind over or in respect of any property / assets and to construct, decorate, develop, furnish, maintain, manage, operate, lease, rebuild, enlarge, alter or improve any building or other structure, now or hereafter erected on any such property.
7. To carry on the business of selling, distributing, marketing or acting as a Commission Agent for all kinds of products, on the basis of a commission, remuneration or a fee.
8. To carry on the business of an investment company and to buy, sell, underwrite, invest in, acquire, hold, shares, stock, debentures, debenture stock, bonds, obligations and securities of any kinds issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture stock, bonds, obligations and securities issued or guaranteed by any government, State, public body or authority, supreme, municipal, local or otherwise, firm or person whether in India or elsewhere and to hold by way of investment, shares, stocks debentures, debenture stocks, bonds, obligations, units securities and other investments.
9. To carry on the business of transport of general and special cargo animals or passengers from place to place either by air or by land or by sea or partly through sea and partly by land and air whether in planes, motor vehicles, animal drawn vehicles, cars, ships, or in any other manner whatsoever and to carry on all or any of the business as of general carriers, transporters, railway and forwarding agents, clearing agents, warehouseman, storekeepers bonded Carmen and common Carmen.
10. To carry on in India or elsewhere, the business of full-fledged and I or restricted money changers and authorized dealers of all foreign currencies and to buy, sell and deal in foreign currencies of all kinds and types whether in the form of coins, bank notes or travelers cheques, to conduct transactions of all types and descriptions in foreign currencies and to convert foreign currencies into Indian rupees and vice versa, subject to the provisions of Foreign Exchange Management Act, the directions of the Reserve Bank of India and other applicable laws in force.
11. Subject to approval of Reserve Bank of India and other authorities, to carry on the business in the domestic and international capital markets, to act as authorized dealers and full-fledged money changers, to undertake all types of



foreign exchange operations, arrange for suppliers/ buyers credit, advice on foreign exchange cover operation, such as swap deals, cross currency foreign contracts / options, advice and guidance on foreign currency accounts, arranging foreign equity participation by individuals, companies, from institutions, arrange for and provide commercial, economic and financial information reports to foreign and Indian Importers/ Exporters and to act as agent for the Money Transfer Business with International and Indian Agencies all over the world and to accept credit cards of all the agencies in credit card business and dispense the cash.

12. To buy, sell, trade, exchange, deal, or otherwise engage in India or abroad, bill of exchange, letters of credit, promissory notes, cheques whether negotiable or not, currencies, drafts, travelers cheques, all kinds of units, coupons warrants, options and such other derivatives, issued or to be issued to companies, Government, Banks, firms, co-operatives, organizations, in India or abroad, and trade either as principal, broker, agent, dealer, stockiest, trader, consignee, or any other capacity and to act as Agent for issuing the travel related insurance services and to acquire membership, dealership, directorship, licenses, permits, registrations or such other positions in such other positions in such Associations, Exchange, Organizations and Bourses in India or abroad and carry on the business as members, dealers, license or any other capacity in any of these relating to money changing business.
13. To carry on the business of constructing and running hotels, restaurants, desert parlours, fast-food outlets in India and abroad and to acquire or tie-up with International hotel groups and to run the business of hotelier, hotel proprietor, hotel manager, and operators, refreshment contractors and caterers, milk and snack bar proprietors and establish and carry on in India or elsewhere the business to acquire, undertake, promote, run, manage, own, lease out, convert, build, commercialize, handle, operate, renovate, construct, maintain, improve, exchange, furnish, recondition, hire, let on hire, develop, consolidate subdivide and I or organize hotels, restaurants, gourmets, clubs, physic Therapy Centers, Fitness Training Centre, Farm houses, resorts, Holiday Resorts, cafes, taverns, rest house, tea and coffee houses, beer houses, bars, flight carriers, lodging houses, refreshment rooms, hospitals, nursing homes, night clubs, cabarets, swimming pools, Turkish baths, lodges, apartments, house keeper services, cottages or grocers, poulterers, green grocers, licensed victuallers, discotheques, banquet halls, dressing room, laundries, hair-dresser shops, stores, libraries, writing and news paper rooms, places of amusement, places of recreation, art galleries, sports, entertainment, health clubs, travel agencies, motor cabs, theatrical and opera, box offices, cinemas, also agencies for railways, shipping and airplane companies and to prepare, retail, process, buy, sell, import, export, service, wholesale, retail, pack, repack, or otherwise, to deal



in function as purveyors, of vegetables, cigarettes, cusserts and other food products, tobacco, soft drinks, ice creams, juices, cosmetics, clothes provisions, spices and other allied goods.



SCHEDULE 3

DETAILS OF EMPLOYEE STOCK OPTIONS

Sr. No.	Name of the Scheme	Status as of March 31, 2018			
		Options approved by the Shareholders	Exercised	Lapsed / Cancelled/ Forfeited	Outstanding ESOPs
1.	Thomas Cook Employees Stock Option Plan 2007	1,08,00,000	43,83,548	54,33,907	9,82,545
2.	Thomas Cook Employees Stock Option Plan 2013	47,71,896	30,91,489	Nil	16,80,407
3.	Sterling Holiday Resorts (India) Limited Employee Stock Option Scheme 2012	4,30,326	1,87,056	1,27,050	1,16,220
4.	Thomas Cook Employees Stock Option Scheme 2018 – Execom	17,54,458	Nil	Nil	17,54,458
5.	Thomas Cook Employees Stock Option Scheme 2018 – Management	36,72,000	Nil	Nil	36,72,000
Total					82,05,630

Note: Outstanding ESOPs shall be adjusted for any equity shares allotted pursuant to exercise of options between March 31, 2018 and 5 Business Days before the Effective Date.

