

COMPOSITE SCHEME OF ARRANGEMENT

BETWEEN

GO AIRLINES (INDIA) LIMITED (“Transferor Company”)

AND

WADIA REALITY PRIVATE LIMITED (“Transferee Company”)

AND

GO INVESTMENTS & TRADING PRIVATE LIMITED. (“Go Investments”)

AND

NOWROSJEE WADIA & SONS LIMITED (“NWS”)

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT 2013

PREAMBLE

This Composite Scheme of Arrangement is presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 and / or Companies Act, 2013 for:

- (i) demerger of the Demerged Undertaking (*hereinafter defined*) of Go Airlines (India) Limited into Wadia Reality Private Limited (referred to as “**Demerger**”);
- (ii) Cancellation of the initial equity share capital of Wadia Reality Private Limited, i.e. 10,000 Equity shares of Rs 10 fully paid up initially issued and allotted, in terms of Part III of the Scheme, resulting in reduction of equity share capital of Wadia Reality Private Limited (referred to as “**Reduction of Equity Share Capital of the Transferee Company**”);
- (iii) granting an option to Small Shareholders (*hereinafter defined*), who will be allotted equity shares of Wadia Reality Private Limited upon Demerger under Part III of this Scheme, to exit, partly or wholly, from Wadia Reality Private Limited at the Exit Price (*hereinafter defined*).
- (iv) Redemption of 40,93,190 0.01% Non Convertible Redeemable Non Cumulative Preference Shares of Rs. 100 each issued by Go Investments & Trading Private Limited to Nowrosjee Wadia & Sons Limited in terms of Part V of this Scheme, resulting in reduction of Preference Share Capital of Go Investments & Trading Private Limited (referred to as “**Reduction of Preference Share Capital of Go Investments**”).

This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

Though this Scheme is divided into various parts for the purpose of convenience, it is to be implemented as a single inseparable comprehensive Composite Scheme of Arrangement. This Composite Scheme of Arrangement is divided into the following parts:

- 1.1 Part I deals with the Definitions, Nature of Business and Capital Structure;
- 1.2 Part II deals with the Background and Rationale of the Scheme;
- 1.3 Part III deals with Demerger of the Demerged Undertaking into the Transferee Company and Reduction of Equity Share Capital of the Transferee Company;
- 1.4 Part IV deals with grant of option to Small Shareholders, who will be allotted equity shares of Wadia Reality Private Limited upon Demerger under Part III of this Scheme, to exit (partly or wholly) from Wadia Reality Private Limited at the Exit Price;
- 1.5 Part V deals with Reduction of Preference Share Capital of Go Investments;
- 1.6 Part VI deals with general terms and conditions applicable to the Scheme.

Part III, Part IV and Part V of the Scheme shall be deemed to have occurred and shall become effective and operative only in the sequence and order mentioned in the Scheme. Parts IV & V of the Scheme are conditional upon Part III of the Scheme being implemented.

PART I – DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

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

- (a) “**Act**” or “**the Act**” means the Companies Act, 2013 or the Companies Act, 1956 (to the extent applicable), including any modifications or re-enactment thereof, from time to time.
- (b) “**Appointed Date**” for the Demerger means 1st February, 2017 or such other date(s) as the board of directors of the Transferor Company and the Transferee Company may fix or such other date(s) as the NCLT, Delhi Bench or such other competent authority may approve / fix.
- (c) “**Demerger**” means the demerger of the “Demerged Undertaking” of the Transferor Company in accordance with Part III of the Scheme.
- (d) “**Demerged Undertaking**” means the undertaking of the Transferor Company which is engaged in the business of real estate development, as a going concern (as on the Appointed Date and as modified and altered from time to time upto the Effective Date) along with all property and assets, liabilities, employees including the following:

- (i) All identified assets and liabilities of the Transferor Company pertaining to the Demerged Undertaking, however, excluding the assets and liabilities of the Transferor Company which do not form part of the Demerged Undertaking.
- (ii) The immovable properties of the Demerged Undertaking as are more fully set out in **Schedule A** annexed hereto for the purpose of identification and including all rights, interest and benefits accrued or arising therefrom.
- (iii) Without prejudice to the generality of the provisions of sub-clause (i) above, the Demerged Undertaking shall include all debts, liabilities, contingent liabilities, duties, obligations and provisions and all other assets and properties, present or contingent and including but without being limited to vehicles, fixed assets, current assets, unbilled revenues, provisions, funds, leases, licenses, hire purchase and lease arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations, permits, authorisations, quota rights, trademarks, copyrights, patents and intellectual properties, benefits of agreements, contracts and arrangements, *inter alia*, with architects, civil / structural engineers, brokers and other vendors of materials and services, labour contractors, rights, title, interest in and all obligations relating to or in connection with all applications for approvals / NOC's made by the Transferor Company to all statutory / local Authorities in connection with the Demerged Undertaking (more particularly listed in **Schedule B** annexed hereto) and all other interests in connection with or relating to the business of real estate development and in particular the certifications, registrations with government / local authorities / statutory bodies (more particularly listed in **Schedule C** annexed hereto), public sector undertakings, other industrial units, permits, allotments and other statutory registrations, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, advances, receivables, benefits, concessions, reliefs (including but not limited to the benefit/s in terms of various statutes and/ or schemes of Union, State and Local Governments / bodies and / or otherwise) and all other rights, claims and powers of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company in connection with or pertaining or relating to the Demerged Undertaking and all earnest money and / or deposits including security deposits paid by the Transferor Company in connection with or relating to the Demerged Undertaking.
- (iv) For the purpose of this Scheme, it is clarified that liabilities pertaining to the Demerged Undertaking include:
 - (a) The liabilities which arise out of the activities or operations of the Demerged Undertaking;
 - (b) Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the Demerged Undertaking.

- (c) Liabilities other than those referred to in (a) and (b) above and not directly relatable to the Residual Undertaking being the amounts of general or multipurpose borrowings of the Transferor Company shall be allocated to the Demerged Undertaking in the same proportion in which the value of the assets transferred under this clause bears to the total value of the assets of the Transferor Company immediately before giving effect to this Scheme.

As of the Appointed Date, the liabilities so pertaining to the Demerged Undertaking is Rs. 496,662.

- (v) All employees of the Transferor Company employed in the Demerged Undertaking, and such other employees as identified by the Board of Directors of the Transferor Company, as on the Effective Date.
 - (vi) All books, records, files, papers, directly or indirectly relating to the Demerged Undertaking.
 - (vii) Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking shall be decided by mutual agreement between the Board of Directors of the Transferor Company and the Transferee Company.
- (e) “**Effective Date**” means the date on which the certified copies of the Order(s) or last of the Orders, as the case may be, of the NCLT(s) sanctioning the Scheme, are filed with the Registrar of Companies. Any references in the Scheme to the words “date of coming into effect of the Scheme” or “upon the Scheme becoming effective” or “Scheme coming into effect” shall mean the “Effective Date”.
 - (f) “**Exit Price**” means Rs 626 per equity share of Rs 10 each of the Transferee Company, allotted on Demerger, as determined by the Independent Valuer vide its report dated February 7, 2017
 - (g) “**Go Investments**” means Go Investments & Trading Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at C/o Britannia Industries Limited, A-33 Lawrence Road Industrial Area, New Delhi – 110 035.
 - (h) “**NCLT**” means the concerned Bench of the National Company Law Tribunal at New Delhi & Haryana or at Mumbai or both, as the case may be, or such other Court / Tribunal empowered to sanction the Scheme as per the provisions of the Act.
 - (i) “**NWS**” means Nowrosjee Wadia & Sons Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Neville House, J. N. Heredia Marg Ballard Estate Mumbai 400001.
 - (j) “**Record Date**” shall be the same date as the Effective Date for determining the names of the members of the Transferor Company who shall be entitled to

receive shares of the Transferee Company upon the Scheme coming into effect.

- (k) **“Residual Undertaking”** means all the business, undertakings and divisions of the Transferor Company other than the Demerged Undertaking transferred to, and vested in, the Transferee Company pursuant to this Scheme.
- (l) **“Scheme”** or **“the Scheme”** or **“this Scheme”** means this Composite Scheme of Arrangement presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and / or the Companies Act, 1956 in its present form or with any modification(s) made under clause 20 of this Scheme or any modifications approved or directed by the NCLT.
- (m) **“Small Shareholder”** means a shareholder of the Transferee Company holding less than 1% of the issued, subscribed and paid up equity share capital of the Transferee Company after allotment of equity shares to such shareholder on Demerger.
- (n) **“Transferor Company”** means Go Airlines (India) Limited, a company incorporated under the Companies Act, 1956 and having its registered office at C/o Britannia Industries Limited, A-33 Lawrence Road Industrial Area, New Delhi – 110 035.
- (o) **“Transferee Company”** means Wadia Reality Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office at C/o Britannia Industries Limited, A-33 Lawrence Road Industrial Area, New Delhi – 110 035.

The words importing the singular include the plural; words importing any gender include every gender.

2. NATURE OF BUSINESS

2.1 Nature of Business of the Transferor Company

The Transferor Company is, *inter alia*, engaged in the business of aircraft passenger and cargo services and also the development of real estate.

2.2 Nature of Business of the Transferee Company

The Transferee Company has been incorporated for the purpose of, *inter alia*, carrying on the business of real estate development.

2.3 Nature of Business of Go Investments

Go Investments is primarily a holding company of the Transferor Company.

2.4 Nature of Business of NWS

NWS is engaged in the business of providing, supplying, maintaining, operating all business administrative services, solutions, facilities to various persons and holds investments in Wadia Group companies.

3. CAPITAL STRUCTURE

3.1 Transferor Company

3.1.1 As on 31st January, 2017 (*i.e. as per the latest unaudited accounts*), the share capital of the Transferor Company was as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
20,00,00,000 Equity shares of Rs. 10/- each	200,00,00,000
5,00,00,000 Preference Shares of Rs 10/- each	50,00,00,000
Total	250,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
15,00,00,000 equity shares of Rs. 10/- each.	150,00,00,000
Total	150,00,00,000

There has been no change in the capital structure of the Transferor Company since 31st January, 2017.

3.1.2 The latest financial position of the Transferor Company is reflected in the latest unaudited accounts of the Transferor Company for the period 1st April 2016 to 31st January 2017. A copy of the said unaudited accounts is annexed hereto as **Schedule D-1**.

3.1.3 A copy of the latest auditor's report dated 31st May 2016 (*provided in respect of the audited accounts of the Transferor Company for the year ended 31st March 2016*) along with the audited accounts is annexed hereto at **Schedule D-2**.

3.1.4 As on 31st January 2017, there are no material investigation or proceedings instituted or pending against the Transferor Company.

3.2 Transferee Company

3.2.1 As on 31st January, 2017 (*i.e. as per the latest unaudited accounts*), the share capital of the Transferee Company was as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	

<i>Equity Shares</i>	
50,000 Equity shares of Rs. 10/- each	5,00,000
Total	5,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
10,000 equity shares of Rs. 10/- each.	1,00,000
Total	1,00,000

There has been no change in the capital structure of the Transferee Company since 31st January, 2017.

3.2.2 The latest financial position of the Transferee Company is reflected in the latest unaudited accounts of the Transferee Company for the period 1st April 2016 to 31st January 2017. A copy of the said unaudited accounts is annexed hereto as **Schedule E**.

3.2.3 The Transferee Company was incorporated only on 1st July 2016. The financial year in respect of which the Transferee Company shall prepare its first audited accounts shall thus be for the financial year ended 31st March 2017.

3.2.4 As on 31st January 2017, there are no investigations or such similar proceedings pending against the Transferee Company.

3.3 **Go Investments:**

3.3.1 As on 31st January, 2017 (*i.e. as per the latest unaudited accounts*), the share capital of Go Investments was as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
10,000,000 Equity shares of Rs. 1/- each	10,000,000
<i>Preference Shares</i>	
10,900,000 Preference shares of Rs. 100/- each	1,090,000,000
Total	1,100,000,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
201,020 equity shares of Rs. 1/- each.	201,020
<i>Preference Shares</i>	
9,384,500 0.01% Non-Convertible Redeemable Non Cumulative Preference shares of Rs. 100/- each	938,450,000
Total	938,651,020

There has been no change in the capital structure of Go Investments since 31st January, 2017.

3.3.2 The latest financial position of Go Investments is reflected in the latest unaudited accounts of Go Investments for the period 1st April 2016 to 31st January 2017. A copy of the said unaudited accounts is annexed hereto as **Schedule F-1**.

3.3.3 A copy of the latest auditor's report dated 7th September 2016 (provided in respect of the audited accounts of Go Investments for the year ended 31st March 2016) along with the latest audited accounts is annexed hereto as **Schedule F-2**.

3.3.4 As on 31st January 2017, there is no investigation or such similar proceedings pending against Go Investments.

3.4 **NWS:**

3.4.1 As on 31st January, 2017 (*i.e. as per the latest unaudited accounts*), the share capital of NWS was as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
90,000 shares of Rs. 1,000 each	9,00,00,000
<i>Preference shares</i>	
10,000 non-cumulative convertible redeemable preference shares of Rs. 1,000 each	1,00,00,000
Total	10,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
56,744 shares of Rs. 1,000 each	5,67,44,000
<i>Preference Shares</i>	
3,000 10% optionally convertible, redeemable, non-cumulative preference shares of Rs. 1,000 each	30,00,000
Total	5,97,44,000

There has been no change in the capital structure of NWS since 31st January, 2017.

3.4.2 The latest financial position of NWS is reflected in the latest unaudited accounts of NWS for the period 1st April 2016 to 31st January 2017. A copy of the said unaudited accounts is annexed hereto as **Schedule G-1**.

3.4.3 A copy of the latest auditor's report dated 12th September 2016 (provided in respect of the audited accounts of NWS for the year ended 31st March 2016) along with the latest audited accounts is annexed hereto at **Schedule G-2**.

3.4.4 As on 31st January 2017, there are no investigations or such similar proceedings pending against NWS.

PART II – BACKGROUND AND RATIONALE OF THE SCHEME

4. Background and Rationale

4.1 Background and rationale for the Demerger

4.1.1 The rationale behind the Demerger:

- (a) The primary business activity of the Transferor Company is aircraft passenger and cargo services. The Transferor Company, in its real estate development undertaking, owns an immovable property, being land situated at Thane for real estate development and businesses allied with the airline business such as hospitality, convention centre, hotel, etc. and other such commercial activities which support the airline business. The Transferor Company is a part of the Wadia Group. The said land vested in the Transferor Company upon amalgamation of another Wadia Group company into the Transferor Company.
- (b) However, the land has been classified in a residential zone under the Development Control Regulations of the Thane Municipal Corporation. Approval for use of the land was revalidated in September 2014 with the condition that the land will be used only for “*residential and non-agricultural*” purposes. The land is located on Ghodbunder road which has a large number of residential projects. The land therefore cannot be used for commercial activities connected with the Transferor Company’s airlines business. The Transferor Company has taken certain effective steps in pursuing the development of real estate.
- (c) Prospective investors who are inclined to invest in the airlines business are very different from those who prefer to invest in the business of development of land for residential and non-agricultural purposes. Also, the management and technical skills required to run an airlines business are very different from the skills and resources required to manage large scale real estate development which needs specialised manpower and business skills.
- (d) The airlines and real estate development businesses are highly specialized in nature requiring huge capital outlay and very different technical and management skills. Taking into account, the existing Development Control Regulations of the Thane Municipal Corporation and also the current and future market trends, it is not suitable for the Transferor Company to proceed with utilization of the land for its commercial activities connected with the Transferor Company’s airlines business in the present scenario.
- (e) The Transferee Company has been incorporated for the purpose of carrying on the business of real estate development in a focused manner with the required management and technical skills with substantial investment required. With the objective of realising the full potential of the aviation business and business of real estate development, the Demerged Undertaking of the Transferor Company is sought to be demerged into the Transferee Company.

- (f) Additionally, the demerger of the Demerged Undertaking from the Transferor Company to the Transferee Company would lead to significant benefits for the respective businesses of the Transferor and Transferee Companies, including:
 - (i) Enhanced strategic flexibility in the respective businesses;
 - (ii) Ensure better operational management and focus on their respective business;
 - (iii) Access to varied sources of funds;
 - (iv) Improve shareholder value for the companies.
- (g) The Scheme will not adversely affect the rights and interests of the shareholders of the Transferor Company. Further the creditors of the Residual Undertaking will also not be affected by the Scheme as the value of assets of the Residual Undertaking will be greater than its liabilities post the Scheme.
- (h) The Transferee Company is newly incorporated and as on the date of the Scheme, it does not have creditors. Further, the Scheme will not adversely affect the rights and interests of the shareholders of the Transferee Company since the shareholding of the Transferee Company, will be a mirror image of the shareholding structure of the Transferor Company. The Scheme will also not adversely affect the rights and interests of the creditors of the Demerged Undertaking as the assets of the Demerged Undertaking will be greater than the liabilities of the Demerged Undertaking.

4.1.2 The Scheme also envisages cancellation of the initial equity share capital of the Transferee Company in terms of clause 15 of the Scheme. The said reduction of share capital will ensure that the shareholding pattern of the Transferee Company will be a mirror image of the shareholding pattern of the Transferor Company. The said reduction of capital does not involve diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital. The shareholding and other rights of members of the Transferee Company will thus remain unaffected.

4.1.3 Rationale for the exit option to Small Shareholders who are allotted equity shares in Transferee Company on Demerger:

- (a) Having regard to the overall objective of insulating the Small Shareholders from the customary risks that affect the real estate development sector and the current economic scenario in that sector, it is appropriate to provide such safeguard to the Small Shareholders who are allotted equity shares of the Transferee Company upon the Demerger.
- (b) The exit option will also enable the Small Shareholders to unlock the value of the equity shares in the Transferee Company by encashing the same.

4.1.4 Rationale for Reduction of Preference Share Capital of Go Investments:

- (a) As on date, the entire preference share capital of Go Investments, i.e. 9,384,500 0.01% Non-Convertible Redeemable Non-Cumulative Preference Shares of Rs. 100/- each, is held by NWS (“**NWS Preference Shares**”). The NWS Preference Shares are redeemable in terms of the issue.
- (b) Go Investments has been incurring losses over the past few years and its primary asset (i.e. investment in the Transferor Company) is earning no dividend / profit.

- (c) The Board of Directors of Go Investments is of the opinion that: (i) since in the past few years, the company has not generated sufficient profits; and (ii) based on the level of activity, the company is not likely to generate sufficient funds in the near future, redemption of all the NWS Preference Shares could be a challenge. Further, no infusion of further capital is also envisaged. That being the case, Go Investments may not be in a position to redeem all the NWS Preference Shares.
 - (d) In view of the aforesaid, Go Investments considers it appropriate to redeem 40,93,190 NWS Preference Shares (“**Preference Shares**”) and discharge the redemption liability to the extent of the Preference Shares in terms of Part V of the Scheme.
 - (e) The aforesaid redemption of Preference Shares will result in the following benefits:
 - (i) NWS, which is getting no returns on its investments, will be able to realise its investment in part.
 - (ii) Go Investments will be able to discharge its redemption liability to the extent of the Preference Shares, which would be beneficial for its shareholders.
- 4.1.5 The Scheme is being filed in its present form as, Reduction of Preference Share Capital of Go Investments, is conditional upon the Demerger becoming effective and Go Investments receiving 6,53,245 equity shares of the Transferee Company. A single composite scheme involving both Demerger and Reduction of the Preference Share Capital of Go Investments will ensure that there is no time lag and following the Demerger, the Reduction of the Preference Share Capital of Go Investments can be efficiently and immediately completed.

PART III – DEMERGER OF THE DEMERGED UNDERTAKING INTO THE TRANSFEREE COMPANY

5. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING IN THE TRANSFEREE COMPANY

- 5.1 With effect from the Appointed Date and upon the Scheme becoming effective, the Demerged Undertaking (as defined in clause 1(d)) shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, as a going concern, in accordance with Section 2(19AA) of the Income-tax Act, 1961 and in the manner as follows:
 - 5.1.1 In respect of such of the assets of the Demerged Undertaking which are movable in nature or are otherwise capable of transfer by manual delivery, they shall be physically handed over by manual delivery or endorsement and delivery, and the same may be so transferred by the Transferor Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company to the end and intent that the ownership and property therein passes to the Transferee Company on such handing over in pursuance of the provisions of Section 232 of the Companies Act 2013.

- 5.1.2 In respect of such of the assets of the Demerged Undertaking other than those referred to in sub-clause 5.1.1 above, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and / or be deemed to be transferred to and stand vested in the Transferee Company pursuant to the provisions of Section 232 of the Act.
- 5.1.3 In relation to the assets belonging to the Demerged Undertaking, which require separate documents of transfer, the parties will execute necessary documents, as and when required.
- 5.1.4 The transfer and vesting of all assets of the Demerged Undertaking, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such charges, mortgages and / or encumbrances shall be confined only to the relative assets of the Demerged Undertaking or part thereof on or over which they are subsisting on transfer to and vesting of such assets in the Transferee Company and no such charges, mortgages, and / or encumbrances shall be enlarged or extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to any assets of the Demerged Undertaking shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security thereof.
- 5.1.5 In respect of the identified debts, liabilities, duties and obligations of the Demerged Undertaking, it is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.
- 5.1.6 For the purpose of giving effect to the order passed under Sections 230 to 232 in respect of this Scheme, the Transferee Company shall at any time pursuant to the orders be entitled to get the recordal of the change in the title and appurtenant legal right(s) upon the vesting of such assets of the Demerged Undertaking in the Transferee Company.
- 5.1.7 Where any of the liabilities and obligations attributed to the Demerged Undertaking on the Appointed Date has been discharged by the Transferor Company on behalf of the Demerged Undertaking after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company.

6. COMPLIANCE WITH TAX LAWS

The provisions of this Scheme as they relate to demerger of the Demerged Undertaking of the Transferor Company into the Transferee Company have been drawn up to comply with the conditions relating to “demerger” as defined under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the

Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

7. **LEGAL PROCEEDINGS**

If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the “**Proceedings**”) by or against the Transferor Company in connection with or pertaining to or relatable to the Demerged Undertaking, are pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the Scheme or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee Company, as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.

8. **CONTRACTS AND DEEDS**

8.1 All contracts, deeds, bonds, agreements, arrangements, incentives, licenses, engagements, approvals and registrations and other instruments of whatsoever nature in connection with or pertaining to or relatable to the Demerged Undertaking to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.

8.2 The Transferee Company shall, if and to the extent required by law, enter into and / or issue and / or execute deeds, writings or confirmations, to give formal effect to the provisions of this clause and to the extent that the Transferor Company is required, prior to the Effective Date, to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company.

9. **EMPLOYEES**

9.1 All the employees of the Demerged Undertaking and such other employees as identified by the Board of Directors of the Transferor Company, in service on the Effective Date shall, on and from the Effective Date, become the employees of the Transferee Company on terms and conditions not less favourable as applicable to them on the Effective Date.

9.2 On and from the Effective Date, the services of the employees will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of membership and the application of the rules or bye-laws of the various Funds (as defined herein below).

9.3 Insofar as any provident fund liability, gratuity liability or any other liability in respect of the employees is concerned (hereinafter referred to as the “**Employee Liability**”) of the Demerged Undertaking, the part of Employee Liability relatable to the employees of the Demerged Undertaking shall be the liability of the Transferee Company.

9.4 The Transferor Company and Transferee Company do not have any funds created for the benefit of its employees.

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

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

10.1 The Transferor Company shall be deemed to have been carrying on and shall carry on the business of the Demerged Undertaking and related activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the respective assets of the Demerged Undertaking for and on account of, and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.

10.2 The Transferor Company shall carry on the business of the Demerged Undertaking and related activities with reasonable diligence, business prudence and shall not (without the prior written consent of the Transferee Company) alienate, create any charge, mortgage, encumber or otherwise deal with or dispose of the assets or any part thereof related to the Demerged Undertaking (except in the ordinary course of business).

10.3 All the profits or income, taxes (including advance tax, tax deducted at source) or any costs, charges, expenditure accruing to the Transferor Company in connection with or pertaining to or relating to the Demerged Undertaking or expenditure or losses arising or incurred or suffered by the Transferor Company in connection with or pertaining to or relating to the Demerged Undertaking from the Appointed Date shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be.

10.4 Until the Effective Date, the Transferor Company shall not without the prior written approval of the Board of Directors of the Transferee Company and except as contemplated under the Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise.

11. **SAVING OF CONCLUDED TRANSACTIONS**

The transfer of the assets and liabilities of the Demerged Undertaking under clause 5 above, the continuance of Proceedings under clause 7 above and the effectiveness of contracts and deeds under clause 8 above, shall not affect any transaction or Proceedings already concluded by the Transferor Company in respect of the Demerged Undertaking on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

12. **DIVIDEND**

12.1 The Transferor Company shall be entitled to declare and pay dividends, whether interim or final, to its shareholders in respect of the accounting period prior to the Effective Date.

12.2 Subject to the provisions of the Scheme, the profits of the Demerged Undertaking, for the period beginning from the Appointed Date, shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit, post the Effective Date.

12.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Transferor Company, subject to such approval of the shareholders, as may be required.

13. **AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEEE COMPANY**

13.1 **Increase of authorized share capital of the Transferee Company:**

13.1.1 Upon coming into effect of Part III of this Scheme, the Authorized Share Capital of the Transferee Company (as detailed in clause 3.2 of the Scheme) shall stand increased from the present authorized share capital of Rs. 5,00,000 (i.e. 50,000 equity shares of Rs. 10 each) to Rs. 5,00,00,000 (i.e. 50,00,000 equity shares of Rs. 10 each), without any further act, deed or procedure, formalities or payment of any stamp duty and registration fees. Provided that pursuant to this Scheme, the Transferee Company shall file necessary forms with the Registrar of Companies, New Delhi for the said increase in authorized share capital of the Transferee Company.

13.1.2 In terms of clause 13.1.1, Clause V of the Memorandum of Association and Article II (1)(a) of the Articles of Association of the Transferee Company shall without any further act, deed or instrument be substituted as follows:

- (a) Clause no. V of the Memorandum of Association of the Transferee Company shall, without any further act, deed or instrument, be substituted by the following clause:

The Authorised Share Capital of the Company is Rs.5,00,00,000 divided into 50,00,000 (Fifty Lakhs) Equity Shares of Rs.10 each.

- (b) Article II (1)(a) of the Articles of Association of the Transferee Company shall, without any further act, deed or instrument, be substituted by the following clause:

The Authorised Share Capital of the Company shall be as per Clause V of the Memorandum of Association.

13.2 It shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant consents under Sections 13, 14, 61 and other applicable provisions (to the extent notified and in effect) of the Companies Act, 2013 for the purpose of amendment of the Memorandum of Association and Articles of Association of the Transferee Company as above. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Sections 13, 14 and 61 of the Companies Act, 2013 for amendment of the Memorandum of Association and Articles of Association of the Transferee Company as above.

14. **CONSIDERATION**

- 14.1 In consideration of the demerger of the Demerged Undertaking of the Transferor Company in to the Transferee Company, the Transferee Company shall, without any further act or deed, issue and allot 1 (one) Equity Share of Rs. 10/- each credited as fully paid-up (the “**New Equity Shares**”) of the Transferee Company for every 150 (one hundred and fifty) equity shares of Rs. 10/- each fully paid-up held by the equity shareholders in the Transferor Company, as on the Record Date.
- 14.2 In respect of fractional entitlements, if any:
- (a) Where a shareholder of the Transferor Company is entitled to only a fraction of one share i.e. less than one share to be allotted to him on Demerger, the said shareholder will be allotted the minimum of one equity share.
 - (b) In other cases, the fractional entitlement would be rounded off to nearest integer for determining his entitlement to the equity shares in the Transferee company.
- 14.3 The New Equity Shares to be issued by the Transferee Company shall be issued in physical form to the members of Transferor Company entitled thereto.
- 14.4 The New Equity Shares to be issued and allotted as above shall rank *pari passu* with the existing equity shares of the Transferee Company, in all respects including dividends.
- 14.5 It shall be deemed that the members of the Transferor Company and the Transferee Company who have approved the Scheme have also accorded all relevant consents under Section 62 of the Companies Act, 2013 or any other provisions of the Act to the extent the same may be considered applicable and that there will be no need to pass a separate shareholders’ resolution as required under Section 62 of the Companies Act, 2013.

15. **REDUCTION OF EQUITY SHARE CAPITAL OF THE TRANSFEE COMPANY**

- 15.1 Upon allotment of the New Equity Shares by the Transferee Company in terms of Clause 14 above, the pre-demerger shareholding in the Transferee Company held by Go Investments (i.e. 10,000 equity shares of Rs. 10 each), shall be cancelled in accordance with the order(s) of the NCLT(s) sanctioning the Scheme under Sections 230 to 232 of the Companies Act, 2013. The cancellation of the initial share capital shall result in a mirror image of the shareholding pattern in the Transferee Company as it stands for the Transferor Company as of the Record Date. No consideration shall be payable to the shareholders of the Transferee Company on account of cancellation of such pre-demerger equity share capital pursuant to this clause.
- 15.2 Upon cancellation of the initial equity share capital of the Transferee Company as per clause 15.1 above, the equity share capital of the Transferee Company shall stand reduced to the extent of the nominal value of the shares cancelled by the Transferee Company. If the NCLT holds that Section 66 of the Companies Act, 2013 is deemed to apply to this Scheme, then the necessary minute of the resolution relating to the reduction of the equity share capital of the Transferee Company pursuant to this

Scheme, shall be registered, with the Registrar of Companies, NCT of Delhi & Haryana, New Delhi in terms of Section 66 of the Companies Act, 2013.

- 15.3 Notwithstanding the reduction in the equity share capital of the Transferee Company, the Transferee Company shall not be required to add “And reduced” as a suffix to its name.
- 15.4 Upon registration of the Order sanctioning the Scheme, with the Registrar of Companies, NCT of Delhi & Haryana, New Delhi, the reduction shall be deemed to take effect from the Effective Date.
- 15.5 Since the said reduction is an integral part of the Scheme under Section 230 to 232 and will be made effective pursuant to order(s) of the NCLT(s) sanctioning the Scheme in terms of Sections 230 to 232 of the Act, the provisions of Section 66 of the 2013 Act shall not be applicable unless the NCLT holds otherwise. In any event, it shall be deemed that the members of the Transferee Company who have approved the Scheme have also resolved and accorded all relevant consents under Section 66 of the Companies Act, 2013 or any other provisions of the Act to the extent the same may be considered applicable and that there will be no need to pass a separate shareholders’ resolution as required under Section 66 of the Companies Act, 2013. The order of the NCLT sanctioning the Scheme shall also be deemed to be an order under Section 66 of the Companies Act, 2013 confirming the reduction.

16. **ACCOUNTING TREATMENT FOR THE DEMERGER**

16.1 Accounting treatment in the books of the Transferor Company:

- (a) The book value of assets of the Demerged Undertaking shall be deducted, on line by line basis, from the book value of assets of the Transferor Company, and book value of liabilities of Demerged Undertaking shall be deducted, on line by line basis, from the book value of liabilities of the Transferor Company. The balance carried in the Revaluation Reserve shall stand cancelled. The net impact, of the above, if credit, shall be treated as Capital Reserve and if debit, shall be adjusted against retained earnings.

16.2 Accounting treatment in the books of the Transferee Company:

- (a) The assets and liabilities of the Demerged Undertaking shall be recorded in the books and account of the Transferee Company at their values as appearing in the books of account of the Transferor Company immediately before the Appointed Date.
- (b) The paid-up share capital shall be increased by the face value of the fully paid New Equity Shares of the Transferee Company issued in terms of clause 14.1 of the Scheme.
- (c) The paid-up share capital shall be reduced by pre-demerger paid-up share capital in the Transferee Company cancelled after effecting the Demerger in terms of clause 15.
- (d) The difference of (a), (b) and (c) above, if credit, shall be credited to Demerger Reserve and if debit, shall be treated as Goodwill.

16.3 Subject to the aforesaid, the Board of Directors of the Transferor and Transferee Companies shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in the respective books of account of the said companies, while complying with generally accepted accounting standards as applicable.

17. **RESIDUAL UNDERTAKING**

17.1 The Residual Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and remain vested in the Transferor Company.

17.2 All legal, taxation or other proceedings whether civil or criminal (including proceedings before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Residual Undertaking (including those relating to any property, right, power, liability, obligation or duties of the Transferor Company in respect of the Residual Undertaking) shall be continued and enforced by or against the Transferor Company.

17.3 With effect from the Appointed Date and upto and including the Effective Date:

(a) The Transferor Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Residual Undertaking for and on its own behalf;

(b) all profits accruing to the Transferor Company thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Residual Undertaking shall, for all purposes, be treated as the profits or losses, as the case may be, of the Transferor Company; and

(c) All assets and properties acquired by the Transferor Company in relation to the Residual Undertaking on and after the Appointed Date shall belong to and continue to remain vested in the Transferor Company.

PART IV - OPTION GRANTED TO SMALL SHAREHOLDERS, WHO WILL BE ALLOTTED EQUITY SHARES OF THE TRANSFEE COMPANY ON DEMERGER (UNDER PART III OF THIS SCHEME), TO EXIT (PARTLY OR WHOLLY) FROM THE TRANSFEE COMPANY AT THE EXIT PRICE

18. **Option granted to Small Shareholders**

18.1 **OPTION**

18.1.1 All Small Shareholders of the Transferee Company, who have been allotted equity shares in the Transferee Company in accordance with Part III of this Scheme, are conferred an option to sell the said equity shares of the Transferee Company to Go Investments at the Exit Price ("**Option**").

18.1.2 This Option can be exercised by the Small Shareholders on or before 30 days from the date of allotment of shares ("**Option Period**").

18.2 EXECUTION OF SHARE TRANSFER DEED

- 18.2.1 Before expiry of the Option Period, any Small Shareholder desirous of exercising the Option shall, by a notice in writing inform Go Investments (with a copy marked to the Transferee Company), stating that it is exercising the Option and shall specify the number of shares of the Transferee Company ("**Option Shares**") that it proposes to sell to Go Investments ("**Option Notice**").
- 18.2.2 Upon receipt of the Option Notice, the Small Shareholder and Go Investments shall take all required actions, in a timely manner and in any event, no later than 15 days from the date of receipt of the Option Notice, to complete the sale of the Option Shares to Go Investments free of encumbrances, including without limitation, procuring approval, if required, of the Board of Directors (or any relevant committee thereof) of the Transferee Company and Go Investments for the sale of the Option Shares to Go Investments, delivering share certificates and executing and delivering the relevant share forms, any certificates or other relevant documents or making changes in the Register of Members of the Transferee Company, etc. The Transferee Company shall provide all timely support to facilitate transfer of the Option Shares to Go Investments.

18.3 MODE OF DISCHARGE OF CONSIDERATION

Simultaneously upon execution of the share transfer forms, in consideration of the sale of the Option Shares to Go Investments, Go Investments shall pay the Small Shareholder an amount equivalent to the *number of Option Shares X Exit Price* by cheque.

PART V - REDUCTION OF PREFERENCE SHARE CAPITAL ISSUED BY GO INVESTMENTS

- 19.1 On Part-III of the Scheme becoming effective and shares of the Transferee Company being issued to the shareholders of the Transferor Company, the Preference Shares, i.e. 40,93,190 0.01% Non-Convertible Redeemable Non-Cumulative Preference Shares of Go Investments issued to NWS, of the face and paid-up value of Rs.100 each aggregating to Rs. 40,93,19,000 will stand redeemed without any further act and to that extent the preference share capital of Go Investments shall stand reduced and corresponding redemption liability shall be credited to preference share capital redemption liability account.
- 19.2 The Preference Share capital redemption liability shall be discharged by Go Investment by transfer of 653,245 Equity Shares of the Transferee Company allotted to Go Investments on Demerger of the Demerged Undertaking by the Transferee Company (*in terms of Part III*) to NWS.
- 19.3 Upon redemption of the Preference Shares held by NWS in the preference share capital of Go Investments as per clause 19.1 above, the preference share capital of Go Investments shall stand reduced to the extent of the nominal value of the Preference Shares redeemed by Go Investments in accordance with the order(s) of the NCLT sanctioning the Scheme under Sections 230 to 232 of the Companies Act, 2013 and the said order. If the NCLT holds that Section 66 of the Companies Act, 2013 is deemed to apply to this Scheme, then the necessary minute of the resolution relating to the reduction of the preference share capital of Go Investments pursuant to this Scheme,

shall be registered, with the Registrar of Companies, Mumbai under Section 66 of the Companies Act, 2013.

- 19.4 Upon registration of the Order sanctioning the Scheme and the minute set out above, by the Registrar of Companies, Mumbai, pursuant to Section 66 of the Companies Act, 2013, the reduction shall be deemed to have taken effect from the Effective Date.
- 19.5 Since the said reduction is an integral part of the Scheme under Section 230 to 232 and will be made effective pursuant to order(s) of the NCLT(s) sanctioning the Scheme in terms of Sections 230 to 232 of the Act, the provisions of Section 66 of the 2013 Act shall not be applicable unless the NCLT holds otherwise. In any event, it shall be deemed that the members of Go Investments who have approved the Scheme have also resolved and accorded all relevant consents under Section 66 of the Companies Act, 2013 or any other provisions of the Act to the extent the same may be considered applicable and that there will be no need to pass a separate shareholders' resolution as required under Section 66 or otherwise of the Companies Act, 2013. The order of the NCLT sanctioning the Scheme shall also be deemed to be an order under Section 66 of the Companies Act, 2013 confirming the reduction.
- 19.6 Notwithstanding the reduction of the preference share capital of Go Investments, Go Investments shall not be required to add "and reduced" as a suffix to its name and Go Investments shall continue in its existing name.
- 19.7 Pursuant to the redemption of the Preference Shares as stated in Clause 19.1 above, any arrears of dividend on the Preference Shares or any other liability, whether present or contingent, of Go Investments, pertaining to the Preference Shares shall, upon the Scheme being effective, abate and that there shall be no liability of Go Investments in respect of the NWS Preference Shares so redeemed.

19.8 Accounting Treatment for the Reduction of Preference Share Capital of Go Investments:

- 19.8.1 On allotment of the equity shares to Go Investments by the Transferee Company pursuant to the Demerger in terms of Part-III of the Scheme, Go Investments shall record the equity shares in its books of accounts as under:
- (i) The equity shares as aforesaid shall be recognised at their value based on apportionment of the cost of the original shares of the transferor company held based on the Net Assets of the Demerged undertaking over the total networth of the demerged company in accordance with section 49(2C) of the Income Tax Act, 1961; and
 - (ii) The carrying amount of equity shares of the Transferor Company in its books of accounts will stand reduced corresponding by the value of equity shares of the Transferee Company recognised in the books of accounts.
- 19.8.2 Go Investments shall pass the following entry to record discharge of its preference share redemption liability as stated in clause 19.1 above.
- (i) The preference share redemption liability account will be debited and
 - (ii) The investment account in respect of equity shares of the Transferee Company will be credited to the extent of the carrying amount of such Equity Shares determined as per Clause 19.8.1(i) above.

- (iii) The excess of the amount payable against preference share redemption liability over the carrying amount of the equity shares transferred shall be recorded as gain on transfer of investment. Conversely, the deficit, if any, shall be recorded as loss on transfer of investment.

19.8.3 Subject to the aforesaid, the Board of Directors of the Go Investment shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in the books of account of the said company, while complying with generally accepted accounting standards as applicable

19.9 Accounting Treatment in the books of NWS

19.9.1 On the Effective Date, the Preference Shares held by NWS as redeemed by Go Investment in accordance with Part V shall stand redeemed and the investment in such Preference Shares by NWS shall stand correspondingly reduced and the said amount shall be debited to Preference Share redemption proceeds receivable account.

19.9.2 On receipt of equity shares of the Transferee Company transferred to NWS by Go Investments towards redemption proceeds, the investments in the Transferee Company will be debited for an amount equivalent to an amount outstanding in preference share redemption proceeds receivable account with corresponding credit to that account.

19.9.3 Subject to the aforesaid, the Board of Directors of the NWS shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in the books of account of the said company, while complying with generally accepted accounting standards as applicable

PART VI – GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

20 APPLICATIONS TO THE NCLT

The Transferor Company, the Transferee Company, Go Investments and NWS shall, with all reasonable dispatch, make applications to the NCLT, for sanctioning this Scheme for an order or orders thereof for carrying this Scheme into effect.

21 MODIFICATIONS/AMENDMENTS TO THE SCHEME

21.1 The Transferor Company, the Transferee Company, Go Investments and NWS 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 make and / or consent to any modifications / amendments to the Scheme or to any conditions or limitations that the NCLT or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Transferor Company, the Transferee Company, Go Investments and NWS 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 authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever

arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.

- 21.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the authorized person(s) of the Transferor Company, the Transferee Company, Go Investments and NWS may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question or doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

22 SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is conditional upon and subject to:

- (i) Approval of the Scheme by the requisite majority of the respective members and such class of persons of the Transferor Company, the Transferee Company, Go Investments and NWS as may be directed by the NCLT.
- (ii) Sanctions and Orders under the provisions of Section 230 to 232 of the Companies Act, 2013 being obtained by the Transferor Company, the Transferee Company, Go Investments and NWS from the NCLT.
- (iii) All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

23 COSTS

All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or NCLT's order including this Scheme or in relation to or in connection with negotiations leading up to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by the respective companies.

24 REVOCATION OF THE SCHEME

In the event of any of the said sanctions and approvals referred to in clause 21 above not being obtained and / or complied with and / or satisfied and / or this Scheme not being sanctioned by the NCLT and / or order or orders not being passed as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Transferor Company, the Transferee Company, Go Investments and NWS or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed. Further, the Board of Directors of the Transferee Company, the Transferor Company, Go Investments and NWS shall be entitled to revoke, cancel and declare the Scheme to be of no effect if such boards are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have adverse implication on all/any of the companies.