

THE NATIONAL COMPANY LAW TRIBUNAL
COURT-1, MUMBAI BENCH

C.P.(CAA)/290(MB)2023
c/w
C.A.(CAA)/209(MB)2023

In the matter of
The Sections 232 r/w Section 230
and other applicable provisions of
The Companies Act, 2013
And
In the matter of
Composite Scheme of Arrangement
Amongst

Seshaasai E-Forms Private Limited
CIN- U72200MH2001PTC131337

..Petitioner No.1/
Demerged Company
Transferor Company

Qupod Technovations Private Limited
CIN-U72900MH2013PTC246289

.. Petitioner No.2/
Resulting Company/

Seshaasai Business Forms Private Limited
CIN-U21017MH1993PTC074023

.. Petitioner No.3/
Transferee Company/

Collectively referred to as 'Petitioner Companies'

Order delivered on 08.02.2024

Coram:

Shri Prabhat Kumar
Hon'ble Member (Technical)

Justice Shri V.G. Bisht
Hon'ble Member (Judicial)



Appearances:

For the Petitioner

Mr. Anindya Basarkod, Mr. Mehul Shah, Mr. Peshwan Jehangir, Mr. Amit Panwar, Ms. Ishrita Bagchi i/b Khaitan & Co, Advocates for the Petitioner Companies.

For the RD

: Mr. Tushar Wagh, Regional Director, Western Region, Mumbai

ORDER

1. Heard Learned Counsel for the Petitioner Companies and the Authorized Representative for the Regional Director. No objection has been received by the Tribunal opposing the Company Scheme Petition and nor has any party controverted any averments made in the Company Scheme Petition, except as otherwise stated.
2. The sanction of this Tribunal is sought under Sections 232 r/w Section 230 and other applicable provisions of the Companies Act, 2013 to the Composite Scheme of Arrangement Amongst **Seshaasai E-Forms Private Limited** (Demerged Company/Transferor Company) AND **Qupod Technovations Private Limited** (Resulting Company) AND **Seshaasai Business Forms Private Limited** (Transferee Company) and their respective shareholders and creditors.
3. The said Scheme inter alia provides for:



- i. the demerger and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Demerged Company into the Resulting Company on a going concern basis, the consequent issue of shares by the Resulting Company;
 - ii. the amalgamation of the Transferor Company with the Transferee Company on a going concern basis, the consequent reduction and cancellation of the existing paid-up share capital of the Transferee Company held by the Transferor Company and issue of shares by the Transferee Company; and
 - iii. the Scheme also provides for various other matters consequential thereto or otherwise integrally connected therewith in the manner set out in the Scheme.
4. That vide resolutions passed by the Board of Directors of the Petitioner Companies at their respective meetings held on May 11, 2023, the Scheme has been approved. The Appointed Date fixed under the Scheme is March 31, 2023.
5. The Petitioner Companies submits that the circumstances and/or reasons and/or grounds that have necessitated and/or justified the Scheme and some of the major benefits which would accrue from the Scheme are extracted from the Scheme and stated below:

Rationale for the Scheme

- a) *Given its diversified business, it has become imperative for the Demerged Company to reorient and reorganize itself in a manner that allows imparting greater focus on each of its businesses. With*



this repositioning, the Demerged Company is desirous of demerging its BPO business (as defined in the Scheme) under the aegis of the Resulting Company and amalgamate its core business engaged in secure communications, smart payments including but not limited to the manufacturing of contactless payment cards, QR based Merchant QR kits facilitating UPI payments at the merchant, encrypted QR based cheque instruments as a fraud prevention, smart traceability involving RFID based asset management and traceability, Supply chain and logistics management driven by a homogeneous technology platform and smart fulfilment involving a portal driven just in time manufacturing and delivery of stationery and allied products with the Transferee Company.

- b) *The proposed demerger pursuant to this Scheme is expected, inter alia, to result in following benefits:*
- i. *Attracting of business specific investors and strategic partners and providing better flexibility in accessing capital, focused strategy and specialisation for sustained growth and thereby enable de-leveraging of the respective businesses in the longer term;*
 - ii. *segregating and unbundling of the BPO business of the Demerged Company into the Resulting Company will enable enhanced focus on these respective companies for exploring opportunities in their respective business domains; and*
 - iii. *focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from one another.*



- c) *As part of the restructuring exercise, it is proposed to consolidate the resources of the Transferor Company with the Transferee Company. The said amalgamation will result in the following benefits:*
- i. *Streamlining of the corporate structure and consolidation of resources within the Transferee Company leading to greater synergies and operational synergy;*
 - ii. *ease and increase the operational, administrative, and management efficiency; and*
 - iii. *cost savings from focused operational efforts, rationalization, standardization and simplification of business processes, productivity, and procurements.*
- d) *The Scheme is in the best interests of the Parties and their respective stakeholders.*

6. The Company Scheme Petition is filed in consonance with Section 232 r/w Section 230 and other applicable provisions of the Companies Act, 2013 and the Order dated October 4, 2023 passed in the CA (CAA) No. 209/MB/2023 by this Tribunal and the Petitioner Companies have complied with all the requirements as per the directions of this Tribunal. Moreover, the Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 2013 and the rules & regulations made thereunder. The said undertaking is taken on record.



7. The Regional Director has filed his Report dated 01.01.2024 making certain observations. The Petitioner Companies have submitted/undertaken that: -
- i. Any fees payable by the Transferee Company on its Authorized Share Capital subsequent to the Scheme in accordance with the provisions of Section 232(3)(i) of the Companies Act, 2013 will be set-off against;
 - ii. The Transferee Company will pay the balance / difference amount of the fees and stamp duty on its increasing Authorised Share Capital, if any;
 - iii. The Scheme does not contemplate any arrangement or compromise with the creditors of any of the Petitioner Companies. The liabilities towards the creditors of any of the Petitioner Companies are neither being reduced nor being extinguished;
 - iv. The interest of all the Creditors will be protected and remain unaffected by the Scheme;
 - v. The Scheme enclosed to the Company Scheme Application and Company Scheme Petition are one and the same and there is no discrepancy, or no change is made;
 - vi. The sanction of the Scheme by the Tribunal will not deter any sectoral/regulatory authorities to deal with any of the issues arising after giving effect to the Scheme;
 - vii. The Scheme is in compliance with the requirements specified in Section 232(6) of the Companies Act, 2013 and the said MCA Circular dated August 21, 2019;



- viii. The Scheme is in compliance with the conditions specified in Section 2(19AA) of the Income Tax Act;
- ix. The Transferee Company will comply with Income Tax Provisions in relation to proceedings/claims under Income Tax Act against the Transferor Company; and
- x. The Petitioner Companies shall comply with the provisions of section 90 of Companies Act, 2013 read with Companies (Significant Beneficial Owners) Amendment Rules, 2019, as applicable;
8. The representative of the Regional Director appeared through its representative and submitted that their observations/objections have been satisfactorily explained by the Petitioner Company and are acceptable to them. Hence, the Regional Director does not have any further objection to the proposed Scheme Company Petition.
9. The Official Liquidator vide his Report dated December 13, 2023 filed with this Tribunal has submitted that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its members or to the public interest. No objections have been raised with respect to the Scheme.
10. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. Since all the requisite statutory compliances have been fulfilled, the said Company Scheme Petition filed by the Petitioner Companies is made absolute in terms of the prayers mentioned in the Company Scheme Petition.



11. The Scheme is hereby sanctioned, with the Appointed Date of March 31, 2023.
12. The creditors of undertaking, being demerged, shall be entitled to make claim against the resulting company as well as demerged company in relation to their debt up to the date of demerger. In case the resulting Company is made to pay the debt of such undertaking, it shall be entitled to seek reimbursement of the amount so paid from the Demerged Company.
13. The Income Tax Department will be at liberty to examine the aspect of any tax payable as a result of this scheme and, it shall be open to the income tax authorities to take necessary action as possible under the Income Tax Law.
14. The Petitioner Companies are directed to file the certified copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, within 30 days from the date of receipt of the certified copy of this Order from the Registry of this Tribunal.
15. The Petitioner Companies to lodge the certified copy of this Order along with the Scheme duly certified by the Deputy Registrar or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, within a period of 60 days from the date of receipt of the certified Order from the Registry of this Tribunal.



16. All concerned regulatory authorities to act on a copy of this Order along with Scheme duly certified by the Deputy Registrar or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench.
17. Ordered accordingly. File to be consigned to records.

Sd/-

Prabhat Kumar
Member (Technical)

Sd/-

Justice V.G. Bisht
Member (Judicial)



Certified True Copy _____
Date of Application 09/02/2024
Number of Pages 9
Fee Paid Rs. 45/-
Applicant called for collection copy on 15/02/2024
Copy prepared on 15.02.2024
Copy issued on 15/02/2024

R.S. Sonawane
Deputy Registrar 15.02.2024.

National Company Law Tribunal, Mumbai Bench

EXHIBIT A1

19

COMPOSITE SCHEME OF ARRANGEMENT

AMONGST

SESHAASAI E-FORMS PRIVATE LIMITED

AND

QUPOD TECHNOVATIONS PRIVATE LIMITED

AND

SESHAASAI BUSINESS FORMS PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 2013

(A) PREAMBLE

- This Scheme (*as defined hereinafter*) is presented under Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*) read with Section 2(1B), Section 2(19AA) and other applicable provisions of the Income Tax Act (*as defined hereinafter*) and provides for the following:
 - the demerger and vesting of the Demerged Undertaking (*as defined hereinafter*) from the Demerged Company (*as defined hereinafter*) into the Resulting Company (*as defined hereinafter*) on a *going concern* basis, the consequent issue of shares by the Resulting Company; and
 - the amalgamation of the Transferor Company (*as defined hereinafter*) with the Transferee Company (*as defined hereinafter*) on a *going concern* basis, the consequent reduction and cancellation of the existing paid-up share capital of the Transferee Company held by the Transferor Company and issue of shares by the Transferee Company.
- This Scheme also provides for various other matters consequent and incidental thereto.

(B) DESCRIPTION OF COMPANIES

- Seshaasai E-Forms Private Limited ("**Demerged Company**" or "**Transferor Company**") is a company incorporated under the provisions of the Companies Act, 1956. The Demerged Company is primarily engaged in the business of offering technology driven solutions to its customers in the areas of customer communication management, portal driven smart traceability, inventory and order management and is also engaged in the business of providing secure solutions that focus on negotiable instruments like cheques, demand drafts and payable orders, smart payment solutions involving payment cards, merchant QR kits etc. The Demerged Company also provides smart fulfilment solutions that involve a portal driven just-in-time inventory and order management system. Additionally, the Demerged Company offers niche business process outsourcing solutions to its customers which are unique to the requirements of its customers.
- Qupod Technovations Private Limited ("**Resulting Company**")** is a company incorporated under the provisions of the Companies Act, 1956. The Resulting Company is engaged in the business of information technology and e-commerce including rendering of services as internet service providers, software developers, exporters and providers of unique services that involve a web-based portal and marketplace for niche personalised products and solutions. These products and solutions are in the form of items such as cards, calendars, business stationery, or any other such item and make it available on the web as merchandise for purchase.
- Seshaasai Business Forms Private Limited ("**Transferee Company**") is a company incorporated under the provisions of the Companies Act, 1956. The Transferee Company is primarily engaged in the business of providing technology solutions in the areas of secure communications. These solutions involve conversion of data from the encrypted format into presentable statements that are communicated to the customer via email, web, mobile, print media, and social media. The Transferee Company also provides smart payments which involving secure encrypted cheque



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instruments, contact and contactless payment cards, payment cards for metro and smart city projects, merchant QR kits; smart traceability solutions involving RFID based inventory and asset management, supply chain and logistics management. Additionally, smart fulfilment services are also offered which involve just in time manufacturing and delivery of stationery. The Transferor Company holds 25% of the issued, subscribed and paid-up equity share capital of the Transferee Company.

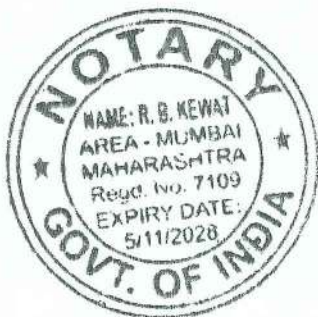
(C) RATIONALE

1. Given its diversified business, it has become imperative for the Demerged Company to reorient and reorganize itself in a manner that allows imparting greater focus on each of its businesses. With this repositioning, the Demerged Company is desirous of demerging its BPO business (*as defined hereinafter*) under the aegis of the Resulting Company and amalgamate its core business engaged in secure communications, smart payments including but not limited to the manufacturing of contactless payment cards, QR based Merchant QR kits facilitating UPI payments at the merchant, encrypted QR based cheque instruments as a fraud prevention, smart traceability involving RFID based asset management and traceability, Supply chain and logistics management driven by a homogeneous technology platform and smart fulfilment involving a portal driven just in time manufacturing and delivery of stationery and allied products with the Transferee Company.
2. The proposed demerger pursuant to this Scheme is expected, *inter alia*, to result in following benefits:
 - (i) Attracting of business specific investors and strategic partners and providing better flexibility in accessing capital, focused strategy and specialisation for sustained growth and thereby enable de-leveraging of the respective businesses in the longer term;
 - (ii) segregating and unbundling of the BPO business of the Demerged Company into the Resulting Company will enable enhanced focus on these respective companies for exploring opportunities in their respective business domains; and
 - (iii) focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from one another.
3. As part of the restructuring exercise, it is proposed to consolidate the resources of the Transferor Company with the Transferee Company. The said amalgamation will result in the following benefits:
 - (i) Streamlining of the corporate structure and consolidation of resources within the Transferee Company leading to greater synergies and operational synergy;
 - (ii) ease and increase the operational, administrative, and management efficiency; and
 - (iii) cost savings from focused operational efforts, rationalization, standardization and simplification of business processes, productivity, and procurements.
4. The Scheme is in the best interests of the Parties and their respective stakeholders.

(D) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

1. PART - I deals with the definitions of the capitalized terms used in this Scheme, the details of the share capital of the Parties (*as defined hereinafter*) and the date of taking effect and implementation of this Scheme;
2. PART II deals with the demerger, transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company on a going concern basis, the consequent issue of shares by the Resulting Company;
3. PART III deals with amalgamation of the Transferor Company with the Transferee Company, the consequent issue of shares by the Transferee Company and reduction and cancellation of the existing paid-up share capital of the Transferee Company held by the Transferor Company; and



4. PART IV deals with the general terms and conditions applicable to this Scheme.

PART I
DEFINITIONS, INTERPRETATION, SHARE CAPITAL AND OPERATION OF SCHEME

1. DEFINITIONS

1.1 In this Scheme, (a) capitalised terms defined by inclusion in quotations and/or parenthesis shall have the meanings so ascribed; and (b) the following expressions shall have the meanings ascribed hereunder:

“Act” means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;

“Applicable Law” or “Law” means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, Tribunal (as defined hereinafter); (b) Permits (as defined hereinafter); and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority (as defined hereinafter) having jurisdiction over the Parties as may be in force from time to time;

“Appointed Date” means the opening business hours of March 31, 2023 or such other date as may be mutually agreed by the respective Board of the Parties or as may be directed by the Appropriate Authority;

“Appropriate Authority” means:

- (a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunals, central bank, commission or other authority thereof; and
- (b) any governmental, quasi-governmental or private body, self-regulatory organisation, or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, the Tribunal.

“Board” in relation to each of the Parties, means the board of directors of such Party, and shall include a committee of directors or any person authorized by the board of directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto;

“BPO Business” means and includes the entire outsourcing business of the Demerged Company including data entry, data processing, data verification, payout processing, staffing, onboarding processing, account reconciliation, scanning of forms, storing of documents, return management, workflow management and other activities and / or arrangements relating incidental or relating thereto;

“Demerged Company” or “Transferor Company” or means Sessaasai E-Forms Private Limited, an unlisted private company, limited by shares, incorporated under the provisions of the Companies Act, 1956 under corporate Identification number U72200MH2001PTC131337 and having its registered office at 9, Lalwani Industrial Estate 14, Katrak Road, Wadala (West) Mumbai-400 031, Maharashtra, India;

“Demerged Undertaking” means the entire undertaking of the Demerged Company pertaining to the BPO Business, as of the Appointed Date, and shall include (without limitation):

- (a) all the movable and immovable properties, tangible or intangible, including all computers and accessories, software, applications and related data, furniture, fixtures, vehicles, stocks and inventory, leasehold assets and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, cash in hand, amounts lying in the banks, investments, escrow accounts, claims, powers, authorities, allotments, approvals,



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consents, letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, freehold/ leasehold rights, brands, sub-letting tenancy rights, rights as lessee, leave and license permissions, goodwill, customer relationships and other intangibles, licenses, approvals, Permits, authorisations, trademarks, trade names, patents, patent rights, copyrights, and other intellectual properties and rights of any nature whatsoever including know-how, websites, portals, domain names, or any applications for the above, assignments and grants in respect thereof, right to use and avail of telephones, telex, facsimile, email, internet, leased lines and other communication facilities, connections, installations and equipment, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits (including all work-in progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other Person including customers, contractors or other counter parties, etc., all earnest monies and/ or deposits, privileges, liberties, easements, advantages, benefits, exemptions, licenses, privileges and approvals of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Demerged Company in relation to and pertaining to the BPO Business;

- (b) any and all memberships and registrations of the Demerged Company in relation to and pertaining to the BPO Business;
- (c) all receivables, loans and advances, including accrued interest thereon, all advance payments, earnest monies and/or security deposits, payment against warrants, if any, or other entitlements of the Demerged Company in relation to and pertaining to the BPO Business;
- (d) all contracts, agreements, declarations, statements, purchase orders/ service orders, agreement with customers, purchase and other agreements with the supplier/ service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims and clearances and other instruments of whatsoever nature and description including all client registration forms/ KYC (know your customer) records/ POAs (power of attorney) issued by clients, client records, authorisations, client details, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the BPO Business; and all other rights including sales tax deferrals and exemptions and other benefits, the input credit balances (including, State Goods & Service Tax, Integrated Goods and Services Tax and Central Goods and Service Tax credits) under the goods and service tax laws, CENVAT/ MODVAT credit balances under Central Excise Act, 1944, sales tax law, duty drawback claims, rebate receivables, refund and advance, all customs duty benefits and exemptions, export and import incentives and benefits or any other benefits/ incentives/ exemptions given under any policy announcements issued or promulgated by the government of India or state government or any other government body or authority or any other like benefits under any statute) receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the BPO Business, whether or not so recorded in the books of the Demerged Company;
- (e) all Tax credits, refunds, reimbursements, claims, concessions, exemptions, benefits under Tax Laws including minimum alternate tax paid under section 115JA/ 115JB of the Income Tax Act, advance taxes, tax deducted at source, tax collected at source, right to carry forward and set-off accumulated losses and unabsorbed depreciation, if any, deferred tax assets, minimum alternate tax credit, goods and service tax credit, deductions and benefits under the Income Tax Act or any other Taxation statute enjoyed by the Demerged Company pertaining to the BPO Business;
- (f) all debts, borrowings and liabilities, whether present, future or contingent or deferred tax liabilities, whether secured or unsecured, pertaining to the BPO Business;
- (g) all Permits, licences, approvals, registrations, powers, authorities, allotments, consents, rights, benefits, advantages, municipal permissions, trademarks, designs, copyrights, patents and other intellectual property rights (along with all its necessary documents) of the Demerged Company pertaining to its BPO Business, whether registered or unregistered and powers of every kind, nature and description whatsoever, whether from



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the government bodies or otherwise, pertaining to or relating to the BPO Business;

- (h) entire experience, credentials, past record and market share of the Demerged Company pertaining to the BPO Business;
- (i) all books, records, files, papers, records of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, pertaining to the BPO Business of the Demerged Company;
- (j) all employees of the Demerged Company engaged in the BPO Business; and
- (k) all liabilities present and future, corporate guarantees issued and the contingent liabilities pertaining or relatable to the BPO Business;
- (i) the debts of the Demerged Company which arises out of the activities or operations of the BPO Business;
- (ii) specific loans and borrowings raised, incurred and utilised by the Demerged Company for the activities or operations of or pertaining to the BPO Business; and
- (iii) general or multipurpose borrowings, if any, of the Demerged Company will be apportioned basis the proportion of the value of the assets transferred as part of BPO Business to the total value of the assets of the Demerged Company immediately prior to the Appointed Date.

It is clarified that any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Demerged Undertaking shall be decided mutually by the Boards of the Demerged Company and the Resulting Company.

"Effective Date" means the date on which last of the conditions specified in Clause 28 (Conditions Precedent) of this Scheme is complied with. Reference in this Scheme to the date of **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** or **"effect of this Scheme"** or **"upon the Scheme becoming effective"** shall mean the Effective Date;

"Encumbrance" means (a) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; or (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term **"Encumber"** shall be construed accordingly;

"Income Tax Act" means the Income-tax Act, 1961;

"INR" or **"Rupee(s)"** means Indian Rupee, the lawful currency of the Republic of India;

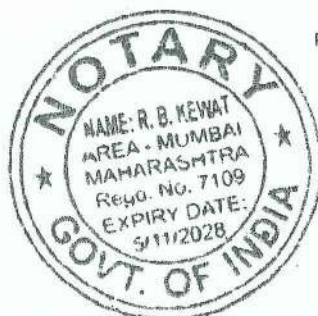
"Parties" means collectively, the Demerged/ Transferor Company, the Resulting Company and the Transferee Company and **"Party"** shall mean each of them, individually;

"Permits" means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under the Applicable Law;

"Person" means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

"Remaining Business" means all of the businesses, units, divisions, undertakings, and assets and liabilities of the Demerged Company, other than the Demerged Undertaking;

"Resulting Company" means Qupod Technovations Private Limited, an unlisted private company, limited by shares, incorporated under the provisions of the Companies Act, 1956 under corporate



Identification number U72900MH2013PTC246289 and having its registered office at Unit No. 5, Lalwani Industrial Estate, G. D. Ambedkar Marg, Wadala (West), Mumbai – 400 031, Maharashtra, India;

“RoC” means the Registrar of Companies having jurisdiction over the Parties;

“Scheme” or “this Scheme” means this composite scheme of arrangement, with or without any modification(s);

“Tax Laws” means all the Applicable Law, acts, rules and regulations dealing with Taxes including but not limited to the income-tax, wealth tax, sales tax / value added tax, service tax, goods and services tax, excise duty, customs duty or any other levy of similar nature;

“Taxation” or “Tax” or “Taxes” means all forms of taxes (including foreign taxes) and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, buyback distribution tax, equalization levy, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to the Transferor Companies and the Transferee Company, as the case may be, or any other Person and all penalties, charges, costs and interest relating thereto;

“Transferee Company” means Sshaasai Business Forms Private Limited, an unlisted private company, limited by shares, incorporated under the provisions of the Companies Act, 1956 under corporate Identification number U21017MH1993PTC074023 and having its registered office at 9, Lalwani Industrial Estate 14, Katrak Road, Wadala (West), Mumbai – 400 031, Maharashtra, India;

“Transferee Company’s Cancelled Shares” shall have the meaning assigned to it in Clause 17.1 of the Scheme; and

“Tribunal” means the Mumbai bench of the National Company Law Tribunal having jurisdiction over the Parties.

1.2 Interpretation

In this Scheme, unless the context otherwise requires:

- 1.2.1 words denoting the singular shall include the plural and *vice versa*;
- 1.2.2 headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information and convenience only and shall be ignored in construing the same;
- 1.2.3 the words “include” and “including” are to be construed without limitation;
- 1.2.4 all terms and words not defined in this Scheme shall unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, Income Tax Act, or any other applicable laws, rules, regulations, bye laws, as the case may be including any statutory modification or re-enactment thereof from time to time; and
- 1.2.5 reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder.

2. SHARE CAPITAL

- 2.1 The share capital structure of the Demerged Company as on date of Its Board approving the Scheme is as follows:

Particulars	Amount in Rs
Authorised share capital	
50,000 Equity Shares of INR 100/- each	50,00,000
Total	50,00,000
Issued and subscribed and paid up share capital	



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Particulars	Amount in Rs
40,000 Equity Shares of INR 100/- each, fully paid up	40,00,000
Total	40,00,000

Subsequent to the aforesaid date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Demerged.

- 2.2 The share capital structure of the Resulting Company as on date of its Board approving the Scheme is as follows:

Particulars	Amount in INR
Authorised share capital	
5,000 Equity Shares of INR 100/- each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up Capital	
1,000 Equity Shares of INR 100/- each, fully paid up	1,00,000
Total	1,00,000

Subsequent to the aforesaid date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Resulting Company.

- 2.3 The share capital structure of the Transferee Company as on date of its Board approving the Scheme is as follows:

Particulars	Amount in INR
Authorised share capital	
1,22,55,000 Equity Shares of INR 100/- each	1,22,55,00,000
2,45,000 9% Redeemable Preference Shares of INR 100/- each	2,45,00,000
Total	1,25,00,00,000
Issued and subscribed and paid up share capital	
1,18,42,200 Equity Shares of INR 100/- each, fully paid up	118,42,20,000
2,45,000 9% Redeemable Preference Shares of INR 100/- each, fully paid up	2,45,00,000
Total	120,87,20,000

Subsequent to the aforesaid date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company.

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

This Scheme in its present form or with any modification(s) made as per Clause 27 of this Scheme, shall become operative from the Effective Date and effective from the Appointed Date.

PART II DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING

4. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING

- 4.1 Upon effectiveness of Part II of this Scheme and with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, the Demerged Undertaking along with all its assets, Permits, contracts, liabilities, loan, duties and obligations of the Demerged Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company on a *going concern* basis, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Resulting Company by virtue of operation of law, and in the manner provided in this Scheme.

This Scheme complies with the definition of "demerger" as per Section 2(19AA) of the Income Tax Act. If any terms of this Scheme are found to be or interpreted to be inconsistent with provisions of the Income Tax Act, then this Scheme shall stand modified to be in accordance with aforesaid provisions of the Income Tax Act.



4.2 Without prejudice to the generality of the provisions of Clause 4.1 above, the manner of transfer and vesting of assets and liabilities forming part of the Demerged Undertaking under this Scheme, is as follows:

4.2.1 In respect of such of the assets and properties forming part of the Demerged Undertaking which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Demerged Undertaking, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Scheme coming into effect and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Resulting Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;

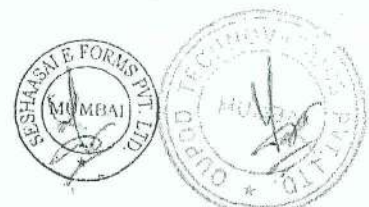
4.2.2 Subject to Clause 4.2.3 below, with respect to the assets forming part of the Demerged Undertaking other than those referred to in Clause 4.2.1 above, including all rights including lease rental rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company, with effect from the Appointed Date by operation of law as transmission in favour of Resulting Company. With regard to the licenses of the properties, the Resulting Company will enter into novation agreements, if it is so required;

4.2.3 In respect of such of the assets and properties forming part of the Demerged Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto, the same shall stand transferred to the Resulting Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company;

4.2.4 Upon effectiveness of Part II of the Scheme, all debts, liabilities, loans, obligations and duties of the Demerged Company as on the Appointed Date and relating to the Demerged Undertaking shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company, in compliance with the requirements of Section 2(19AA) of the Income Tax Act, to the extent that they are outstanding as on the Appointed Date and the Resulting Company shall meet, discharge and satisfy the same;

However, the tax liabilities and tax demands or refunds received or to be received by the Demerged Company for a period prior to the Appointed Date in relation to the Demerged Undertaking shall not be transferred to the Resulting Company.

4.2.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties forming part of the Demerged Undertaking in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and vesting in the Resulting Company, if the Resulting Company so decides, the Demerged Company and/ or the Resulting Company, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under the Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle



rates. The transfer of such immovable properties shall form an integral part of the Demerged Undertaking vested in the Resulting Company pursuant to this Scheme;

- 4.2.6 The Demerged Company may, at its sole discretion but without being obliged to, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, debenture or deposit, contracts or policies relating to the Demerged Undertaking stands transferred to and vested in the Resulting Company and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes; and
- 4.2.7 Unless otherwise agreed to between the Demerged Company and the Resulting Company, the vesting of all the assets of the Demerged Company forming part of the Demerged Undertaking, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets forming part of the Demerged Undertaking of the Demerged Company or part thereof on or over which they are subsisting on and vesting of such assets in the Resulting Company and no such Encumbrances shall extend over or apply to any other asset(s) of Resulting Company. Any reference in any security documents or arrangements (to which Demerged Company is a party) related to any assets of Demerged Company 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 Resulting Company. Similarly, Resulting Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of/ to be availed of by it, and the Encumbrances in respect of such indebtedness of the Demerged Company shall not extend or be deemed to extend or apply to the assets so vested.
- 4.2.8 In so far as any Encumbrance in respect of Demerged Undertaking Liabilities is concerned, such Encumbrance shall without any further act, instrument or deed being required to be modified and, if so agreed, shall be extended to and shall operate over the assets of the Resulting Company. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business of the Demerged Company are concerned, the Encumbrance, if any, over such assets relating to the Demerged Undertaking Liabilities, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company pursuant to this Scheme and which shall continue with the Demerged Company, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.
- 4.2.9 Taxes, if any, paid or payable by the Demerged Company after the Appointed Date and specifically pertaining to Demerged Undertaking shall be treated as paid or payable by the Resulting Company and the Resulting Company shall be entitled to claim the credit, refund or adjustment for the same as may be applicable.
- 4.2.10 If the Demerged Company is entitled to any unutilized credits (including unutilised credits and unabsorbed depreciation, minimum alternate tax credit), balances or advances, benefits under the incentive schemes and policies including tax holiday or concessions relating to the Demerged Undertaking under any Tax Laws or Applicable Law, the Resulting Company shall be entitled as an integral part of the Scheme to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission.
- 4.2.11 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/ or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. The Demerged Company and the Resulting Company are expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted/ collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit



of tax deducted at source, credit of foreign taxes paid/ withheld, etc. if any, as may be required for the purposes of implementation of the Scheme. It is further clarified that the Resulting Company shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Demerged Undertaking to the extent not claimed by the Demerged Company.

- 4.2.12 Subject to this Clause 4 and any other provisions of the Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Demerged Undertaking, the Demerged Company shall, if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 4.2.13 On and from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to maintain and operate such bank accounts of the Demerged Company, in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Demerged Undertaking, shall be accepted by the bankers of the Resulting Company and credited to the account of Resulting Company, if presented by Resulting Company;
- 4.2.14 Permits, including the benefits attached thereto of the Demerged Company, in relation to the Demerged Undertaking shall be transferred to the Resulting Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of Resulting Company as if the same were originally given by, issued to or executed in favour of Resulting Company and the Resulting Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Demerged Company to carry on the operations of the Demerged Undertaking without any hindrance, whatsoever; and
- 4.2.15 Contracts in relation to the Demerged Undertaking, where the Demerged Company is a party, shall stand transferred to and vested in the Resulting Company pursuant to the Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Demerged Company and Resulting Company shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

4.3 Without prejudice to the provisions of the foregoing sub-clauses of this Clause, the Demerged Company and the Resulting Company may execute any and all instruments or documents and do all the acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Demerged Company or upon the Scheme becoming effective, shall be fulfilled by the Resulting Company as if it were the duly constituted attorney of the Demerged Company. The Resulting Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts forming part of the Demerged Undertaking transferred and/ or registered in its name.

5. EMPLOYEES

5.1 With effect from the Effective Date, the Resulting Company undertakes to engage, without any interruption in service, all employees of the Demerged Company, engaged in or in relation to the Demerged Undertaking, on the terms and conditions not less favourable than those on which they

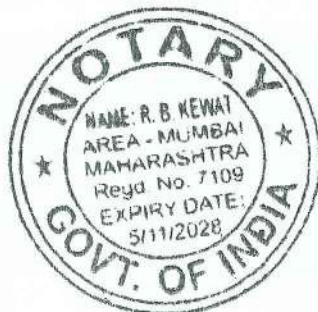


are engaged by the Demerged Company. The Resulting Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Demerged Company with any of the aforesaid employees or union representing them. The Resulting Company agrees that the services of all such employees with the Demerged Company prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits. The decision on whether or not an employee is part of the Demerged Undertaking, shall be decided by the Demerged Company, and shall be final and binding on all concerned.

- 5.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Resulting Company and/ or such new provident fund, gratuity fund and superannuation fund to be established in accordance with the Applicable Laws and caused to be recognized by the Appropriate Authorities, by the Resulting Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Demerged Company.

6. LEGAL PROCEEDINGS

- 6.1 With effect from the Effective Date, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands and legal proceedings of whatsoever nature (except proceedings with respect to Income Tax Act) by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted any time thereafter and in each case relating to the Demerged Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Resulting Company with effect from the Appointed Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. Except as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings that stand transferred to the Resulting Company. The Resulting Company shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall consequently stand nullified. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Demerged Undertaking.
- 6.2 The Resulting Company undertakes to have all legal and other proceedings (except proceedings with respect to Income Tax Act) initiated by or against the Demerged Company referred to in Clause 6.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company on priority. The concerned Parties shall make relevant applications and take all steps as may be required in this regard. It is clarified that all income tax proceedings in relation to the Demerged Undertaking for a period prior to the Appointed Date shall be enforced against the Demerged Company and pertaining to the period after the Appointed Date shall be enforced against the Resulting Company.
- 6.3 Notwithstanding anything contained hereinabove, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority (except proceedings with respect to Income Tax Act), in each case in relation to the Demerged Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Demerged Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company. However, if the Demerged Company is unable to get the Resulting Company replaced in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company and at the cost of the Resulting Company and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.



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7. CONSIDERATION

- 7.1 Upon effectiveness of Part II of this Scheme and in consideration of and subject to the provisions of this Scheme, the Resulting Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Demerged Company whose name is recorded in the register of members and records of the depository as members of the Demerged Company as on the Effective Date, as under:

11 (Eleven) fully paid-up equity share of INR 100/- each of the Resulting Company credited as fully paid up ("Resulting Company New Equity Shares"), for every 100 (Hundred) equity share of INR 100/- each of the Demerged Company.

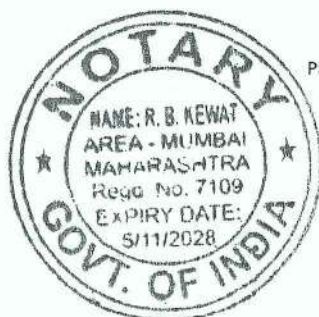
The equity shares of the Resulting Company to be issued pursuant to this Clause 7.1 shall be referred to as "Resulting Company New Equity Shares".

- 7.2 The Resulting Company New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of Resulting Company, as the case may be, and shall rank *pari passu* in all respects with any existing equity shares of Resulting Company, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Resulting Company.
- 7.3 The issue and allotment of Resulting Company New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable were duly complied with. It is clarified that the approval of the members and creditors of the Resulting Company and/or the Demerged Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of Resulting Company New Equity Shares.
- 7.4 Subject to the Applicable Law, the Resulting Company New Equity Shares that are to be issued in terms of this Scheme shall be issued in physical form. The register of members maintained by the Resulting Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Resulting Company, the relevant depository and registrar and transfer agent in terms of the Applicable Law shall (as deemed necessary by the Board of the Resulting Company) be updated to reflect the issue of Resulting Company New Equity Shares in terms of this Scheme.
- 7.5 For the purpose of the allotment of the Resulting Company New Equity Shares pursuant to this Scheme, in case any shareholder's holding in any of the Demerged Company is such that the shareholder becomes entitled to a fraction of an equity share of the Resulting Company, the Resulting Company shall round the same up to the next integer.
- 7.6 The Resulting Company New Equity Shares to be issued pursuant to this Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company.
- 7.7 In the event, the Demerged Company and/or the Resulting Company restructure their equity share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of the Scheme, the share entitlement ratio, per Clause 7.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions.
- 7.8 The Resulting Company shall, to the extent required, increase its authorized share capital in order to issue Resulting Company New Equity Shares, as per with the applicable provisions of the Act, prior to allotment of Resulting Company New Equity Shares.

8. ACCOUNTING TREATMENT

8.1 Accounting treatment in the books of the Demerged Company

- 8.1.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Company shall reduce the book value of all assets, liabilities pertaining to the Demerged Undertaking, as identified by the Board of the Demerged Company, transferred to the Resulting Company from its books of accounts; and



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8.1.2 The difference between the book value of assets and liabilities pertaining to the Demerged Undertaking transferred to the Resulting Company shall be adjusted in retained earnings of the Demerged Company.

8.2 Accounting treatment in the books of the Resulting Company

8.2.1 Upon the coming into effect of this Scheme, the Resulting Company shall record the assets and liabilities of the Demerged Undertaking at their respective book values, as on the Appointed Date in the books of the Demerged Company;

8.2.2 The Resulting Company shall credit to its share capital account, the aggregate face value of the Resulting Company New Equity Shares issued by it pursuant to Clause 7.1 of this Scheme;

8.2.3 The difference, being the excess of book value of the assets over the liabilities pertaining to the Demerged Undertaking and recorded by the Resulting Company in accordance with Clause 8.2.1 above, over the amount credited as share capital as per Clause 8.2.2 above shall be adjusted in capital reserve; and

8.2.4 In case of any differences in accounting policy between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company will prevail and the difference till the Appointed Date shall be adjusted in capital reserves of the Resulting Company, to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policy.

PART III

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEEE COMPANY

9. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY

9.1 Immediately upon Part II of the Scheme coming into effect and with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, the Transferor Company shall stand amalgamated with the Transferee Company as a going concern and accordingly, all assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferee Company by virtue of operation of law, and in the manner provided in this Scheme.

9.2 Upon effectiveness of Part III of this Scheme and with effect from the Appointed Date, without prejudice to the generality of the provisions of Clause 9.1 above, the manner of transfer and vesting of assets and liabilities of the Transferor Company under this Scheme, is as follows:

9.2.1 In respect of such of the assets and properties of the Transferor Company which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Transferor Company, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Scheme coming into effect and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Transferee Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;

9.2.2 Subject to Clause 9.2.3 below, with respect to the assets of the Transferor Company, other than those referred to in Clause 9.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans



and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Transferor Company shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date, by operation of law as transmission or as the case may be in favour of Transferee Company;

9.2.3 In respect of such of the assets and properties of the Transferor Company which are immovable in nature, including rights, interest and easements in relation thereto, the same shall stand transferred to the Transferee Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Transferor Company and/or the Transferee Company;

9.2.4 For the avoidance of doubt and without prejudice to the generality of Clause 9.2.3 above and Clause 9.2.5 below, it is clarified that, with respect to the immovable properties of the Transferor Company in the nature of land and buildings, the Transferor Company and/or the Transferee Company shall register the true copy of the orders of the Authority approving the Scheme with the offices of the relevant sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 9.2.4 or Clause 9.2.5 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any property of the Transferor Company takes place and the assets and liabilities of the Transferor Company shall be transferred solely pursuant to and in terms of this Scheme and the order of the Authority sanctioning this Scheme;

9.2.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties of the Transferor Company in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and vesting in the Transferee Company, if the Transferee Company so decides, the Transferor Company and/or the Transferee Company, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under the Applicable Laws), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;

9.2.6 All debts, liabilities, duties and obligations of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and/or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and 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 9;

9.2.7 On and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company;

9.2.8 Unless otherwise agreed between the Transferor Company and the Transferee Company, the vesting of all the assets of the Transferor Company, as aforesaid, shall be along with the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets



of the Transferor Company or part thereof on or over which they are subsisting prior to the amalgamation of the Transferor Company with the Transferee Company, and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company;

- 9.2.9 Unless otherwise stated in this Scheme, all Permits shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company to carry on the operations of the Transferor Company without any hindrance, whatsoever;
- 9.2.10 Without prejudice to the provisions as stated above, all trade and service names and marks, patents, copyrights, designs, goodwill which includes the positive reputation that the Transferor Company were enjoying to retain its clients, statutory licenses, infrastructural advantages, overall increase in market share, customer base, skilled employees, business claims, business information, business contracts, trade style and name, marketing and distribution channels, marketing or other commercial rights, customer relationship, trade secrets, information on consumption pattern or habits of the consumers in the territory, technical know-how, client records, KYC (know your customer) records/ POAs (power of attorney), authorisations, client details and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed; and
- 9.2.11 All contracts where the Transferor Company is a party, shall stand transferred to and vested in the Transferee Company pursuant to this Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Transferee Company shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

Provided that, upon this Scheme coming into effect, all inter-company transactions including loans, contracts executed or entered into by or *inter se* between the Transferor Company and the Transferee Company, if any, shall stand cancelled with effect from the Effective Date and neither the Transferor Company and/or Transferee Company shall have any obligation or liability against the other party in relation thereto.

- 9.3 Without prejudice to the provisions of the foregoing sub-clauses of Clause 9.2, the Transferor Company and the Transferee Company may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Transferor Company, shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company. The Transferee Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts of the Transferor Company transferred and/or registered in its name.

10. EMPLOYEES

- 10.1 Immediately after Part II of the Scheme coming into effect and with effect from the Effective Date, all employees of the Transferor Company shall become employees of the Transferee Company, without any interruption in service, all employees of the Transferor Company on terms and conditions no less favourable than those on which they are engaged by the Transferor Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor



Company with any Persons in relation to the employees of the Transferor Company. The Transferee Company agrees that the services of all such employees with the Transferor Company prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits.

- 10.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/or such new provident fund, gratuity fund and superannuation fund to be established in accordance with the Applicable Laws and caused to be recognized by the Appropriate Authorities, by the Transferee Company.

11. LEGAL PROCEEDINGS

Immediately after Part II of the Scheme coming into effect and with effect from the Effective Date, if any suit, cause of action, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatsoever nature by or against the Transferor Company pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by anything contained in this Scheme, but such proceedings of the Transferor Company may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.

12. TAXES/ DUTIES/ CESS

Immediately after Part II of the Scheme coming into effect and with effect from the Appointed Date, by operation of law pursuant to the order of the Authority:

- 12.1 All the profits or income taxes (including but not limited to advance tax, tax deducted at source, tax collected at source, foreign tax credits, minimum alternate tax credit, all input credit balances (including but not limited to CENVAT/ MODVAT, sales tax, applicable excise and customs duties, State Goods & Service Tax ("SGST"), Integrated Goods and Services Tax ("IGST") and Central Goods and Service Tax ("CGST") credits under the goods and service tax laws) or any costs, charges, expenditure accruing to the Transferor Company in India and abroad or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes (namely advance tax, Tax deducted at source, Tax collected at source, dividend distribution tax & foreign tax credits), tax losses, minimum alternate tax credit, dividend distribution tax credit, input credit balances (namely CENVAT/ MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws, income costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- 12.2 If the Transferor Company is entitled to any benefits under incentive schemes and policies under Tax Laws, such as tax deferrals, exemptions, benefits and subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and all such benefits under all such incentive schemes and policies as mentioned above shall be available and stand vested in the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- 12.3 With effect from the Effective Date, the Transferee Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted/ collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/ withheld, etc. if any, as may be required for the purposes of implementation of the Scheme.
- 12.4 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Company, shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the Authority having



sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the Person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realise the same, stands transferred to the Transferee Company.

13. CONSIDERATION

- 13.1 Upon effectiveness of Part III of this Scheme and in consideration of and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company whose name is recorded in the register of members and records of the depository as members of the Transferor Company as on the Effective Date, as under:

147 (One Hundred Forty-Seven) fully paid up equity share of INR 100/- each of the Transferee Company credited as fully paid up ("Transferee Company New Equity Shares"), for every 1 (One) equity share of INR 100/- each of the Transferor Company.

The equity shares of the Transferee Company to be issued pursuant to this Clause 13.1 shall be referred to as "Transferee Company New Equity Shares".

- 13.2 The Transferee Company New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of Transferee Company, as the case may be, and shall rank *pari passu* in all respects with any existing equity shares of Transferee Company, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Transferee Company.
- 13.3 The issue and allotment of Transferee Company New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable were duly complied with. It is clarified that the approval of the members and creditors of the Transferee Company and/or the Transferor Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of Transferee Company New Equity Shares.
- 13.4 Subject to Applicable Law, the Transferee Company New Equity Shares that are to be issued in terms of this Scheme shall be issued in demat form. The register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Law shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of Transferee Company New Equity Shares in terms of this Scheme.
- 13.5 For the purpose of the allotment of the Transferee Company New Equity Shares pursuant to this Scheme, in case any shareholder's holding in any of the Transferee Company is such that the shareholder becomes entitled to a fraction of an equity share of the Transferee Company, the Transferee Company shall round the same up to the next integer.
- 13.6 The Transferee Company New Equity Shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Transferee Company.
- 13.7 In the event, the Transferor Company and/or the Transferee Company restructure their equity share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of the Scheme, the share entitlement ratio, per Clause 13.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions.
- 13.8 The Transferee Company shall, to the extent required, increase its authorized share capital in order to issue Transferee Company New Equity Shares, as per with the applicable provisions of the Act, prior to allotment of Transferee Company New Equity Shares.



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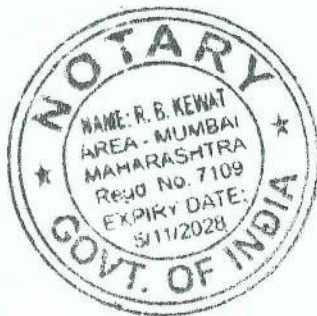


14. ACCOUNTING TREATMENT

- 14.1 Upon Part III of this Scheme coming into effect and after giving effect to the accounting treatment specified in the aforementioned Clause 8 of Part II of the Scheme and with effect from Appointed Date, the Transferee Company shall account for the amalgamation in its books as under:
- 14.1.1 The Amalgamation shall be accounted for in the books of accounts of the Transferee Company according to the pooling of interest method under Accounting Standard (AS) 14, 'Accounting for Amalgamations' specified under section 133 of the Act, read with the relevant Rules, as amended thereafter;
- 14.1.2 All the assets and liabilities as on the Appointed Date, recorded in the books of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their carrying amount i.e., the book value in the books of the Transferor Company;
- 14.1.3 The Transferee Company shall credit to its Share Capital Account, the aggregate face value of Transferee Company New Equity Shares issued by it to the shareholders of the Transferor Company as per Clause 13 of this Scheme;
- 14.1.4 All Inter-company balances, including loans and advances / investments outstanding, if any between the Transferor Company and the Transferee Company, if any, appearing in the books of the Transferor Company and the Transferee Company, will stand cancelled and obligation in respect thereof shall come to an end; and
- 14.1.5 The difference being the excess of the net asset value of the Transferor Company transferred to the Transferee Company, over the face value of shares issued as per Clause 13 and after considering the adjustment as mentioned in Clause 14.1.4 above would be recorded as Capital Reserve. Shortfall, if any, shall be recorded as Goodwill.
- 14.2 In case of any differences in accounting policies between the Transferor Company and the Transferee Company, impact of the same till the Appointed Date will be quantified and the same shall be appropriately adjusted and reported in accordance with applicable accounting rules and principles so as to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policies.

15. COMBINATION OF AUTHORISED SHARE CAPITAL

- 15.1 Upon the effectiveness of Part III of this Scheme, the authorised share capital of the Transferor Company as on the Effective Date will be combined with the authorised equity share capital of the Transferee Company and accordingly the authorised equity share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of Transferee Company including payment of stamp duty and fees to RoC.
- 15.2 The memorandum of association and articles of association of the Transferee Company (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 the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions 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 the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company.
- 15.3 Consequentially, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital as per Clause 15.1 above, pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act.
- 15.4 It is clarified that the approval of the Tribunal to the Scheme shall be deemed to be consent/approval of the members of the Transferee Company also to the alteration of the memorandum and articles of association of the Transferee Company as may be required under the Act.



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16. DISSOLUTION OF THE TRANSFEROR COMPANY

Immediately after Part III of the Scheme coming into effect, the Transferor Company shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.

17. REDUCTION AND CANCELLATION OF EQUITY SHARES OF THE TRANSFEREE COMPANY

- 17.1 Immediately after Part III of the Scheme coming into effect, all the equity shares held by the Transferor Company in the Transferee Company ("Transferee Company's Cancelled Shares") shall stand cancelled, extinguished and annulled, without any further act or deed as an integral part of this Scheme.
- 17.2 The reduction of the share capital of the Transferee Company under Sections 230 to 232 of the Act as specified in Clause 17.1 above, shall be effected as an integral part of this Scheme itself.
- 17.3 The Transferee Company shall debit its share capital account in its books of account with the aggregate face value of the Transferee Company's Cancelled Shares.
- 17.4 Notwithstanding the reduction in the equity share capital of the Transferee Company, the Transferee Company shall not be required to add 'And Reduced' as suffix to its name.
- 17.5 The reduction and cancellation of the Transferee Company Cancelled Shares does not involve any diminution of liability of in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

18. CONVERSION OF THE TRANSFEREE COMPANY FROM PRIVATE LIMITED COMPANY TO PUBLIC COMPANY

- 18.1 Immediately after Part III of the Scheme coming into effect, the Transferee Company shall stand converted from private limited company to public limited company within the meaning of Section 2(71) of the Companies Act, 2013, as may be amended or modified from time to time, with all attendant benefits and privileges attached thereto. In view of such conversion, the name of the Transferee Company shall also stand changed as per Clause 19 of this Scheme, to reflect the fact that the Transferee Company is public limited company, with effect from the Effective Date.
- 18.2 The Transferee Company shall upon the coming into effect of the Scheme, file the necessary forms with the jurisdictional RoC, including the forms applicable for the change in the name consequent upon such conversion and shall obtain a fresh certificate upon conversion into public limited company.
- 18.3 The Transferee Company shall do all acts to give effect to the conversion of the Transferee Company from private limited company to public company and if required, also file with RoC along with necessary forms, the amended memorandum and article of association, in light of the conversion from private limited company to public limited company within 30 days of the receipt of the certified / authenticated copies of the order sanctioning the Scheme.
- 18.4 It is hereby clarified that for the purposes of this Clause, the consent of the shareholders / creditors to the Scheme, as applicable, shall be deemed to be sufficient for the purposes of effecting the above conversion into public limited company and no further resolution under the Act would be required to be separately passed. The conversion of the Transferee Company from private limited company to public company under Sections 230 to 232 of the Act as specified in Clause 18.1 above, shall be effected as an integral part of this Scheme itself.

19. CHANGE OF NAME OF TRANSFEREE COMPANY

- 19.1 Upon Part III of this Scheme becoming effective, the name of the Transferee Company shall stand changed to 'Seshaasai Technologies Limited' or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate act, procedure, instrument, or deed and registration fees shall be required to be followed under the Act.



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- 19.2 Consequently, subject to Clause 19.1 above, Clause I of the memorandum of association of the Transferee Company shall without any act, act, procedure, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 232 and other applicable provisions of the Act, and be replaced by the following clause:

"The name of the Company is Seshasai Technologies Limited."

- 19.3 It is hereby clarified that, for the purposes of acts and events as mentioned in Clauses 19.1 and 19.2 above, the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed, nor any additional fees (including fees and charges to the relevant RoC) or stamp duty, shall be payable by the Transferee Company.

PART IV GENERAL TERMS & CONDITIONS

20. REMAINING BUSINESSES

The Remaining Business of the Demerged Company shall continue to belong to and be owned and managed by the Demerged Company. The Demerged Company shall continue to be liable to perform and discharge all its liabilities and obligations in relation to the Remaining Business of the Demerged Company and the Resulting Company shall not have any liability or obligation in relation to the Remaining Business of the Demerged Company.

21. SAVING OF CONCLUDED TRANSACTIONS

Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by the Demerged Company (in relation to the Demerged Undertaking)/ Transferor Company, until the Appointed Date, to the end and intent that the Resulting Company or the Transferee Company, as the case maybe, shall accept and adopt all acts, deeds and things done and executed by the Demerged Company (in relation to the Demerged Undertaking)/ Transferor Company in respect thereto as done and executed on behalf of the Resulting Company or the Transferee Company, as the case maybe.

22. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of this Scheme, the resolutions/ power of attorney of/ executed by the Demerged Company (in relation to the Demerged Undertaking)/ Transferor Company, as considered necessary by the Board of Demerged/ Transferor Company, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by the Resulting Company or the Transferee Company, as the case may be, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then said limits as are considered necessary by the Board of the Demerged Company (in relation to the Demerged Undertaking)/ Transferor Company, shall be added to the limits, if any, under like resolutions passed by the Resulting Company or the Transferee Company, as the case may be, and shall constitute the aggregate of the said limits in the Resulting Company or the Transferee Company, as the case may be.

23. BUSINESS UNTIL EFFECTIVE DATE

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

23.1.1 Demerged Company (in relation to the Demerged Undertaking)/ Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets for and on account of, and in trust for the Resulting Company or the Transferee Company, as the case may be;

23.1.2 all profits or income arising or accruing to Demerged Company (in relation to the Demerged Undertaking)/ Transferor Company and all Taxes paid thereon (including but not limited to advance tax, tax deducted or collected at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, etc.) or losses arising or incurred by the Demerged Company (in relation to the



Demerged Undertaking)/ Transferor Company shall, for all purposes, be treated as and deemed to be the profits or income, Taxes or losses, as the case may be, of the Resulting Company or the Transferee Company, as the case may be;

- 23.1.3 all loans raised and all liabilities and obligations incurred by the Demerged Company (in relation to the Demerged Undertaking)/ Transferor Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Resulting Company or the Transferee Company, as the case may be, and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Resulting Company or the Transferee Company, as the case may be.
- 23.2 Demerged Company (In relation to the Demerged Undertaking) / Transferor Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Resulting Company or the Transferee Company, as the case may be, may require to carry on the relevant business of the Resulting Company or the Transferee Company, as the case may be and to give effect to the Scheme.
- 23.3 For the purpose of giving effect to the order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Resulting Company or the Transferee Company, as the case may be, shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the demerger of the Demerged Undertaking of the Demerged Company and the amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act. The Resulting Company or the Transferee Company, as the case may be, shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme. For the purpose of giving effect to the vesting order passed under Section 232 of the Act in respect of this Scheme, the Resulting Company or the Transferee Company, as the case may be, shall be entitled to exercise all rights and privileges, and be liable to pay all taxes and charges and fulfil all its obligations, in relation to or applicable to all immovable properties, including mutation and/or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Resulting Company or the Transferee Company, as the case may be, pursuant to the sanction of the Scheme by the Tribunal and upon the effectiveness of this Scheme in accordance with the terms hereof, without any further act or deed to be done or executed by the Resulting Company or the Transferee Company, as the case may be. It is clarified that the Resulting Company or the Transferee Company, as the case may be, shall be entitled to engage in such correspondence and make such representations, as may be necessary, for the purposes of the aforesaid mutation and/or substitution.

24. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Demerged Undertaking are transferred, vested, recorded, effected and/or perfected, in the records of any Appropriate Authority, regulatory bodies, any third party, or otherwise, in favour of the Resulting Company, the Resulting Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed by the Demerged Company and/ or the Resulting Company, the Demerged Company will continue to hold the property and/ or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of the Resulting Company.

25. FACILITATION PROVISIONS

- 25.1 Immediately upon the Scheme being effective, the Parties shall enter into agreements as may be necessary, *inter alia* in relation to use by the Parties of office space, infrastructure facilities, information technology services, security personnel, trademarks and other intellectual property



rights, legal, administrative and other services, etc. on such terms and conditions that may be mutually agreed between them.

25.2 It is clarified that approval of the Scheme by the respective shareholders of the Parties under Sections 230 to 232 of the Act shall be deemed to have their approval under Section 188 and other applicable provisions of the Act and that no separate approval of the of the Board or shareholders shall be required to be sought by any of the Party.

25.3 It is clarified that all guarantees provided by the Demerged Company (in relation to the Demerged Undertaking) / Transferor Company shall be valid and subsisting till adequate arrangements/ guarantees have been provided in respect of the same by the Resulting Company or the Transferee Company, as the case maybe.

26. APPLICATIONS/ PETITIONS TO THE TRIBUNAL

The Parties shall make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.

27. MODIFICATION OR AMENDMENTS TO THIS SCHEME

27.1 The Board of the Parties may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate. The Board of the Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.

27.2 For the purposes of giving effect to this Scheme, the Board of the Parties may give such directions including directions for settling any question or difficulty that may arise and such directions shall be binding on all Parties as if the same were specifically incorporated in this Scheme.

28. CONDITIONS PRECEDENT

28.1 Unless otherwise decided (or waived) by Parties, the Scheme is conditional upon and subject to the following conditions precedent:

28.1.1 approval of the Scheme by the requisite majority of each class of shareholders and such other classes of Persons of the Parties, if any, as applicable or as may be required under the Act and as may be directed by the Tribunal;

28.1.2 the sanctions and orders of the Tribunal, under Sections 230 to 232 of the Act being obtained by the Parties;

28.1.3 certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the RoC having jurisdiction over the Parties; and

28.1.4 the requisite consent, approval or permission of Appropriate Authority or any other Person which by Applicable Law or contract, agreement may be necessary for the implementation of this Scheme.

28.2 Without prejudice to Clause 28.1 and subject to the satisfaction or waiver of the conditions mentioned in Clause 28.1 above, the entire Scheme shall be made effective simultaneously, subject to Part II of the Scheme is made effective prior to Part III of the Scheme.

28.3 It is hereby clarified that submission of this Scheme to the Tribunal and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, title, or defences that Parties may have under or pursuant to all Applicable Law.

28.4 On the approval of this Scheme by the shareholders of the Parties and such other classes of Persons of the Parties, if any, pursuant to Clause 28.1.1, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Scheme.

29. WITHDRAWAL OF THIS SCHEME, NON-RECEIPT OF APPROVALS AND SEVERABILITY

29.1 Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.



- 29.2 In the event of withdrawal of the Scheme under Clause 29.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person.
- 29.3 In the event of any of the requisite sanctions and approvals not being obtained on or before such date as may be agreed to by the Parties, this Scheme or relevant part(s) of this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/or in connection with this Scheme.
- 29.4 In the event the Effective Date does not occur on or before such date as may be agreed by the Parties, this Scheme shall become null and void, and in that event no rights and liabilities whatsoever shall accrue to or be incurred *inter se* by the Parties or their shareholders or creditors or employees or any other person in terms of this Scheme.
- 29.5 In the event of revocation/ withdrawal of the Scheme under Clause 29.1 or Clause 29.2 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties 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 as is specifically provided in the Scheme or in accordance with Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.
- 29.6 Further, it is the intention of the Parties that each part shall be severable from the remainder of this Scheme and the Scheme shall not be affected if any part of this Scheme is found to be unworkable for any reason whatsoever unless the deletion of such part shall cause this Scheme to become materially adverse to any Party, in which case the Parties shall attempt to bring about a modification in this Scheme or cause such part to be null and void, including but not limited to such part.

30. COSTS AND EXPENSES

Except as provided otherwise, all costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) of the Parties, respectively in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/or incidental to the completion of such parts of the Scheme shall be borne and paid by the Transferee Company.

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 Date of Application 09/02/2024
 Number of Pages 23
 Fee Paid Rs. 115/-
 Applicant called for collection copy on 15/02/2024
 Copy prepared on 15.02.2024
 Copy issued on 15/02/2024

[Signature]
 Deputy Registrar 15.02.2024.

National Company Law Tribunal, Mumbai Bench

