SCHEME OF DEMERGER

BETWEEN

ADI BPO SERVICES LIMITED
(DEMERGED COMPANY)

AND

ADI MEDIA PRIVATE LIMITED
RESULTING COMPANY

AND

SCHEME OF AMALGAMATION

BETWEEN

ADI BPO SERVICES LIMITED (POST DEMERGER)
(TRANSFEROR COMPANY)

AND

MPS LIMITED
(TRANSFEREE COMPANY)
CHAPTERS

1. Chapter 1 contains the Scheme of Demerger involving demerger of the Infrastructure Management Business Undertaking/ Demerged Undertaking of ADI BPO Services Limited into ADI Media Private Limited ("Scheme of Demerger").

2. Chapter 2 contains the Scheme of Amalgamation involving amalgamation of ADI BPO Services Limited (post demerger of its Infrastructure Management Business Undertaking in terms of Scheme of Demerger contained in Chapter 1) with MPS Limited ("Scheme of Amalgamation").
CHAPTER 1 – SCHEME OF DEMERGER

1. BACKGROUND OF COMPANIES AND RATIONALE

   a. ADI BPO Services Limited ("Demerged Company", defined hereinafter) was incorporated on January 9, 2006 with the name styled as ADI Publishing Services Private Limited in Delhi by the Registrar of Companies, NCT of Delhi and Haryana. The name of the company was changed to ADI BPO Services Private Limited vide fresh certificate of incorporation dated November 8, 2007. Further, the company was converted from private limited to public limited, i.e. the current name, vide certificate dated May 8, 2012. The registered office of the company was shifted from Delhi to the state of Tamil Nadu vide the order of the Regional Director, Northern Region dated July 7, 2017 and fresh certificate of incorporation was issued by the Registrar of Companies, Chennai on August 9, 2017. The Demerged Company is primarily engaged in the business of providing customer service, lead generation, data process and business processing outsourcing. It also provides facility management services.

   b. ADI MEDIA Private Limited ("Resulting Company", defined hereinafter) was incorporated on January 10, 2003 in Delhi by the Registrar of Companies, NCT of Delhi and Haryana. The registered office of the company was shifted from Delhi to the state of Tamil Nadu vide the order of the Regional Director, Northern Region dated July 7, 2017 and fresh certificate of incorporation was issued by the Registrar of Companies, Chennai on September 19, 2017. The Resulting Company is primarily a B2B magazine publisher with four niche publications – TV View, Journal Communications Today, Broadcast and CableSat and Medical Buyer. Further, it creates rich business content which reaches targeted business audiences via print, web and exhibitions. It also provides facility management services.

The demerger of the Infrastructure Management Business Undertaking/ Demerged Undertaking of the Demerged Company into the Resulting Company is sought to be undertaken with the end and intent of realigning the business operations. Such demerger is in the interests of the shareholders, creditors and employees of each of the companies as it would result in consolidation of the business operations of the Demerged Company and the Resulting Company and savings in the operational costs to the group.
2. **DEFINITIONS**

In this Chapter 1 of the Scheme of Demerger, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

(a) "Act" or "the Act" means the Companies Act, 2013 and rules made thereunder or any statutory modification, amendment or re-enactment thereof.

(b) "ADI BPO Services Limited" or "Demerged Company" means ADI BPO Services Limited, a company incorporated under the Companies Act, 1956 and having its registered office at RR Towers IV, Super A, 16/17 TVK Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu.

(c) "ADI MEDIA Private Limited" or "Resulting Company" means ADI MEDIA Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at RR Towers IV, Super A, 16/17 TVK Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu.

(d) "Appointed Date" means April 1, 2017 or such other date as may be approved by the Hon’ble National Company Law Tribunal, Chennai.

(e) "Board of Directors" of the Demerged Company and the Resulting Company shall include any committee thereof.

(f) "Demerged Undertaking" means "Infrastructure Management Business Undertaking" of the Demerged Company on a going concern basis, other than Residual Demerged Company and including the business activity of leasing and infrastructure management covering all related assets, liabilities, rights and obligations and shall include (without limitation):

- any and all the properties and assets whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building, all fixed and movable plant and machinery, leasehold or freehold, tangible or intangible, including all computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work-in-progress, raw materials, finished goods, vehicles, stores and spares, loose tools, sundry debtors furniture, fixtures, fittings, office equipment, telephone, facsimile and other communication facilities and equipments, electricals, appliances, accessories, deferred tax assets and investments related to Demerged Undertaking of the Demerged Company.
• any and all liabilities present and future including the contingent liabilities related to Demerged Undertaking of the Demerged Company;

• any and all rights and licenses including, all assignments and grants thereof, all permits, quotas, holidays, benefits, clearances and registrations whether under Central, State or other laws, rights (including rights/obligations under any agreement, contracts, applications, letters of intent, or any other contracts), subsidies, grants, tax credits (including MODVAT/ CENVAT, Service Tax credits, GST credits, MAT credit); tax deferrals, advance tax credit, deferred tax assets, incentives or schemes of central/state/local governments, certifications and approvals, regulatory approvals, entitlements, other licenses, environmental clearances, municipal permissions, approvals, consents, tenancies, investments and/or interest (whether vested, contingent or otherwise), cash balances, bank balances, bank accounts, reserves, deposits, advances, recoverable, receivables, benefit of insurance claims, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued by the Demerged Company, funds belonging to or proposed to be utilised by the Demerged Company, privileges, all other claims, rights and benefits (including under any powers of attorney issued by the Demerged Company or any powers of attorney issued in favour of the Demerged Company or from or by virtue of any proceeding before a legal, quasi-judicial authority or any other statutory authority, to which the Demerged Company was a party), powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits duties and obligations of all agreements, contracts and arrangements and all other interests related to the Demerged Undertaking of the Demerged Company;

• all employees who are on the payroll of the Demerged Company, related to the Demerged Undertaking of the Demerged Company, immediately preceding the Effective Date;

• any and all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, share application money, earnest moneys and/or security deposits paid or received by the Demerged Company related to the Demerged Undertaking of the Demerged Company;

• any and all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and back up copies, drawings, other manuals, data catalogues, quotations, sales and advertising materials, and other data and records whether in
physical or electronic form related to the Demerged Undertaking of the Demerged Company;

- all intellectual property rights including all trademarks, trademark applications, trade names, patents and patent applications, domain names, logo, websites, internet registrations, copyrights, trade secrets, service marks, quality certifications and approvals and all other interests exclusively relating to the Demerged Company related to Demerged Undertaking of the Demerged Company.

It is intended that the definition of Demerged Undertaking under this clause would enable the transfer of all property, assets, rights, liabilities, employees etc of the Demerged Company to the Resulting Company pursuant to this Scheme except the Residual Demerged Company.

(g) "Effective Date" means the last of the dates on which all the conditions and matters referred to in clause 18 hereof have been fulfilled. References in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" shall mean the Effective Date.

(h) "NCLT" shall mean the Hon'ble National Company Law Tribunal at Chennai.

(i) "Residual Demerged Company" shall mean the Demerged Company post demerger of the Infrastructure Management Business Undertaking in accordance with this Chapter 1.

(j) "Scheme of Demerger" or "this Scheme" or "the Scheme" means this Scheme of Demerger in its present form or with any modifications made under clause 20 of the Scheme.

(k) "Record Date" means the date to be fixed by the Board of Directors of the Resulting Company for the purpose of determining the shareholders of the Demerged Company for the demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company.

EXPRESSIONS NOT DEFINED IN THIS CHAPTER

The expressions which are used in this Chapter and not defined in this Scheme, shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof from time to time.
3. **DATE OF COMING INTO EFFECT**

The Chapter set out herein in its present form or with such modifications or amendments as directed by the NCLT or other appropriate authority shall be effective from the Appointed Date herein, although it shall be operative from the Effective Date. Further, Chapter 1 will be given effect prior to the Chapter 2.

4. **SHARE CAPITAL**

(a) The authorized, issued, subscribed and paid up share capital of the Demerged Company as on March 31, 2017 as per audited financial statements is as follows:

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>AMOUNT (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AUTHORIZED CAPITAL</strong></td>
<td></td>
</tr>
<tr>
<td>15,000,000 Equity Shares of Rs 1/- each</td>
<td>15,000,000</td>
</tr>
<tr>
<td>Total</td>
<td>15,000,000</td>
</tr>
<tr>
<td><strong>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</strong></td>
<td></td>
</tr>
<tr>
<td>11,746,375 Equity Shares of Rs 1/- each</td>
<td>11,746,375</td>
</tr>
<tr>
<td>Total</td>
<td>11,746,375</td>
</tr>
</tbody>
</table>

(b) The authorized, issued, subscribed and paid up share capital of the Resulting Company as on March 31, 2017 as per audited financial statements is as follows:

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>AMOUNT (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AUTHORIZED CAPITAL</strong></td>
<td></td>
</tr>
<tr>
<td>2,500,000 Equity Shares of Rs 10/- each</td>
<td>25,000,000</td>
</tr>
<tr>
<td>Total</td>
<td>25,000,000</td>
</tr>
<tr>
<td><strong>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</strong></td>
<td></td>
</tr>
<tr>
<td>208,000 Equity Shares of Rs 10/- each</td>
<td>2,080,000</td>
</tr>
<tr>
<td>Total</td>
<td>2,080,000</td>
</tr>
</tbody>
</table>

5. **COMPLIANCE WITH TAX LAWS**

The Chapter 1 relating to the demerger of 'Demerged Undertaking' of the Demerged Company into the Resulting Company, has been drawn up to comply with the conditions relating to "Demerger" as specified under the tax laws, including Section 2(19AA) of the Income Tax Act, 1961 and all other relevant Sections (including Section 47 and Section 72A) of the Income Tax Act, 1961.

If any terms or provisions of the Chapter are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of tax company...
judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail. This Chapter shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Chapter, and the power to make any such amendments shall vest with the Board of Directors of the Resulting Company and the Demerged Company.

6. **DEMERGER OF DEMERGED UNDERTAKING OF THE DEMERGED COMPANY INTO THE RESULTING COMPANY**

6.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Undertaking shall, pursuant to the provisions contained in Section 233 to 232 of the Act and other provisions of law for the time being in force and without any further act or deed, be demerged from the Demerged Company, and be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company, on a going concern basis at book values, so as to become as and from the Appointed Date, the undertaking of the Resulting Company, and to vest in the Resulting Company all the rights, title, interest or obligations of the Demerged Company therein.

6.2 All assets acquired by the Demerged Company after the Appointed Date and prior to the Effective Date in relation to or pertaining to Demerged Undertaking shall also stand transferred to and vested in the Resulting Company upon the coming into effect of the Scheme. Where any of the assets of the Demerged Company as on the Appointed Date deemed to be transferred to the Resulting Company have been sold or transferred by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company.

6.3 In respect of the assets of the Demerged Undertaking (mentioned in Clause 6.1 and Clause 6.2 above) as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery, the same may be so delivered, paid over, or endorsed and delivered, by the Demerged Company and shall become the property of the Resulting Company as an integral part of the Demerged Undertaking transferred to it. The aforesaid transfer shall be deemed to take effect from the Appointed Date without requiring any deed or instrument of conveyance for the same. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of the Demerged Company and the Board of Directors of the Resulting Company.

6.4 In respect of movables of the Demerged Undertaking other than those specified in Clause 6.3 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, deposits and balances, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, it shall not be necessary to obtain the consent of any third party or other person.
order to give effect to the provisions of this sub-clause, and such transfer shall be effected by notice to the concerned persons, or in any manner as may be mutually agreed by the Resulting Company and the Demerged Company.

6.5 In respect of the assets of the Demerged Undertaking other than those referred to in Clause 6.3 and 6.4 above, the same shall without any further act, instrument or deed be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company pursuant to the Act and other applicable provisions of law. The mutation of the title to the immovable properties, if any, in favour of the Resulting Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and it becoming effective in accordance with the terms hereof.

6.6 Subject to the other provisions of this Scheme, all licenses, permissions, approvals, consents, registrations and no-objection certificates obtained by the Demerged Company for the operations of the Demerged Undertaking in terms of the various statutes and/or schemes of Union and State Governments, shall be available to and vest in the Resulting Company, without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Resulting Company. Since the Demerged Undertaking will be transferred to and vested in the Resulting Company as a going concern without any break or interruption in the operations thereof, the Resulting Company shall be entitled to the benefit of all such licenses, permissions, approvals, consents, registrations and no-objection certificates and to carry on and continue the operations of the Demerged Undertaking on the basis of the same upon this Scheme becoming effective.

Further, it is clarified that upon the coming into effect of this Scheme, in accordance with the provisions of relevant laws, consents, permissions, licenses, certificates, authorities, powers of attorneys given by, issued to or executed in favour of the Demerged Company, and the rights, benefits, subsidies, special status under the same shall, in so far as they relate to the Demerged Undertaking and all other interests relating to activities carried on by the Demerged Undertaking, and all certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and all other interests relating to the Demerged Undertaking, be transferred to and vested in the Resulting Company.

6.7 It is clarified that, upon the coming into effect of the Scheme, the following liabilities and obligations of the Demerged Company as on the Appointed Date and being a part of the Demerged Undertaking shall, without any further act or deed be and shall stand transferred to the Resulting Company:
the liabilities which arose out of the activities or operations of the Demerged Undertaking;

(b) specific loans or borrowings raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking;

(c) in cases other than those referred to in sub-clauses (a) and (b) above, proportionate part of the general or multipurpose borrowings and liabilities of the Demerged Company allocable to the Demerged Undertaking in the same proportion in which the value of the assets transferred under this Scheme bears to the total value of the assets of the Demerged Company immediately before the demerger.

6.8 All loans raised and used and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company and shall become its liabilities and obligations.

6.9 Upon the coming into effect of this Scheme, the balances as on the Appointed Date of general or multipurpose borrowings shall be transferred to and assumed by the Resulting Company in the proportion provided in Clause 6.7(c) above. Thus, the primary obligation to redeem or repay such transferred liabilities shall be that of the Resulting Company. However, without prejudice to such transfer of proportionate liability amount, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, the Resulting Company may discharge such liability (including accretions thereto) by making payments on the respective due dates to the Demerged Company, which in turn shall make payments to the respective creditors.

6.10 Upon the coming into effect of this Scheme, in so far as the security in respect of the liabilities of the Demerged Company for Demerged Undertaking as on the Appointed Date is concerned, it is hereby clarified that the Demerged Company and the Resulting Company shall, subject to confirmation by the concerned creditor(s), mutually agree upon and arrange for such security as may be considered necessary to secure such liabilities, and obtain such consents under law as may be prescribed.

Provided however, any reference in any security documents or arrangements (to which the Demerged Company is a party) to the assets of the Demerged Company offered or agreed to be offered as security for any financial assistance or obligations pertaining to the Demerged Undertaking, shall be construed as reference only to the assets pertaining to the Demerged
Undertaking of the Demerged Company as are vested in the Resulting Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Demerged Company or any of the assets of the Resulting Company, save and except as may be otherwise agreed between the Resulting Company, the Demerged Company and the respective lender(s).

6.12 Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Resulting Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Demerged Company vested in the Resulting Company.

6.13 Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Demerged Company which shall vest in the Resulting Company by virtue of the demerger of the Demerged Undertaking into the Resulting Company and the Resulting Company shall not be obliged to create any further or additional security thereof after the Scheme has become operative.

6.14 Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Resulting Company and the Demerged Company shall execute instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies, to give formal effect to the above provisions, if required.

6.15 Upon the coming into effect of this Scheme, the borrowing limits of the Resulting Company in terms of Section 180(1)(c) of the Act shall be deemed without any further act or deed to have been enhanced by the aggregate liabilities of the Demerged Company which are being transferred to the Resulting Company pursuant to the Scheme, such limits being incremental to the existing limits of the Resulting Company, with effect from the Appointed Date.

7. RESIDUAL DEMERGED COMPANY

7.1 The Residual Demerged Company shall continue to belong to and be vested in and be managed by the Demerged Company.

7.2 Further, all proceedings, by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Residual Demerged Company shall be continued and enforced by or against the Demerged Company after the Effective Date.
7.3 With effect from the Appointed Date and up to and including the Effective Date:

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

b) all assets and properties acquired by the Demerged Company in relation to the Residual Demerged Company on and after the Appointed Date shall belong to and continue to remain vested in the Demerged Company.

8. ISSUE OF SHARES ON DEMERGER

8.1 Upon the coming into effect of the Scheme and in pursuance of the demerger of the Demerged Undertaking into the Resulting Company pursuant to this Scheme, the Resulting Company shall, without any further act or deed and without any further payment, issue and allot fully paid up equity shares (hereinafter also referred to as the "New Equity Shares on Demerger"), to the shareholders of the Demerged Company whose name is recorded in the register of members of the Demerged Company as holding equity shares on the Specified Date, in the following ratio:

- 1 (One) equity share of face value of Rs 10/- each of the Resulting Company be issued at par for every 311 (Three hundred eleven only) equity shares of face value of Re 1/- each of the Demerged Company.

Other terms

8.2 In case any shareholder's holding in the Demerged Company is such that the shareholder becomes entitled to a fraction of an equity share in the Resulting Company, the number of shares to be issued to such shareholder shall be rounded to the nearest whole number and the Resulting Company shall not issue such fractional portion.

8.3 The New Equity Shares on Demerger to be issued and allotted pursuant to Clause 8.1. shall in all respects, rank pari passu with the existing equity shares of the Resulting Company. If any, for dividend and all other benefits and on all respects with effect from the date of their allotment except that, in respect of dividend that may be declared, such shares will be entitled for such dividend from the Appointed Date.

The share entitlement specified in Clause 8.1 shall be suitably adjusted for changes in the capital structure of either the Resulting Company or the Demerged Company post the date of the Board Meeting approving the Scheme provided the changes relate to matters such as bonus issue, split of shares, consolidation of shares and any increase in paid up equity share.
capital. All such adjustments to the share entitlement ratio shall be deemed to be carried out as an integral part of this Scheme upon agreement in writing by the Board of Directors of both the Resulting Company and the Demerged Company.

8.5 The New Equity Shares on Demerger of the Demerged Undertaking to be issued and allotted in terms hereof will be subject to the relevant Memorandum and Articles of Association of the Resulting Company.

8.6 The Resulting Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities for the issue and allotment by the Resulting Company of the New Equity Shares on Demerger to the shareholders of the Demerged Company.

8.7 Insofar as the allotment of shares pursuant to Clause 8.1 is concerned, each member of the Demerged Company shall have the option to be exercised, by giving a notice to the Resulting Company, on or before such date as may be determined by the Board of Directors of the Resulting Company, to receive the shares either in physical certificate form or in dematerialized form. In the event the Resulting Company does not receive such notice or requisite details in respect of any member, the Resulting Company may allot shares in dematerialized form to the extent it has the necessary details of the account holder for issue of shares in dematerialized form and in respect of other members, issue share certificates in physical form. In respect of those members exercising the option to receive the shares in dematerialized form, such members shall have opened and maintained an account with a depository participant, and shall provide such other confirmation, information and details as may be required.

8.8 In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors of the Resulting Company, shall be empowered in appropriate cases, even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the Demerged Company/ the Resulting Company.

8.9 Upon the issue of New Equity Shares on Demerger of Demerged Undertaking in terms of Clause 8.1, the provisions of Section 62 read with section 42 of the Act shall be deemed to have been complied with and such issue shall be an integral part of this Scheme.
9 ACCOUNTING TREATMENT ON DEMERGER

9.1 Treatment in the books of the Demerged Company

(a) Upon the coming into effect of this Scheme, with effect from the Appointed Date, the book value of the assets and liabilities of the Demerged Undertaking, as on the Appointed Date, transferred to the Resulting Company shall be reduced from the book value of the assets and liabilities of the Demerged Company. In so far as the accounts representing common or multipurpose borrowings referred to in Clause 6.7(c) is concerned, they shall stand reduced by the amounts transferred to the Resulting Company in accordance with the provisions of this Scheme.

(b) The aggregate of the net assets of the Demerged Undertaking standing in the books of accounts of the Demerged Company transferred to the Resulting Company on the Appointed Date and Expenses of Demerger in clause 21 below, shall be first adjusted against the balance in Securities Premium Account of the Demerged Company and thereafter against the credit balance in Profit & Loss Account of the Demerged Company. In case of any deficit in the value of assets and liabilities Demerged, the same shall be recorded as capital reserve.

(c) The reduction, if any, in the Securities Premium Account of the Demerged Company shall be effected as an integral part of this Scheme in accordance with the provisions of Section 52 and Section 66 of the Act and the order of the NCLT sanctioning this Scheme shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction. The reduction would not involve diminution of liability in respect of unpaid share capital or payment of paid up share capital.

9.2 Treatment in the books of the Resulting Company

(a) Upon the coming into effect of this Scheme, the Resulting Company shall record all the assets and liabilities of the Demerged Undertaking transferred to it in pursuance of this Scheme at their respective book values thereof appearing in the books of accounts of the Demerged Company as on the Appointed Date.

(b) The difference between the assets and liabilities transferred pursuant to the demerger of the Demerged Undertaking to the Resulting Company, face value of the New Equity Shares on Demerger issued pursuant to Clause 8.1 and after adjusting the amount recorded in clause 9.5 shall be recorded as Capital Reserve or adjusted, firstly against Securities Premium Account and thereafter, remaining will be adjusted against credit balance of Profit and Loss Account with no further act or deed on the part of the Resulting Company in accordance with Section 66, read together with Section 52 of the Act.
9.3 It is hereby clarified that all transactions during the period between the Appointed Date and Effective Date relating to the Demerged Undertaking would be duly reflected in the financial statements of the Resulting Company, upon the Scheme coming into effect.

9.4 Notwithstanding the above, the Board of Directors of the companies, in consultation with their respective Statutory Auditors, are authorized to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the applicable Accounting Standard.

9.5 To the extent that there are inter-corporate loans, other outstanding amounts or transactions between the Resulting Company and the Demerged Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Resulting Company for the reduction of any assets or liabilities, as the case may be.

GENERAL TERMS AND CONDITIONS FOR DEMERGER

10. BUSINESS AND PROPERTY IN TRUST

10.1 Upon the coming into effect of the Scheme, as and from the Appointed Date and upto and including the Effective Date, the Demerged Company:

(a) shall be deemed to have been carrying on all the business and activities relating to Demerged Undertaking and stand possessed of all the assets, rights, title, interest and authorities of Demerged Undertaking for and on account of, and in trust for, the Resulting Company; and

(b) Any profits accruing to the Demerged Company, or losses, charges, costs, expenses arising or incurred by them (including the effect of taxes, if any, thereon, including but not limited to advance tax, tax deducted at source, Minimum Alternate Tax credit, taxes withheld/paid in a foreign country, tax credits etc) relating to Demerged Undertaking shall for all purposes, be treated as the profits, taxes or losses, as the case may be, of the Resulting Company.

The Demerged Company undertakes that it will from the date of approval of the Scheme by its Board of Directors and also from approval of the Board of Directors of the Resulting Company, or the Appointed Date, whichever is later, and up to and including the Effective Date preserve and carry on Demerged Undertaking with diligence and prudence and agree that it will not, in any material respect, without the prior written consent of the Resulting Company as the case may be, alienate, charge or otherwise deal with or dispose of.
Demerged Undertaking or any part thereof except in the ordinary course of business or undertake substantial expansion of Demerged Undertaking, other than expansions which have already been commenced or declare any dividend or vary or alter [except in the ordinary course of its business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of the Demerged Company] the terms and conditions of employment of any of its employees, nor shall it conclude settlement with employees.

11. LEGAL PROCEEDINGS

11.1 Upon the coming into effect of this Scheme, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future (relating to any period prior to the Appointed Date) and in each case relating to the relevant Demerged Undertaking shall be continued and enforced by or against the Resulting Company after the Effective Date and shall not abate or be discontinued nor be in any way prejudicially affected by reason of the demerger of the relevant Demerged Undertaking or anything contained in the Scheme. In the event of any difference or difficulty in determining whether any specific legal or other proceeding relates to a given Demerged Undertaking or not, the decision of the Board of Directors of the Demerged Company in this regard shall be conclusive evidence of the relationship with the relevant Demerged Undertaking.

11.2 The Resulting Company undertake to have all legal proceedings initiated by or against the Demerged Company in relation to Demerged Undertaking as mentioned in Clause 11.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company. The respective companies shall make relevant applications in that behalf to the extent permissible. All costs and consequences of such proceeding shall be borne by the Resulting Company.

11.3 Notwithstanding the above, in case the proceedings in relation to Demerged Undertaking referred to in Clause 11.1 above cannot be transferred for any reason, or the transfer takes time, till such transfer the Demerged Company shall defend the same in accordance with the advice, cost and consequences of the Resulting Company and the Resulting Company shall respectively reimburse, indemnify and hold harmless the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

On and from the Effective Date, the Resulting Company shall and may, if required, initiate any legal proceedings in relation to the rights, title, interest, obligations or liabilities of any nature whatsoever, whether under contract or law or otherwise, of the Demerged Company.
relation to Demerged Undertaking in the same manner and to the same extent as would or
might have been initiated by the Demerged Company in relation to Demerged Undertaking.

12. CONTRACTS AND DEEDS

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements,
insurance policies and other instruments, if any, of whatsoever nature to which the Demerged
Company is a party and subsisting or having effect on the Effective Date shall be in full force
and effect against or in favour of the Resulting Company (in relation to Demerged
Undertaking) and may be enforced by or against the Resulting Company as fully and
effectually as if, instead of the Demerged Company, the Resulting Company have been a
party thereto. The Resulting Company (in relation to Demerged Undertaking) may enter into
and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite
arrangements, confirmations or novations, to which the Demerged Company will, if
necessary, also be party in order to give formal effect to the provisions of this Scheme, if so
required or if so considered necessary. The Resulting Company shall be deemed to be
authorized to execute any such deeds, writings or confirmations on behalf of the Demerged
Company in relation to Demerged Undertaking and to implement or carry out all formalities
required on the part of the Demerged Company to give effect to the provisions of this
Scheme. It is clarified that any inter-se contracts among and between the Demerged
Company and the Resulting Company (relating to the Demerged Undertaking) as on the
Effective Date shall stand cancelled and cease to operate in the Resulting Company.

13. STAFF AND EMPLOYEES

13.1 On the Scheme coming into effect, all staff and employees of the Demerged Company,
relating to the Demerged Undertaking, in service on such date shall be deemed to have
become staff and employees of the Resulting Company without any break in their service and
on the basis of continuity of service and the terms and conditions of their employment with the
Resulting Company shall not be less favourable than those applicable to them with reference
to the Demerged Company on the Effective Date.

13.2 Upon the Scheme coming into effect, the existing Provident Fund, Gratuity Fund,
Superannuation Fund and/or schemes and trusts, including employee’s welfare trust, created
by the Demerged Company for its employees in relation to the Demerged Undertaking shall
be transferred to the Resulting Company. The Demerged Company shall take all steps
necessary for the transfer, where applicable, of the Provident Fund, Gratuity Fund,
Superannuation Fund and/or schemes and trusts, including employee’s welfare trust,
pursuant to the Scheme in respect of employees pertaining to the Demerged Undertaking to
the Resulting Company. All obligations of the Demerged Company with regard to the

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fund or funds as defined in the respective trust deed and rules shall be taken over by the Resulting Company from the Effective Date to the end and intent that all rights, duties, powers and obligations of the Demerged Company in relation to such Fund or Funds shall become those of the Resulting Company and all the rights, duties and benefits of the employees employed in the Demerged Company under such Funds and Trusts shall be fully protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of the Demerged Company will be treated as having been continuous for the purpose of the said Fund or Funds.

14. TREATMENT OF TAXES

14.1 Any tax liabilities or assets (including credit in respect of taxes paid) under the Income-tax Act, 1961, Customs Act, 1982, Central Excise Act, 1944, Sales Tax laws, Goods and Services Tax or other applicable laws/ regulations dealing with taxes/ duties/ levies (hereinafter in this Clause referred to as “Tax Laws”) allocable or related to the Demerged Company in relation to Demerged Undertaking to the extent not provided for or covered by tax provision recognized in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Resulting Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax, minimum alternate tax and withholding tax as on the date immediately preceding the Appointed Date in relation to Demerged Undertaking will also be transferred to the account of the Resulting Company. Any refund under the Tax Laws due to the Demerged Company consequent to the assessments made on the Demerged Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company (in relation to Demerged Undertaking).

14.2 All taxes (including income tax, minimum alternate tax, sales tax, excise duty, customs duty, service tax, VAT, Goods and Services Tax etc) paid or payable by the Demerged Company in respect of the operations and/or the profits of the business before the Appointed Date, shall be on account of the Demerged Company and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, minimum alternate tax, service tax, VAT, Good and Service Tax etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Demerged Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company (in relation to the Demerged Undertaking) and shall, in all proceedings, be dealt with accordingly.

Upon the Scheme becoming effective, the Resulting Company and the Demerged Company are also expressly permitted to revise their income tax, withholding tax, service tax, sales tax, value added tax, excise, customs and other statutory returns and filings under the tax laws.
notwithstanding that the period of filing/ revising such returns may have lapsed and to claim refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme.

15. CHANGE IN THE CAPITAL STRUCTURE

From the date of acceptance of the present Scheme by the respective Board of Directors of the Demerged Company, and the Resulting Company, the Demerged Company and the Resulting Company are expressly authorized to raise capital for the purpose of funding growth or any other purpose, in any manner as considered suitable by their Board of Directors, whether by means of rights issue, preferential issue, public issue or any other manner whatsoever. Further, such funds may be raised by means of any instrument considered suitable by their respective Board of Directors, including equity/equity linked instruments, convertible/non-convertible bonds, debentures, debt, ADRs/GDRs etc. Provided that any such capital raising exercise shall be approved in writing by the Board of Directors of the Demerged Company and the Resulting Company to preserve the interests of their respective shareholders. Further, any change in the capital structure from the date of acceptance of the present Scheme by the respective Board of Directors of the Demerged Company and the Resulting Company, through any increase, decrease, reduction, reclassification, sub-division, consolidation, re-organization, buyback, or in any other manner, by the Demerged Company and the Resulting Company shall be subject to approval in writing by the Board of Directors of the Demerged Company and the Resulting Company.

16. SAVING OF CONCLUDED TRANSACTIONS

Transfer and vesting of the assets, liabilities, rights and obligations of the Demerged Company and continuance of the proceedings by or against the Demerged Company (in relation to Demerged Undertaking) shall not in any manner affect any transaction or proceedings already completed by the Demerged Company on or before the Appointed Date to the end and intent that the Resulting Company accept all such acts, deeds and things done and executed by and/or on behalf of the Demerged Company (in relation to Demerged Undertaking) as acts, deeds and things done and executed by and on behalf of the Resulting Company.

17. APPLICATIONS TO NCLT/OTHER AUTHORITY

The Demerged Company and the Resulting Company shall, with all reasonable dispatch, make applications to Securities and Exchange Board of India/stock exchanges for their no objection and make application under section 230-232 of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective
classes of the shareholders and/or creditors of the Demerged Company and the Resulting Company as may be directed by the NCLT.

17.2 On the Scheme being agreed to by the requisite majorities of the classes of the shareholders and/or creditors, the Demerged Company and the Resulting Company shall, with all reasonable dispatch, apply to the NCLT for sanctioning the Scheme, and for such other order or orders, as the said NCLT may deem fit for carrying this Scheme into effect.

18. CONDITIONALITY OF SCHEME

The Scheme is conditional upon and subject to:

a. the Scheme being agreed to by the respective requisite majority of shareholders and creditors of the Demerged Company and the Resulting Company.

b. the Scheme being approved by the NCLT.

c. such other sanctions and approvals including sanctions of any statutory or regulatory authority, as may be required in respect of the Scheme, being obtained;

d. filing by the Demerged Company and the Resulting Company of the certified copies of the order of the NCLT sanctioning the Scheme with the jurisdictional Registrar of Companies.

19. EFFECT OF NON-APPROVALS

19.1 In the event any of the said sanctions and approvals referred to in Clause 18 above not being obtained and/or the Scheme not being passed as aforesaid before March 31, 2019 or within such further period or periods as may be agreed upon between the Board of Directors of the Demerged Company and the Resulting Company, this Scheme shall stand revoked, cancelled and be of no effect and null and void 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 may otherwise arise in law and in such event each party shall bear their respective costs, charges and expenses in connection with the Scheme.

If any part or section of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Demerged Company and the Resulting Company, affect the adoption or validity or interpretation of the other parts and/or provisions of this Scheme. It is hereby clarified that the Board of Directors
of the Demerged Company and the Resulting Company, as the case may be, may in their absolute discretion, adopt any part of this Scheme or declare the entire Scheme to be null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case the Demerged Company and the Resulting Company shall bear its own cost or bear costs as may be mutually agreed. Such decisions shall not have an effect on the company that is not a part of such decision.

20. MODIFICATION OR AMENDMENT

The Board of Directors of the Demerged Company and the Resulting Company reserves the right to withdraw the Scheme at any time before the ‘Effective Date’ and may assent to any modification(s) or amendment(s) in this Scheme which the NCLT and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme and the Board of Directors of the Demerged Company and the Resulting Company be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of any orders of the NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith. The Board of Directors can empower any committee of directors or officers or other person to discharge all or any of the powers and functions, which the Board of Directors are entitled to exercise and perform under the Scheme.

21. COSTS, CHARGES AND EXPENSES

Except in the circumstances mentioned in Clause 19 above and withdrawal of Scheme as mentioned in Clause 20 above, all costs, charges, taxes including duties (including the stamp duty and/or transfer charges, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) of the Demerged Company and the Resulting Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Demerged Company for the demerger. All the aforesaid expenses shall be referred to as ‘Expenses of Demerger’.
CHAPTER 2 - SCHEME OF AMALGAMATION

22. BACKGROUND OF COMPANIES AND RATIONALE

a. ADI BPO Services Limited ("Transferor Company", defined hereinafter) was incorporated on January 9, 2008 in the name of ADI Publishing Services Private Limited in Delhi by the Registrar of Companies, NCT of Delhi and Haryana. The name of the company was changed to ADI BPO Services Private Limited vide fresh certificate of incorporation dated November 8, 2007. Further, the company was converted from private limited to public limited, i.e. the current name, vide certificate dated May 8, 2012. The registered office of the company was shifted from Delhi to the state of Tamil Nadu vide the order of the Regional Director, Northern Region dated July 7, 2017 and fresh certificate of incorporation was issued by the Registrar of Companies, Chennai on August 9, 2017. The Transferor Company is the holding company of the Transferee Company.

b. MPS Limited ("Transferee Company", defined hereinafter) was incorporated on January 19, 1970 in the name of The Macmillan Company of India Private Limited in Tamil Nadu by the Registrar of Companies, Tamil Nadu. The company was converted from private limited to public limited and the name of the Company was changed to The Macmillan Company of India Limited vide fresh certificate of incorporation dated September 14, 1971. The name of the Company was thereafter further changed to Macmillan India Limited vide fresh certificate of incorporation dated October 4, 1980. The name of the Company was further changed to its current name i.e. MPS Limited vide fresh certificate of incorporation dated June 28, 2009. The registered office of the company is situated in the state of Tamil Nadu. The Company is engaged in providing content creation, production, transformation and technology services to global academic, scientific and educational publishers. The equity shares of MPS are listed on BSE Limited ["BSE"] and National Stock Exchange of India Limited ["NSE"].

The Transferee Company is actively considering opportunities to acquire Indian entities with a view to expand its business, operations and revenue. Currently, Transferee Company is the one layer subsidiary of Transferor Company. Any acquisition(s) by Transferee Company involving more than one layer of Indian subsidiaries would be impermissible having regard to the provisions of Section 2(87) of the Companies Act, 2013, read with Companies (Restriction on number of layers) Rules, 2017. That being so, the Transferee Company is prevented from acquiring an Indian subsidiary company which has its own Indian subsidiary, should such an opportunity arise. The absence of this proposed structure could result in loss of business opportunities available to the Transferee Company, its growth and future revenues. Flexibility to the Transferee Company in structuring its affairs is desirable to enable it to consider...
suitable opportunity (ies) for acquisition of an Indian entity which has an existing Indian subsidiary of its own and/or for the Transferee Company to set up a step-down subsidiary (ies), should it so require. This would enable the Transferee Company to enhance its growth and revenues which would be clearly to the advantage of and in the interest of all its shareholders. To this end, the current structure is proposed to be rationalized by eliminating the existing one layer (i.e. Transferor Company).

Hence, it is proposed to amalgamate the Transferor Company (post demerger of its Infrastructure Management Business Undertaking in terms of Scheme of Demerger contained in Chapter 1) with the Transferee Company.

Upon the amalgamation taking full effect in accordance with the terms of this Scheme, the Transferor Company will stand dissolved without winding up.

The proposed amalgamation would be to the advantage to the Transferee Company and hence be in the interest of its stakeholders including public shareholders. It would enhance the future growth of the Transferee Company’s business operations and help grow its revenues.

23. DEFINITIONS

In this Chapter 2 of the Scheme of Amalgamation, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

(a) “Act” or “the Act” means the Companies Act, 2013 and rules made thereunder or any statutory modification, amendment or re-enactment thereof.

(b) “ADI BPO Services Limited” or “Transferor Company” means ADI BPO Services Limited, a company incorporated under the Companies Act, 1956, post demerger of its Infrastructure Management Business Undertaking in terms of Scheme of Demerger contained in Chapter 1, and having its registered office at RR Towers IV, Super A, 16/17 TVK Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu.

(c) “Appointed Date” means April 1, 2017 or such other date as may be approved by the Hon’ble National Company Law Tribunal, Chennai.

(d) “Board of Directors” of the Transferor Company and the Transferee Company shall include any committee thereof.
(e) "Effective Date" means the last of the dates on which all the conditions and matters referred to in clause 38 hereof have been fulfilled. References in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" shall mean the Effective Date.

(f) "MPS Limited" or "Transferee Company" means MPS Limited, a company incorporated under the Companies Act, 1956 and having its registered office at RR Towers IV, Super A, 16/17 TVK Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu.

(g) 'NCLT' shall mean the Hon'ble National Company Law Tribunal at Chennai.

(h) "Scheme of Amalgamation" or "this Scheme" means this Scheme of Amalgamation in its present form or with any modifications made under clause 40 of this Scheme.

(i) "Record Date" means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the shareholders of the Transferor Company, post demerger, for the amalgamation of the Transferor Company with the Transferee Company.

EXPRESSIONS NOT DEFINED IN THIS CHAPTER

The expressions which are used in this Chapter and not defined in this Scheme, shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof from time to time.

24. DATE OF COMING INTO EFFECT

The Chapter set out herein in its present form or with such modifications or amendments as directed by the NCLT or other appropriate authority shall be effective from the Appointed Date herein, although it shall be operative from the Effective Date. Further, Chapter 1 will be given effect prior to the Chapter 2.

25. SHARE CAPITAL

(a) The authorized, issued, subscribed and paid up share capital of the Transferor Company as on March 31, 2017 as per audited financial statements is as follows:

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>AMOUNT (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUTHORIZED CAPITAL</td>
<td></td>
</tr>
<tr>
<td>15,000,000 Equity Shares of Rs 1/- each</td>
<td>15,000,000</td>
</tr>
<tr>
<td>PARTICULARS</td>
<td>AMOUNT (Rs)</td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>AUTHORIZED CAPITAL</td>
<td></td>
</tr>
<tr>
<td>20,000,000 Equity Shares of Rs 10/- each</td>
<td>200,000,000</td>
</tr>
<tr>
<td>Total</td>
<td>200,000,000</td>
</tr>
<tr>
<td>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</td>
<td></td>
</tr>
<tr>
<td>18,616,926 Equity Shares of Rs 10/- each</td>
<td>186,169,260</td>
</tr>
<tr>
<td>Total</td>
<td>186,169,260</td>
</tr>
</tbody>
</table>

**(b)** The authorized, issued, subscribed and paid up share capital of the Transferee Company as on March 31, 2017 is as follows:

28. **COMPLIANCE WITH TAX LAWS**

The Chapter 2 which relates to the proposed amalgamation of the Transferor Company with the Transferee Company, has been drawn up to comply with the conditions relating to "Amalgamation" as specified under the tax laws, including Section 2(1B) of the Income Tax Act, 1961 and all other relevant Sections (including Section 47 and Section 72A) of the Income Tax Act, 1961.

If any terms or provisions of this Chapter 2 are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail. This Chapter 2 shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of this Chapter 2, and the power to make any such amendments shall vest with the Board of Directors of the Transferee Company and the Transferor Company.

27. **AMALGAMATION OF TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY**

(a) With effect from the Appointed Date, the Transferor Company, including its investments in the Transferee Company along with other assets, if any [whether movable, tangible, immovable or, benefits of tax relief such as advance tax, tax deducted at source etc or any permissions, incentives etc] and liabilities, if any shall, under the provisions of section 230 read with section 231 and 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in
the Transferee Company so as to become as and from the Appointed Date the assets and liabilities of the Transferee Company.

(b) Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of section 180(1)(c) of the Act shall be deemed without any further act or deed to have been enhanced by the aggregate liabilities of the Transferor Company which are being transferred to the Transferee Company pursuant to this Scheme, if any, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

28. ISSUE OF SHARES

28.1 Upon coming into effect of this Scheme, in consideration of the amalgamation of Transferor Company with the Transferee Company pursuant to this Scheme, the Transferee Company shall, without any further act or deed and without any further payment, issue and allot fully paid up new equity shares (hereinafter also referred to as the “New Equity Shares”), to the shareholders of the Transferor Company whose name is recorded in the register of members of the Transferor Company as holding equity shares on the Record Date, in the following ratio:

- 1,07,41,183 (one crore seven lakhs forty one thousand one hundred eighty three) equity shares of face value of Rs 10/- each of the Transferee Company be issued at par for every 1,00,00,000 (one crore) equity shares of face value of Rs. 1/- each of the Transferor Company.

28.2 The share entitlement ratio specified in Clause 28.1 above shall be suitably adjusted for changes in the capital structure of either the Transferor Company or the Transferee Company post the date of the Board Meeting approving this Scheme provided the changes relate to matters such as bonus issue, split of shares, consolidation of shares or any increase in paid up share capital. All such adjustments to the share entitlement ratio shall be deemed to be carried out as an integral part of this Scheme upon agreement in writing by the Board of Directors of both the Transferor Company and the Transferee Company.

28.3 The New Equity Shares to be issued and allotted pursuant to Clause 28.1, shall, in all respects, rank pari passu from the Record Date with the existing equity shares of the Transferee Company save and except in relation to dividend, if any, to which they may be entitled to, as and from the Appointed Date.

In case any shareholder's holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of an equity share in the Transferee Company, the number of
shares to be issued to such shareholder shall be rounded to the nearest whole number and the Transferee Company shall not issue such fractional portion.

28.5 The New Equity Shares shall carry the same rights as currently entitled to the existing equity shares in the Transferee Company, owned by the Transferor Company.

28.6 The New Equity Shares, subject to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and payment of the appropriate fee, be listed on the stock exchanges where the shares of the Transferee Company are currently listed. The Transferee Company would obtain such approvals as may be necessary for the aforesaid listing on recognized stock exchange(s) by making suitable applications in this behalf.

28.7 Insofar as the allotment of New Equity Shares pursuant to Clause 28.1 is concerned, each member of the Transferor Company shall have the option to be exercised, by giving a notice to the Transferee Company, on or before such date as may be determined by the Board of Directors of the Transferor Company, to receive them in physical certificate form or in dematerialized form. In the event the Transferee Company does not receive such notice or requisite details in respect of any member, the Transferee Company may allot the New Equity Shares in dematerialized form to the extent it has the necessary details of the account holder for issue of shares in dematerialized form and in respect of other members, issue share certificates in physical form. In respect of those members exercising the option to receive the New Equity Shares in dematerialized form, such members shall have opened and maintained an account with a depository participant, and shall provide such other confirmation, information and details as may be required.

28.8 The New Equity Shares 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, pending allotment or settlement of dispute by order of Court or otherwise shall be held by the trustees appointed by the Transferee Company.

28.9 In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors of the Transferor Company/Transferee Company shall be empowered in appropriate cases, even subsequent to the Record Date or the Effective Date, as the case may be, to effectuate such a transfer, as if such changes in registered holder were operative as on the Record Date.

Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Company shall stand cancelled, will become invalid, and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company
may at its discretion not require the shareholders of the Transferor Company to surrender their share certificates before issuing the New Equity Share certificates for the shares allotted in terms of this Scheme.

28.11 Upon the issue of New Equity Shares, the provisions of Section 62 read with section 42 of the Act shall be deemed to have been complied with and such issue shall be an integral part of this Scheme.

29. ACCOUNTING TREATMENT

29.1 The Transferee Company shall, upon the coming into effect of this Scheme, record the assets and liabilities of the Transferor Company vested in it pursuant to this Scheme, at the respective book values or fair values as per the Indian Accounting Standard 103 or any other applicable Accounting Standard, at the close of business of the day immediately preceding the Appointed Date.

29.2 The Transferee Company shall credit to its share capital account in its books of account the aggregate face value of New Equity Shares on Amalgamation issued by it to the shareholders of the Transferor Company, pursuant to this Scheme.

29.3 Upon the coming into effect of this Scheme, any inter-company investment in the books of the Transferor Company and the Transferee Company, representing equity shares of the Transferor Company and/or the Transferee Company shall stand cancelled.

29.4 The excess/deficit of the value of the assets over the value of the liabilities of the Transferor Company vested in the Transferee Company pursuant to this Scheme, and as recorded in the books of account of the Transferee Company shall, after adjusting the amount recorded in Clause 29.2 and subject to Clause 29.3 above and clause 29.5 and ‘Expenses of Amalgamation’ as per clause 41 below, be recorded as per the applicable Accounting Standards issued by The Institute of Chartered Accountants of India. In case of any adjustment in securities premium account, the same will be carried out with no further act or deed on the part of the Transferee Company in accordance with Section 66, read together with Section 52 of the Act.

29.5 To the extent that there are inter-corporate loans or balances between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.

Notwithstanding to the contrary contained herein above, the Board of Directors of the Transferee Company, in consultation with its Statutory Auditors, is authorized to account for
any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and generally accepted accounting principles.

30. AMALGAMATION OF AUTHORIZED SHARE CAPITAL

30.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the authorized share capital of the Transferor Company shall stand transferred to and be amalgamated with the authorized share capital of the Transferee Company, without any liability for payment of any additional fees (including registrar of companies fees) or stamp duty. Consequently, clause V of the Memorandum of Association of the Transferee Company shall without any further act or deed shall stand altered, modified and amended accordingly.

30.2 It is hereby clarified that the consent of the shareholders of the Transferor Company and the Transferee Company to this Scheme shall be sufficient for the purposes of effecting this amendment in the Memorandum and Articles of Association of the Transferee Company and that no further resolution under Section 13, and Sections 61 and 64 or any other applicable provisions of the Act, would be required to be separately passed, nor any additional registration fee, stamp duty, etc, be payable by the Transferee Company.

31. DISSOLUTION OF THE TRANSFEROR COMPANY

On this Scheme coming into effect, the Transferor Company shall, without any further act or deed, stand dissolved without winding up.

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE AMALGAMATION

32. BUSINESS AND PROPERTY IN TRUST

32.1 Upon the coming into effect of this Scheme, as and from the Appointed Date and upto and including the Effective Date, the Transferor Company:

(a) shall be deemed to have been carrying on all the activities relating to the Transferor Company and stand possessed of all the related assets including investments in the Transferee Company, for and on account of, and in trust for the Transferee Company; and

(b) Any profits accruing to the Transferor Company, or losses, charges, costs, expenses arising or incurred by them including the effect of taxes, if any, thereon, including but not limited to advance tax, tax deducted at source, Minimum Alternate Tax credit etc.
shall for all purposes, be treated as the profits, taxes or losses, as the case may be, of the Transferee Company.

32.2 The Transferor Company undertakes that it will from the date of approval of this Scheme by its Board of Directors and up to and including the Effective Date preserve its investments in the Transferee Company and agree that it shall not, in any material respect, without the prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose of any investments in the Transferee Company or part thereof except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of approval of this Scheme by the Board of Directors of the Transferor Company.

33. LEGAL PROCEEDINGS

33.1 Upon the coming into effect of this Scheme, all proceedings by or against the Transferor Company under any statute, whether or not pending on the Appointed Date, or which may be instituted any time in the future (relating to any period prior to the Appointed Date) and in each case relating to the Transferor Company shall be continued and enforced by or against the Transferee Company after the Effective Date and shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company or anything contained in this Scheme.

34. STAFF AND EMPLOYEES

34.1 On this Scheme coming into effect, all staff and employees of the Transferor Company, in service on such date shall be deemed to have become staff and employees of the Transferee Company without any break in their service and on the basis of continuity of service, the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the day immediately preceding the Effective Date. Further, the existing Provident Fund, Gratuities Fund, Superannuation Fund etc of the employees of the Transferor Company in relation to the Transferor Company shall be transferred to the Transferee Company. It is clarified that the services of the employees of the Transferor Company shall be treated as having been continuous for the purpose of the said Fund or Funds.

35. CHANGE IN THE CAPITAL STRUCTURE

From the date of acceptance of this Scheme by the respective Board of Directors of the Transferor Company and the Transferee Company, the Transferor Company and the Transferee Company are expressly authorized to raise capital for the purpose of funding growth or any other purpose, in any manner as considered suitable by their Board of
Directors, whether by means of rights issue, preferential issue, public issue or any other manner whatsoever. Further, such funds may be raised by means of any instrument considered suitable by their respective Board of Directors, including equity/ equity linked instruments, convertible/ non convertible bonds, debentures, debt, ADRs/ GDRs etc. Provided that any such capital raising exercise shall be approved in writing by the Board of Directors of the Transferor Company and the Transferee Company respectively to preserve the interests of their respective shareholders. Further, any change in the capital structure from the date of acceptance of this Scheme by the respective Board of Directors of the Transferor Company and the Transferee Company, through any increase, decrease, reduction, reclassification, sub-division, consolidation, re-organization, buyback, or in any other manner, by the Transferor Company and the Transferee Company, shall be subject to approval in writing by the Board of Directors of the Transferor Company and the Transferee Company respectively.

36. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities, rights and obligations of the Transferor Company and continuance of the proceedings by or against the Transferor Company shall not in any manner affect any transaction or proceedings already completed by the Transferor Company on or before the Appointed Date to the end and intent that the Transferee Company shall accept all such acts, deeds and things done and executed by and/ or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

37. APPLICATIONS TO NCLT/ OTHER AUTHORITY

37.1 The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make application to Securities and Exchange Board of India/ stock exchanges for their no objection and make application under section 230-232 of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the shareholders and/ or creditors of the Transferor Company and the Transferee Company as may be directed by the NCLT.

37.2 On this Scheme being approved by the requisite majorities of the classes of the shareholders and/ or creditors, the Transferor Company and the Transferee Company shall, with all reasonable dispatch, apply to the NCLT for sanctioning this Scheme, and for such other order or orders, as the said NCLT may deem fit for carrying this Scheme into effect.
38. CONDITIONALITY OF THIS SCHEME

This Scheme is conditional upon and subject to:

a. it being approved to by the respective requisite majority of shareholders and creditors of the Transferor Company and the Transferee Company. In case of the Transferee Company, meeting of shareholders shall be conducted through e-voting/ postal ballot mechanism as directed by NCLT;

b. it being approved by the NCLT;

c. the Scheme of Demerger contained in Chapter 1 becoming legally effective in all respects in accordance with its terms;

d. such other sanctions and approvals including sanctions of any statutory or regulatory authority, as may be required in respect of this Scheme, being obtained;

e. filing by the Transferor Company and the Transferee Company of certified copies of the Order of the NCLT sanctioning this Scheme with the jurisdictional Registrar of Companies.

39. EFFECT OF NON-APPROVALS

39.1 In the event any of the said sanctions and approvals referred to in Clause 38 above not being obtained and/or this Scheme not being passed as aforesaid before March 31, 2019 or within such further period or periods as may be agreed upon between the Board of Directors of the Transferor Company and the Transferee Company, this Scheme shall stand revoked, cancelled and be of no effect and be null and void 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 may otherwise arise in law. In such event each party shall bear their respective costs, charges and expenses in connection with this Scheme.

39.2 If any part or section of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Transferor Company and the Transferee Company, affect the adoption or validity or interpretation of the other parts and/or provisions of this Scheme. It is hereby clarified that the Board of Directors
of the Transferor Company and the Transferee Company, as the case may be, may in their absolute discretion, adopt any part of this Scheme or declare this Scheme to be null and void and in that event no rights and/or liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case the Transferor Company and the Transferee Company shall bear their own respective cost or bear costs as may be mutually agreed.

40. MODIFICATION OR AMENDMENT OF THIS SCHEME

The Board of Directors of the Transferor Company and the Transferee Company reserve the right to withdraw this Scheme at any time before the Effective Date and may assent to any modification(s) or amendment(s) in/to this Scheme which the NCLT and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme and the Board of Directors of the Transferor Company and the Transferee Company and after the dissolution of the Transferor Company, the Board of Directors of the Transferee Company be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of any orders of the NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith. The Board of Directors can empower any committee of directors or officers or other person to discharge all or any of the powers and functions, which the Board of Directors are entitled to exercise and perform under this Scheme.

41. COSTS, CHARGES AND EXPENSES

Except in the circumstances mentioned in Clause 39 above and the withdrawal of this Scheme as mentioned in Clause 40 above, all costs, charges, taxes including duties (including the stamp duty and/or transfer charges, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company. All the aforesaid expenses shall be referred as ‘Expenses of Amalgamation’.