

**MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
INTELLECT DESIGN ARENA LIMITED**

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, तमिलनाडु, चैन्नई, अंदमान और निकोबार द्वीप

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U72900TN2011PLC080183

मैसर्स Fin Tech Grid Limited

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
Fin Tech Grid Limited

जो मूल रूप में दिनांक अठारह अप्रैल दो हजार ग्यारह को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स
Fin Tech Grid Limited

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि 507 अ दिनांक एस्. आर्. एन्. दिनांक 03/02/2014 के द्वारा प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित (रूप में मैसर्स 24.6.1985 B95081519 INTELLECT DESIGN ARENA LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र चैन्नई में आज दिनांक तीन फरवरी दो हजार चौदह को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : U72900TN2011PLC080183

In the matter of M/s Fin Tech Grid Limited

I hereby certify that Fin Tech Grid Limited which was originally incorporated on Eighteenth day of April Two Thousand Eleven under the Companies Act, 1956 (No. 1 of 1956) as Fin Tech Grid Limited having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN B95081519 dated 03/02/2014 the name of the said company is this day changed to INTELLECT DESIGN ARENA LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given at Chennai this Third day of February Two Thousand Fourteen.

Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands

कम्पनी रजिस्ट्रार, तमिलनाडु, चैन्नई, अंदमान और निकोबार द्वीप

*Note: The corresponding form has been approved by Vineet Rai, Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.

The digitally signed certificate can be verified at the Ministry website (www.mca.gov.in).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

INTELLECT DESIGN ARENA LIMITED
No.244, ANNA SALAI,
CHENNAI - 600006,
Tamil Nadu, INDIA





व्यापार प्रारंभ करने का प्रमाण-पत्र

कम्पनी अधिनियम 1956 की धारा 149(3) के अनुसरण में

कॉर्पोरेट पहचान संख्या : U72900TN2011PLC080183

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
Fin Tech Grid Limited

जिसका निगमन, कम्पनी अधिनियम, 1956(1956 का 1) के अंतर्गत दिनांक अठारह अप्रैल दो हजार ग्यारह को किया गया था और जिसने निर्धारित प्रपत्र में घोषणा प्रस्तुत की है या विधिवत सत्यापित किया है कि उक्त कम्पनी ने, अधिनियम की धारा 149(2) (क) से (ग) तक की शर्तों का अनुपालन कर लिया है और व्यापार करने के लिए हकदार है।

यह प्रमाण-पत्र आज दिनांक पंद्रह जून दो हजार बारह को चैन्नई में जारी किया जाता है।

Certificate for Commencement of Business

Pursuant of Section 149(3) of the Companies Act, 1956

Corporate Identity Number : U72900TN2011PLC080183

I hereby certify that the Fin Tech Grid Limited which was incorporated under the Companies Act, 1956(No. 1 of 1956) on the Eighteenth day of April Two Thousand Eleven , and which has this day filed or duly verified declaration in the prescribed form that the conditions of the Section 149(2)(a) to (c) of the said act, have been complied with and is entitled to commence business.

Given at Chennai this Fifteenth day of June Two Thousand Twelve.

Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands

कम्पनी रजिस्ट्रार, तमिलनाडु, चैन्नई, अंदमान और निकोबार द्वीप

*Note: The corresponding form has been approved by HENRY RICHARD, Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.
The digitally signed certificate can be verified at the Ministry website (www.mca.gov.in).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :
Mailing Address as per record available in Registrar of Companies office:

Fin Tech Grid Limited
No.244, ANNA SALAI,
CHENNAI - 600006,
Tamil Nadu, INDIA





प्रारूप 1
पंजीकरण प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U72900TN2011PLC080183

2011 - 2012

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

Fin Tech Grid Limited

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) के अंतर्गत आज किया जाता है और यह कम्पनी लिमिटेड है।

यह निगमन-पत्र आज दिनांक अठारह अप्रैल दो हजार न्यारह को मेरे हस्ताक्षर से चैन्नई में जारी किया जाता है।

Form 1

Certificate of Incorporation.

Corporate Identity Number : U72900TN2011PLC080183

2011 - 2012

I hereby certify that Fin Tech Grid Limited is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is limited.

Given under my hand at Chennai this Eighteenth day of April Two Thousand Eleven.

(K THIRUMALAIMUTHU)

उप कम्पनी रजिस्ट्रार / Deputy Registrar of Companies

तमिलनाडु, चैन्नई, अंदमान और निकोबार द्वीप

Tamil Nadu, Chennai, Andaman and Nicobar Islands

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

Fin Tech Grid Limited
No.244, ANNA SALAI,
CHENNAI - 600006,
Tamil Nadu, INDIA

Incorporated Under The Companies Act, 1956 (1 of 1956)

Company Limited by Shares

MEMORANDUM OF ASSOCIATION

OF

[INTELLECT DESIGN ARENA LIMITED]¹

I. The name of the company is INTELLECT DESIGN ARENA LIMITED.

II. The Registered Office of the company will be situated in the State of Tamil Nadu.

III. The object for which the company is established are:

(A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:

1. To carry on the business of providing computer software services such as Cloud Computing, including Software as a Service, Platform as a Service, Data Hosting and Fin Tech data centre and related services, to act as applicable service providers, application hosing, Lintux Services, remote maintenance of software application, security, business process outsourcing service, provide service to disaster recovery, business continuity services, including infrastructure as a Service, audit services and software co-location services, to develop software products encompassing, computer equipment communication, all forms of multimedia communications technology and financial applications, ERP (Enterprise Resource Planning), MRP (Manufacturing Resource Planning) for these domains.
2. To establish and run electronic data processing centers and training centers to carry on software consultancy on GPRS services & network and infrastructure facilities/framework, business of data processing, system studies, management consultancy, techno-economic feasibility study of projects, design and development of Management Information Systems, CAD/CAM/CAE (Computer Aided Design, Manufacturing and Engineering), GIS (Geographical information Systems), manufacturing/developing of software applications, software services, conferences in respect of any of the objects of the company and for spreading of imparting the knowledge and use of computers programming languages including the publication of books, journals, bulletins, study/course materials, circulars and newsletters.
3. To obtain technical knowledge know-how, literature, brochures, technical data, etc., from abroad and export / disseminate them to other countries and engage in manpower recruitment for overseas requirements and also bring in necessary skilled personnel into the recruitment for overseas requirement and also bring in necessary skilled personnel into the country and also to provide computer networking facility and services for the purpose of electronic mail, electronic news, electronic commerce, electronic archives and to design, create, develop, establish, maintain, run, lease, buy, sell, technological services, software, on demand services & solutions, hardware, including servers, central processing units, otherwise deal in equipment, systems, satellites, communication systems, networking systems including GPRS services & network and Infrastructure facilities/framework with respect to Financial Technologies services.
4. ** To Carry on the business of system study, analysis, design, development, customisation, implementation, maintenance, licensing, trading, manufacturing, distributing, importing, exporting of software products and/or systems, equipments, devices and tools including Licenses/Intellectual Property Rights of Third parties; and to act as consultants in software for usage in computer systems, communications system or in any devices, equipment, tool or system that has a requirement for a software; and to make available the software for use in any mode.

** Altered vide special resolution passed at the Extra-Ordinary General Meeting dated March 3, 2014.

(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF MAIN OBJECTS ARE:

1. To undertake the designing and development of systems and applications software either for its own use or for sale in India or for export, outside India for or on behalf of manufacturer, owners and users of computer systems and digital / electronic equipment in India or elsewhere in the world and to carry on the business of systems integration and to provide total solutions in the areas of telecom, finance and banking, power, transportation, infrastructure, manufacturing and any other vertical market, this scope of which might also include multimedia, silicon graphics, animation technology development.
2. To carry on the business of exporters, importers, buyers, sellers, producers, distributors, suppliers, stockists, maintenance providers, traders, consultants and dealers in all kind of software and hardware and to carry on the said business in India or elsewhere in the world by itself or through agents or others as may be deemed proper.
3. To acquire from any person, firm or body corporate whether in India and elsewhere, financial and/or technical assistance and in particular know-how, process engineering, manufacturing and operation data, plans, designs layouts and to acquire or grant license and other rights.
4. To take over the running business of any other concern doing business similar to that of the Company as a going concern with all its rights and liabilities, licenses, quota rights and to do all such things as may be necessary for the taking over of the said business.
5. To carry on the business as manufacturers, consultants, designers, fabricators, assemblers, processors and dealers of all kind of computers, accounting and business machines, transistors, transformers, receivers, conductors magnetic components, microwave components, video games, tapes, discs, fittings, switches and all hardware, software and peripherals thereto.
6. To establish bureaus for providing computer services to process data and develop system of all kind by processing jobs and hiring out machine time and assist to set up operate and supervise the operation of the data processing divisions of other companies or organisations in India or elsewhere.
7. To carry on the business of system study, analysis designs, development and implementation of software system for usage of computer systems, communication system and combination of computer and communication system for using in Government, Industry, Business or other fields of activity.
8. To collect, process, sell, information, regarding marketing, technical, financial and other matter of various industries to Government, Industry, Business or other fields of activity.
9. To carry on the business of trading, manufacturing, importing & exporting and to act as consultants in software for usage of computer systems, communications systems or combination of both systems and hardware of computer systems, communication systems and providing consultancy related to commercial and non-commercial usage.

10. To apply for purchase or otherwise acquire and protect and renew in any part the work any patent, patent rights, trademarks, designs, license, concessions and the like, conferring any exclusive and non-exclusive or limited right to their use, of any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company, or directly to the benefit of the company and to use, exercise, develop or grant licenses in respect thereof or otherwise turn to account the property rights or information so acquired and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.
11. To enter into collaboration or such other arrangements, for receiving or imparting technical know-how, formulate, furnishing plants, drawings connected matters either with Indian or foreign parties in respect of the business of the company and to pay or charge fees, royalties, license fees or any other fees for such know-how and affiliation either in cash or otherwise.
12. To establish, provide, maintain and conduct or otherwise, subsidies research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on with all scientific and technical research, experiments and tests of all kinds and to promote studies an research both scientific and technical investigation and invention by providing, subsidizing, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing the remuneration to scientific and technical professors and teachers and by providing for the award, scholarships, prizes, grants and bursaries to students or independent students or otherwise and to encourage, promote and award studies, researches, investigations, experiments, tests and inventions of any kind and award studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the company is authorized to carry on.
13. To establish branches, within and outside and to effectively organize the sale and distribution of the goods manufactured by the producers for whom the Company is appointed as dealer, stockiest or selling or distributing agent.
14. To take or otherwise acquire and hold shares, undertake and carry-on the whole or any part of the business, property and liabilities of any person carrying on any business which the company is authorized to carry on or process either alone or in conjunction with others provided that the investments are made out of surplus funds of the company or for the advancement of main objects.
15. To enter into arrangements with any Company or other persons for securing rights to sell or distribute all or any of the products manufactured by such companies or persons and to obtain from such person or persons, any rights, privileges and concessions which the Company may think fit desirable to obtain and to carry out, exercise and comply with any such arrangements, rights privileges and concessions.
16. To enter into arrangements with any Government or authorities central, state, municipal local or otherwise that may seem conducive to the Company's objects or any of them, and to obtain from any such Government of Authority, any rights, privileges and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangement, rights, privileges and concessions.

17. To enter into partnership or into any arrangements for sharing profits, union of interest, cooperation, joint venture, reciprocal concessions or otherwise with any company or person, carrying on or engaged in any business or transaction mentioned within this Memorandum and to lend money to, guarantee the contracts of, or otherwise acquire share or securities of any such companies and to sell, or otherwise deal with the same.
18. To promote of finance, any company or industrial undertakings for the purpose of acquiring all or any of the property, rights and liabilities of this company.
19. Generally to purchase, take-on lease of in exchange or hire or otherwise acquire any movable or immovable property or rights or privileges which the company may think necessary or convenient for the purpose of its business and particularly any land, buildings, easements, machinery, plant and stock-in-trade.
20. To construct, improve, maintain, develop, work, manage, carry out or control and building, factories, works or any roads, ways or sidings, bridges, wells, water-courses, wharfs, warehouses, electric works, shops, stores, chawls, and other buildings for housing work people and others or other works and conveniences which may seem calculated directly or indirectly to advance the Company's interest and to contribute, to subsidies or otherwise assist or take part in construction, improvements, maintenance, development, working, management, carrying out or control thereof.
21. To invest and deal with the surplus moneys not immediately required for the business of the company in such manner as may from time to time de determined.
22. To receive money on deposit of loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures, or debenture-stock perpetual or otherwise and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, or lien upon all or any of the property and assets of the Company (both present and future) including its uncalled capital and also by similar mortgage, charge or lien to secure an guarantee any obligation undertaken by the company or any person of company as the car may be, but so as not to carry on the business of banking under the Banking Regulation Act, 1949.
23. To draw, make, accept, endorse, execute, discount, and issue promissory notes, bills of exchanges, bills of lading warrants, debentures and other negotiable and/or transferable instruments.
24. To lend and advance money or to give credit to such persons or companies and on such terms as may seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of any contract or obligations and the payment of money by any such persons or companies and generally to give guarantees and indemnities.
25. To aid pecuniary or otherwise any association, body or movement having for an object the solutions, settlement or surmounting of industrial or labour problems or troubles and of the promotion of industry or trade.

26. To sell or dispose of the undertaking of the Company, or any part thereof, for such consideration, as the company may think fit, and in particular for shares whether fully or partly paid up, debentures or securities of any other Company, whether or not having objects altogether or in part similar to those of the Company, and to hold and retain any shares, debentures or securities so required and to improve, manage, develop, sell, exchange, lease, mortgage, dispose of or turn to account, or otherwise deal with all or any part of the property or rights of the Company.
27. To take part in the supervision or control of the business or operations of any company or undertaking doing similar or allied business and in particular to appoint Directors or Managers of any subsidiary or of any other Company in which this Company is or may be interested. The Company shall not however act as Managers or Managing agents of any other Company.
28. To establish and support, or aid in establishment and support of associations, institutions, funds, trusts, and conveniences calculated to benefit persons who are or have been directors, managing directors or joint managing directors or who are or have been employed by or who are serving or have served the company or its predecessors in business and to grant pensions and allowances and to make payments towards insurance.
29. To obtain any order of the Government or Act of Legislature for enabling the Company to carry out any of its objects into effect or for effecting any modification of the Company's constitution or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
30. To amalgamate, enter into any partnership or partially amalgamate with or acquire interest in the business of any other Company, person or firm carrying on or engaged in, or about to carry on or engaged in any business of transaction included in the objects of the company.
31. To cause the company to be registered and recognized in any Indian State or foreign country or place and to open branches in India or outside for the purposes of the Company.
32. To accept gifts or awards from Government or semi-government bodies or give gifts, in appreciation of the services rendered by the company or to the company by other persons.
33. To act as Consultants, Advisors, Agents and Representatives in connection with the business of the Company.
34. To do all such other things as are incidental or conducive for the attainment of the objects of the Company.
35. To do all or any of the above things as principles, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others and to do all such other things as are incidental or as the Company may think conducive to the attainment of the above objects or any of them.
36. To distribute any of the property of the Company in-specie among the shareholders in the event of winding up subject to the provision of the Companies Act 1956.

37. To process, prepare for market, revise, clean, restore, recondition, treat and otherwise manipulate and deal in and turn to account by any process or means whatsoever all by products, refuse, waste and other products capable of being processed or produced out of or with the use of all or any raw materials, ingredients, substances or commodities used in the manufacture or deal in and to make such other use of same as may be thought fit.
38. To undertake and execute any trust gratuitous or otherwise. Subject to the provisions of the Companies Act, 1956 to subscribe or grant money for any national charitable, benevolent or any other object of general or public utility.
39. To institute Awards or to make donations to such persons or institutions and in such cases and either of cash or any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and, in particular, to remunerate any persons or corporation introducing business to this Company, assist or guarantee money for charitable, scientific, religious or benevolent, national public, cultural, educational or other institutions, objects or for any exhibition or for any public, general or other objects and to establish and support or aid in the establishment and support of associations, institutions, funds trusts and conveniences for the benefit of the employees or ex-employees (including Directors) of the Company or its predecessors in business or of dependents, relatives or connections of such persons and, in particular, friendly or other benefit societies of such persons and to grant pensions, allowances, gratuities and bonus, either by way of monthly or annual payments or a lump sum, and contribute to provident benefit funds and other welfare funds of for such persons.
40. To remunerate any corporation or person whether a Director of the Company, or not, and either in the form of brokerage, commission or otherwise, for any service rendered to the Company, or for introducing business, obtaining subscription for or guaranteeing the subscription of or placing or assisting in placing the shares, debenture stocks, securities, of the Company or Association promoted by this Company or in which it is interested or for services rendered or to be rendered in or about the formation or promotion of the company or the acquisition of the property by the Company or otherwise assisting or rendering services to the Company in any manner.
41. To refer or to agree, any claim, demand, dispute or any other question, by or against the Company, or in which the Company is interested or concerned, and whether between the Company and the member or members or is or their representatives, or between the Company and third parties, to arbitration in India or at any place outside India, and to observe and perform and to do all acts, deeds, matters and things to carry out or enforce the award.
42. To insure the whole or any part of the property of the Company either fully or partly, or protect and indemnify any part or portion thereof, either on mutual principle or otherwise.

(C) THE OBJECTS OTHER THAN THE MAIN OR INCIDENTAL OBJECTS NOT INCLUDED IN (A) & (B) ABOVE ARE:

1. To carry on the business of makers of anchor and chain, compass and other nautical instruments and fins finders, echo sounders which aid or are used for fishing operations, and repairs of the same, manufacturers, repairers and dealers in marine gear, marine engines, generators, refrigeration equipment and accessories and components connected with marine engineering and fishing and processing technology.

2. To carry on the business of consultancy services in marine engineering, shipping and naval architecture and other allied lines and to carry on the business of manufacture of ice, cold storage keepers and fishing and processing technology.
3. To acquire, purchase, sell, own, manage, improve, develop, let take on lease, exchange, mortgage, assign, hire and / or deal in lands and immovable properties of all kinds and any interest herein or thereto erect and construct buildings and structures of all kinds (commercial / industrial / residential) including but not limited to houses, industrial parks, cottages, resorts, shops, suites, warehouses, business units, factories, multistoried buildings, farm houses, group housing, quarters, apartments, flats, townships and civil works of every kind, to rebuild and enlarge, to alter and improve existing buildings and structures of every kind, to convert and appropriate, develop any land or other immovable properties into roads, streets, gardens and other conveniences and infrastructures generally to act as real estate developers, developers of urban and semi-urban infrastructures, builders, colonizers, contractors & agents, promoters, traders, agents, including commission agents, brokers and supervisor for immovable properties of all kinds, and to engage in real estate development, construction & infrastructure activities, to carry on all or any of the above businesses and activities either solely or in association with any person or persons (including but not limited to individuals, Companies, firms, body corporate(s) and association(s)).
4. To carry on the business of tool room work and to manufacture, produce, process, fabricate, assemble, design, develop, buy, sell, import, export, act as agents and deal in Machine Tools, Press Tools, Small Tools, Molding dies, Cutting tools and cutters, Jigs, Fixtures of all types and accessories, Precision Components and accessories, Special purpose machine tools, and accessories.
5. To carry on the business of Mechanical Engineers, Structural Engineers, Electrical Engineers, Metallurgists, Brass Founders, Iron Founders, Boiler Makers, Metal smiths and Wood Workers, Processors of Ferrous metals and materials, Converters & Blast Furnace operators and proprietors, Repairers, Enamellers, Japanners, Annealers, Wire Weavers, Electric and Chromium platers, Polishers, Alloy makers, Metal Plaster makers, Heat Treatment Processors. Tin Smiths, Lock Smiths and Iron Mongers.
6. To manufacture, fabricate, process, assemble, repair, convert, buy, sell, import, export, let on hire and deal in Plant, Machinery, Tools, Implements, Utensils, Rolling Stock and Hardware of all kinds, ferrous and Non-Ferrous Forgings, Casting and Stampings, Machinery Part, Moulds, Compression Moulding, Compressor parts, Garage Tools, Agricultural implements, Small forgings, pneumatic Tools, Reamers, Drills, Rigs, dies, Spare parts for kinds of machinery and in all other allied lines and to undertake sheet metal press job and all other engineering job workers.
7. To manufacture, assemble, buy, sell, import, export, act as agents and deal in computerized numerically controlled machines and other computerized numerically controlled accessories, and computer control systems for any machinery and to carry on the business of electrical and electronic engineers and manufacturers, sellers, suppliers and dealers of all kinds of electrical and electronic machinery and electrical apparatus and electronic gadgets and scientific instruments.
8. To open, make, install, plot-out, construct play grounds, with or without provisions for lighting for any sports or games and purchase such equipment and implements required for outdoor games such as billiards, table tennis, chess and also games which could be played with electric devices.

9. To carry on the business of investment company and for that purpose to acquire by original subscription through public issue or private offer, contract, tender, purchase, exchange, underwriting, sub-underwriting, participation in Syndicate or otherwise and whether or not fully paid-up, any shares, stocks, debentures, debenture stock, bonds, and securities issued or guaranteed by any Company, Corporation, Government Public bodies and to hold them in the name of the Company or otherwise and to deal with them by selling or changing the investments.
10. To buy, sell, import, export, hire and deal in any manner in electronic equipment and gadgets, computers, calculators, air-conditioners, refrigerators, water cooler, washing machines, vacuum cleaners, water heaters and other electrical and mechanical appliances, solar equipment, electronic entertainment and safety equipment.
11. To carry on all or any of the business of manufacturers, designers, consultants, experts, buyers, sellers, hirers, renters, repairers, exporters, importers, distributors, agents and dealers, of and in musical and other instruments of all kinds including television, radio, gramophone records, stereo systems, cinematography and photographic apparatuses, rolls, films, devices, accessories, appliances, materials and requirements of every kind whereby sound or vision is recorded, amplified, produced, transmitted or received.
12. To carry on the business of manufacturers, merchants, importers, exporters, repairers and agents for the sale and purchase of and dealers in instruments, apparatus, appliances and accessories of all kinds of indicating, recording, controlling, measuring and timing pressure humidity, flow, depth, density, movement and temperature and for other industrial, commercial, scientific, and other purposes and materials of all kinds capable of being used in connection therewith.
13. To establish, maintain and operate, air, shipping, and road transport service (public and private) and all ancillary services and for this purpose as independent undertaking to purchase, take in exchange, charter, hire, build, construct, or otherwise acquire, and own, manage and trade, repair, fit and refit, improve, insure, sell, exchange or let out on hire or hire-purchase or charter or otherwise deal with or dispose of any of the vehicle, equipment and stores.
14. To carry on the business of general carriers, forwarding agents and warehousemen and transport operators in all its branches and to act as stockiest, dealers, agents and brokers, for sellers buyers , exporters, importers, manufacturers, merchants, tradesman, insurers, and otherwise generally to undertake and carry out agency work and commission business for all types of goods and services.
15. To carry on business as Technical Consultants, Advisers and Surveyors of technical know-how, formulae, processes and applied technology and to organize and pursue Research and Development in areas chosen from time to time and to carry on the business of researchers, designers and manufacturers for developing alternative sources of energy including the design and manufacture of solar cells, panels, structural, Briquetting fuel coal, Bio gas plant.
16. To carry on the business of manufacturers, producers and dealers in all kinds of tea, coffee, cocoa, chocolates and other food beverages and preparations and also the business of extracting the essence of spices, herbs and fruits, and preparation of various flavours, and other connected products.

17. To carry on the business as dealers in, importers, exporters, manufacturers, producers, and preservers of dairy, farm and garden produce of all kinds and in particular milk cream, milk powder, yogurt, butter, cheese and any other milk products, fruits and vegetables.
18. To establish, manufacture, procure, process, mix, blend, refine, formulate, buy, sell or otherwise deal in all kinds of pharmaceutical, surgical, synthetic, chemical products and other apparatus including compounds, intermediates, derivatives and by-products thereon.
19. To carry on business as financial, Investment, monetary and commercial agents, advisers, lease financing and to carry on the transact every kind of guarantee and indemnity business, and to undertake obligation of every kind and description, and also to undertake and execute trusts of all kinds and to promote, finance or otherwise assist any company or other person.
20. To act as exporters and as eligible exports house for all kinds of goods whether or not manufactured or dealt with by the company.

IV. The Liability of the Members of the Company is limited.

V. Authorised Share Capital of the Company is Rs.97,40,00,000/- (Rupees Ninety Seven Crores and Forty Lakhs only) divided into 19,48,00,000 (Nineteen Crores Forty Eight Lakhs only) equity shares of Rs.5/- (Rupees Five only) each with power to increase, reduce and subdivide the Share Capital of the Company and to divide the same into various classes of shares and attach thereto such preferential/deferred, special rights and privileges as may be determined by the company in accordance with the provisions of the Companies Act, 2013.

* Altered vide Order of High Court of Judicature, madras dt. 15/09/2014 approving the Scheme of Arrangement cum Demerger between Polaris Financial Technology Limited and Intellect Design Arena Limited and their respective shareholders and the Scheme of Arrangement cum Demerger is effective from 25/09/2014

* Altered vide Special Resolution passed in the 05th Annual General Meeting of the Company held on 21st July, 2016.

* Altered vide National Company Law Tribunal (NCLT) order, Chennai dated 04.07.2018 approving Scheme of Amalgamation of Indigo TX Software Private Limited and Laser Soft Infosystems Limited with Intellect Design Arena Limited and their respective Shareholders with effect from 31st July, 2018.

* Altered vide Ordinary Resolution passed on the 07th Annual General Meeting of the Company held on 23rd August, 2018.

VI We, the several persons, whose names, addresses and description are hereunder subscribed, are desirous of being formed into a company in pursuat of this Memorandum of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite in our respective names

Sl. No.	Signature, Name, Address Description and occupation of the subscribers	No. of equity shares taken by each subscriber	Signature, Name, Address Description and Occupatin of the witness
1	Sd/- Polaris Software Lab Ltd Represented By K.Govindarajan No.244, Anna Salai, Chennai - 600006 Business PAN: AAACP4341E	49,940 (Forty Nine Thousand Nine Hundred and Forty Only).	<p>Sd/- All the 7 (Seven) subscribers signed before me at chennai , K.C.Raman, S/O K.Chakrapani Service Asst. Vice President, Secretarial No. 244, Anna Salai, Chennai - 600006 [PAN - AASPR9813Q]</p>
2	Sd/- K.Govindarajan S/O Mr. Krishnamoorthy No.1/1, East Abhirampuram, 2nd Street, Mylapore, Chennai - 600004 Service PAN: AAEPG6940R	10 (Ten Only)	
3	Sd/- Govind Singhal S/O. Mr. Lal Krishna Singhal 5-C Nithyasree Apartments, No. 51, Chamiers Road, Chennai - 600035 Service PAN: AALPS1686F	10 (Ten Only)	
4	Sd/- Jaideep Billa S/O. Mr. Ramnath Billa B-401, Keshav Dugar Apartment, East Avenue, K.P.Puram, Chennai - 600028 Service PAN: AAJPB1632N	10 (Ten Only)	
5	Sd/- Burde Suresh Kamath S/O. Mr. Burde Krishna Kamath, Rani Meyammai Towers, I Block, IV Floor, 'C' R.A.Puram, Chennai - 600028 Service PAN: AAKPK1941L	10 (Ten Only)	
6	Sd/- Uppilli Srinivasan C.S. S/o Chakravarthy Sesathoor Chellappa No.11, VenkateswaraNagar 3rd Street, Adyar Chennai - 600 020. Service PAN: ABBPS4456L	10 (Ten Only)	
7	Sd/- Padmini Sharath Kumar W/o. Mr. Sharath Kumar Carex, 244 Anna Salai, Chennai - 600006 Service PAN: AAAPP7829A	10 (Ten Only)	

Articles of Association
of
Intellect Design Arena Limited

1. PRELIMINARY

The regulations contained in Table F in Schedule I of Companies Act, 2013 (hereinafter referred to as Table F) shall not apply to this company as far as they apply to a Public Limited Company to the extent they are not expressly or impliedly excluded or modified by the following Articles.

2. DEFINITIONS

Act, The said Act or The Act	(a)	'Act', The said Act', or The act' and reference to any section or provision thereof respectively means and includes the Companies Act, 2013 (Act No. 18 of 2013) and any statutory modification thereof for the time being in force, and reference to the section or provision of the said Act or such statutory modification.
Articles	(b)	these Articles means these articles of association of the Company as modified from time to time
Beneficial Owner	(c)	Beneficial Owner means a person or persons whose name is recorded as such with a depository
Director	(d)	Director means a Director appointed to the Board of a Company.
Dividend	(e)	Dividend includes any interim dividend
Debenture	(f)	'Debenture' includes Debenture stock, bonds or any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the company or not.
Depositories Act, 1996	(g)	Depositories Act, 1996 shall include any statutory modification or re-enactment thereof.

Depository	(h)	Depository means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration to act as a depository under the Securities & Exchange Board of India Act, 1992
Equity Shares	(i)	Equity Shares means the issued and paid up equity shares in the capital of the Company
Financial Quarter	(j)	Financial Quarter means each successive quarterly period in a Financial Year
Financial Year	(k)	Financial Year means the period ending on the 31 st March of every year
Financial Statement	(l)	<p>“Financial Statements means:</p> <ul style="list-style-type: none"> i) a balance sheet as at the end of the financial year; ii) a profit and loss account, or in the case of a company carrying on any activity not for profit, an income and expenditure account for the financial year; iii) cash flow statement for the financial year; iv) a statement of changes in equity, if applicable; and v) any explanatory note annexed to, or forming part of, any document referred to in sub-clause (i) to sub-clause (iv)
Heading	(m)	The articles and annexure headings in these Articles are inserted for ease of reference only and shall not affect the construction or interpretation of these presents nor shall they be construed as conferring any rights on any party.
In Writing and Written	(n)	In writing and written include printing or lithography or any other modes of representing or reproducing words in visible form.
Intellectual Property Rights	(o)	Intellectual Property Rights means patents, trademarks, service marks, logos, get-up, trade names, internet

domain names, rights in designs, copyright (including rights in computer software) and moral rights, database rights, semiconductor topography rights, utility models, rights in know-how and other intellectual property rights, in each case whether registered or unregistered and including applications for registration, and all rights or forms of protection having equivalent or similar effect anywhere in the world

Independent Director	(p)	Independent Director shall have the meaning ascribed to it in the Act.
Key Managerial Personnel	(q)	“Key Managerial Personnel” means the Chief executive officer or the managing director; the company secretary; whole-time director; chief financial officer; and such other officer as may be notified from time to time in the Rules.
Month	(r)	Month means a month reckoned according to the English calendar;
National Holiday	(s)	“National Holiday” means the day declared as national holiday by the Central Government.
Ordinary or Special Resolution	(t)	Ordinary or Special Resolution means an ordinary or as the case may be, special resolution referred to in section 114
Register	(u)	The Register shall means the Register of Members to be kept as required by section 88 of the Act
Registered Office	(v)	Registered Office means the registered office of the Company
Rules	(w)	“Rules” means any rule made pursuant to section 469 of the Act or such other provisions pursuant to which the Central Government is empowered to make rules, and

shall include such rules as may be amended from time to time.

SEBI	(x)	SEBI means the Securities Exchange Board of India;
Seal	(y)	Seal means the Common Seal for the time being of Company
Securities	(z)	Securities means the securities as defined in clause (h) of section 2 of the Securities Contract (Regulation) Act, 1956.
Share Capital *	(aa)	The Authorised Share Capital of the Company is Rs.97,40,00,000/- (Rupees Ninety Seven Crores and Forty Lakhs only) divided into 19,48,00,000 (Nineteen Crore and Forty Eight Lakhs only) equity shares of Rs.5/- (Rupees Five) each.
Subsidiary Company or Subsidiary	(ab)	Subsidiary Company or Subsidiary shall have the meaning assigned to the term by Section 2 (87) of the Act
Singular / Plural / Gender	(ac)	Unless repugnant to the subject or the context, words in the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine gender.
Voting Rights	(ad)	Voting Rights means all voting rights attributable to the Equity Shares exercisable from time to time at general meetings of the Company or by means of postal ballot
Words and Expression	(ae)	Unless the context otherwise requires words and expressions contained in the Articles shall bear the same meaning as in the Act.
Year	(af)	Year means a year reckoned according to the English calendar.

* Altered vide Order of the High Court of Judicature, Madras dt.15/09/2014 approving the Scheme of Arrangement cum Demerger between Polaris Financial Technology Limited and Intellect Design Arena Limited and their respective shareholders and the Scheme of Arrangement cum Demerger

is effective from 25/09/2014.

* Altered Vide Special Resolution passed in the 05th Annual General Meeting of the company held on 21st July, 2018

* Altered vide National Company Law Tribunal (NCLT) order, Chennai dated 04.07.2018 approving Scheme of Amalgamation of Indigo TX Software Private Limited and Laser Soft Infosystems Limited with Intellect Design Arena Limited and their respective shareholders with effect from 31.07.2018

* Altered Vide Ordinary Resolution passed on the 07th Annual General Meeting of the company held on 23rd August, 2018

3. STATUTORY PROVISIONS

Except where the context requires otherwise, references to statutory provisions shall be construed as references to those provisions as respectively amended or re-enacted or as their application is modified by other provisions from time to time.

4. INCREASE OF CAPITAL OF THE COMPANY AND HOW CARRIED INTO EFFECT

The Company in General Meeting, may from time to time, increase its capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such amounts as the resolution shall prescribe. Subject to the provisions of the act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof shall prescribe and if no direction be given, as the Directors shall determine and in particulars, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company and with a right of voting at General Meetings of the Company, in conformity with the applicable provisions of the Act. Whenever the capital of the Company has been increased under the provisions of these Articles, the Directors shall comply with the provisions of Section 64 of the Act.

5. ALLOTMENT OTHERWISE THAN FOR CASH

Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the Company as payment or part-payment for any property or

assets of any land whatsoever, sold or to be sold or transferred or to be transferred or for goods or machinery supplied or to be supplied or for services rendered or for technical assistance or know-how made or to be made available to the Company or the conduct of its business and shares which may be so allotted may be issued as fully or partly paid-up otherwise than in cash and if so issued, shall be deemed to be fully or partly paid as the case may be.

6. ADDITIONAL CAPITAL TO FORM PART OF EXISTING CAPITAL

Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares, shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

7. REDEEMABLE PREFERENCE SHARES

Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue preferential shares which are or at the option of the Company are to be liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

8. REDUCTION OF CAPITAL

The Company may (subject to the provisions of Sections 52, 55, 66 of the Act) from time to time by Special Resolution, reduce its capital and any Capital Redemption Reserve Account or Security Premium Account in any manner for the time being authorised by law, and in

particular, capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

9. VARIATION OF RIGHTS

If at any time the share capital is divided into different classes of shares, all or any of the rights and privileges attached to the shares of any class may subject to the provisions of Section 48 of the Act be varied, commuted, affected, dealt with or abrogated with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution at a separate meeting of the holders of the issued shares of that class.

10. FURTHER ISSUE OF SHARES

- (a) Where it is proposed to increase the subscribed capital of the Company by the issue of new shares:
 - (i) such new shares shall be offered to the persons who, at the date of the offer are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit to the capital paid-up on these shares at that date;
 - (ii) the offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
 - (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice shall contain a statement of this right;

- (iv) after the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.
 - (v) To employees under a scheme of employees' stock option, subject to Special Resolution passed by the company and subject to such conditions as may be specified in the relevant Rules.
 - (vi) To any persons, by way of passing a Special Resolution to that effect, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be specified in the relevant Rules
- (b) Whenever any shares are to be offered to the members the Directors may dispose of any such shares which, by reason of the proportion borne by them to the number of persons entitled to such offer or by reason of any other difficulty in apportioning the same cannot in the opinion of the Directors be conveniently offered to the members.
 - (c) The right to issue further shares provided in this clause, shall include a right to the Company, to issue any instrument, including Global Depositary Receipt.

11. ISSUE OF FURTHER PARI PASSU SHARES NOT TO AFFECT THE RIGHT OF SHARES ALREADY ISSUED

The rights conferred upon the holders of the shares of any class issued with preferred or any other rights shall not, unless otherwise expressly provided by the terms of issue of class, be deemed to be varied by the creation or issue

of further shares ranking pari passu therewith.

12. SUB-DIVISION AND CONSOLIDATION OF SHARES

- (a) Subject to the provisions of Section 61 of the Act, the Company in General Meeting may from time to time, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares so cancelled. The cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of the share capital.

- (b) The Directors are hereby authorised to issue Equity Shares or Debentures (whether or not convertible into equity shares) with the approval of members by a Special Resolution passed at a General Meeting for offer and allotment to such of the officers, employees and workers of the Company as the Directors may select or the trustees or such trust as may be set up for the benefit of the officers, employees and workers in accordance with the terms and conditions of such scheme, plan or proposal as the Directors may formulate. Subject to the consent of the stock exchanges and of the Securities Exchange Board of India, the Directors may impose the condition that the shares in or debentures of the Company so allotted shall not be transferable for a specified period.

13. SHARES TO BE NUMBERED PROGRESSIVELY AND NO SHARES TO BE SUB-DIVIDED

The shares in the capital shall be numbered progressively according to their several denominations, provided however that the provision relating to progressive numbering shall not apply to the shares of the Company which are in dematerialized form. Except in the manner herein before mentioned, no share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

14. DEMATERIALISATION OF SECURITIES

- (a) The Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

- (b) (i) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect, of any security in manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities.

- (ii) If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security and on receipt of the information the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

- (c) All securities held by a depository shall be dematerialized and be in fungible form.

- (d) (i) The depository whose name is entered as the registered owner of securities in the Register of Members of the Company shall not have any Voting Rights or any other rights in respect of the Securities held by it.
- (ii) Every person holding Securities of the Company and whose name is entered as the Beneficial Owner in records of the depository shall be deemed to be a member of the Company. The Beneficial Owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities as a member in respect of his Securities which are held by a depository.
- (e) (i) Provisions contained in Section 56 of the Act and these Articles shall not apply to transfer of Securities effected in respect of Securities held in fungible form.
- (ii) In the case of transfer or transmission of Securities where the Company has not issued any certificates and where such Securities are being held in fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

15. SHARES AT THE DISPOSAL OF THE DIRECTORS

Subject to the provisions of these Articles and the Act, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any one of them to such persons in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of the Act) and at such times as they may from

time to time think fit and proper and with the sanction of the members at General Meeting to give to any person the option to call for or be allotted shares of any class of the Company either at par or at premium during such time and for such consideration and such option being exercisable at such times as the Directors think fit; and any shares which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed to be fully paid up shares. The Boards shall cause to be filed the returns as to allotment provided for in Section 39 of the Act and relevant Rules. Provided that the option or right to call of shares shall not be given to any person except with the sanction of the company in the General Meeting.

16. ACCEPTANCE OF SHARES

Any application signed by, or on behalf of, an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is entered in its Register of Members shall, for the purpose of these Articles, be a member of the Company.

17. DEPOSIT AND CALL, ETC., TO BE A DEBT PAYABLE IMMEDIATELY

The money (if any) which the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposits, call or otherwise, in respect of any shares allotted by them, shall, immediately on the inscription of the name of the allottee in the Register of Members as the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him

accordingly.

18. LIABILITY OF MEMBERS

Every member, or his heirs, executors, administrators or other representatives, shall pay to the Company the portion of the capital represented by his share or shares, which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Director shall, from time to time, in accordance with the Company's Regulations require or fix for the payment thereof.

19. SHARE CERTIFICATE

- (a) The share certificates shall be issued in marketable lots and where share certificates are issued in either more or less than market lots, sub-division or consolidation of share certificates into market lots shall be done free of charge.

The share certificate shall be in the format specified in Form No. SH. 1 as per the relevant provisions of the Act and the Rules made thereunder.

- (b) Any two or more joint allottees of a share shall, for the purposes of this Article, be treated as a single Member, and the certificate of any share which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled but shall not be bound, to prescribe a charge not exceeding Rupees One. The Company shall comply with the provisions of Section 56 of the Act.
- (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or

other mechanical means, such as engraving in metal or lithography, or digitally signed but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

- (d) The Company shall be entitled to dematerialise its shares, debentures and other securities and rematerialize its shares, debentures and other securities held in the Depositories and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act, 1996.
- (e) Notwithstanding anything contained in sub-clause (d) above, the Board shall not accept application(s) for subdivision or consolidation of shares or debentures or bonds into denominations of less than marketable lots except where such a subdivision or consolidation is required to be made to comply with a statutory order or an order of a competent court of law or a request from a member to convert his holding of odd lots of shares or debentures or bonds into transferable/marketable lot subject, however to verification by the Company.
- (f) No fee shall be charged for issue of new share certificates in replacement of those which are Old, decrepit, worn-out or where the cages on the reverse of the share certificates for recording transfers have been fully utilized.
- (g) When a new share certificate has been issued in pursuance of sub-clause (f) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of Share Certificate No. _____ sub divided/ replaced/ on consolidation of shares".

- (h) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on payment of such fee, not exceeding Rupees fifty (50) per certificate as the Board may from time to time fix, and on such terms, if any, as to evidence and indemnity as to payment of such out-of pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.

- (i) When a new share certificate has been issued in pursuance of sub-clause (h) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "a duplicate issued in lieu of share certificate No._____". The word "duplicate" shall be stamped or punched in bold letters across the face of the share certificate.

- (j) Where a new share certificate has been issued in pursuance of sub-clauses (f) or (h) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the name or names of the person or persons to whom the Certificate is issued the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in Register of Members by suitable cross reference in the "Remarks" column.

- (k) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority or a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may

appoint for the purposes; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

- (l) All books and documents relating to the issue of share certificates except the blank forms of share certificates referred to in sub-clause (k) of this Article shall be in the safe custody of the person authorised by the Board in this regard.
- (m) All books referred to in sub-clause (l) shall be preserved in good order permanently.

20. REGISTER AND INDEX OF MEMBERS

The Company shall keep a Register and Index of Members in accordance with Sections 88, of the Act and the details of the members holding shares both in material and dematerialised form in any media as permitted by law including electronic media. The Company shall also be entitled to keep in any state or country outside India a Branch Register of Members resident in that state or country

21. DELIVERY OF SHARE/DEBENTURE CERTIFICATES

The Company shall within two months after the allotment of any of any Securities and within one month after the application for the registration of the transfer of any such Security, deliver in accordance with section 20 of the Act. The expression "i" for the purpose of this Article means a transfer duly stamped and otherwise valid and does not include any transfer which the company is for any reason entitle to refuse to register and docs not register.

22. LIABILITY OF JOINT HOLDERS

If any share stands out in the names of two or more persons all the joint holders of the shares shall be severally as well as jointly liable for the payment of all deposits, installments and calls due in respect of such shares, and for all incidents thereof according to the Company's Regulations, but the person first named in the Register shall, as regards receipt of dividend or bonus or service of notice, and all or any other matters connected with the company, except voting at meetings and the transfer of the shares, and any other matter by the said Act or herein otherwise provided, be deemed the sole holder thereof.

23. REGISTERED HOLDER ONLY THE OWNER OF THE SHARES

Save as herein or by the law otherwise expressly provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not except as ordered by a Court of competent jurisdiction, or as by law required, be bound to recognize any equitable, contingent, future, partial or other claim to or interest in any share, on the part of any other person whether or not it shall have express or implied notice thereof, provisions of the Act shall apply and save as aforesaid, no notice of any trust expressed, implied or constructive shall be entered in the Register. The Directors shall, however be at liberty; at their sole discretion to register any share in the joint names of any two or more persons, and the survivor or survivors of them.

24. SHARE CERTIFICATE FOR JOINT MEMBER

The Company shall not be bound to register more than three persons as the joint holders of any share except in the case of executors or trustees of a deceased member

and in respect of a share held jointly by several persons the Company shall not be bound to issue more than one certificate and delivery of a certificate for a share to any one of the several joint holders shall be sufficient delivery to all such holders.

25. FRACTIONAL CERTIFICATES

The Company may issue such fractional coupons as the Board may approve in respect of any of the shares of the Company on such terms as the Board thinks fit as to the period within which the fractional coupons are to be converted into share certificates.

26. UNDERWRITING AND BROKERAGE – COMMISSION MAY BE PAID

Subject to the provisions of Section 40 of the Act, the Company may at any time pay a commission to any person, in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures of the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares or debentures in the Company, but so that the commission shall not exceed in case of shares five percent of the price at which the shares are issued and in case of debentures two and a half percent of the price at which the debentures are issued. The Company shall also pay a higher rate of commission over and above the said percentage if so authorised by the Act.

Such commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

27. BROKERAGE

The Company may pay a reasonable sum for brokerage.

28. CALLS

- | | | |
|--------------------------------------|-----|---|
| Directors may make calls | (a) | The Board may from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such calls as it thinks fit upon the Members in respect of all monies unpaid on the shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the time and place appointed by the Board. A call may be made payable by installments. |
| Notice of calls | (b) | Thirty days notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such calls shall be made. |
| Calls to date from resolution | (c) | A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board. |
| Call may be revoked | (d) | A call may be revoked or postponed at the discretion of the Board. |
| Liability of Joint Holders | (e) | Joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof. |
| Directors may extend time | (f) | The Board may, from time to time at its discretion, extend the time fixed for payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Board may deem fairly entitle to such extension save as a matter of grace and favour. |

Overdue calls to carry interest	(g)	If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member and the Board shall be at liberty to waive payment of such interest either wholly or in part.
Sums deemed to be calls	(h)	Any sum, which by the terms of issue of share become payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue of the same becomes payable, and in case of nonpayment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
Part payment on account of call etc. not to preclude forfeiture	(i)	Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the company of a portion of any money which shall from time to time be due from any member to the company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.
Proof on trial or suit for money on	(j)	On the trial or hearing of any action or suit brought by the Company against any member or his legal representative

shares

to recover any moneys claimed to be due to the Company for any call or other sum in respect of his shares, it shall be sufficient to prove:

- (i) that the name of the Member, in respect of whose shares the money is sought to be recovered, appears entered in the Register of Members as the holder or one of the holders, at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the said shares;
- (ii) that the resolution making the call is duly recorded in the minutes books; and
- (iii) that notice of such call was duly given to the Member or his legal representatives issued in pursuance of these Articles; and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which such call was made, nor that the meeting at which such call was made was duly convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt and the same shall be recovered by the company against the Member or his representative from whom it is ought to be recovered, unless it shall be proved, on behalf of such Member or his representatives against the company that the name of such Member was improperly inserted in the Register or that the money sought to be recovered has actually been paid.

Payment of unpaid share capital in advance

- (k) (i) The Board may if it thinks fit, subject to the provisions of the Act, agree to and receive from any Member willing to advance the same, either in money or moneys worth the whole or any part of the amount remaining unpaid on the shares held by him beyond the sum actually called up and

upon the moneys so paid or satisfied in advance, or so much thereof, as from time to time and at any time thereafter exceeds the amount of the calls then made, upon and due in respect of the shares on account of which such advances have been made, the Board may pay or allow interest at such rate as the Member paying such advance and the Board agree upon provided always that if at any time after the payment of any such money the rate of interest so agreed to be paid to any such Member appears to the Board to excessive, it shall be lawful for the Board from time to time to repay to such Member so much of such money as shall then exceed the amount of the calls made upon such shares, unless there be an express agreement to the contrary; and after such repayment such member shall be liable to pay, and such shares shall be charged with the payment of all future calls as if no such advance had been made; provided also that if at any time after the payment of any money so paid in advance, the company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the members to the Company, on installments or calls, or in any other manner, the maker of such advance shall be entitled (as between himself and the other members) to receive back from the Company the full balance of such moneys rightly due to him by the Company in priority to any payment to members on account of capital.

- (ii) No member paying any such sum in advance shall be entitled to any Voting Rights, dividend or right to participate in profits in respect of money so advanced by him until the same would but for such payment become presently payable.

29. FORFEITURE AND SURRENDER OF SHARES

- If money payable on share not paid notice to be given to members** (a) If any Member fails to pay any call or installment of call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reasons of such non-payment.
- Term of Notice** (b) The notice shall name a day (not being earlier than the expiry of fourteen days from the date of service of notice) and a place or places on and at which such call or installment and such interest thereon at such rate as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and the place appointed, the share in respect of which the call was made or installment is payable will be liable to be forfeited.
- In default of payment, shares may be forfeited** (c) If the requirements of any such notice as aforesaid are not complied with, every or any share in respect of which such notice has been given, may at any time thereafter, but before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares and not actually paid before the forfeiture.
- Notice of forfeiture** (d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture or to any of his legal representatives, or to any of the persons entitled to

the shares by transmission and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members but no forfeiture, shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Forfeited shares to become property of the company and may be sold etc.

(e) Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed off, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.

Member still liable to pay money due notwithstanding the forfeiture

(f) Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay, and shall forthwith pay to the Company on demand all calls, amounts, installments interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture, until payment, at such rate as the Board may determine and the Board may enforce the payment thereof if it thinks fit.

Effect of forfeiture

(g) The forfeiture of share shall involve extinction, at the time of forfeiture, of all interest in and of all claims and demands against the Company, in respect of the share, and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

Surrender of shares

(h) The Directors may subject to the provisions of the Act, accept a surrender of any shares from or by any Member desirous of surrendering them on such terms as they think fit.

Evidence of

(i) A declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the

forfeiture

Company has been duly forfeited in accordance with these Articles on the date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

30. LIEN ON SHARES

Company's lien on shares

(a)

The fully paid shares will be free from all lien. The Company shall have a first and paramount lien upon all the shares, being partly paid-up shares, registered in the name of each member (whether solely or jointly with another or others), and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that Article 23 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien if any on such shares. The Board of Directors may at any time declare any shares to be exempt, wholly or partially from the provisions of this Article.

Lien enforced by sale

(b)

For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their member or some other person to execute a transfer thereof on behalf of and in the name of such member. No such sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof is presently payable or the liability in respect of which such lien exists is liable to be presently fulfilled or discharged and until notice in writing of the intention to sell shall have been served on such Member,

or his heirs, executors, administrators, or other representatives or upon the persons (if any) entitled by transmission to the shares or any one or more of such heirs, executors, administrators, representatives or persons, and default shall have been made by him or them in payment, fulfillment or discharge of such debts, liabilities or engagements for fourteen days after such notice.

Application of sale proceeds

(c)

The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards the satisfaction of such debts, liabilities or engagements and the residue (if any) paid to such member, or any of his heirs, executors, administrators, representatives or assigns or any of the persons (if any) entitled by transmission to the shares sold.

Validity of sale under Articles

(d)

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only in and against the Company exclusively.

Cancellation of share certificate in respect of forfeited shares

(e)

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and

void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitles thereto.

Power to annul forfeiture

- (f) The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as it thinks fit.

31. ACCOUNTS

Accounts

- (a) The Directors shall keep or cause to be kept at the Registered Office of the Company or at such place in India as the Board thinks fit proper books of accounts in respect of:
- (i) all sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure take place;
 - (ii) all sales and purchase of goods by the Company;
 - (iii) the assets and liabilities of the Company. and
 - (iv) The items of cost, if any- as specified in the relevant Rules.
- (b) Proper books of account shall also be kept at each branch office of the Company, whether in or outside India, relating to the transactions of that office and proper summarised returns made up to dates at intervals of not more than three months shall be sent by each branch office to the Company at its Registered Office of the Company or the other place referred to in clause (a) hereof.
- (c) The books of account referred to in clause (a) and (b) shall be such books as are necessary to give a true and fair view of the state of affairs of the Company or such branch office and to explain its transaction.

- | | | |
|--|---------------------------|--|
| Inspection to members when allowed | (d)

(e)

(f) | <p>The books of accounts and other Books and Papers shall be open to inspection by any Directors during business hours.</p> <p>The Directors shall comply in all respects with Sections 128, 129, 133, 134, 136, 137 and 138 of the said Act and any statutory modifications thereof.</p> <p>The Directors shall, from time to time, determine whether and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of the members not being Directors; and no member (not being a Director) shall have any right of inspection of any account or book or document of the Company except as conferred by law or authorised by the Directors, or by a resolution of the Company in general meeting.</p> |
| Financial Statements to be laid before the member | (g) | <p>Subject to Section 129 of the Act at every annual general meeting of the Company the Directors shall lay before the Company a Financial Statements for each financial year.</p> |
| Contents of Financial Statements | (h) | <p>The Financial Statement shall give a true and fair view of the state of affairs of the Company at the end of the period of the account.</p> <p>Financial Statements shall comply with the provisions 129 and 133 of the said Act.</p> |
| Financial Statements how to be signed | (i) (i)

(ii) | <p>The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act.</p> <p>The Directors shall make out and attach to every Balance Sheet laid before the Company in general meeting a report of the board of Directors which shall comply with the requirements of and shall be signed in the manner provided by Section 134 of the said Act.</p> |

**Right of Members
to copies of
Financial
Statements and
Auditors' Report**

- (j) A copy of every Financial Statements (including consolidated Financial Statement, the Auditors' Report and every other document required by law to be annexed or attached, as the case may be, to the Financial Statement) which is to be laid before the Company in General Meeting shall not less than twenty one days before the date of meeting be sent to every member, every trustee for the debenture holder of any debentures issued by the Company and to the Auditors of the company.

If the copies of the documents aforesaid are sent less than twenty one days before the date of the meeting they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by ninety five percent of the members entitled to vote at the meeting.

The accidental omission to send the documents aforesaid, to or the non receipt of the documents aforesaid by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

- (k) Any member or holder of debentures of the Company whether he is or is not entitled to have copies of the Company's Financial Statements sent to him, shall on demand, be entitled to be furnished without charge, and any person from whom the Company has accepted a sum of money by way of deposit shall on demand accompanied by the payment of a fee of fifty rupees, be entitled to be furnished with a copy of the Financial Statements and every other documents required by law to be annexed or attached thereto.

**Copies of Financial
Statements etc. be
filed**

- (l) (i) A copy of the Financial Statements, including consolidated Financial Statements, if any, along with all the documents which are required to be or attached to such Financial

Statements under this Act, duly adopted at the annual general meeting of the company, shall be filed with the registrar within thirty days of the annual general meeting.

- (ii) If the Annual General Meeting before which a Financial Statement is laid as aforesaid does not adopt the Financial Statements, the un-adopted Financial Statements together with the other documents that are required to be attached to the financial statements shall be filed with the registrar within thirty days of the annual general meeting. Thereafter, the Financial Statements adopted at the adjourned annual general meeting shall be filed with the Registrar within thirty days of such adjourned annual general meeting.

When accounts to be deemed finally settled

- (m) Every account when audited and approved by a general meeting shall be conclusive.

32. BORROWING POWERS

Power to Borrow

- (a) Subject to the provisions of Sections 179 and 180 of the Act and of these Articles, the Board may, from time to time at its discretion, by a resolution passed at a Meeting of the Board accept deposits from Members, either in advance of call or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the company provided however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (that is to say, reserves not set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting.

The payment or repayment of

- (b) The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such

monies borrowed

terms and conditions in all respects as the Board may think fit, and in particular by a resolution passed at a meeting of the Board (and not by Circular Resolution) by the issue of debentures of the Company, charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being, and debentures, and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Terms of issue of debentures

(c)

Any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they or any part of them shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with a right to conversion or allotment of shares shall be issued only with the consent of the company in General Meeting accorded by a special resolution.

Register of mortgages etc. to be kept

(d)

The Board shall cause a proper register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company and shall cause the requirements of Section 71, 77 and 79 to 85 (both inclusive) of the Act, in that behalf to be duly complied with (within the time prescribed by the said sections or such extensions thereof as may be permitted by the Company Law Board or the court or the Registrar as the case may be) so far as they fail to be complied with by the Board.

Register and index of debenture

(e)

The Company shall if any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 88 of the Act and the applicable Rules made

holders

thereunder. The company may at any time issue debentures both in material and dematerialised form in any media as permitted by law including electronic media. The Company shall also be entitled to keep in any country outside India a part of Register of debenture holders resident in that country. The Company shall have the power to keep in any Country outside India a part of Register of Debenture holders resident in that State or Country.

33. DIRECTORS AND OFFICERS

Board of Directors

(a)

Until otherwise determined by the company in a General Meeting and subject to the Provisions of Section 149 of the Act, the number of directors (excluding Debenture Directors and Nominee Directors appointed under Articles 34 (c) and (d) hereof and Alternate Directors) shall not be less than three nor more than fifteen.

Number of Directors

Quorum

(b) (i)

Subject to section 174 of the Act and other applicable Rules, the quorum for the transaction of business at any meeting of the Board shall be at least two directors or one third of its total strength (any fraction contained in the one third being rounded off as one) whichever is higher and the directors participating through video conferencing or by other audio visual means shall also be counted for the purpose of this Article.

(ii)

Where a meeting of the Board could not be held for want of quorum, the director present to attend the meeting, (where more than one director is present, any one of them after mutual discussion) shall be entitled to intimate the date, time and place of the adjourned meeting, which intimation shall be sent by him within two days of the meeting that could not be held for want of quorum. In the event, the director or directors present, do not send any

intimation, then the adjourned meeting shall be held in the manner specified in the Act.

- (iii) The provisions of sub-section (1) of section 173 shall not be deemed to have been contravened, merely by reason of the fact that a meeting of the Board which had been called in compliance with the terms of that section could not be held for want of a quorum.

Meeting of Directors (c) A minimum number of four meetings of the Directors shall have been held in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meeting and proceedings, as they think fit, and may determine the quorum necessary for the transaction of business.

Voting (d) At any meeting of the Board, each director shall be entitled to one vote. All decisions of the Board must be by majority vote. The Chairman shall have a casting vote.

Notice and agenda (e) Meetings of the Board and of any committee of the Board shall be held at least once every three months and at least 7 days written notice shall be given to each of the members of the Board of any such meeting through hand delivery or by post or by electronic means. Any notice shall include an agenda identifying in reasonable detail the matters to be discussed at the meeting, shall be accompanied by full and detailed information and all relevant papers for discussion at such meeting and, if sent to an address outside India, shall be sent by courier, fax or e-mail.

Attendance by video conferencing (f) Without prejudice to the rights of the directors to appoint alternate directors, any member of the Board who is not

**or other audio
visual means**

able to attend a meeting of the Board or of any committee of which he is a member, shall be entitled to participate in that meeting by video conferencing or other audio visual means.

**Transfer of
information**

(g)

Subject to applicable law, the Company shall provide to the Directors all information requested by them relating to the Company.

Chairman

(h)

The Directors may elect a Chairman to chair its meetings and determine the period for which he is to hold office. The Chairman be permitted to hold the position of both the Chairman of the Board and/or General Meeting as well as Managing Director/CEO/equivalent position thereof in the Company as per the recommendations of the appropriate committee of the Directors and approved by the Directors.

34. MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND OTHER DIRECTORS

Alternate Director

(a)

The Board may appoint an alternate director to act for a director hereinafter called "original director" during his absence for a period of not less than three months from India. An alternate director appointed under this Article shall not hold office as such for a period longer than that permissible to the original director and shall vacate office if and when the original director returns to India . If the term of office of original director is determined before he so returns to India aforesaid any provision for automatic re-appointment of retiring directors in default of another appointment shall apply to the original and not to the alternate director.

**Managing Director
and Whole time
Director**

(b)

The Board may appoint, from time to time, one or more of their members to be the Managing Director or Joint Managing Director or Whole-time Director or Deputy Managing Director or Manager of the Company on such

terms and on such remuneration (whether by way of Salary or commission, or partly in one and partly in another) as they may think fit and the directors so appointed shall not while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of retirement of directors, but their appointment shall be subject to determination ipso facto if they cease from any cause to be a director or if the Company in General Meeting resolve that their tenure of the office of Managing Director or Joint Managing Director or Whole time Director or Deputy Managing Director or Manager be determined. Subject to the provisions of the Act, the Directors, may from time to time entrust and confer upon a Managing Director for the time being such of the powers exercisable upon such terms and conditions and with such restrictions as they may think fit either collaterally with or to the exclusion of and in substitution for all or any of their own powers and from time to time revoke, withdraw, alter or vary all or any of such powers.

Debenture Director

(c)

If it is provided by any Trust Deed, security or otherwise, in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director or Directors of the Company, then in the case of any and every such issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a Director or Directors accordingly. Any Director so appointed is herein referred to as "Debenture Director". A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another director may be appointed in his place. ; A Debenture Director shall automatically cease to hold office as a director if and when the debentures are fully discharged.

Nominee Directors	(d)	<p>So long as any moneys remain owing by the Company to any development financial institutions or public financial institutions, or by two or more of them or so long as any of them holds or continues to hold Securities in the Company as a result of any guarantee furnished by them on behalf of the Company and remaining outstanding, it shall have a right to appoint from time to time any person as Director, Whole time or non-whole time (which Director or Directors is/are hereinafter referred to as 'Nominee Director/s) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person in his or their places. Subject as aforesaid, Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.</p>
Co-Option of Directors	(e)	<p>Directors shall have power at any time and from time to time to co-opt any other person as a director either to fill a casual vacancy or as an additional director, so that the total number of directors shall not at any time exceed the maximum fixed. Any Director appointed to fill a casual vacancy shall hold office only up to the date up to which the director in whose place he has been placed would have held the office if it had not been vacated. Any additional director shall hold office only up to the date of next Annual General Meeting or the last date of Annual General Meeting should have been held whichever is earlier.</p>
Remuneration of Directors	(f)	<p>The remuneration of Directors , including the fees payable to the Directors of the Company in attending the Meetings of the Board or the Committees of the Board, shall be determined by the Board of Directors from time to time, provided, that the sitting fees payable to the Directors as aforesaid shall be within the maximum permissible limits</p>

under the Act and Rules.

Directors' travelling expenses

(g) In addition to the remuneration payable to them, Directors shall be entitled to be paid all travelling, hotel and other incidental expenses properly incurred by them in attending and returning from meetings of the Board of Directors or any Committee thereof or General Meetings or in connection with the business of the Company. The rules in this regard may be framed by the Board of Directors from time to time.

Special remuneration for performing extra services

(h) If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a Member of any committee formed by the Director(s)) the Board may arrange with such Directors for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration, subject to provisions of the Act.

Directors may act notwithstanding any vacancy

(i) The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that fixed for a quorum or for summoning a General Meeting but for no other purpose.

Secretary to call board meeting

(j) The Secretary shall, and when directed by any Director to do so, convene a meeting of the Board by giving a notice in writing to every other Director.

Terms of office of

(k) Not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to

Directors			determination by retirement of Directors by rotation.
Retirement of Directors by rotation	of	(l)	At every annual general meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one third, shall retire from office.
Ascertainment of Directors to retire	of	(m)	The Directors to retire by rotation under the foregoing Article shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. A retiring Director shall be eligible for re-election.
Company appoint successors	to	(n)	The Company, at the annual general meeting at which a Director retires in manner aforesaid, may, fill up the vacated office by electing the retiring Director or some other person thereto.
Removal of Directors	of	(o)	The Company may (subject to the provisions of Section 169 of the Act) remove any Director before the expiration of his period of office and appoint another person in his stead.
Circular resolution		(p)	No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors or to all the members of the committee at their address registered with the Company in India by hand delivery or by post or courier or through e-mail and has been approved by a majority of such of them as are entitled to vote on the resolution.

Validity of Directors Acts

(q)

All acts done by any meeting of the Board or by a Committee or by a sub-committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors, or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such persons had been duly appointed and was qualified to be a Director and had not vacated his office or his appointment had not been terminated. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

General Powers of the Board of Directors

(r)

The business of the Company shall be managed by the Board of Directors, who may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in general meeting, subject nevertheless to the regulations of these Articles to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in general meeting but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board of Directors shall not except with the consent of the members at General Meeting by a Special Resolution:

- (i) sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, of any such undertaking;

Explanation:

“undertaking” shall mean an undertaking in which the investment of the company exceeds twenty per cent. of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty per cent. of the total income of the company during the previous financial year.

- (ii) remit or give time for the repayment of, any debt due from a Director;
- (iii) invest, otherwise than in trust Securities, the amount of compensation received by the company as a result of any merger or amalgamation;
- (iv) borrow moneys, where the moneys to be borrowed together with the moneys already borrowed by the company (apart from temporary loans obtained from the company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the company and its free reserves.

Contribution to charitable funds

- (s) contribute to charitable and other funds not directly relating to the business of the company or the welfare of its employees any amounts with a prior approval of members in general meeting, the aggregate of which will in any financial year exceeding five percent of its average net profits for the three financial years immediately preceding.

Certain powers to

- (t) The Board of Directors of the Company shall exercise the

be exercised by the board only at meetings

following powers on behalf of the company and it shall do so only by means of resolutions passed at meetings of the Board:

- (i) The power to make calls on share holders in respect of money unpaid on their shares;
- (ii) The power to authorise buy-back of securities under section 68 read with Article 44;
- (iii) The power to issue Securities, including Debentures, in or outside India;
- (iv) The power to borrow money;
- (v) The power to invest the funds of the Company;
- (vi) The power to grant loans or give guarantee or provide security in respect of loans;
- (vii) The power to approve Financial Statement and the Board's report;
- (viii) The power to diversify the business of the Company;
- (ix) The power to approve amalgamation, merger or reconstruction;
- (x) The power to takeover a Company or acquire a controlling or substantial stake in another Company

Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (iv), (v) and (vi) of this

Article to the extent specified in subsections (iii), (iv) and (v) respectively of Section 179 of the Act, on such condition as the Board may prescribe. In respect of dealings between the Company and its bankers the exercise by the company of the powers specified in sub-clause (iv) above shall mean the arrangement made by the Company with its bankers for the borrowing of money by way of overdraft of cash credit or otherwise and not the actual day to day operation on overdraft, cash credit or other accounts by means of which the arrangement so made is actually availed of.

Certain powers of the Board

- (u) Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Articles, it is hereby declared that the Directors shall have the following powers, that is to say, power:
 - (i) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
 - (ii) Subject to Sections 179 and 188 of the Act and applicable Rules made thereunder to purchase or otherwise acquire for the Company any property, rights, privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they think fit, and in any such purchases or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
 - (iii) At their discretion and subject to the provisions of the Act, to pay for any property, rights, or privileges acquired or services rendered in the Company either wholly or

partially, in cash or in shares, bonds, debentures, mortgages, or other securities or the such amount credited as paid up thereon as may be agreed upon and any such bonds; debentures, mortgages or other securities may be either, specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

- (iv) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- (v) To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
- (vi) To appoint any person to accept and to hold in trust for the Company any property belonging to the company, or in which it is interested, or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.
- (vii) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the company or its officers or otherwise payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any differences to arbitration, and observe and perform any awards made thereon.
- (viii) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (ix) To make and give receipts, releases and other discharges

for moneys payable to the Company, and for the claims and demands of the Company

- (x) Subject to the provisions of Sections 179, 180(1)(b), 185, and 186 of the Act, to invest, deposit and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realize such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
- (xi) execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety; for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale, and such other power, provisions, covenants and agreements as shall be agreed upon.
- (xii) to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give necessary authority for such purpose.
- (xiii) to distribute by way of bonus amongst the staff of the Company a share in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.

- (xiv) to provide for the welfare of Directors or Ex-Directors or employees or ex-employees of the company and their wives, widows and families or the dependants or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of moneys, pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions of funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the provisions of Section 181 of the Act. To subscribe or contribute or otherwise to assist or to guarantee money to any charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation, or of public and general utility or otherwise.

- (xv) to appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in Indian or elsewhere in such manner as they think fit.

- (xvi) to comply with requirements of any local law which in their opinion it shall in the interest of the Company be

necessary or expedient to comply with.

- (xvii) from time to time and at any time to establish any local board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local boards and to fix their remuneration.
- (xviii) subject to Section 179 of the Act, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow moneys and to authorize the members for the time being of any such local Board, or any of them, to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms, and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed and may annul any such delegation.
- (xix) at any time and from time to time by power of attorney under the Seal of the Company, to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities, and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in the limits authorized by the Board, the power to make loans and borrows moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may; (if the Board thinks fit) be made in favour of the members of any local board, establish as aforesaid or in favour of any company or the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating

body of persons whether nominated directly, or indirectly by the Board and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and directions for the time being vested in them.

- (xx) subject to Section 188 of the Act for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient.
- (xxi) from time to time make, vary or repeal policies for the regulation of the business of the Company, its officers and servants.
- (xxii) The Directors may formulate, create, institute or set up such schemes, trusts, plans or proposals as they may deem fit for the purpose of providing incentive to the officers, employees and workers of the Company, including without limiting the generality of the foregoing, formulation of schemes for the subscription by the officers, employees and workers to shares in, or debentures of, the company.

Indemnity may be given

- (v) If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in

respect of such liability.

35. COMMITTEES OF THE BOARD

Directors may appoint committees (a) The Board may delegate any of its powers to committees of the Board consisting of such members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part, and either as to persons or purposes, save as those committees that are required under the provisions of the Act, but every committee of the Board so formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board or under the Act and/or Rules. All acts done by any such committee of the Board in conformity with the Act, Rules or such regulations and in fulfilment of the purpose of their appointment but not otherwise shall have the like force and effect as if done by the Board.

Meetings of committee how to be governed (b) Unless otherwise stipulated, the meetings and proceedings of any such committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article. The provisions of Article 33 (c) shall *mutatis mutandis* apply to the meetings of such committee.

36. APPOINTMENT OF KEY MANAGERIAL PERSONNEL

- (a) Subject to the provisions of the Act,
- (i) A Key Managerial Personnel may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit

and the Key Managerial Personnel so appointed may be removed by means of a resolution in the Board Meeting.

(ii) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer

37. MEMBERS' MEETING

- | | | |
|---------------------------------------|-----|--|
| Annual General Meeting | (a) | Annual General Meeting of the Company may be convened subject to Section 96 and Section 129 of the Act by giving not less than 21 clear days notice in writing. Subject to the provisions of Section 101 of the Act, a meeting may be convened after giving a shorter notice. |
| Extra Ordinary General Meeting | (b) | The Board may, whenever it thinks fit call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member in the manner required under the provisions of section 100 of the Act. |
| To whom notice to be given | (c) | Notice of every general meeting shall be given -

(i) to every member of the Company, legal representative of any deceased Member or the assignee of an insolvent Member;

(ii) to the auditor or auditors of the Company; and

(iii) to every Director of the Company.

(iv) to every trustee for the debenture holder of any debentures issued by the Company. |
| Quorum | (d) | The quorum for the meeting of the members of the Company or any class thereof, shall be the presence of such number of members as specified in the Act, based on the total number of members in the Company. |

**Body corporate
personally present**

(e) A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

**If quorum not
present meeting to
be dissolved or
adjourned**

(f) If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting if convened by or upon the requisition of Members, shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or if that day is a National Holiday until the next succeeding day which is not a National Holiday at the same time and place or to such other day at such other time and place within the city or town in which the Registered Office of the Company is situate as the Board may determine, and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the Members present shall be a quorum, and may transact the business for which the meeting was called.

(g) The Chairman (if any) of the Directors shall be entitle to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Directors, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting then the members present shall elect another Director as Chairman and if no Director be present or if all Directors present decline to take the Chair, then the members present shall elect one of their members to be the Chairman.

**Business confined
to election of
chairman whilst
chair vacant**

(h) No business shall be discussed at any General Meeting except the election of a Chairman, whilst the chair is vacant.

Chairman with consent may adjourn meeting	(i)	The Chairman with the consent of the meeting may adjourn any meeting from time to time and from place to place within the city or town in which the Registered Office of the Company is situated for the time being but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
Chairman's casting vote	(j)	In the case of any equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the votes to which he may be entitle as a Member.
Member in arrears not to vote	(k)	No member shall be entitle to vote either personally or by proxy at any General Meeting or meeting of a class of shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the company has, and has exercised, any right of lien.
Number of votes to which member entitled	(l)	Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every member, not disqualified by the last preceding Article shall be entitle to be present and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the Voting Rights of every member whether present in person or by proxy, shall be in proportion to his share of the paid-up equity capital of the Company.
Casting of votes by a member entitled to more than one	(m)	On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy, or other person entitled to vote for him as the case may be, need

vote		not, if he votes, use all his votes or cast in the same way all the votes he uses.
Votes of members of unsound mind and minors	(n)	A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hand or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll vote by proxy. If any member be a minor, the votes in respect of his share of shares shall be by his guardian or any of his guardians, if more than one, to be elected in case of dispute by the Chairman of the meeting.
Votes of joint members	(o)	If there be joint registered holders of any shares, any one of such persons may vote at any meeting or may appoint another person (whether a Member or not) as his proxy in respect of such shares as if he were solely entitled therein but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, then one of the said person so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the, joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose names shares stand shall for the purpose of these Articles be deemed joint holders thereof.
Voting in person or by proxy	(p)	Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorized in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an

individual member.

Votes in respect of shares of deceased or insolvent members

(q) Any person entitle under Article 38 (e) (v) to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that 48 hours, at least, before the time of holding the meeting or adjourned meeting as the case may be at which he proposed to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Validity of votes given by proxy notwithstanding death of member

(r) A vote given in accordance with the norms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the Registered Office before the meeting.

Chairman of any meeting to be the judge of validity of vote

(s) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered in respect of matters transacted at a meeting.

Inspection of Minute Books of General Meeting

(t) The books containing the minutes of the proceedings of General Meetings of the Company shall -

- (i) be kept at the registered office of the Company; and
- (ii) be open during business hours to the inspection of any member without charge subject to such reasonable restrictions as the Company may impose so however that not less than two hours in each day are allowed for

inspection.

Any member shall be entitled to be furnished within seven working days after he has made request in that behalf to the Company with a copy of any Minutes referred to in sub-clause (1) on payment of Rs.10/- for every page or part thereof required to be photocopied and that the Company shall comply with provisions of Section 119 of the Act.

Other registers (u) The provisions contained in Article 37 (t) shall *mutatis mutandis* apply to other registers maintained under the provisions of the said Act, that can be inspected by an eligible person.

38. TRANSFER AND TRANSMISSION OF SHARES

Register of transfers (a) The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share, whether or not held in material form.

Instrument of transfer (b) (i) Shares in the Company shall be transferred by an instrument of transfer in writing in such form as prescribed under Section 56 of the Act, or under Rules made thereunder from time to time.

(ii) Nothing contained in the forgoing Article shall apply to transfer of Security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a Depository.

To be executed by Transferor and Transferee (c) (i) The instrument of transfer duly stamped and executed by the transferor and the transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of the transferor and his right to transfer the shares and every

registered instrument of transfer shall remain in the custody of the Company until destroyed by an order of the Board. The transferor shall be deemed to be the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer, the certificate or certificates of the shares must be delivered to the Company.

- (ii) Notwithstanding anything contained in the Articles of Association, in the case of transfer of Securities, where the Company has not issued any certificates and where such Securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply.

Directors may refuse to Register Transfers

- (d) Subject to the provisions of Section 59 of the Act, the Board, may as its own absolute and uncontrolled discretion, and without assigning any reason, decline to register or acknowledge any transfer of shares whether fully paid or not, (notwithstanding that the proposed transferee be already a member), but in such cases it shall, within one month from the date on which the instrument of transfer was lodged with the company, send to the transferee and the transferor notice of refusal to register such transfer. Provided that registration of a transfer shall not be refused on the ground that the transferor being either alone or jointly with any other person or persons indebted to the company on whatsoever except on shares.

Refusal to Register Transfer

- (e) In particular and without prejudice to the generality of the above, powers, the Board may subject to the provisions of section 58 of the Companies Act, 1956 decline to register in exceptional circumstances when it is felt that the transferee is not a desirable person from the larger point

of view of the interest of the Company as a whole.

**Sub – Division /
Consolidation in
Marketable Lots
Only**

- (i) Transfer of shares whatever lot should not be refused, though there would be no objection to the company refusing to split a share certificate into several scrips of any small denominations or to consider a proposal for transfer of shares comprised in a share certificate to several parties, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company shall not, refuse transfer of shares in violation of the Stock Exchange listing requirements.

**Death of one or
more Joint Holders
of Shares**

- (ii) Subject to the provisions of Act relating to nomination of shares, in case of the death of any one or more of the persons named in the Register of Members as the joint holders of any share, the survivor or survivors shall be the only persons recognized by the Company, as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate or a deceased joint holder for any liability on shares held by him jointly with any other person.

**Title to Shares of
Deceased Member**

- (iii) Subject to the provisions of Act relating to nomination of shares, the executors or administrators or holders of a succession certificate or the legal representatives of a deceased member (not being one of two or more joint-holders) shall be the only person recognized by the Company as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognize such executors or administrators or holders of a succession certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained probate or letter of administration or succession certificate, as the case may be, from a duly constituted court in the Union of

India. Provided that in case where the Board in its absolute discretion think fit, the Board may dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under Article 38 (e) (ii) register the name of any person who claims to be absolutely entitled to shares standing in the name of a deceased member, as a member.

No Transfer to Insolvent, Etc.

(iv) No share shall in any circumstances, be transferred to any insolvent or person or unsound mind.

Registration of Person entitled to Shares otherwise than by Transfer

(v) Subject to the provisions of the Act and Articles 38 (e) (ii) and (iii) any person becoming entitled to shares in consequences of death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles may with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some persons nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of the shares.

Persons entitled may receive Dividends without being registered as

(f) A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided be entitle to receive, and may give a discharge for any dividends or other moneys

members

payable in respect of the shares.

**Fee on Transfer or
Transmission**

(g)

No fee shall be charged for transfer and transmission of shares, debentures and bonds or for registration of any of power of attorney, probate, letter of administration or other similar documents and for the sub-division of renounceable letters of right.

**The Company not
liable for disregard
of a notice
prohibiting
registration of a
Transfer**

(h)

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of a person or persons having or claiming any equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the company, and the company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the company, but the company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

39. SECRECY OF WORKS AND INFORMATION

No member or other person (not being a director) shall be entitled to visit or inspect any works of the Company without the permission of the directors or to require discovery of any information concerning the business, trading or customers of the Company, or any matter which is or may be in nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in

the opinion of the Directors, it would be in expedient in the interest of the Company to disclose.

40. SECRETARY

The Directors shall from time to time appoint a Secretary (and at their discretion remove any such Secretary) to perform any functions, which by the Act are to be performed by the Secretary and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Director may also at any time appoint any person or persons (who need not be the Secretary) to keep the registers required to be kept by the Company.

41. SEAL

The Seal, Its Custody and Use

- (a) (i) The Board shall provide a Common Seal for the purposes of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the authority of the Board or a committee of the Board previously given.
- (ii) The Company shall also be at liberty to have an official seal in accordance with Section 22 of the Act, for use in any territory, district or place outside India.

Deed How Executed

- (b) Every Deed or other instrument, to which the Seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted attorney be signed by one Director or some other person appointed by the Board for the purpose provided that in respect of the Share Certificate the Seal be affixed in accordance with Rule 5 of the Companies (Share Capital and Debentures) Rules,

2014.

42. DIVISION OF PROFITS

(a) The Profits of the Company, subject to the provisions of any law for the time being in force and any special right relating thereto created or authorized to be created by these Articles, shall be divisible among the 'Members in proportion to the amount of capital paid-up of credited as paid-up and to the period during the year for which the capital is paid-up on the shares held by them respectively.

(b) The Company in General Meeting may declare Dividends Subject to the provisions of Section 123 of the Act the Company in General Meeting may declare dividends, to be paid to its Members according to their respective rights but not dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

Interim Dividend

(c) The Board may, from time to time, pay to the members such interim dividend as in their judgment the position of the company justifies.

Capital paid-up in advance carrying interest not to earn Dividend

(d) Where capital is paid in advance of calls, such capital may carry interest but shall not be in respect thereof confer a right to dividend or participate in profits.

Dividend to be paid pro-rata

(e) (i) Subject to the provisions of any law for the time being in force and subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof dividend is paid but if and so long as nothing is paid upon any shares in the Company, dividends may be declared

and paid according to the amount of the shares.

(ii) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this regulation as paid on shares.

(iii) Subject to the provisions of any law for the time being in force all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any shares is issued on terms providing that it shall rank for dividend as from a particular date such shares shall range for dividend accordingly.

Retention of dividends until completion of transfer under Article 38 (e) (v)

(f) The Board may retain the dividends payable upon shares in respect of which any person is, under Article 38 (e) (v) entitled to become a member, which any person under that Article is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.

Dividend, etc. to joint-holders

(g) Any one of the several persons who are registered as the joint-holders of any share may give effectual receipts for all dividends or bonus and payment on account of dividends or bonus or other moneys payable in respect of such shares.

(h) No member to receive dividend whilst indebted to the Company and Company's right to reimbursement thereof. No member shall be entitle to receive payment of any interest or dividend in respect of his shares of shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other person or persons; and the Board may deduct from the interest or

dividend payable to any member all sums of money so due from him to the Company.

Transfer of Shares to be registered	(i)	A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
Manner of Payment of Dividend	(j)	Unless otherwise directed, any dividend may be paid by cheque or warrant or any electronic mode force of a cheque or warrant sent through the post to the registered address of member or person entitle or in case of joint holder to that one of them first named in the register in respect of the joint holder. Every such cheque warrant shall be made payable to the order of the person to whom it sent. The Company shall not be responsible for any cheque or warrant or any electronic mode or receipt lost in transmission or for any dividend lost to the member or person entitle thereto by the forged signature of any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Interest on Dividends	(k)	No unpaid dividend shall bear interest as against the Company. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with all the provisions of Section 123 of the Act in respect of unpaid or unclaimed dividend.
Dividend and Call Together	(l)	Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call may be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the Members, be

set off against the call.

43. CAPITALISATION OF PROFITS

- (a) The Company in General Meeting may, upon the recommendation of the Board resolve:
 - (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (ii) that such sum be accordingly set free for distribution in the manner specified in Clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Clause (c), either in or towards:
 - (i) paying up any amounts for the time being unpaid on any shares held by such member respectively;
 - (ii) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid up to and amongst such members in the proportions aforesaid; or
 - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);
 - (iv) A Securities premium account and a capital redemption reserve account may, for the purpose of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus

shares;

- (v) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
- (c) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
 - (i) make all appropriation and application of the undivided profits resolved to the capitalized thereby, and all allotments and issues of fully paid shares, if any; and
 - (ii) generally do all acts and things required to give effect thereto.
- (d) The Board shall have full power:
 - (i) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise, as it thinks fit, for the case of Securities becoming distributable in fractions; and
 - (ii) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportion of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (e) Any agreement made under such authority shall be effective and binding on all such members.

- (f) The Board shall have the right to fix a date for the purpose of determining the Members who are entitled to the payment of the dividend, or shares pursuant to the capitalisation of reserves, and for any other action of the Company that requires determination of the details of Members.

44. BUY BACK OF SECURITIES

The Company shall have power, to the extent permitted by the Act and other applicable enactments, and subject to such conditions, approvals or consents as may be laid down for the purpose, to buy-back its own shares, whether or not there is any consequent reduction of Capital. If and to the extent permitted by the applicable statutes, the Company shall also have the power to re-issue the shares so bought back.

45. SIGNING OF CHEQUES

All cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts, for moneys paid by the Company, shall be signed, drawn, accepted or otherwise executed as the case may be, in such manner as the directors shall from time to time by resolution determine.

46. DECLARATION OF SECRECY

Every director including Managing Director, Whole Time, Debenture or Special Director, Manager, Secretary, Treasurer, Trustees for the time being of the Company, member or Debenture holder, member of a committee, officer, servant, agent, accountant or any other person employed in or about the Company business shall if so required by the Board of Directors before entering upon

his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and all manufacturing, technical and business information of the company, except when required so to disclose by the Board or by any meeting or by a Court of law and except so far as may be necessary in order to comply with any of the provisions in these Articles contained.

47. FOREIGN REGISTER

The Company may exercise the powers conferred upon the Company by Sections 88 of the Act and applicable Rules made thereunder with regard to the keeping of a part of the registers of members or debenture holders or of any other security holders or of beneficial owners residing in that country outside India, and the Directors may (subject to the provisions of the section) make and vary such regulations as they may think fit respecting the keeping of any such register.

48. MISCELLANEOUS

- | | | |
|---|-----|---|
| On joint -holders | (a) | A document or notice may be served or given by the Company to the joint holders of share by serving or giving the document or notice on or to the joint holder named first in the register of members in respect of the share. |
| To whom documents or notices must be served or given | (b) | Documents or notices of every General Meeting shall be served or given in some manner hereinbefore authorized on or to (a) every Member, (b) every person entitle to a share in consequence of the death or insolvency of a member and the Auditor/s for the rime being of the Company. |

Members bound by documents or notices served on or given to previous holders

- (c) Every person, who, by operation of law, transfer or other means whatsoever, shall become entitle to any share shall be bound by every document or notice in respect of such share which prior to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such share.

49. WINDING UP

Distribution of assets

- (a) The Liquidator on any winding up (whether voluntary and supervision or compulsory) may with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories and/or members in specie any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributors, as the liquidator, with the like sanction shall think fit.
- (b) If thought fit any such division may be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on any contributory who would be prejudiced thereby shall have the right to dissent and shall have ancillary rights as if such determination were a Special Resolution passed

pursuant to Section 319 of the said Act.

- (c) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares, may, within seven days after the passing of the Special Resolution by notice in writing, direct the Liquidator to sell his proportion and pay him the proceeds and the Liquidator shall, if practicable, act accordingly.

**Liquidator may sell
for shares in
another company**

- (d) Any such Liquidator may, irrespective of the powers conferred upon him by the said Act and as an additional power conferring a general or special authority, sell the undertaking of the Company or the whole or any part of its assets for shares fully or partly paid-up or the obligations of or other interest in any other company and may by the contract of sale agree for the allotment to the members directly of the proceeds of sale in proportion to their respective interests in the Company and in case the shares of this Company shall be of different classes, may arrange for the allotment in respect of preference shares of the Company, to obligations of the purchasing company or of shares of the purchasing company with preference or priority over or with a larger amount paid up than the shares allotted

in respect of ordinary shares of this Company and may further by the contract, limit a time at the expiration of which shares, obligations or other interests not accepted or required to be sold, shall be deemed to have been refused and be at the disposal of the Liquidator.

***Sale under
Sections 319 of the
Act***

- (e) Upon any sale under the last preceding Article or under the powers given by Section 319 of the said Act, no member shall be entitled to require the Liquidator either to abstain from carrying into effect the sale or the resolution authorising the same or to purchase such member's interest in this Company, but in case any member shall be unwilling to accept the share, obligations or interests to which under such sale he would be entitled, he may, within seven days of the passing of the resolution authorising the sale, by notice in writing to the Liquidator, require him to sell such shares, obligations or interests and thereupon the same shall be sold in such manner as the Liquidator may think fit and the proceeds shall be paid over to the member requiring such sale.

50. INDEMNITY TO AND PROTECTION OF DIRECTORS AND OFFICERS

Indemnity

- (a) The Board shall be entitled to meet out of the funds of the

Company to defend, every officer of the Company as defined by Section 2(59) of the said Act, or any person (whether an officer of the Company or not) employed by the Company, against all claims made on them (including losses and expenses), in or about the discharge of their respective duties.

(b) Every Officer of the Company, as defined by Section 2(59) of the said Act, or any person (whether an Officer of the Company or not) employed by the Company, shall be indemnified from all claims, losses and expenses expended by them, respectively in or about the discharge of their respective duties, out of the funds of the Company against all liabilities, including attorney fees, incurred by them in defending any proceedings under the Act, or other laws applicable to the Company, and/or its subsidiaries in any jurisdiction.

(c) The Company may take and maintain any insurance as the Board may think fit on behalf of its directors (present and former), and the Key Managerial Personnel, for indemnifying any or all of them against any liability for any acts in relation to the Company for which they may be liable.

**Directors and
Other officers not
responsible or acts
of others**

(d) No Director of the Company, Manager, Secretary, Trustee, Auditor and other officer or servant of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or servant or for joining in any receipts or other act for the sake of conformity merely or for any loss or expenses happening to the Company through the insufficiency or deficiency in point of titles or value of any property acquired by the order of the Directors for or on behalf of the Company or mortgaged to the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage

arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation to or with whom any moneys, securities or effects of the Company shall be entrusted or deposited or for any loss occasioned by any error of judgement, omission default or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in relation to the execution or performance of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.

- (e) An Independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

Sl. No.	Signature, Name, Address Description and occupation of the subscribers	No. of equity shares taken by each subscriber	Signature, Name, Address Description and Occupation of the witness
1	Sd/- Polaris Software Lab Ltd Represented By K.Govindarajan No.244, Anna Salai, Chennai - 600006 Business PAN: AAACP4341E	49,940 (Forty Nine Thousand Nine Hundred and Forty Only).	Sd/- All the 7 (Seven) subscribers signed before me at chennai, K.C.Raman, S/O K.Chakrapani Service Asst. Vice President, Secretarial No. 244, Anna Salai, Chennai - 600006 [PAN - AASPR9813Q]
2	Sd/- K.Govindarajan S/O Mr. Krishnamoorthy No.1/1, East Abhiramapuram, 2nd Street, Mylapore, Chennai - 600004 Service PAN: AAEPG6940R	10 (Ten Only)	
3	Sd/- Govind Singhal S/O. Mr. Lal Krishna Singhal 5-C Nithyasree Apartments, No. 51, Chamiers Road, Chennai - 600035 Service PAN: AALPS1686F	10 (Ten Only)	
4	Sd/- Jaideep Billa S/O. Mr. Ramnath Billa B-401, Keshav Dugar Apartment, East Avenue, K.P.Puram, Chennai - 600028 Service PAN: AAJPB1632N	10 (Ten Only)	
5	Sd/- Burde Suresh Kamath S/O. Mr. Burde Krishna Kamath, Rani Meyammai Towers, I Block, IV Floor, 'C' R.A.Puram, Chennai - 600028 Service PAN: AAKPK1941L	10 (Ten Only)	
6	Sd/- Uppili Srinivasan C.S. S/o Chakravarthy Sesathoor Chellappa No.11, VenkateswaraNagar 3rd Street, Adyar Chennai - 600 020. Service PAN: ABBPS4456L	10 (Ten Only)	
7	Sd/- Padmini Sharath Kumar W/o. Mr. Sharath Kumar Carex, 244 Anna Salai, Chennai - 600006 Service PAN: AAAPP7829A	10 (Ten Only)	

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORIGINAL JURISDICTION)

Monday, the 15th day of September, 2014.

THE HON'BLE MR.JUSTICE M.DURAI SWAMY

COMP.PETN.NOS.283 & 284 OF 2014

In the matter of the Companies Act, 1956 (1 of 1956)

and

In the matter of Section 391 to 394 of the Companies
Act, 1956

and

In the matter of Scheme of Arrangement Cum Demerger

Between

POLARIS FINANCIAL TECHNOLOGY LIMITED

(Demerged Company)

And

INTELLECT DESIGN ARENA LIMITED

(Resulting Company)

And

Their Respective Share Holders

C.P.No.283/2014:

M/s.Polaris Financial Technology Limited

Having its registered office at

"Polaris House", 244

Anna Salai, Chennai - 600 006.

Represented by its Vice President

and Company Secretary Mr.V.V.Naresh

.. Petitioner/
Demerged Company

The Company Petition praying this Court that the said
Scheme of Arrangement Cum Demerger between the
Petitioner/Demerged Company with the Resulting Company

namely Intellect Design Arena Limited, be sanctioned by this Hon'ble Court so as to be binding on all the Equity Shareholders of the Petitioner Company and on the said Company with effect from 1st April 2014; and

C.P.No.284/2014 :

M/s.Intellect Design Arena Limited

Having its registered office at

244 Anna Salai, Chennai - 600 006.

Represented by its Authorized Signatory

Mr.A.V.Ravi Shankar

.. Petitioner/
Resulting Company

The Company Petition praying this Court that the said Scheme of Arrangement Cum Demerger between the Demerged Company, namely Polaris Financial Technology Limited with the Petitioner/Resulting Company, be sanctioned by this Hon'ble Court so as to be binding on all the equity shareholders of the Petitioner Company and on the said Company with effect from 1st April 2014.

These Company Petitions coming on this day before this Court for hearing in the presence of M/s.T.K.Bhaskar, Advocate for the Petitioner in both Company Petition Nos.283 & 284/14 and of Mr.Gopikrishnan CGSC appearing for the Regional Director, Southern Region, Ministry of Corporate Affairs, Chennai and upon reading the order dated 16.6.2014 and made C.A.No.604/2014 whereby the said Company viz., M/s.Polaris Financial Technology Ltd, the petitioner Company in C.P.No.283/2014 herein was directed to convene a meeting of the equity shareholders of the above named Company for the purpose of considering and if thought fit approving with or without modification of the proposed Scheme of Arrangement between M/s.Polaris Financial

Technology Limited and Intellect Design Arena Limited, and the advertisement having been made in one issue of English Daily "The Business Standard" dated 29/6/2014 (All India edition) and in one issue of Tamil daily "Dinakaran" (Tamil Nadu edition) dated 28/6/2014 each containing the advertisement of the said meeting and the report of the chairman of the said meeting and the report of the chairman of the said meeting as to the result of the meeting as to the result of the meeting and report as the Scheme of arrangement has been approved unanimously, and upon reading the Company Petition No.283&284/14, and the affidavit of B.K.Bansal, Regional Director, Southern Regions, Ministry of Corporate Affairs, Chennai, and the advertisement of the Company Petitions having been made in one issue of English Daily viz., The Hindu, Business Line (Chennai Edition) dated 29/08/2014 and in one issue of Tamil Daily Viz., Maalai Murasu (Chennai Edition) dated 29/8/2014 and this Court having dispensed with the convening, holding and conducting of the meetings of the equity shareholders of the applicant company in C.P.No.284/14 by an order dated 16.6.2014 and made in C.A.No.605/2014, and this Court doth hereby sanction the Scheme of Arrangement annexed herewith with effect from 1.4.2014 and declare the same to be binding on all the Equity Shareholders of the petitioner Company and on the said company. This Court doth further order as follows:

1) That, the Petitioner Companies herein, do file with the Registrar of Companies, Chennai, a certified copy of the order within 30 days from this date.

(2) That, the parties to the Scheme of Arrangement or any other person interested shall be at liberty to apply to this Court for directions that may be necessary in regard for carrying out this Scheme of Arrangement annexed herewith.

(3) That the learned Senior Central Government Standing Counsel be and hereby is entitled to a fee of Rs.5,000/- (Rupees five thousand only) from the resulting company.

ANNEXURE

SCHEME OF ARRANGEMENT CUM DEMERGER

BETWEEN

POLARIS FINANCIAL TECHNOLOGY LIMITED
(DEMERGED COMPANY)

AND

INTELLECT DESIGN ARENA LIMITED
(RESULTING COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS

Under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956

PREAMBLE

This Scheme of Arrangement cum Demerger ("the Scheme") is presented pursuant to the provisions of Sections 391 to 394 read with Sections 100 to 103 and other applicable provisions of the Companies Act, 1956, between Polaris Financial Technology Limited ("Demerged Company/Polaris") and Intellect Design Arena Limited ("Resulting Company/Intellect") for vesting of the Products Business Undertaking of Polaris into Intellect.

Polaris Financial Technology Limited was incorporated on 5th January 1993 under the Companies Act, 1956 in the State of Tamil Nadu. The Corporate Identity Number of Polaris Financial Technology Limited is L65993TN1993PLC024142. The Registered Office of Polaris Financial Technology Limited is situated at Polaris House, 244, Anna Salai, Chennai – 600006, India

Intellect Design Arena Limited was incorporated on 18th April 2011 under the Companies Act, 1956 in the State of Tamil Nadu under the name "Fin Tech Grid Limited". Subsequently the name of the Company was changed to its current name as "Intellect Design Arena Limited" on 3rd February 2014. The Corporate Identity Number of Intellect Design Arena Limited is U72900TN2011PLC080183. Intellect Design Arena Limited has been incorporated inter-alia to engage in the business of developing and selling of software products. The Registered Office of

Intellect Design Arena Limited is situated at 244, Anna Salai, Chennai 600006, Tamil Nadu, India.

Background

Founded in 1993, the Demerged Company (BSE: 532254 | NSE: POLARIS) is a global leader in Financial Technology (FT) for Banking, Insurance and other Financial Services. The said Demerged Company offers technology solutions through its two specialized divisions - FT Services and FT Products.

The techno-functional capabilities of the Demerged Company from solutioning through delivery, is apparent in its full spectrum of offerings across Testing, Infrastructure Management, Business Efficiency, Business Transformation, Data and Analytics, Mobility and Channels, and Risk and Compliance. Today, the Demerged Company's high performance Financial Technology solutions run in over 250 financial institutions around the world.

During 2002, the Demerged Company acquired intellectual property through its acquisition of Orbitech Ltd; and decided to move into Software products business. Over the last 12 years, the Demerged Company has built this business to generate over Rs 500 Crores by selling products to global banks, insurance companies and financial institutions. The products are now very well accepted by large global banks like Citibank, Bank of Montreal, Lloyds Bank and are being sold in over 25 countries across the globe including Japan, Singapore, Australia, Vietnam, Thailand, Philippines, India, Sri Lanka, Bangladesh, UAE, Qatar, Saudi Arabia, Egypt, Kuwait, South Africa, United Kingdom, Sweden, Spain, Germany, Switzerland, Canada, USA, Chile, etc.

RATIONALE FOR THE SCHEME

At the time of this Scheme, the software products business of Polaris has reached critical size in terms of revenue and customer base. More than 150 Banks in the world are using the software products. Last year alone, Intellect has been acclaimed by more than 20 Global analysts report in leadership category.

After intensive internal deliberations amongst the Board members of Polaris; and upon engaging external consultants, it was decided that this is a right time to hive it off the products business as a business separate from the services business.

Product business is based on intellectual properties in technology space. This business has higher gross margins compared to the services business because of License revenues and higher billing rates. On other hand, like any Silicon Valley companies, it has inherent risks. It requires continuous R&D investments to keep pace with the technologies. Further, the products business also require higher investments in creating a global brand and substantial higher marketing and sales investments to cash in on the opportunities the market offers.

The Services business which has reached over Rs 2000 crores business has very rich client base and trusted customer relationships. This business works on the principle of outsourcing technology services to India; and provides Application Development and Maintenance services, Infrastructure Management Services, High Performance Testing Services, Data Management Services, Portal, Channel and CRM solutions to the customers in retail banking, Capital markets, Insurance and Corporate banking customers. This business runs on operational efficiency and driven by helping clients to meet their agenda. The talent required for building and growing this business, as well as the talent management processes, is substantially different from the Products business.

It was, therefore, decided that the Products business should be demerged into an independent company whose shares would also be listed. Upon such demerger, the Demerged Company as well the Resulting Company would have its own management teams, Boards, who can chart out their own independent strategies to maximize value creation for their respective stakeholders.

The demerger will permit increased focus by the Demerged Company and the Resulting Company on their respective businesses in order to better meet their respective customers' needs and priorities eliminating thereby any perceived conflict of interest among customers, develop their own network of alliances and talent models that are critical to their own success.

Taking the above background into consideration, the Board recommended a Scheme of Arrangement cum Demerger comprising the following:

1. The business of the Demerged Company should be demerged into two businesses consequent to which the Demerged Company would continue to run Services businesses, while the Products business will be demerged into the Resulting Company Intellect Design Arena Ltd as a going concern with effect from the Appointed Date (as defined below).

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2. The proposed Scheme will involve the issuance to every shareholder of the Demerged Company as of the First Record Date, one new share in the Resulting Company Intellect Design Arena Limited for every one share held in the Demerged Company.

 3. As stated in the nature of the two businesses, Intellect is inherently a very high risk business (similar to the risks associated with molecule development business in the pharmaceutical industry), have a different investor profile compared to services business. Though Indian Software outsourcing industry has taken leadership globally, software product companies are still young. Against this background, independent Directors of the Board highlighted the need for providing choice to the shareholders of the Resulting Company to evaluate whether they have the right appetite for the risks associated with the business. Thus, the Scheme provides an option to the shareholders of the Resulting company upon listing of the shares of the Resulting Company pursuant to this Scheme to exit as a shareholder by opting to receive a non-convertible debenture providing a firm return to such shareholders for the duration of the said instrument, the terms of which are detailed herein below, as part of the Scheme. The Scheme provides for an option to the shareholders of the Resulting Company to elect to receive fully secured non convertible debentures in lieu of the equity shares held by them, in the manner set out herein below, as part of the Scheme.

PARTS OF THE SCHEME

The Scheme is divided into following parts:

- (1) PART A deals with Definitions and Share Capital.
- (2) PART B deals with Demerger, and vesting of the Products Business Undertaking of Polaris Financial Technology Limited into Intellect Design Arena Limited.
- (3) PART C pertains to the Reduction of equity share capital of Intellect Design Arena Limited consequent to the demerger of the Product Business Undertaking into Intellect Design Arena Limited pursuant to the provisions of this Scheme;
- (4) PART D pertains to the Listing and Trading of Equity Shares of Intellect Design Arena Limited.
- (5) PART E pertains to the Re-organization of equity share capital of Intellect Design Arena Limited consequent to the demerger of the Product Business Undertaking into Intellect Design Arena Limited pursuant to the provisions of this Scheme.
- (6) PART F deals with General Terms and conditions that will be applicable to the Scheme.

PART A

DEFINITIONS & SHARE CAPITAL

1. DEFINITIONS:

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning attributed to them as below:

- 1.1. "Act" or "the Act" means the Companies Act, 1956, and rules made there under and the Companies Act, 2013 (as notified from time to time) and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.
 - 1.2. "Affiliates" means in respect of a person, another person that, directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with that person
 - 1.3. "Appointed Date" means the date from which this Scheme shall become operative viz., the commencement of business on 1st April 2014 or if the Board of Directors of the Demerged Company and the Resulting Company require any other date prior or subsequent to 1st April 2014 and/or the Court modifies the Appointed Date to such other date, then the same shall be the Appointed Date.
 - 1.4. "Board of Directors" or "Board" shall mean the Board of Directors or any committee thereof of the Demerged Company and Resulting Company, as the case may be;
 - 1.5. "Book Value(s)" means the value(s) of the assets and liabilities of the Product Business Undertaking as appearing in the books of accounts of the Demerged Company at the close of the business as on the day immediately preceding the Appointed Date and excluding any value arising out of revaluation of any assets.
 - 1.6. "Court" or "High Court" means the Hon'ble High Court of Judicature at Madras and shall include the National Company Law Tribunal, as and when applicable;
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1.7. "Product Business Undertaking" or "the Undertaking" means the entire Products Business of the Demerged Company on a going concern basis, and shall mean and include, without limitation, the following:

a) all assets and property of the Products business, whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature, fixed assets, current assets, inventories, receivables, equipment and installations and utilities, cash balances, bank balances with inland and overseas banks, balances with all regulatory authorities, earnest moneys/security deposits, deposits with agents, customers and third parties, investments in the share capital of the subsidiaries, advances, consents, registrations, permits, authorities, allotments, approvals, contracts, engagements, arrangements, title, interest, benefits, telephones, telexes, facsimile, internet connections, leased lines, electrical connections, certificates from international bodies, contracts, rights and benefits under insurance policies, claims, advantages of whatsoever nature and where-so-ever situated, intellectual property including trademarks, patents, copyrights, privileges, goodwill, import quotas, import licenses, industrial designs, labels, label designs and all other rights including lease rights, tenancy rights, authorisations, licenses, quota rights, powers and facilities of every kind, nature and description whatsoever appertaining/allocated to the said business by the Demerged Company as on the Appointed Date as per records of the Demerged Company. The immovable property forming part of the Product Business Undertaking is listed in Schedule I. For the avoidance of doubt, the intellectual property rights forming part of the Product Business Undertaking are those listed in Schedule II hereunder. The Investments in the Subsidiaries/Associate Companies forming part of the Demerged Undertaking are listed in Schedule III hereunder;

b) With respect to the investments in Indian and overseas subsidiaries of the Demerged Company, where such subsidiaries (including the UK and Singapore subsidiaries) are carrying on both the product business and the Remaining Business as of the Appointed Date, the said subsidiaries will

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remain with the Demerged Company, until, the business and undertaking of such subsidiaries are restructured after the Appointed Date including by way of actions such as demerger or spin off appertaining to the product business or segregation in any other manner, as per the applicable laws and regulations and the portion of investments appertaining to the product business after demerger or spin off will be transferred to the Resulting Company as if such investment formed part of the Demerged Undertaking and included in Schedule III provided hereunder;

- c) All necessary records, files, papers, engineering and process information, computer programmes, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit information, customer pricing information and other records in connection with or relating to the business.
- d) All liabilities including rupee loans, contingent liabilities, (excluding income tax liabilities, if any,) debts, current liabilities (excluding income tax liabilities, if any, raised on the Demerged Company subsequent to the Effective Date, but relating to the period prior to the Appointed Date) and provisions, duties and obligations, appertaining/allocated to the Resulting Company in connection with or relating to the business on the Appointed Date.
- e) All special economic zone benefits, excise duty exemptions, income-tax benefits and exemptions, approvals and recognitions for scientific research issued by the prescribed authority and including the right to deduction under section 10AA of the Income-tax Act, 1961 (or any statutory modification or re-enactment thereof for the time being in force) in respect of the profits of the Products Business Undertaking for the residual period, ie, for the period remaining as on the Appointed Date out of the total period for which the deduction is available in law if the demerger had not taken place.

1.8. "Demerged Company" or "Polaris" means Polaris Financial Technology Limited, a Company incorporated under the Companies Act, 1956, on 5th day of

January 1993 and having its registered office at "Polaris House", 244, Anna Salai, Chennai 600006, Tamil Nadu, India.

- 1.9. "Effective Date" means the later of the dates on which the certified copies of the Order(s) of the Court sanctioning this Scheme of Arrangement cum Demerger are filed with the Registrar of Companies, Tamil Nadu, Chennai, by the Demerged Company and the Resulting Company. Any reference in this section of the scheme to "On the Scheme becoming effective" or "Upon the Scheme becoming effective" or "Effectiveness of the Scheme" shall refer to the "Effective Date".
- 1.10. "Election Notice" shall have the meaning ascribed to it in Clause 17.2;
- 1.11. "Eligible Members" shall mean the shareholders of the Resulting Company whose names are found in the Register of Members of the Resulting Company and where the shares are held in dematerialized form, the beneficial owners of such shares in the records of the depository as of the Second Record Date, excluding members belonging to the category of Promoter, Promoter Group and Persons acting in concert with the Promoter and Promoter Group;
- 1.12. "Election Period" shall have the meaning ascribed to it in Clause 17.6;
- 1.13. "Existing Stock Option Schemes" means all the Stock Option Schemes subsisting in the Demerged Company as on the date of the Scheme viz., the Associate Stock Option Plan, 2003; Associate Stock Option Plan, 2004 (OEWT); Associate Stock Option Plan, 2011; Associate Stock Option Plan (Trust), 2011.
- 1.14. "NCDs" or "Non-Convertible Debentures" shall mean secured non-convertible fully paid debentures of face value of Rs. 42/- each, bearing coupon rate of 7.75% per annum, issued and allotted by the Resulting company in accordance with Clause 17 hereunder in accordance with the terms and conditions stated in Schedule IV of this Scheme;
- 1.15. "Polaris Group" shall mean and include the Demerged Company and all its existing or future affiliates;

- 1.16. "First Record Date" means, in respect of demerger of the Product Business Undertaking into the Resulting Company, the date to be fixed by the Board of Directors of the Resulting Company in consultation with the Board of Directors of the Demerged Company, for the purposes of issue and allotment of Equity Shares by the Resulting Company to the equity shareholders of the Demerged Company.
- 1.17. "Resulting Company" or "IDAL" means Intellect Design Arena Limited, a Company incorporated under the Companies Act, 1956 on 18th April, 2011 and having its registered office at 244, Anna Salai, Chennai 600006, Tamil Nadu, India.
- 1.18. "Remaining Business" means the undertaking along with businesses, activities and operations presently being managed by the Demerged Company, excluding the Product Business Undertaking being demerged pursuant to the Scheme;
- 1.19. "Scheme of Arrangement cum Demerger" or "this Scheme" or "the Scheme" shall mean this Scheme of Arrangement cum Demerger in its present form and with such modifications and amendments as may be made from time to time with the appropriate approvals and sanctions of the Court and other relevant regulatory/statutory/governmental authorities, as may be required under the Act, and/or any other applicable laws;
- 1.20. "Second Record Date" means the date to be fixed by the Board of Directors of the Resulting Company for the purposes of issue of Election Notice by the Resulting Company to the Eligible Members.
- 1.21. "Verification Period" shall have the meaning ascribed to it under Clause 17.9;

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 ascribed to them under the Act and other applicable laws, rules, regulations and byelaws as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Court, shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. SHARE CAPITAL3.1. Demerged Company

The Authorised, issued, subscribed and paid-up share capital of the Demerged Company as on 31st December, 2013 is as under:

PARTICULARS	AMOUNT IN RS.
Authorised Share Capital	
12,00,00,000 Equity Shares of Rs 5 each	60,00,00,000
1,00,00,000 11% Preference shares of Rs. 5 each	5,00,00,000
Total	65,00,00,000
Issued, subscribed and paid-up Share Capital	
9,95,46,174 Equity Shares of Rs. 5 each	49,77,30,870
Total	49,77,30,870

3.2. Resulting Company

The Authorised, issued, subscribed and paid-up share capital of the Resulting Company as on 31st December, 2013 is as under:

PARTICULARS	AMOUNT IN RS.
Authorised Share Capital	
50,000 Equity Shares of Rs.10 each	5,00,000
Total	5,00,000
Issued, subscribed and paid-up Share Capital	
50,000 Equity Shares of Rs. 10 each	5,00,000
Total	5,00,000

The Resulting Company vide an Ordinary resolution passed in the Extra Ordinary General Meeting held on 6th January, 2014 has sub-divided its Share capital and therefore the present share capital of the Company is as under:

PARTICULARS	AMOUNT IN RS.
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Authorised Share Capital	
1,00,000 Equity Shares of Rs.5 each	5,00,000
Total	5,00,000
Issued, subscribed and paid-up Share Capital	
1,00,000 Equity Shares of Rs. 5 each	5,00,000
Total	5,00,000

PART - B

DEMERGER, VESTING OF PRODUCT'S BUSINESS UNDERTAKING OF THE
DEMERGED COMPANY INTO THE RESULTING COMPANY4. VESTING OF PRODUCT BUSINESS UNDERTAKING:

4.1. With effect from the Appointed Date and upon the Scheme becoming effective, the Product Business Undertaking of the Demerged Company shall, under the provisions of Section 391 to 394 of the companies Act, 1956 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand vested in, and/or be deemed to be vested in, the Resulting Company as a going concern so as to become, as and from the Appointed Date, the assets and liabilities of the Resulting Company and there shall be vested in the Resulting Company, all the rights, titles, interests or obligations of the said Product Business Undertaking therein and shall be free from all encumbrances.

4.2. With effect from the Appointed Date and upon the Scheme becoming effective, the unutilized Cenvat credit, unutilized VAT credit, deposits with statutory authorities, margin money, retention money and other deposits and balances pertaining to the Product Business Undertaking shall, under the provisions of Section 391 to Section 394 of the Companies Act, 1956 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand vested in, and/or be deemed to be vested in, the Resulting Company.

4.3. (a) All the movable assets including cash in hand, if any, of the Product Business Undertaking capable of passing by manual delivery, shall be so delivered or endorsed as the case may be, to the Resulting Company;

(b) In respect of movables of the Product Business Undertaking other than those specified in sub-clause (a) above, including sundry debtors, outstanding loans, and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies and customers and other persons pertaining to the Product Business Undertaking, the following modus operandi for intimating to third parties shall to the extent possible be followed:

- (i) Demerged Company may give notice in such form as it may deem fit and proper, to each person, party, debtor, loanee or depositor as the case may be, belonging to or related to the Product Business Undertaking, that pursuant to the Court having sanctioned the Scheme, the said debt, loan, advances, bank balances or deposits be paid or made good 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 realize the same stands extinguished and that appropriate entry should be passed in its books to record the aforesaid change;
- (ii) The Resulting Company may also give notice in such form as it may deem fit and proper to each person, debtor, loanee or depositor, as the case may be, belonging to or related to the Product Business Undertaking, that pursuant to the Court having sanctioned the Scheme, the said debt, loan or deposit be paid or made good or held on account of the Resulting Company and that the right of the Demerged Company to recover or realize the same stands extinguished.

(c) In relation to other assets belonging to Product Business Undertaking, which require separate documents for vesting in the Resulting Company, or which the Demerged Company and/or the Resulting Company otherwise desire to be vested separately, the Demerged Company and the Resulting Company each will execute such deeds, documents or such other instruments or writings or create evidence, if any, as may be necessary.

(d) In respect of such of the said assets other than those referred to in 4.3(a) to (c) above, the same shall, without any further act, instrument or deed, be vested in, and/or be deemed to be vested in, the Resulting Company.

4.4. With effect from the Appointed Date and upon the Scheme becoming effective, the Product Business Undertaking of the Demerged Company shall be delivered or endorsed and delivered, as the case may be, by the Demerged Company, and shall upon vesting become the assets and liabilities and an integral part of the Resulting Company.

4.5. For the purpose of giving effect to the order passed under Sections 391 to 394 of the Companies Act, 1956 in respect of this Scheme, the Resulting Company shall at any time pursuant to the orders on this Scheme be entitled to get the recording of the change in the title and appurtenant legal right(s) upon the vesting of such Product Business Undertaking in the Resulting Company.

5. TRANSFER OF DEBTS & LIABILITIES

5.1 With effect from the Appointed Date and upon the Scheme becoming effective:

- (a) All debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description attributable to the Product Business Undertaking shall, without any further act or deed, be transferred to, or be deemed to be transferred to the Resulting Company so as to become from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company and the Resulting Company undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.
- (b) Where any of the liabilities and obligations attributed to the Product Business Undertaking on the Appointed Date has been discharged by the Demerged Company on behalf of the Product Business Undertaking after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Resulting Company.
- (c) All liabilities and obligations attributed to the Product Business Undertaking, including its unsecured loans taken over by the Resulting Company may be discharged by the Resulting Company in the manner as the Resulting Company may deem fit.

5.2 All loans raised and used, and liabilities incurred, if any, by the Demerged Company after the Appointed Date, but prior to the Effective Date, for the operations of the

Product Business Undertaking shall be transferred and discharged by the Resulting Company.

- 5.3 The vesting of the Product Business Undertaking as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting in relation to any loans or borrowings of the Product Business Undertaking, provided however, any reference in any security documents or arrangements, to which the Demerged Company is a party, wherein the assets of the Product Business Undertaking have been or are offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Product Business Undertaking as are vested in the Resulting Company by virtue of this Scheme, to the end and intent that such security, charge, hypothecation 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, provided further that the securities, charges, hypothecation 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, hypothecation or mortgages shall not extend or be deemed to extend, to any of the assets of the Product Business Undertaking vested in the Resulting Company, provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Demerged Company in relation to the Product Business Undertaking which shall vest in the Resulting Company by virtue of the vesting of the Product Business Undertaking with the Resulting Company and the Resulting Company shall not be obliged to create any further or additional security therefore after the Scheme has become operative.
- 5.4 All the loans, advances and other facilities sanctioned to the Demerged Company in relation to the Product Business Undertaking by its bankers and financial institutions prior to the Appointed Date, which are partly drawn or utilized shall be deemed to be the loans and advances sanctioned to the Resulting Company and the said loans and advances shall be drawn and utilized either partly or fully by the Demerged Company from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by the Resulting Company in relation to the Product

Business Undertaking (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to the Resulting Company and all the obligations of the Demerged Company in relation to the Product Business Undertaking under any loan agreement shall be construed and shall become the obligation of the Resulting Company without any further act or deed on the part of the Resulting Company.

5.5 Any existing encumbrances over the assets and properties of the Resulting Company or any part thereof which relate to the liabilities and obligations of the Resulting Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Product Business Undertaking vested in the Resulting Company by virtue of this Scheme.

6. CONTINUATION OF LEGAL PROCEEDINGS:

- 6.1 With effect from the Appointed Date and upon the Scheme becoming effective, all suits, actions and proceedings of whatsoever nature by or against the Product Business Undertaking of the Demerged Company on the Effective Date shall be continued and enforced by or against the Resulting Company. In the event of any difference or difficulty on whether any specific legal or other proceeding relates to the Product Business Undertaking or not, a certificate jointly issued by the Demerged Company and the Resulting Company as to whether such proceeding relates to the Product Business Undertaking or not shall be conclusive evidence of the matters.
- 6.2 If proceedings are taken against the Demerged Company, in respect of matters referred to above, it shall defend the same in accordance with the advice of the Resulting Company. The cost of such defense shall be borne by the Resulting Company. The Resulting Company undertakes to reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.
- 6.3 The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company in respect of matters referred above changed 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.

6.4 The transfer and vesting of the assets, liabilities and obligations of the Demerged Company under Clause 4 and the continuance of legal proceedings by or against the Resulting Company under Clause 6 hereof shall not affect any transactions or any proceedings already completed by the Demerged Company on and after the Appointed Date to the end and intent that, subject to Clause 14, the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.

7. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

7.1 With effect from the Appointed Date and upon the Scheme becoming effective, all contracts (including customer and vendor contracts), deeds, bonds, agreements, arrangements and other instruments of whatsoever nature pertaining to the Product Business Undertaking of the Demerged Company, to which the Demerged Company is a party or to, inter-alia, the commercial benefits of which the Demerged Company may be eligible and which are subsisting or having effect immediately before the Appointed Date, shall be in full force and effect against or in favour of the Resulting Company as the case may be, and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company as a member of the Polaris Group had been a party or beneficiary thereto. The Resulting Company shall enter into and/or issue and/or execute deeds, writings or confirmation or enter into any multipartite agreements, arrangements, confirmations or writings to which the Demerged Company will, if necessary also be a party in order to give formal effect to the provisions of the clause, if so required or becomes necessary.

7.2 With effect from the Appointed Date and upon the Scheme becoming effective, all permits, quotas, rights, entitlements, privileges, powers, facilities, subsidies, rehabilitation schemes, special status and other benefits or privileges (granted by any Government body, local authority or by any other person) of every kind and description of whatsoever nature in relation to the Product Business Undertaking of

the Demerged Company, or to the benefit of which the Product Business Undertaking of Demerged Company may be eligible, or having effect immediately before the Effective Date, shall be and remain in full force and effect in favour of or against the Resulting Company, as the case may be, and may be enforced fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a beneficiary or obligee thereto.

7.3 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licences, permissions or approvals or consents required to hold, sell, or deal with in any manner, the Product Business Undertaking of the Demerged Company shall stand vested in to the Resulting Company without any further act or deed, and shall be appropriately mutated by the Demerged Company in favour of the Resulting Company. The benefit of all such statutory and regulatory permissions, licences, approvals and consents including statutory licences, approvals, permissions or approvals or consents required to hold, sell, deal with in any manner, and exercise any right as a holder of the Product Business Undertaking of the Demerged Company shall vest in and become available to the Resulting Company pursuant to the Scheme.

7.4 The Resulting Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite agreement, confirmations or writings to which the Demerged Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if it is so required or if it becomes necessary.

8. EMPLOYEES OF PRODUCT BUSINESS UNDERTAKING

8.1 Upon the Scheme becoming effective, all the employees in the service of the Product Business Undertaking of the Demerged Company as determined by the Board of Directors of the Demerged Company, immediately before the Effective Date, under this Scheme shall become the employees of the Resulting Company, on the basis that:

- a. their services shall have been continuous and shall not have been interrupted by reason of such demerger;
- b. the terms and conditions of service applicable to the said employees after such demerger shall not in any way be less favourable to them than those applicable to them immediately before the demerger;
- c. in the event of retrenchment of such employees, the Resulting Company shall be liable to pay compensation in accordance with law on the basis that the services of the employees shall have been continuous and shall not have been interrupted by reason of such demerger; and
- d. in so far as the existing provident fund trusts, gratuity fund and pension and/or superannuation fund trusts created by the Demerged Company for its employees (including employees of the Product Business Undertaking) are concerned, the part of the funds referable to the employees who are being transferred shall be continued, for the benefit of the employees who are being transferred to the Resulting Company pursuant to this Scheme in the manner provided hereinafter. In the event that the Resulting Company have their own funds in respect of any of the funds referred to above, the amounts in such funds in respect of contributions pertaining to the employees of the Product Business Undertaking, subject to the necessary contributions pertaining to the employees of the Product Business Undertaking shall, subject to the necessary approvals and permissions, be transferred to the relevant funds of the Resulting Company. In the event that the Resulting Company does not have its own fund, in respect of any of the aforesaid matters, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute in respect of the employees engaged in the Product Business Undertaking to the relevant funds of the Demerged Company, until such time that the Resulting Company creates its own fund, at which time the contributions pertaining to the employees of the Product Business Undertaking shall be transferred to the funds created by the Resulting Company.
- e. Any disciplinary action initiated by the Demerged Company against any employee of the Product Business Undertaking shall have full force, effect and

continuity as if it has been initiated by the Resulting Company instead of the Demerged Company.

- f. The Board of Directors of the Demerged Company and the Resulting Company may consider and approve policies for intercompany transfers within the Polaris Group of employees in the respective companies on such terms and conditions considered fit and appropriate, subject to applicable laws.

8.2 Stock Options:

- a. Upon the coming into effect of the Scheme, the Resulting Company shall take necessary steps to formulate stock option schemes by adopting the Existing Stock Option Schemes of the Demerged Company.
- b. With respect to the stock options granted by the Demerged Company to the employees of the Demerged Company (irrespective of whether they continue to be employees of the Demerged Company or become employees of the Resulting Company pursuant to the Scheme) under the Existing Stock Option Schemes; and upon the Scheme becoming effective, the said employees shall be issued one stock option by the Resulting Company under the new scheme(s) for every stock option held in the Demerged Company, whether the same are vested or not on terms and conditions similar to the relevant Existing Stock Option Schemes.
- c. The stock options granted by the Demerged Company under the relevant Existing Stock Option Schemes would continue to be held by the employees concerned (irrespective of whether they continue to be employees of the Demerged Company or become employees of the Resulting Company). Upon coming into effect of the Scheme, the Demerged Company shall take necessary steps to modify the Existing Stock Option Schemes in a manner considered appropriate and in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in order to enable the continuance of the same in the hands of the employees who become employees of the Resulting Company, subject to the approval of the Stock Exchanges and the relevant regulatory authorities, if any under applicable law.

- d. The existing exercise price of the stock options of the Demerged Company shall be modified consequent to which the exercise price of the stock options of the Demerged Company shall stand adjusted to 72% of the exercise price; and the balance of the exercise price shall become the exercise price of the stock options issued by the Resulting Company.
- e. While granting stock options, the Resulting Company shall take into account the period during which the employees held stock options granted by the Demerged Company prior to the issuance of the stock options by the Resulting Company, for determining the minimum vesting period required for stock options granted by the Resulting Company, subject to applicable laws.
- f. The Demerged Company as well as the Resulting Company shall reimburse each other for cost debited to the Profit & Loss account or any suspense/ subsidy account subsequent to the Appointed Date, in relation to stock options issued to employees of the other company.
- g. Approval granted to the Scheme by the shareholders shall also be deemed to be approval granted to any modifications made to the Existing Stock Option Schemes with respect to the period within which the employees transferred to the Resulting Company would be entitled to exercise their vested options.

9. CONSIDERATION FOR DEMERGER

- 9.1 Upon coming into effect of the Scheme and in consideration for the vesting of the Product Business Undertaking in the Resulting Company in terms of the Scheme, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot equity shares credited as fully paid, to the extent indicated below, to each member of the Demerged Company whose name is recorded in the register of members and records of the depository as members of the Demerged Company on the First Record Date in the following manner:

1 (One) Equity share of the face value of Rs.5/- (Rupees Five only) each in the Resulting Company for every 1 (One) equity share of the face value of Rs.5/- (Rupees Five only) each held in the Demerged Company;

(The ratio referred to above in which the equity shares of the Resulting Company are to be allotted to the shareholders of the Demerged Company by the Resulting Company is hereinafter referred to as the "Share Entitlement Ratio").

9.2 The said equity shares to be issued and allotted by the Resulting Company shall be subject to the Memorandum and Articles of Association of the Resulting Company and shall rank pari passu in all respects from the date of allotment in terms of this Scheme, with the existing equity shares of the Resulting Company, with all rights thereto, and shall be entitled to full dividend, if any, which may be declared by the Resulting Company after the Effective Date of the Scheme.

9.3 No equity shares shall be issued in respect of fractional entitlements, if any, by the Resulting Company, to the members of the Demerged Company at the time of issue and allotment of the equity Shares. In case any equity shareholder's holding in the Demerged Company is such that the shareholder becomes entitled, pursuant to Clause 9.1 above, to a fraction of equity share of the Resulting Company, the Resulting Company shall round off the said entitlement to the nearest integer.

9.4 The equity shares to be issued by the Resulting Company pursuant to Clause 9.1 above shall be issued in dematerialized form, unless otherwise notified in writing by any shareholder of the Demerged Company on or before such date as may be determined by the Board of Directors of the Resulting Company or a Committee thereof. In the event that such notice has not been received by the Resulting Company in respect of any of the shareholders of the Demerged Company as of the First Record Date, the equity shares shall be issued to such members in dematerialized form provided that such members shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event any shareholder has notified the Resulting Company as contemplated above that they desire to be issued shares in the physical form or if the details furnished by any member do not permit

electronic credit of the shares of the Resulting Company, then the Resulting Company shall issue equity shares in physical form to such shareholders.

- 9.5 In the event of there being any pending share transfer, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors or any Committee thereof of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the First Record Date or the Effective Date, as the case may be to effectuate such a transfer in the Resulting Company as if such changes in the registered holders were operative on the First Record Date, in order to remove any difficulties arising to the transfer of the share in the Resulting Company and in relation to any new shares, after the Scheme becomes effective. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of the Scheme and registration of new members in the Resulting Company on account of the difficulties if any in the transition period.
- 9.6 Approval of this Scheme by the shareholders of the Resulting Company shall be deemed to mean that the said shareholders have also accorded all relevant consents under Section 81(1A) of the Companies Act, 1956 and the other relevant and applicable provisions of the Act for the issue and allotment of Equity shares by the Resulting Company to a shareholder of the Demerged Company to the extent the same may be considered applicable.
- 9.7 Further, approval of this Scheme by the shareholders of the Resulting Company shall also be deemed to be the approval by the shareholders for enabling investment by foreign institutional investors (FIIs), under the Portfolio Investment Scheme up to 49.9%, of the paid up share capital of the Resulting Company. The Resulting Company shall, upon the coming into effect of the Scheme, intimate the Reserve Bank of India and comply with such other requirements as mandated by the extant foreign exchange regulations relating thereto, including passing of necessary resolutions by the board and/or shareholders in general meeting as may be required under applicable law.

- 9.8 There will be no change in the equity share capital of the Resulting Company from the allotment of equity shares made to the shareholders of the Demerged Company in accordance with Clause 9.1 above till the listing of the said equity shares of the Resulting Company on NSE, BSE and MSE.
- 9.9 The equity shares allotted by the Resulting Company pursuant to the Scheme shall remain frozen in the depositories system till listing / trading permission is given by NSE (the designated Stock Exchange).
- 9.10 For the purpose of issue of equity shares to any member of the Demerged Company as of the First Record Date, the Resulting Company shall, if and to the extent required, apply for and obtain the required statutory approvals including approval of the Reserve Bank of India and other concerned regulatory authorities for the issue and allotment by the Resulting Company of such equity shares.

10. INCREASE IN THE AUTHORISED SHARE CAPITAL OF THE RESULTING COMPANY

- 10.1 With effect from the Appointed Date and upon the Scheme becoming effective, the authorised share capital of the Resulting Company as detailed in Clause 3.2 of this Scheme shall be increased from the present authorised share capital of Rs. 5,00,000/- divided into 1,00,000 equity shares of Rs. 5/- each to Rs. 55,00,00,000/- divided into 11,00,00,000 equity shares of Rs. 5/- each.
- 10.2 The Capital Clause V of the Memorandum of Association of the Resulting Company shall, with effect from the Appointed Date and upon the Scheme becoming effective and without any further act, deed, matter or thing be replaced by the following clause:

"Authorised Share Capital of the Company is Rs. 55,00,00,000/- (Rupees Fifty Five Crores only) divided into 11,00,00,000 (Eleven Crores) equity shares of Rs.5/- (Rupees Five only) each with power to increase, reduce and subdivide the Share Capital of the Company and to divide the same into various classes of shares and attach thereto such preferential/deferred, special rights and privileges as may be

determined by the company in accordance with the provisions of the Companies Act, 1956 (or any statutory enactments thereof).

- 10.3 Article 2 of the Articles of Association of the Resulting Company shall, with effect from the Appointed Date and upon the Scheme becoming effective and without any further act, deed, matter or thing be replaced by the following clause:

“The Authorised Share Capital of the Company is Rs 55, 00,00,000/- (Rupees Fifty Five Crores only) divided into 11,00,00,000 (Eleven Crores) equity shares of Rs.5/- (Rupees Five only) equity shares of Rs.5/- (Rupees Five only) each.

- 10.4 The Resulting Company shall pay the requisite fees for registration of the increase in the authorised capital of the Resulting Company. The Resulting Company shall comply with the applicable provisions of the Act including without limitation, the provisions of Section 97 of the Companies Act, 1956 for the increase in authorised capital. The Resulting Company shall file requisite returns with the Registrar of Companies, Tamil Nadu at Chennai in relation to such increase in authorised capital.
- 10.5 The approval of this Scheme by the shareholders of the Resulting Company under Sections 391 and 394 of the Companies Act, 1956 whether at a meeting or otherwise, shall be deemed to be and have the approval under Sections 16, 31, 94 of the Companies Act, 1956 and other applicable provisions of the Act and any other consents and approvals required in this regard to give effect to the increase in authorized capital as contemplated in Clause 10.1.

11. ACCOUNTING TREATMENT

11.1 Treatment in the books of the Demerged Company

- i. The Demerged Company shall, upon the Scheme becoming effective, record the deletion of the assets and liabilities of the Product Business Undertaking vested in the Resulting Company pursuant to this Scheme at their respective Book Values.

- ii. The difference between the Book Value of the assets and Book Value of the liabilities of the Product Business Undertaking vested in the Resulting Company, shall be adjusted by transferring the entire Share Premium Account and the General Reserve Account. The remaining difference shall be adjusted by transferring the accumulated profit and loss account of the Demerged Company
- iii. Loans and advances and other dues outstanding as of the Appointed Date between the Demerged Company and the Resulting Company relating to the Product Business Undertaking will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- iv. Investments in the form of equity share capital of the Resulting Company as on the Appointed Date will stand cancelled and be adjusted to the General Reserve Account.

11.2 Treatment in the books of the Resulting Company:

- i. The Resulting Company shall, upon the Scheme becoming effective, record the assets and liabilities of the Product Business Undertaking, vested in it pursuant to this Scheme, at their respective Book Values, if any, as appearing in the books of the Demerged Company as at the close of business day immediately preceding the Appointed Date.
- ii. Upon coming into effect of the Scheme, the shareholding of the shareholders (including the Demerged Company) of the Resulting Company pre-demergers shall be cancelled as specified in Clause 15.1 and amount of such share capital, as stands cancelled, be adjusted to the General Reserve Account.
- iii. Surplus arising out of the excess of net Assets Value of the Product Business Undertaking assigned from the Demerged Company and recorded by the Resulting Company in Clause 11.1 (ii) over the amount credited as Share Capital after making the adjustments referred to in Clause 11.1 (iii) above, shall be credited to the Share Premium Account, General Reserve Account and the Profit

and Loss Account as the case may be, or deficit, if any, shall be debited to the General Reserve Account of the Resulting Company.

- iv. On NCDs being issued as per Clause 17.3 below to the Eligible Members of the Resulting Company, the excess of the face value of the NCDs over the face value of the equity shares shall be first be adjusted against the Share Premium Account and subsequently the balance, if any, to the General Reserve Account of the Resulting Company.

12. OTHER TERMS & CONDITIONS

- 12.1 Any issue as to whether any asset or liability pertains to the said Product Business Undertaking or not shall be decided by the Board of Directors of the Demerged Company and the Resulting Company either by themselves or through a committee appointed by them in this regard, on the basis of such evidence as they deem relevant (including the books and records of the Demerged Company).
- 12.2 Upon the Scheme coming into effect, all taxes/ cess/ duties, direct and/or indirect, payable by or on behalf of the Demerged Company from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with the Revenue Authorities and including the right to carry forward of accumulated losses, shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims, accumulated losses and credits pertaining to indirect taxes such as Cenvat credit, VAT credit etc of the Resulting Company.
- 12.3 Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all existing and future incentives, unavailed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax, excise (including Modvat / Cenvat), customs, VAT, sales tax, service tax etc relating to the Product Business Undertaking to which Demerged Company is entitled to shall be available to and vest in the Resulting Company.
- 12.4 The Demerged Company and the Resulting Company are expressly permitted to make and/ or revise their income tax returns and related TDS certificates and the right to claim refund, advance tax credits, Fringe Tax Credits, etc. on the Scheme

becoming effective as on the Appointed Date and their right to make such revisions in the Income Tax Returns and related Tax Deducted at Source Certificates and the right to claim refunds, advance tax credits, withholding tax credits, benefit of credit for minimum alternate tax and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme and the Scheme becoming effective expressly granted.

- 12.5 In accordance with the Cenvat Credit Rules framed under the Central Excise Act, 1944 and the Service Tax Law as applicable and prevalent on the Effective Date, the unutilized credits relating to excise duties paid on inputs/ capital goods/ input services lying in the accounts of the Demerged Company relating to the Product Business Undertaking shall be permitted to be assigned to the credit of the Resulting Company, as if all such unutilized credits were lying to the account of the Resulting Company. The Resulting Company shall accordingly be entitled to set off all such unutilized credits against the excise duty/ service tax payable by it.
- 12.6 In accordance with the legislations relating to value added tax as are prevalent on the Effective Date in respect of each state, the unutilized credits, benefits, exemptions, if any, relating to VAT paid on inputs, work in process, capital goods lying in the accounts of the Demerged Company relating to the Product Business Undertaking shall be permitted to be assigned to the credit of the Resulting Company, as if all such unutilized credits were lying to the account of the Resulting Company. The Resulting Company shall accordingly be entitled to set off all such unutilized credits against the VAT/ CST payable by it.
- 12.7 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, tax holidays, incentives, concessions and other authorizations in relation to the Product Business Undertaking of the Demerged Company, shall stand assigned by the order of the Court to the Resulting Company, the Resulting Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the Court.
- 12.8 For the purpose of giving effect to the vesting order passed under Section 391 to 394 of the Act in respect of this Scheme, the Resulting Company shall at any time pursuant to the orders on this Scheme be entitled to get the recording of change in the title and appurtenant legal right(s) upon the vesting of the Product Business

Undertaking of the Demerged Company in the Resulting Company in accordance with the provisions of section 391 to 394 of the Companies Act, 1956. With effect from the Appointed Date and upon the Scheme becoming effective, the filing of the certified copies of the order of the Court sanctioning this Scheme shall constitute a creation / modification of charge in the name of the Resulting Company in accordance with the relevant provisions of the Act and satisfaction of charge in respect of the Demerged Company in accordance with the relevant provisions of the Act, if there are any existing charges attached to the Product Business Undertaking.

- 12.9 Upon the Scheme becoming Effective and the allotment of shares by the Resulting Company in favour of the shareholders of the Demerged Company in accordance with Clause 9.1 of the Scheme above, the Resulting Company shall be considered a part of the Polaris Group for all intents and purposes.
- 12.10 This Scheme has been drawn up to comply with the conditions to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

13. CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

- 13.1 With Effect from the Appointed Date and upto and including the Effective date:
- a. The Demerged Company shall carry on and be deemed to have carried on its business and activities relating to the Product Business Undertaking and shall stand possessed of all its assets and properties referred to above, in trust for the Resulting Company and shall account for the same to the Resulting Company. The Demerged Company shall hold the said assets with utmost prudence until the Effective Date.

- b. All profits or income arising or accruing in favour of the Demerged Company in relation to the Product Business Undertaking and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax credit, dividend distribution tax, securities transaction tax, taxes withheld/paid in foreign country, etc.) or losses arising or incurred by the Demerged Company in relation to the Demerged Undertaking shall, for all purpose, be treated as and deemed to be the profits or income, taxes or losses, as the case may be of the Resulting Company.
- c. The Demerged Company shall carry on the activities of the Product Business Undertaking with reasonable diligence and business prudence and shall not, without prior written consent of the Resulting Company, alienate, charge or otherwise deal with or dispose off any of their business undertaking(s) or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Demerged Company prior to the Appointed Date).
- d. The Demerged Company shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees related to the Product Business Undertaking without the consent of the Board of Directors of the Resulting Company.
- e. The Resulting Company shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Resulting Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required / granted under any law for time being in force for carrying on business by the Resulting Company.

14. REMAINING BUSINESS:

- 14.1 The Demerged Company shall be entitled to and continue to carry on its Remaining Business other than the Product Business Undertaking vested in the Resulting Company, pursuant to this Scheme.
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14.2 With effect from the Appointed Date:

- a) The Demerged Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;
- b) All profits accruing to the Demerged Company thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits or losses; as the case may be of the Demerged Company; and
- c) All assets and properties acquired by the Demerged Company in relation to the Remaining Business on or after the Appointed Date shall belong to and continue to remain vested in the Demerged Company.

PART CCANCELLATION OF EXISTING EQUITY SHARE CAPITAL OF THE
RESULTING COMPANY CONSEQUENT TO THE DEMERGER OF THE
PRODUCT BUSINESS UNDERTAKING INTO THE RESULTING COMPANY15. REDUCTION OF SHARE CAPITAL HELD BY THE PRE-DEMERGER
SHAREHOLDERS IN THE RESULTING COMPANY

- 15.1 Upon coming into effect of the Scheme and post allotment of equity shares by the Resulting Company in terms of the ratio provided in Clause 9.1 above, the shareholding of the shareholders (including the Demerged Company) of the Resulting Company pre-demerger shall be cancelled in accordance with provisions of Sections 100 to 103 of the Companies Act, 1956 and the order of the High Court sanctioning the Scheme shall be deemed to be also the order under Section 102 of the Companies Act, 1956 for the purpose of confirming the reduction. The cancellation of the pre-demerger share capital shall result in a mirror image of the shareholding pattern in the Resulting Company as it stands for the Demerged Company as of the First Record Date. No consideration shall be payable to such pre-demerger shareholders on account of such cancellation of their equity share capital pursuant to this Clause 15.
- 15.2 The pre-demerger shareholders whose equity shares were cancelled in accordance with Clause 15.1 above shall cease to be members in the Resulting Company in respect of the equity shares cancelled by the Company.
- 15.3 The Resulting Company shall rectify the Register of Members deleting the names as members of the Resulting Company in respect of the equity shares cancelled pursuant to Clauses 15.1 above.
- 15.4 Upon the Effective Date and upon the cancellation of the equity shares held by the pre-demerger shareholders of the Resulting Company as per Clause 15.1 above, the equity share capital of the Resulting Company shall stand reduced to the extent of the nominal value of the shares cancelled by the Resulting Company. The minute of

the resolution relating to the reduction of the equity share capital of the Resulting Company pursuant to this Scheme shall be registered with the Registrar of Companies, Tamil Nadu, Chennai under Section 103 of the Companies Act, 1956 in the following form:

“The issued, subscribed and paid up equity share capital of the Company stands reduced by the sum of Rs.5,00,000/- consisting of 1,00,000 equity shares of Rs. 5/- each consequent upon the reduction of share capital to that extent.”

- 15.5 Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add “And reduced” as a suffix to its name.
- 15.6 The Board of Directors of the Resulting Company are authorised to finalise the minute of the resolution as provided in Clause 15.4 above and register the same with the Registrar of Companies, Tamil Nadu, Chennai under Section 103 of the Companies Act, 1956. Upon registration of the Order sanctioning the Scheme and the minute set out above, by the Registrar of Companies, Tamil Nadu, Chennai pursuant to Section 103 of the Companies Act, 1956, the reduction shall be deemed to take effect from the Effective Date.

PART D

LISTING AND TRADING OF EQUITY SHARES OF THE RESULTING COMPANY.

16. Upon the issuance and allotment of equity shares of the Resulting Company in terms of Clause 9.1 above, the Resulting Company will take the necessary steps including filing of applications with such of the recognized stock exchanges as the Board of Directors of the Resulting Company may deem fit, for the purpose of listing and trading of the remaining equity shares of the Resulting Company on the recognized stock exchanges, in accordance with applicable law.

PART E
ELECTION AND EXCHANGE PROCEDURE

17. ELECTION AND EXCHANGE PROCEDURE

17.1 Upon the equity shares of the Resulting Company being listed on the Stock Exchanges, the Resulting Company shall within a period of 15 (Fifteen) business days from the completion of the listing, determine the Second Record Date and the Resulting Company shall notify the Stock Exchange of the same and ascertain the Eligible Members. For the sake of clarity, while determining Eligible Members, those members belonging to the category of Promoters, Promoter Group, Persons acting in Concert with the Promoters and Promoter Group shall be specifically excluded.

17.2 Within 12 (Twelve) business days from the Second Record Date, or such other date as may be required by the Stock Exchanges, the Resulting Company shall dispatch a notice (the "Election Notice") to each Eligible Member, providing such Eligible Member the option to elect to receive Non Convertible Debentures in the Resulting Company in the ratio set out in Clause 17.3 below within a period of 30 (thirty) business days of receipt from the Company of such Election Notice, in lieu of equity shares of the Resulting Company held by such Eligible Members

17.3 In the event an Eligible Member were to elect to receive NCDs, as consideration for the cancellation of the equity shares issued and allotted by the Resulting Company pursuant to Clause 9.1 above, the same shall be issued in the following ratio:

One Non-Convertible Debenture of Rs. 42/- each in the Resulting Company for 1 (one) equity share of Rs. 5 each/- being issued and allotted in the Resulting Company pursuant to Clause 9.1 above

17.4 The NCDs to be issued by the Resulting Company pursuant to Clause 17.3 above shall be issued in dematerialized form to those equity shareholders of the Resulting Company who have held their equity shares in dematerialized form, unless otherwise notified in writing by any shareholder of the Resulting Company on or before such date as may be determined by the Board of Directors of the Resulting

Company or a Committee thereof. In the event that such notice has not been received by the Resulting Company in respect of any of the shareholders of the Resulting Company as of the Second Record Date, the NCDs shall be issued to such members in dematerialized form provided that such members shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event any shareholder has notified the Resulting Company as contemplated above that they desire to be issued NCDs in the physical form or if the details furnished by any member do not permit electronic credit of the NCDs of the Resulting Company, then the Resulting Company shall issue NCDs in physical form to such shareholders.

- 17.5 The maximum extent of the consideration payable in the form of NCDs pursuant to Clause 17.3 above shall be limited to an amount so as to ensure compliance with the applicable laws including the requirement to maintain the minimum level of public shareholding under the listing agreement proposed to be entered into with the Stock Exchanges with whom its shares are to be listed. To the extent that the election by the Eligible Members would result in the issuance of NCDs in excess of a value that would result in a fall in the minimum level of public shareholding required to be maintained as stated above, the entitlement to the Eligible Members to receive NCDs will be considered on a pro-rata basis so as to ensure that the minimum level of public shareholding as required under the listing agreement is maintained.
- 17.6 Each Eligible Member shall be required to submit the duly completed Election Notice, in the event they elect to receive the NCDs in terms of Clause 17.2 above, to the Demerged Company on or prior to the expiry of 30 (thirty) business days from the dispatch of the Election Notice, or such other date as may be required by the Stock Exchanges (the "Election Period").
- 17.7 If any Eligible Member has not submitted the duly completed Election Notice to the Resulting Company prior to the expiry of the Election Period or has not provided requisite details as may be required for the purpose of exercise of such option or where such Election Notice has not been received by Resulting Company or its registrars or the ownership of the equity shares in the Resulting Company is in

dispute, then the default option shall be to retain the equity shares issued and allotted in the Resulting company (as consideration pursuant to Clause 9.1) and such Eligible Member shall be deemed to have elected to avail of such default option.

17.8 In the event of there being any pending share transfer, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors or any Committee thereof of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Second Record Date or the Effective Date, as the case may be to effectuate such a transfer in the Resulting Company as if such changes in the registered holders were operative on the Second Record Date, in order to remove any difficulties arising to the transfer of the share in the Resulting Company and in relation to any new shares, after the Scheme becomes effective. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of the Scheme and registration of new members in the Resulting Company on account of the difficulties if any in the transition period.

17.9 The Resulting Company shall complete verification of the Election Notice received from the Eligible Members within a period of 7 (Seven) business days from the end of the Election Period ("Verification Period").

17.10 Upon the completion of the verification notice and determination of the number of NCDs issuable to each Eligible Member who has elected to receive the NCDs in accordance with this Clause 17, the Resulting Company shall cancel the equity shares issued and allotted to the Eligible Members electing to receive Non-Convertible Debentures, and in lieu thereof, issue and allot Non-Convertible Debentures in consideration of the cancellation of the equity shares in the ratio as stated in Clause 17.3 above to such Eligible Members within the time period stipulated in Clause 17.2 above.

18. REORGANIZATION OF EQUITY SHARE CAPITAL OF THE RESULTING COMPANY

18.1 The Eligible Members who elected to receive Non-Convertible Debentures in consideration for cancellation of their equity shares in the Resulting Company as

contemplated in Clause 17.3 above, shall cease to be members in the Resulting Company in respect of the equity shares allotted and cancelled by the Company on and from the date when the Non convertible Debentures are issued to such Eligible Members as consideration.

- 18.2 The Resulting Company shall rectify the Register of Members deleting the names as members of the Resulting Company in respect of the equity shares cancelled pursuant to Clause 17.
- 18.3 Upon the Effective date and upon the Eligible Members receiving Non-Convertible Debentures in consideration for the cancellation of the equity shares in the Resulting company as contemplated in Clause 17 above, and upon the consequent cancellation of shares of the existing shareholders of the Resulting Company, the equity share capital of the Resulting Company shall stand reduced to the extent of the nominal value of the shares allotted and cancelled by the Resulting Company. The minute of the resolution relating to the reduction of the equity share capital of the Resulting Company pursuant to this Scheme shall be registered with the Registrar of Companies, Tamil Nadu, Chennai under Section 103 of the Companies Act, 1956 in the following form:
- “The issued, subscribed and paid up equity share capital of the Company stands reduced by the sum of Rs. _____ /- consisting of _____ equity shares of Rs. 5/- each consequent upon the reduction of share capital to that extent.”
- 18.4 Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add “And reduced” as a suffix to its name.
- 18.5 The Board of Directors of the Resulting Company are authorised to finalise the minute of the resolution as provided in Clause 18.3 above and register the same with the Registrar of Companies, Tamil Nadu, Chennai under Section 103 of the Companies Act, 1956. The reduction shall be deemed to take effect from the date of registration of the order sanctioning the Scheme and the minute of the resolution as

provided in clause 18.3 above by the Registrar of Companies, Tamil Nadu, Chennai, pursuant to Section 103 of the Companies Act, 1956.

PART - F

GENERAL TERMS AND CONDITIONS THAT WILL BE APPLICABLE TO
THE SCHEME

19. APPLICATION TO COURT

- 19.1 The Demerged Company and the Resulting Company shall obtain the requisite consents, approvals or permission of any authority as may be required or which by law may be necessary.
- 19.2 The Demerged Company and the Resulting Company shall, with reasonable dispatch, make respective applications to the Court under Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions, if any of the Act, seeking necessary orders or directions for dispensing with or convening, holding and or conducting meeting of the classes of their respective shareholders of the Demerged Company and the Resulting Company for sanctioning this Scheme of arrangement with such modifications, as may be approved by the Court.
- 19.3 Upon this Scheme being approved by the requisite majority of the equity shareholders of the Demerged Company and the Resulting Company, the Companies shall, with all reasonable dispatch, file respective petitions before the High Court for sanction of the Scheme under Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Act, and for such other Order or Orders, as the Courts may deem fit for carrying the Scheme into effect. Upon this Scheme being approved by the requisite majority of the Shareholders of the Demerged Company and Resulting Company respectively, the Shareholders of these Companies shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in the Scheme.

20. MODIFICATIONS / AMENDMENTS TO THE SCHEME

- 20.1 The Demerged Company and the Resulting Company through their respective Board of Directors including any Committee of Directors or other persons, duly authorised by the respective Boards in this regard, may make, or assent to, any alteration or

modification to this Scheme or to any conditions or limitations, which the Court or any other Competent Authority may deem fit to direct, approve or impose and may give such directions as they may consider necessary, to settle any doubt, question or difficulty, arising under the scheme or in regard to its implementation or in any manner connected therewith and to do and to execute all such acts, deeds, matters and things necessary for putting this Scheme into effect, or to review the portion relating to the satisfaction of the conditions to this scheme and if necessary, to waive any of those (to the extent permitted under law) for bringing this scheme into effect.

20.2 If any part or provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Demerged Company and Resulting Company, affect the validity of implementation of the other parts and/or provisions of the Scheme. If any Part or provision of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Parties that such Part or provision, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part or provision, as the case may be, shall cause this Scheme to become materially adverse to any Party, in which case the Parties shall attempt to bring about a modification in the Scheme, as will best preserve for the Parties the benefits and obligations of the Scheme, including but not limited to such Part or provision.

20.3 For the purpose of giving effect to the Scheme after it is sanctioned by the Court, the Directors of the Demerged Company and the Resulting Company are authorized to identify/allocate/apportion the assets and liabilities covered under the Scheme.

21. CONDITIONALITY OF THE SCHEME

21.1 This Scheme is conditional upon and subject to –

- a) The sanction or approval under any law of the Central Government, State Government, or any other agency, department or authorities concerned, including the Securities and Exchange Board of India and Trade Mark Registry, as may be applicable, being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.

- b) The Scheme being agreed to by the respective requisite majorities of the members of the Demerged Company and the Resulting Company, if meetings of Equity Shareholders of the said companies are convened by the Court, and the sanction of the Court being accorded to the Scheme.
- c) The sanction by the Court under Sections 391 and 394 of the Companies Act, 1956 and other applicable provisions of the Act being obtained by the Demerged Company and the Resulting Company.
- d) The filing with the Registrar of Companies, Tamil Nadu at Chennai, of certified copies of all necessary orders, sanctions and approvals mentioned above by the respective Companies.

22. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

In the event of the Scheme not being sanctioned by the Court and/or the order or orders not being passed as aforesaid, the Scheme shall become fully null and void and in that event no rights and liabilities shall accrue to or be inter-se by the parties in terms of the Scheme, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. In such event, each party shall bear and pay its respective costs, charges and expenses for and / or in connection with the Scheme.

23. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges, levies, fees, duties and expenses of the Demerged Company and the Resulting Company respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to or in connection with the Scheme whether such costs are incurred prior to or after the Effective Date, shall be borne and paid by the Demerged Company.

24. CHANGE OF NAME OF THE DEMERGED COMPANY

Upon the Scheme becoming effective, without any further act or deed, the Demerged Company shall be renamed as "Polaris Consulting and Services Limited". The approval and consent of the Scheme by the Shareholders of the Demerged Company shall be deemed to be the approval of shareholders by way of special resolution for change of name as contemplated herein under Section 21 of the Companies Act, 1956. The sanction of this Scheme by the High Court shall be deemed to be compliance of Sections 21, 23 of the Companies Act, 1956 and other applicable provisions of the Act.

SCHEDULE I

Immovable Properties owned by the Demerged Company to be transferred to Resulting Company being part of the Product Business Undertaking

NAME	DESCRIPTION OF THE PROPERTY	OFFICE SPACE
Nxt Level	Plot No (OLD No. G-3) NEW No-G-3, SIPCOT Information Technology park, SERUSERI, Survey NO. 111/1 PART, 130/ 1 PART, Egattur village AND 168/1 PART OF Navloor Village, SIRUSERI, Egattur Taluk, Kancheepuram	2,10,000 Sq. Ft. (SIPCOT 99 Years Lease land)
Anand Theatre	SEETHAKATHI BUSINESS CENTRE Door No. 684, 685,686,687,688,689,690 Anna Salai, Nungambakkam Village Division Block No-6, Egmore, Nungambakkam Taluk, Chennai District, 11th floor of the rear side of the building.	12,632 Sq.Ft (Owned)
Nalanda Training Centre	Karapakkam Village, Chinglepet Taluk, Kancheepuram District	10.58 Acres Land. (Owned)
Silver Metropolis	Land and IT Park, Commercial building in eighth, ninth & tenth Floor, named as Silver Metropolis, comprising Survey No:85, lying & being Goregaon abutting Western Express Highway, within the limits of Municipal Corporation of Greater Mumbai.	63,999 Sq. Ft (Owned)
Staff Quarters	Land & Multistoreyed residential apartments building - Whispering Palms, Wing A, Building No:4, Situated lying & being at Akurli Kandivli (East), Mumbai - 400101,	68,365 Sq. Ft (Owned)
The Capital - Adjacent land	Land and IT Park Commercial building - Serial No:203/part situated at Manikonda Jagir village, Manikonda Gram Panchayat, Rajendra Nagar, Mandal, Rangareddy District, Andhra Pradesh,	1.5 acres Land. (Owned)
Intellect Towers	Land and IT Park - Commercial building, comprised in Plot No:249, Phase IV, Situated at Udyog Vihar, Gurgaon	36,795.73 Sq. Ft (owned)

SCHEDULE II

Intellectual Properties owned by the Demerged Company which is going to be transferred to the Resulting Company as part of the Product Business Undertaking

SL. NO.	TYPE OF PATENT
1	ZOLOG
2	WALLET BANKING
3	CBX
4	Intellect Armor
5	Liquidity Management - Configurable Principal Formula definition
6	Liquidity Management - Capability to simulate liquidity structures for analysing benefits of different liquidity models
7	Liquidity Management – Ability to simulate multiple Liquidity models and generate recommendations for LM model based on goals selected by users
8	Liquidity Management – Sweeping and Pooling - Omnibus
9	A Retail Business Machine
10	Wallet Banking System
11	Zolog Human Interface
12	Liquidity Analytics
13	Liquidity Modelling
14	Sweeping and Pooling - Omnibus
15	Configurable Principal/Interest Formula
16	FT-BOT Design - Robin
17	FT-BOT Utility – Touring
18	FT-BOT Utility – Video Conferencing
19	FT-BOT Utility – Core Banking
20	FT-BOT Utility - Insurance
21	FT OS
22	FT App Store & FT Tunes
23	3rd Party App Interop
24	FT App Store Multi Level Distribution
25	Decomposition of Finite Func
26	Context Based Action
27	Design your canvas
28	CORA - Configure Once Run Anywhere
29	App Studio
30	Analytics to action (Decision Support System)
31	IADT (Information Analytics Decision and Transaction)
32	Third Party Integration with CAML
33	Advanced Custom Filtering-Reporting
34	Cash on Arrival ATMs
35	Seamless Billing Experience
36	RTEC
37	CFF – Risk
38	Sweeping Algorithms
39	Notional Pooling Algorithms
40	Multi-Card Emulation on Single Plastic

41	XAP - eXtreme Analytics Processing
42	FABX
43	IGTB
44	Intellect HUB
45	Intellect Canvas
46	Octopus

TRADEMARKS	
Sl. No.	DESCRIPTION OF MARK
1	Retail Excel
2	INTELLECT SUITE- <i>Enterprise Platform for Boundryless Banking</i>
3	Intellect Suite- Enterprise Platform for Boundryless Banking-keep growing
4	intellect FRONT OFFICE Branch Banking is back
5	INSUREWARE
6	ORBI-BROKERAGE(word)
7	ORBITECH
8	ORBITECH (Logo)
9	ORBI - LENDING
10	ORBI - TRADE
11	ORBI - INVESTMENTS
12	ORBI - INTEGRATOR
13	ORBI - TREASURY
14	ORBI - CASH
15	ORBI - CARDS
16	ORBI - CORE
17	ORBI - INVEST
18	ORBI - ONE
19	ORBI
20	retail excel - power of simplicity
S. NO	DESCRIPTION OF MARK
1	Zolog
2	Zolog (Logo)
S. NO	NAME
1	CBX
2	Intellect
3	M180
4	FTGRID
5	IGTB
6	Intellect FABX
7	Intellect HUB
8	Intellect Canvas
9	Octopus

COPYRIGHTS	
Sl. No.	Description of Work
1	GUB M180 (L0, L1)
2	Global Insurance Level Zero(11331/2011-COL.)
3	IGTB
4	Intellect FABX
5	Intellect HUB
6	Intellect Canvas
7	Octopus

SCHEDULE III

Investments in Subsidiaries / Associate Companies which are going to be transferred to the Resulting Company as part of the Product Business Undertaking

WHOLLY OWNED FOREIGN SUBSIDIARIES		
Sl. No.	Name of the Subsidiary	Country
1.1	Polaris Software Lab S A	Switzerland
1.2	Polaris Software Lab FZ LLC	Dubai
1.3	Polaris Software Lab Vietnam Co. Ltd.	Vietnam

WHOLLY OWNED INDIAN SUBSIDIARIES		
S.No.	Name of the Subsidiary	Country
2.1	Laser Soft Infosystems Ltd.	India
2.2	Polaris Enterprise Solution Ltd.	India
2.3	Indigo Tx Software Pvt. Ltd.	India
2.4	SFL Properties Pvt. Ltd.	India

JOINT VENTURES - 51% HOLDING		
S.No.	Name of the Subsidiary	Country
3.1	Sonali Polaris FT Ltd.	Banladesh

EQUITY INVESTMENTS IN PRODUCT COMPANIES		
S.No.	Name of the Company	Country
4.1	NMS Works Software Private Limited	India
4.2	Adrenalin eSystems Limited	India

OVERSEAS SUBSIDIARIES TO BE DEMERGED		
S.No.	Name of the Subs.	Country
5.1	Polaris Software Lab PTE Ltd. (60:40 Ratio for Services : Products)	Singapore
5.2	Polaris Software Lab Limited (60:40 Ratio for Services : Products)	UK

SCHEDULE IV

Terms And Conditions For The Issuance And Allotment Of 7.75% Non-Convertible
Debentures By The Resulting Company

Issuer	Intellect Design Arena Limited
Instrument	Secured, non-convertible fully paid up Debentures
Coupon Rate	7.75% per annum payable on redemption
Tenure/Maturity	90 (Ninety) days from the date of allotment
Face Value	Rs.42/- (Rs. Rupees Forty Two Only) per Debenture
Market Lot	1 (One) Debenture or as may be required by the Stock Exchanges
Quantum	<p>The maximum extent of the NCDs shall be limited to an amount that will ensure compliance with the regulatory approvals obtained including the requirement to maintain the minimum level of public shareholding under the listing agreement proposed to be entered into with the Stock Exchanges with whom its shares are to be listed.</p> <p>To the extent that the election by the Eligible Members would result in the issuance of NCDs in excess of a value that would result in a fall in the minimum level of public shareholding required to be maintained as stated above, the entitlement to the Eligible Members to receive NCDs will be considered on a pro-rata basis so as to ensure that the minimum level of public shareholding as required under the listing agreement is maintained.</p>
Redemption	Redeemable at par in full at the end of 90 (Ninety) days the from date of allotment
Physical/Demat	The NCD's will be issued in Demat mode only
Security	Identified Immoveable property of the Resulting Company
Valuation	<p>NCD Valuation is based on relative valuation of the businesses of the Services and Products Business, taking into account business health of the respective businesses considering net assets employed by each business, revenues generated by each business and EBITDA margins of each business.</p> <p>The indicative figure for relative valuation is as per extant guidelines viz., using the higher of the past six month's average or past two week average share prices.</p>
Listing	Upon the issuance and allotment of NCDs of the Resulting Company in terms of Clause 17.3 above, the Resulting Company will take necessary steps including filing of applications with such of the recognized stock exchanges as the Board of Directors of the Resulting Company may deem

	fit, for the purpose of listing and trading of the NCDs of the Resulting Company on the said recognized stock exchanges, in accordance with applicable law
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WITNESS, The Hon'ble Thiru SANJAY KISHAN KAUL, The
Chief Justice of Madras High Court, aforesaid this the 15th
day of September, 2014.

Sd/-
DEPUTY REGISTRAR(O.S).

//CERTIFIED TO BE A TRUE COPY//
DATED THIS THE 24th DAY OF September 2014.

PJ
COURT OFFICER.

From 25th September 2008 the Registry is issuing certified
copies of the Orders/Judgments/Decree in this format.

Cj 0006882

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KV/22/09/2014

COMP. PETN. NOS. 283 & 284
OF 2014

ORDER DATED: 15.09.2014

THE HON'BLE MR. JUSTICE
M. DURAISWAMY

FOR APPROVAL ON: 23/09/2014

APPROVED ON: 23/09/2014

COPY TO:-

1. The Regional Director,
Southern Region,
5th Floor, Ministry of
Corporate Affairs,
No.26, Haddows Road,
Chennai-6.
2. The Registrar of
Companies, II Floor,
No.26, Haddows Road,
Chennai-6.

Cj 0006883

HIGH COURT, MADRAS

General No.

G.A. No. 10816
Applicant 15/09/14
Stamp called for 24/09/14
Stamps put in
Ready 24/09/14

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24.9.14

PL
E.O. (O.S.)

**NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, CHENNAI**

CP/33-35/CAA/2018

in

CA/206/CAA/2017

**Under Sections 230 to 232 of the Companies Act, 2013
In the matter of Scheme of Amalgamation of**

**M/s. Indigo TX Software Private Limited
(Applicant/ Transferor Company-1)**

And

**M/s.Laser Soft Infosystems Limited
(Applicant/ Transferor Company-2)**

With

**M/s.Intellect Design Arena Limited
(Transferee Company)**

And

Their respective shareholders

Order delivered on: 04.07.2018

Coram:

**K. ANANTHA PADMANABHASWAMY, MEMBER (JUDICIAL)
S. VIJAYARAGHAVAN, MEMBER (TECHNICAL)**

*For the Petitioners: Shri.T.K. Bhaskar, Advocate
Shri.SrinathSridevan, Advocate
Shri K. Harishankar, Advocate*

For the Objector : Shri B. Harikrishnan, Advocate

*Shri. Rajkumar Jhabak & Ravi,
Standing Counsel for II Dept.*

Authorised Representative for OL

ORDER

Per:S. VIJAYARAGHAVAN, MEMBER (TECHNICAL)

1) Under consideration are 3 Company Petitions CP Nos.33-35/2018
in CA No.206/CAA/2017 filed under Section 230 of the



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Companies Act, 2013 r/w the Companies (Compromises, Arrangements and Amalgamations) Rules 2016. The instant applications pertain to the proposed Scheme of Amalgamation by virtue of which M/s. Indigo TX Software Private Limited (Applicant/Transferor Company-1), M/s.Laser Soft Infosystems Limited (Applicant/Transferor Company-2) with M/s.Intellect Design Arena Limited (Transferee Company) and its respective Shareholders.

- 2) The Authorised and issued, subscribed & paid up share capital of the Transferor and the Transferee Companies as on 31.03.2017 areas under:

Particulars	Authorized Capital	Issued, subscribed & paid-up Capital	Equity Share-holders	Secured Creditors	Unsecured Creditors
Transferor Company-1	Rs.40,00,000/-	Rs.39,70,400/-	7	-Nil-	-Nil-
Transferor Company-2	Rs.12,00,00,000/-	Rs.7,83,13,200/-	36	1	- Nil -
Transferee Company	Rs.75,00,00,000/-	Rs.50,86,69,360/-	68,671	4	300

- 3) The Transferor Company-1 is a Private Limited Company and was incorporated on 13.10.2004 under the provisions of the Companies Act, 1956. The Transferor Company-2, a Public Limited Company, was incorporated on 16.02.2000 under the provisions of the



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Companies Act, 1956. The Transferee Company is a Public Limited Company and incorporated on 18.04.2011 under the provisions of the Companies Act, 1956, both the transferor companies and transferee company fall within the jurisdiction of this Tribunal.

- 4) This Bench vide its order dated 04.12.2017 in CA No. 206/CAA/2017 has already issued order regarding meeting of equity shareholders, secured and unsecured creditors, wherein the meetings have been dispensed with.
- 5) The learned counsel appearing for the applicant Companies submitted that the rationale of the Scheme of Amalgamation would facilitate the continuance of the business of the Transferor Companies and the Transferee Company under one entity and management; the proposed amalgamation will reduce managerial overlaps which are necessarily involved in running multiple entities; the administrative and operational costs will be considerably reduced and the business of the Transferor Companies and the Transferee Company will be run more effectively and economically resulting in better turnover and profits, operational efficiencies, business synergies and more productive utilization of resources. Further, it has been submitted that no investigation,

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proceedings are pending against them under the Companies Act, 1956 or the Companies Act, 2013.

- 6) The Objector (Shri R. Vidyashankar) holds 7 shares in the transferee company, M/s.Intellect Design Arena Limited in terms of Section 230 (4). The Objector should have minimum 10% holding in the company before being considered eligible to file objections. In this case, the Objector holds a minuscule percentage and hence he is not eligible to file an objection under Section 230 in the proposed scheme of amalgamation. The objections raised by the Objector relates to different statutory dues for every year by both the transferor companies in respect of contingent liability clauses as a part of their financial statements. The other objections being the amount of unsecured creditors in the Transferee Company, service tax liability and payments related to 1st transferor company and the income disputes with the IT department and issues relating to billing which is alleged to be against the accounting policies.
- 7) The Objector also sought for the queries raised by the Chartered Accountant appointed by the Official Liquidator with respect to the transferor companies. He has also stated that Chartered Accountant's report has not been made available to him for his scrutiny. However, in this case, it is seen that the Chartered Accountants have verified the books of accounts of the transferor companies and have filed a statement with the Official Liquidator



who has submitted his report based on this. In view of these statements, the Objector having only 7 shares in the transferee company, if he has any objections to the scheme of amalgamation as a shareholder he can represent before the management or through the Annual General Meetings which are available to the shareholders. In view of this, it is said that since the majority of the shareholders conscientiously agreed for the scheme of amalgamation, it is felt that the Objector cannot, at this stage, raise objections against it. The Objector can also dispose of his shares as the transferee company is a listed one in case he has serious misgivings about the management of the affairs of the transferee company.

8) The Objector has lodged a Complaint with the NSE in NSE/ISC/180211INTELLECT00013/35958 dated 15.01.2018 and the same was forwarded to the Transferee Company and explanation and clarification regarding the issues mentioned in the complaint was duly stated and submitted to the NSE and the copy of the same has been submitted to this Tribunal on 05.03.2018. However, there is no mention about the reply from NSE in this regard.

9) The Regional Director, Southern Region (In short, 'RD') in their Report/Affidavit (for brevity, 'Report') in May, 2018 submitted that as per the records of ROC, Chennai, the transferor companies



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are regular in filing their statutory returns. RD has further submitted that there is no prosecution / inspection / investigation pending against the 1st transferor company and the transferee company but as far as the 2nd transferor company is concerned, two prosecution cases have been filed by ROC, Chennai which are pending before the Addl. Chief Metropolitan Magistrate, Economic Offences, Egmore under Section 205-C of the Companies Act, 1956. RD has submitted that as provided under Clause (i) to Sub-section (3) of Section 232 of the Companies Act, the transferee company has to pay the fees, if any, for the enhanced authorized capital subsequent to the amalgamation after setting off the fees paid by the transferor companies by making an application with the ROC, Chennai. However it is observed that the 2nd transferor Company had moved compounding applications in this regard before this Tribunal. As per Clause 8 of Part-B of the same, companies provide for the protection of the interest of the employees of the transferor companies. RD has stated that the transferee company may be directed to file the amended MOA and AOA with the ROC, Chennai. With regard to the observation made by RD in respect of payment of fee for the increase in the authorized capital, the transferee company filed an affidavit on 07.06.2018 undertakes to pay the fee as set out under Section



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232(3)(i) of the Companies Act, 2013 and that the amended MOA and AOA will also be filed with the ROC.

- 10) The Official Liquidator (**In short, 'OL'**) in their report dated 22.05.2018 submitted that M/s.R.Subramanian and Company, Chartered Accountants, Chennai was appointed by the Official Liquidator and they have scrutinized the books and accounts of the transferor companies. On verification of records, they have noticed that the audited Financial Statements along with the Report of Auditors and Directors of the transferor companies for the financial year 2016-2017 is yet to be filed with the ROC, Tamil Nadu on or before 31.03.2018. Appeals relating to contingent liabilities of the 1st and 2nd transferor companies towards service tax etc. and the income tax due by the 2nd transferor company are pending disposal before CESTAT and Income Tax Appellate Authorities. Chartered Accountants have raised some queries with the transferor companies and the said companies have furnished their reply and explained that all the requirements in accordance with law have been duly complied with. It was observed that the Transferor Companies have maintained and written up all the statutory books in accordance with normally accepted accounting principles and policies as required under the Companies Act, 2013 and also the affairs of the companies have not been conducted in a manner



prejudicial to the interest of its members, creditors or to public interest.

- 11) The OL further submitted that under Clause 8.1 of Part-B the proposed scheme, the interest of all the employees in the service of the Transferor Companies are safeguarded. As per Clause 12.1 of Part-B of the said scheme, the entire equity share capital of all the two Transferor Companies are held by the Transferee Company and its subsidiaries, or nominees. In other words, the two Transferor Companies mentioned above are wholly owned subsidiary of the Transferee Company. Accordingly, pursuant to this Scheme of Amalgamation, no shares of the Transferee Company shall be allotted in respect of its holding in the Transferor Companies. Upon the Scheme being effective, the entire share capital of the two Transferor Companies shall stand cancelled and extinguished, without any further act or deed. The valuation of shares of the Transferor Companies and Transferee Company has been done by M/s.R.Subramanian and Company, Chartered Accountants, Chennai vide their report dated 27.03.2018. The OL has submitted that the company applications may be decided on merits.



12) Further perusal of the scheme shows that the accounting treatment is in conformity with the established accounting standards. In short,

there is no apprehension that any of the creditors would lose or be prejudiced if the proposed scheme is sanctioned. The said Scheme of Amalgamation will not cast any additional burden on the stakeholders and also will not prejudicially affect the interests of any class of the creditors in any manner. The Appointed date of the Scheme is 01.04.2016.

13) The Scheme does not require any modification and the said Scheme of Amalgamation appears to be fair and reasonable, not contrary to public policy and also not violative of any provisions of law. All the statutory compliances have been made under the Companies Act, 2013. Taking into consideration all the above, the Company Applications are allowed and the Scheme of Amalgamation annexed with the petition is hereby sanctioned which shall be binding on all the members and shareholders.

14) While approving the scheme as above, we further clarify that this order will not be construed as an order granting exemption from payment of stamp duty or taxes or any other charges, if payable, as per the relevant provisions of law or from any applicable permissions that may have to be obtained and compliances that may have to be made as per the mandate of law.

15) With regard to the application for compounding of offences by the 2nd transferor company before this Tribunal, the Tribunal directs



that any consequence or penalty arising out of the compounding application after the sanctioning of this scheme of amalgamation should be borne by the Transferee Company as a successor company to the 2nd Transferor Company.

- 16) The Transferee Company is directed to file the amended MoA and AoA with RoC, Chennai as stated by the RD.
- 17) The Transferor Companies shall be dissolved without winding up from the date of the filing of the certified copy of this order with the Registrar of Companies.
- 18) Upon receiving the certified copy of this order, the RoC, Chennai is directed to place all documents relating to the Transferor Companies with that of the Transferee Company and the files relating to the Transferor Companies shall be consolidated with the files and records of the Transferee Company.
- 19) The Companies to the said Scheme or other person interested shall be at liberty to apply to this Bench for any direction that may be necessary with regard to the working of the said Scheme. The Petitioner Companies are directed to file with the Registrar of Companies the certified copy of this Order within 30 days of the receipt of the order.
- 20) The Order of sanction to this Scheme shall be prepared by the Registry as per the format provided under the Companies



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(Compromises, Arrangements and Amalgamations) Rules, 2016 as has been notified on 14th December, 2016.

Accordingly, the Scheme stands sanctioned and the Company Petition Nos. **CP/33-35/CAA/2018** in **CA/206/CAA/2017** stand disposed of.



(S.VIJAYARAGHAVAN)
MEMBER (TECHNICAL)


(K.ANANTHA PADMANABHA SWAMY)
MEMBER (JUDICIAL)

/tjs/knp/sd/



Certified to be True Copy


DEPUTY REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH
CORPORATE BUILDING, 3rd FLOOR
29, RAJAJI SALAI, CHENNAI-600001.

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, CHENNAI**

CP/33-35/CAA/2018

in

CA/206/CAA/2017

CORUM: K.ANANTHA PADMANABHA SWAMY, MEMBER-JUDICIAL
S.VIJAYARAGHAVAN, MEMBER-TECHNICAL

Under Sections 230 to 232 of the Companies Act, 2013

In the matter of Scheme of Amalgamation of

M/s. Indigo TX Software Private Limited

(Applicant/ Transferor Company-1)

And

M/s.Laser Soft Infosystems Limited

(Applicant/ Transferor Company-2)

With

M/s.Intellect Design Arena Limited

(Transferee Company)

And

Their respective shareholders

CORRIGENDUM

In exercise of powers under Rule 154 of the National Company Law Tribunal Rules,
2016 in the order passed by Hon'ble Members on 04.07.2018

Page 8, para 11, 4th & 5th Line provides as follows:

"...share capital of all the two Transferor Companies are held..".

and the same may be read as

"...share capital of the first Transferor Company is held....".

Page 8, para 11, 6th & 7th Line provides as follows:

"..the two Transferor Companies mentioned above are wholly.."

and the same may be read as

"..the first Transferor Company mentioned above is wholly.."

Page 8, para 11, 10th & 11th Line provides as follows:



“..holding in the **Transferor Companies.**”
and the same may be read as
“..holding in the **First Transferor Company.**”

Page 8, para 11, 12th Line provides as follows:
“..the **two Transferor Companies** shall..”
and the same may be read as
“..the **first Transferor Company** shall..”

Page 8, para 11, 14th Line provides as follows:
“..of the **Transferor Companies** and..”
and the same may be read as
“..the **Transferor Company 2..**”

Page 8, para 11, 15th Line provides as follows:
“..by **M/s.R.Subramanian and Company, Chartered Accountants, Chennai** vide
their report dated 27.03.2018”
and the same may be read as
“..by **M/s.Sivasubramanian & Rao** vide their report dated 13.03.2018 and
M/s.R.Subramanian and Company, Chartered Accountants, Chennai vide their
report dated 27.03.2018 have not made any observations”.

S. Vijayaraghavan

S.VIJAYARAGHAVAN
Member (Technical)

K. Anantha Padmanabha Swamy

K.ANANTHA PADMANABHA SWAMY
Member (Judicial)

Dated on this the 26th day of July, 2018



Certified to be True Copy

G. Dayanath
DEPUTY REGISTRAR 2617118
NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH
CORPORATE BHAVAN, 3rd FLOOR
29, RAJAJI SALAI, CHENNAI-600001.

FORM No. CAA.7

[Pursuant to section 232 and rule 20]

National Company Law Tribunal, Division Bench, Chennai

In the matter of the Companies Act, 2013

And

In the matter of Scheme of Amalgamation of

M/s. Indigo TX Software Private Limited

And

M/s. Laser Soft Infosystems Limited

With

M/s. Intellect Design Arena Limited

And

Their Respective Shareholders

Order under section 232

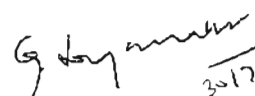
Under consideration are 3 Company Petition Nos. CP/33-35/CAA/2018 filed by the above mentioned Petitioner Companies under the provisions of the Companies Act, 2013 r/w the Companies (Compromises, Arrangements & Amalgamation) Rules, 2016. All the statutory requirements under law have been fulfilled. The Petitioner Companies complied with all the directions given by this Tribunal. The Petition came up for hearing before this Tribunal on 07.06.2018.

For the purpose of considering and approving without modification, the Scheme of Amalgamation of M/s. Indigo TX Software Private Limited and M/s. Laser Soft Infosystems Limited, the Transferor Companies, by transferring and vesting operation **with** M/s. Intellect Design Arena Limited, the Transferee Company.

Upon perusal and upon hearing Shri T.K Bhaskar, the learned counsel for the Petitioner Companies on 07.06.2018.

THIS TRIBUNAL DO ORDER

- 1) That the Scheme of Amalgamation as annexed with the Petition alongwith Schedules is hereby sanctioned.
- 2) That all the property, rights and powers of the transferor companies specified in the schedule hereto and all other property, rights and powers of the Transferor companies be transferred without further act or deed to the Transferee company and accordingly the same shall pursuant to section 232 of the Act, be transferred to and vested in the Transferee company for all the estate and interest of the Transferor companies therein but subject nevertheless to all charges now affecting the same ; and
- 3) That all the liabilities and duties of the Transferor companies be transferred without further act or deed to the Transferee company and accordingly the same shall pursuant to section 232 of the Act, be transferred to and become the liabilities and duties of the Transferee company; and
- 4) That all proceedings now pending by or against Transferor companies be continued by or against the Transferee company; and
- 5) That the Appointed date of the Scheme is 01.04.2016; and
- 6) As per clause 8.1 of part-B of the proposed scheme, the interest of all the employees in the service of the Transferor Companies are safeguarded; and


30/12/18

- 7) As per clause 12.1 of Part-B of the said scheme, the entire equity share capital of all the first Transferor Company is held by Transferee Company and its subsidiaries or nominees. The first Transferor Company is wholly owned subsidiary of the Transferee Company. Accordingly, pursuant to the scheme of amalgamation, no shares of the Transferee Company shall be allotted in respect of its holding in the First Transferor Company; and
- 8) That the transferor companies shall be dissolved without the process of winding up from the date of the filing of the certified copy of this order with the registrar of companies; and
- 9) The Petitioner Companies do file with the Registrar of Companies the certified copy of this Order within 30 days of the receipt of the order; and
- 10) This Tribunal do further order that the parties to the Scheme of Amalgamation or other persons interested shall be at liberty to apply to this Tribunal for any directions that may be necessary with regard to the working of the said Scheme.

SCHEDULE

The Scheme of Amalgamation as sanctioned by the Tribunal contains the details of the properties, stocks, shares, debentures and other charges in action of the Transferor Companies

Dated this 30th day of July, 2018, NCLT, DB, Chennai.

G. Legumalw
30/7/18
Registrar/Dy. Registrar
DEPUTY REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH
CORPORATE BHAVAN, 3rd FLOOR
29, RAJAJI SALAI, CHENNAI-600007

**SCHEME OF AMALGAMATION
OF
INDIGO TX SOFTWARE PRIVATE LIMITED
(First Transferor Company)
AND
LASER SOFT INFOSYSTEMS LIMITED
(Second Transferor Company)
WITH
INTELLECT DESIGN ARENA LIMITED
(Transferee Company)
AND
THEIR RESPECTIVE SHAREHOLDERS**

Under Sections 391 to 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013 as the case may be) in respect of the Amalgamation of Indigo Tx Software Private Limited And Laser Soft Infosystems Limited with Intellect Design Arena Limited

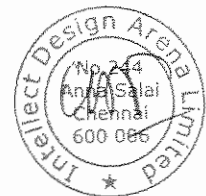
This Scheme is divided into following Parts

1. Part A – Dealing with Definitions and Share Capital;
2. Part B - Dealing with Amalgamation of Indigo Tx Software Private Limited (First Transferor Company) And Laser Soft Infosystems Limited (Second Transferor Company) With Intellect Design Arena Limited (Transferee Company)
3. Part C – Dealing with General Terms and Conditions applicable to the entire Scheme.

For Intellect Design Arena Limited


V.V. NARESH

Vice President - Company Secretary & Compliance Officer



PART A

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following shall have the meanings as provided herein:

- 1.1 “**Act**” means the Companies Act, 1956 and the Companies Act, 2013 and rules made thereunder (as modified from time to time) and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force;
- 1.2 “**Appointed Date**” means the date from which this Scheme shall become operative viz. the commencement of business on 1st April, 2016 or if the Board of Directors of the Transferee Company require any other date prior or subsequent to 1st April, 2016 and/or the Court modifies the Appointed date to such other date, then the same shall be the Appointed date;
- 1.3 “**Board**” or “**Board of Directors**” means the Board of Directors of the Transferor Companies and the Transferee Company concerned and includes any Committee thereof, as the case may be;
- 1.4 “**Court**” or “**High Court**” means the High Court of Judicature at Madras, and shall include the National Company Law Tribunal, as and when applicable;
- 1.5 “**Effective Date**” means the last of the following dates, namely (a) date on which certified copies of the orders of the court under Section 391 and 394 of the Companies Act, 1956 are filed with the Registrar of Companies and (b) date on which the last of all such consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary thereto have been obtained or passed;
- 1.6 “**First Transferor Company**” means “INDIGO TX SOFTWARE PRIVATE LIMITED”, (Corporate Identity Number U72200TN2004PTC054445) a company incorporated under the provisions of the Companies Act, 1956 having its registered office at No.244, Anna Salai, Chennai - 600 006;
- 1.7 “**Government**” or “**Semi Government**” or “**Local Authority**” means any applicable Central, State or Local Government, legislative body, regulatory or

For Intellect Design Arena Limited


V.V. NARESH

Vice President - Company Secretary & Compliance Officer



administrative authority, agency or commission or any Court, Tribunal, Board, Bureau, Judicial or Arbitral body having jurisdiction over the Territory of India;

- 1.8 **“Scheme of Amalgamation” or “Scheme” or “The Scheme” or “This Scheme”** means this Scheme of Amalgamation in its present form or with any modification(s) and amendment(s) as may be made from time to time, with appropriate approvals and sanctions of the Courts and other relevant regulatory/statutory/governmental authorities, as may be required under the Act, and/or under any other applicable laws.
- 1.9 **“Second Transferor Company”** means “LASER SOFT INFOSYSTEMS LIMITED”, (Corporate Identity Number U72200TN2000PLC044182) a company incorporated under the provisions of the Companies Act, 1956 having its registered office at No.244, Anna Salai, Chennai - 600 006;
- 1.10 **“Transferor Companies”** means collectively, the First Transferor Company and the Second Transferor Company, but individually they would be known as First Transferor Company, Second Transferor Company;
- 1.11 **“Transferee Company”** means “INTELLECT DESIGN ARENA LIMITED”,(Corporate Identity Number L72900TN2011PLC080183) a Company incorporated under the provisions of the Companies Act, 1956, whose Registered Office is situated at No.244, Anna Salai, Chennai - 600 006.
- 1.12 **“Undertaking”** means all respective businesses of the Transferor Companies as the case may be on a going concern basis and shall also include all the Assets, Liabilities and employees of the Transferor Companies.

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 ascribed to them under the Act and other applicable laws, rules, regulations and byelaws as the case may be, including any statutory modification or re-enactment thereof from time to time.

For Intellect Design Arena Limited


V.V. NARESH

Vice President - Company Secretary & Compliance Officer



2. **DATE OF TAKING EFFECT AND OPERATIVE DATE**

- 2.1 The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by the Court shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. **SHARE CAPITAL**

- 3.1. The Authorised, issued, subscribed and paid-up share capital of the First Transferor Company as on 31st March, 2016 is as under:

Particulars	Amount in Rs.
Authorised Share Capital	
20,00,000 Equity Shares of Rs.2/- each	40,00,000/-
Total	40,00,000/-
Issued, Subscribed and Paid up Share Capital	
19,85,200 Equity Shares of Rs.2/- each	39,70,400/-
Total	39,70,400/-

There is no change in the capital structure of the First Transferor Company from March 31, 2016 till date. The Transferee Company and its nominees hold the entire share capital of the First Transferor Company.

- 3.2. The Authorised, issued, subscribed and paid-up share capital of the Second Transferor Company as on 31st March, 2016 is as under:

Particulars	Amount in Rs.
Authorised Share Capital	
1,20,00,000 Equity Shares of Rs.10/- each	12,00,00,000
Total	12,00,00,000
Issued, Subscribed and Paid up	
78,31,320 Equity Shares of Rs.10/- each	7,83,13,200
Total	7,83,13,200

There is no change in the capital structure of the Second Transferor Company from March 31, 2016 till date. The Transferee Company and its nominees hold around 99% of the shareholding of the Second Transferor Company.

- 3.3. The Authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 31st March, 2016 is as under:

Particulars	Amount in Rs.
Authorised Share Capital	

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11,00,00,000 Equity Shares of Rs.5/- each	55,00,00,000/-
Total	55,00,00,000/-
Issued, Subscribed and Paid up Share Capital	
10,07,78,624 Equity Shares of Rs.5/- each	50,38,93,120/-
Total	50,38,93,120/-

- 3.4. The Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified under Section 2 (1B) of the Income Tax Act, 1961 or any statutory modification or re-enactment thereof. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section, at a later date, including resulting from an amendment of law or for any other reason whatsoever upto the Effective Date, the provisions of the said Section of the Income Tax Act, 1961 or re-enactment thereof shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2 (1B) of the Income Tax Act, 1961 or re-enactment thereof. Such modification will, however, not affect the other parts of the Scheme

PART B

AMALGAMATION OF TRANSFEROR COMPANIES WITH THE TRANSFEREE COMPANY

4. TRANSFER OF ASSETS:

- 4.1. With effect from the Appointed Date, the entire businesses and all the movable & immovable properties, Sundry Debtors, loans and advances, Cash and Bank Balances and deposits with Government, Semi-Government or Local Authorities, real or personal, corporeal or incorporeal, including fixed assets, capital assets, capital work-in-progress, current assets, investments of all kinds, lease and hire purchase contracts, lending contracts, benefits of any security arrangements, rights, title, interest, quotas, benefits and advantages of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession and /or in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies including all patents, trademarks, copyrights, trade names and other intellectual property rights of any nature whatsoever and licenses in respect thereof, privileges, liberties easements, advantages, exemptions, benefits, leases, leasehold rights, tenancy rights, ownership flats, quota rights, permits,

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approvals, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, power lines, communication lines and other services, reserves, deposits, provisions, funds, benefit of all agreements, subsidies, grants, tax credits, sales-tax, turnover tax, excise and all other interests arising of the Transferor Companies and any accretions or additions thereto after the Appointed Date (hereinafter collectively referred to as "the said assets") shall be transferred to and vested in and / or deemed to be transferred to and vested in the Transferee Company, without any further act or deed or instrument, pursuant to the provisions of Section 394 of the Companies Act, 1956 and other applicable provisions of the said Act, so as to become as and from the Appointed Date, the estate, assets, rights, title and interests of the Transferee Company.

4.2. Any floating charges created by the Transferor Companies in favour of their bankers for all the movable assets, documents of title to goods, receivables, claims and other current assets that are acquired by the Transferor Companies from the Appointed Date till the Effective Date, shall be deemed to be the security and shall be available as security for the loans, cash credit and other working capital facilities, both fund based and non-fund based, which were sanctioned by the bankers of the Transferor Companies either utilised fully or partly or unutilised by the Transferor Companies subject to the limits sanctioned by their respective bankers so transferred and vested in the Transferee company pursuant to the Scheme.

4.3. The Scheme, as aforesaid, shall be, subject to existing charges / hypothecation / mortgage (if any as may be subsisting) over or in respect of the said assets or any part thereof in favour of Banks and Financial Institutions. Provided, however, that any reference in any security documents or arrangements to which the Transferor Companies are a party, to such assets of the Transferor Companies offered or agreed to be offered as security for any financial assistance both availed and to be availed up to any limit for which sanctions have already been obtained by the Transferor Companies shall be construed as references only to the assets pertaining to the Transferor Companies as are vested in the Transferee Company by virtue of the sub-Clause 4.1 hereof, to the end and intent that such security, mortgage and or charge shall not extend or be deemed to extend, to any of the

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assets or to any of the other units or divisions of the Transferee Company, unless specially agreed to by the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company.

- 4.4. It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual or constructive delivery and /or by endorsement and delivery, the same shall be so transferred by the respective Transferor Companies and shall become the property of the Transferee Company in pursuance of the provisions of Section 391 and 394 of the Companies Act, 1956, (or such applicable provisions of the Companies Act, 2013) as an integral part of the undertaking, such transfer being deemed to have taken place at the location of the Registered Office of the Transferee Company, i.e., in the State of Tamil Nadu.
- 4.5. In respect of the assets other than those referred to above shall without any further act, instrument, deed or matter or thing be transferred to and vested in and / or deemed to be transferred to and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Section 391 – 394 of the Companies Act, 1956, (or such applicable provisions of the Companies Act, 2013). The vesting of all such assets shall be by virtue of the provisions of this Scheme and Section 391 and 394 of the Companies Act, 1956, (or such applicable provisions of the Companies Act, 2013) be deemed to have taken place at the location of the Registered Office of the Transferee Company i.e., in the State of Tamil Nadu.
- 4.6. All benefits including under Income Tax, Sales Tax, Service Tax, etc., to which the Transferor Companies are entitled to in terms of the various Statutes and / or Schemes of the Union and State Governments shall be available to and vest in the Transferee Company without any further act or deed.
- 4.7. The Transferee Company may, at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the respective Transferor Companies or in favour of any other party to any contract or arrangement to which the Transferor Companies are a party or any writings, as

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may be necessary, to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Companies to implement or carry out all such formalities or compliances referred to above on the part of the Transferor Companies to be carried out or performed.

4.8. Upon the coming into effect of the Scheme, the Transferee Company may, if it considers necessary or expedient, revise (with retroactive effect, if applicable), its Income-Tax returns, TDS returns, Service Tax returns, Sale-Tax returns and other tax returns and claim refunds and/or credits etc. pertaining to business activities of the Undertakings of the Transferor Companies, pursuant to the provisions of the Scheme.

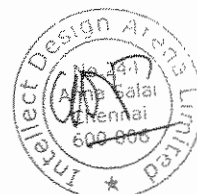
5. **TRANSFER OF DEBTS AND LIABILITIES:**

5.1. With effect from the Appointed Date, all debts, liabilities, loans, borrowings, bills payable, deposits, security deposits, interest accrued, duties and obligations of the respective Transferor Companies including contingent liabilities not provided in their books and any accretions and additions or reductions thereto after the Appointed Date shall also stand transferred or be deemed to be transferred without any further act or instrument or deed to the Transferee Company so as to become as and from that date, the debts, liabilities, loans, borrowings, bills payable, deposits, security deposits, interest accrued, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, loans, borrowings, bills payable, deposits, security deposits, interest accrued, duties and obligations have arisen in order to give effect to the provisions of this Clause, PROVIDED ALWAYS that nothing in this Clause shall or is intended to enlarge the security for any loan, deposit or other indebtedness created by the Transferor Companies prior to the Appointed Date which shall be transferred to and vested in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be required or obliged in any manner to create any further or additional security therefore after the Appointed Date or otherwise.

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- 5.2. All the loans, advances and other facilities sanctioned to the Transferor Companies by their bankers prior to the Appointed Date, which are partly drawn / utilised shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn / utilised either partly or fully by the respective Transferor Company from the Appointed Date till the Effective Date and all the advances / loans and or other facilities so drawn by the respective Transferor Company (within the over all limits sanctioned by their bankers) shall on the Effective Date be treated as advances and loans made available to the Transferee Company under any loan agreement and shall become the obligation of the Transferee Company without any further act, or deed on the part of the Transferee Company.
- 5.3. Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company shall without further act or deed stand enhanced by an amount equivalent to the combined authorised borrowing limits of the Transferor Companies, such limits being incremental to the existing limits of the Transferee Company.
- 5.4. The resolutions, if any, of the Board of Directors, or Committees thereof, Shareholders, Debenture Holders of the Transferor Companies which are valid and subsisting on the Effective Date shall be continued to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable legislations then said limits shall be added and shall constitute the aggregate of the said limits of the Transferee Company.
- 5.5. Upon this Scheme coming into effect, any loan or other obligations due between or amongst the Transferor Companies and the Transferee Company shall stand discharged and there shall be no liability in that behalf.

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6. LEGAL PROCEEDINGS

6.1 All legal proceedings of whatsoever nature by or against the Transferor Companies pending and/or arising at the Appointed Date and relating to the Transferor Companies or its properties, assets, debts, liabilities, duties and obligations referred to above, shall be continued and/or enforced until the Effective Date as desired by the Transferee Company and as and from the Effective Date shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in its name in relation to the Transferor Companies in the same manner and to the same extent as would, or might, have been initiated by the Transferor Companies.

7. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

7.1 Subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements, insurance policies and other instruments of whatsoever nature to which any of the Transferor Companies are a party, subsisting or having effect immediately before this arrangement under this Scheme, shall be, in full force and effect, against or in favour of the Transferee Company, and may be enforced as fully and as effectively as if instead of the Transferor Companies, the Transferee Company had been a party thereto. The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmation or enter into any tripartite arrangement, confirmations or novations to which the respective Transferor Companies will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required or become necessary.

7.2 As a consequence of the amalgamation of the Transferor Companies with the Transferee Company in accordance with this Scheme, the recording of change in name from the respective Transferor Companies to the Transferee Company, whether for the purposes of any licence, permit, approval or any other reason, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.

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7.3 The Transferee Company may, at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies, implement or carry out all such formalities or compliances referred to above on the part of the Transferor Companies, as the case may be, to be carried out or performed.

7.4 For the removal of doubts, it is expressly made clear that the dissolution of the Transferor Companies without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any instrument or beneficial interest to which the Transferor Companies are a party thereto and shall not affect any right, privilege, obligations or liability, acquired, or deemed to be acquired prior to Appointed Date and all such references in such agreements, contracts and instruments to the Transferor Companies shall be construed as reference only to the Transferee Company with effect from the Appointed Date.

8. EMPLOYEES

8.1 Upon the Scheme becoming effective, all the staff, workmen and other employees in the service of the Transferor Companies immediately before the Effective Date shall become the staff, workmen and employees of the Transferee Company, on the basis that:

- a) Their services shall have been continuous and shall not have been interrupted by reason of such transfer as if such transfer is effected under Section 25FF of the Industrial Disputes Act, 1947;
- b) The terms and conditions of employment applicable to the said employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately before the transfer;

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- c) In the event of retrenchment of such employees, the Transferee Company shall be liable to pay compensation in accordance with law on the basis that the services of the staff, workmen, or other employees shall have been continuous and shall not have been interrupted by reason of such transfer; and
- d) In so far as the existing provident fund trusts, gratuity fund and pension and / or super-annuation fund trusts created by the Transferor Companies for its employees are concerned, the part of the funds referable to the employees who are being transferred shall be continued for the benefit of the employees who are being transferred to the Transferee Company pursuant to the Scheme in the manner provided hereinafter. In the event that the Transferee Company has its own funds in respect of any of the funds referred to above, the amounts in such funds in respect of contributions pertaining to the employees of the Transferor Companies shall, subject to approvals and permissions, if required, be transferred to the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own fund, in respect of any of the aforesaid matters, the Transferee Company may, subject to approvals and permissions, if required, continue to contribute to the relevant funds of the Transferor Companies until such time that the Transferee Company creates its own fund, at which time the contributions pertaining to the employees of the Transferor Companies shall be transferred to the funds created by the Transferee Company. Provided however that, the Transferee Company shall be at liberty to form or restructure its provident fund trusts, gratuity fund and pension and/or superannuation fund trusts in such manner as may be decided by its Board of Directors, subject to compliance of relevant labour laws and any other allied laws for the purpose.

9. SAVING OF CONCLUDED TRANSACTIONS

- 9.1 The transfer of Assets and liabilities under Clause 4 and 5 above, the continuance of proceedings by or against the Transferee Company under Clause 6 above and the effectiveness of contracts and deeds under Clauses 7 above shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Companies on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company

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accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

10. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANIES TILL EFFECTIVE DATE

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

- a. The Transferor Companies shall carry on, and be deemed to have been carrying on, all business activities and shall be deemed to have been held for and on account of, and in trust for, the Transferee Company.
- b. All profits or income or taxes, including but not limited to income tax, fringe benefit tax, advance taxes, minimum alternate tax, tax deducted at source by or on behalf of the Transferor Companies, wealth tax, sales tax, value added tax, excise duty, service tax, customs duty, etc. accruing or arising to the Transferor Companies, or losses arising or expenditure incurred by them, on and from Appointed Date upto the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or the said taxes of the Transferee Company.
- c. The Transferor Companies shall carry on its business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose off any of the business undertaking or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Companies prior to the Appointed Date).
- d. The Transferee Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require in relation to the Undertaking of the Transferor Companies including the registration, approvals, exemptions, reliefs, etc., as may be required / granted under any law for time being in force for carrying on business by the Transferee Company.

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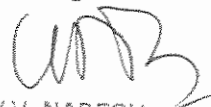
- e. The Transferor Companies shall not declare any dividend, between the Appointed Date and the Effective Date, without the prior written consent of the Transferee Company.
- f. The Transferor Companies shall not make any modification to its capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or re-organisation or in any other manner, whatsoever, except by mutual consent of the Boards of Directors of the Transferor Companies and of the Transferee Company.
- g. The Transferor Companies shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company.

11. COMBINATION OF AUTHORISED SHARE CAPITAL

- 11.1 With effect from the Appointed Date and upon the Scheme becoming effective, subject to any corrections and adjustments as may in the opinion of the Board of Directors of the Transferee Company be required, the authorised share capital of the Transferor Companies as detailed in Clause 3.1 and 3.2 of this Scheme, shall stand combined with the authorised share capital of the Transferee Company as detailed in Clause 3.3 of this Scheme, in the same form as they appear in the financial statements of the Transferor Companies.
- 11.2 Clause V of the Memorandum of Association of the Transferee Company shall, with effect from the Appointed Date and upon the Scheme becoming effective and without any further act, deed, matter or thing be replaced by the following clause

“V. The Authorised Share Capital of the Company is Rs. 67,40,00,000/- (Rupees Sixty Seven Crore Forty Lakhs Only) divided into 13,48,00,000 (Thirteen Crores Forty Eight Lakhs Only) Equity Shares of Rs.5/- (Rupees Five Only) each with power to increase, reduce and subdivide the Share Capital of the

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Company and to divide the same into various classes of shares and attach thereto such preferential/deferred, special rights and privileges as may be determined by the Company in accordance with the provisions of the Companies Act, 1956 (or any statutory enactments thereof)."

- 11.3 Article 2 aa) of the Articles of Association of the Transferee company (relating to the authorized share capital) shall, with effect from the Appointed Date and upon the Scheme becoming effective and without any further act, deed matter or thing be replaced by the following clause:

"The authorized share capital of the Company is 67,40,00,000/- (Rupees Sixty Seven Crore Forty Lakhs Only) divided into 13,48,00,000 (Thirteen Crores Forty Eight Lakhs Only) Equity Shares of Rs.5/- (Rupees Five Only) each."

- 11.4 The Filing fees and stamp duty, if any, paid by the Transferor Companies on its authorised share capital, shall be deemed to have been so paid by the Transferee Company on the combined authorised Share capital and accordingly, the Transferee Company shall not be required to pay any fee/ stamp duty for its increased authorised share capital.

- 11.5 The approval of this Scheme under Sections 391 and 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013) shall also be deemed to be approvals under sections 13, 14, 61, 64 of the Companies Act, 2013 (corresponding to Sections 16, 31, 94 and 97 of the Companies Act, 1956) and other applicable provisions of the Act and any other consents and approvals required in this regard to give effect to the increase in authorized share capital.

12. CONSIDERATION

- 12.1 Since the First Transferor Company is the wholly owned subsidiary of the Transferee Company, upon the Scheme being sanctioned by the Hon'ble Court and the transfer having been effected as provided hereinabove, all the equity shares held by the Transferee Company and its Nominees in the First Transferor

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Company shall be cancelled and extinguished as on the Appointed Date. Accordingly, there will be no issue and allotment of equity shares of the Transferee Company to the Shareholders of the First Transferor Company upon this Scheme becoming effective.

- 12.2 Upon the Scheme becoming fully effective and in consideration of the transfer and vesting of the Undertaking of the Second Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall without any further applications, act, instrument or deed, issue and allot to the equity shareholders of the Second Transferor Company whose names are recorded in the register of members of the Second Transferor Company, (the 'Members') on the Record Date, equity shares in the following manner:

1 (One) equity share of Rs. 5 each/- fully paid up in the Transferee Company for every 4.68 equity shares of Rs. 10/- each fully paid up held in the Second Transferor company;

(The above ratio as detailed in which the equity shares of the Transferee Company are to be allotted to the shareholders of the Second Transferor Company by the Transferee Company is hereinafter referred to as the "Share Exchange Ratio.")

- 12.3 No equity shares shall be issued in respect of fractional entitlements, if any, by the Transferee Company, to the members of the Second Transferor Company at the time of issue and allotment of the equity shares.
- 12.4 The Board of the Transferee Company shall consolidate all such fractional entitlements and allot shares in lieu thereof to a director or an authorized officer of the Transferee Company with express understanding that such director or authorized officer shall sell the same at the best available price in one or more lots and by private sale/placement or by auction as deem fit (the decision of the director or the authorized officer as the case may be as to the timing and method of the sale and the price at which such sale has been given effect to shall be final) and pay the sale proceeds to the Transferee Company. The net sale proceeds there upon, shall be distributed among members of the Second Transferor Company

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entitled to their fractional entitlements, in the proportion of their fractional entitlements by the Transferee Company.

- 12.5 All equity shares held by the Transferee Company or its subsidiaries in the Second Transferor Company shall stand cancelled as an integral part of the scheme and no equity shares of the Transferee Company shall be allotted in respect of such equity shares.
- 12.6 Upon Equity Shares being issued and allotted by the Transferee Company to the shareholders of the Second Transferor Company, in accordance with Clause 12.2, the share certificates in relation to the shares held by the said shareholders in the Second Transferor Company shall be deemed to have been cancelled and extinguished and be of no effect on and from such issue and allotment.
- 12.7 The Equity Shares in accordance with Clause 12.2 shall be issued in dematerialized form to those shareholders who hold the shares of the Second Transferor Company in dematerialized form, provided all details relating to the account with the Depository Participant are available to the Transferee Company. All those shareholders who hold shares in physical form shall be issued Equity Shares in physical form unless otherwise communicated in writing by such shareholders on or before such date as may be determined by the Transferee Company or committee created thereof.
- 12.8 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment by the Transferee Company of Equity Shares to the members of the Second Transferor Company under the Scheme.
- 12.9 The Equity Shares of the Transferee Company being issued in accordance with Clause 12.2 shall be listed on all the stock exchanges on which the shares of the Transferee Company are listed as on the Effective Date.
- 12.10 The said equity shares to be issued and allotted by the Transferee Company shall be subject to Memorandum of Association & Articles of Association of the Transferee Company and shall rank pari passu in all respects from the date of

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allotment in terms of this scheme, with the existing equity shares of the Transferee Company, with all rights thereto, and shall be entitled to full dividend, if any, which may be declared by the Transferee Company after the effective date of the scheme.

- 12.11 In the event of there being any pending share transfer, whether lodged or outstanding, of any shareholder of the Second Transferor Company, the Board of Directors or any Committee thereof of the Transferee Company at its sole discretion shall be empowered in appropriate circumstances, even subsequent to the Record Date or the Effective Date, as the case may be to effectuate such a transfer in the Transferee Company as if such changes in the registered holders were operative on the Record Date, in order to remove any difficulties arising to the transfer of the share in the Transferee Company and in relation to any new shares, after the Scheme becomes effective. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of the Scheme and registration of new members in the Transferee Company on account of the difficulties if any in the transition period.
- 12.12 In the event of the Transferee Company issuing any shares or any bonds or any debentures (non-convertible or partly or fully convertible) or any shares by way of bonus or rights to its shareholders on or after the date of acceptance of the Scheme by the Board of Directors of the Second Transferor Company and the Transferee Company, and before issue of shares under Clause 12.2 hereof, the Transferee Company shall reserve for allotment to the members of the Second Transferor Company, the number of such shares, bonds or debentures to which the members of the Second Transferor Company would be entitled in terms of such issue, if this Scheme of Amalgamation had become effective prior to such issue. The shares, bonds or debentures so reserved as aforesaid shall be allotted (in the case of bonus shares) or offered (in case of rights issue) to the members of the Second Transferor Company only if this Scheme of Amalgamation becomes effective as specified herein and on the terms and conditions as those governing such allotment or issue to the members of the Transferee Company save and except that the dates of acceptance, splitting, renunciation, payment and allotment on the date from which such shares, bonds or debentures shall rank for dividend and interest shall be suitably fixed by the Board of Directors of the Transferee Company having due

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regard to similar dates fixed in respect of the issue of offer thereof to the shareholders of the Transferee Company.

- 12.13 Approval of this Scheme by the Shareholders of the Transferee Company shall be deemed to be in due compliance of Section 62(1)(c) of the Companies Act, 2013 and any other relevant provisions of the Act and such other regulations as are relevant and applicable for the issue and allotment of new equity shares by the Transferee Company.

13. ACCOUNTING TREATMENT

On the Scheme becoming effective, the Transferee Company shall account for the Amalgamation as under:

- 13.1 The Transferee Company shall account for the amalgamation of the Transferor Companies as per the Accounting Standard 14 – Accounting for Amalgamations (AS - 14) prescribed by the Central Government under Companies (Accounting Standards) Rules, 2006 and any amendments thereto and shall abide by the Pooling of Interest Method of accounting stipulated in AS -14.

- 13.2 Upon the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as under:

(a) All the assets and liabilities, including Reserves, of the Transferor Companies shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form as at the Appointed Date.

(b) The investments in the share capital of Transferor Companies in the books of accounts of Transferee Company shall stand cancelled.

(c) Inter-company balances and dues, if any, between the Transferor Companies and the Transferee Company shall stand cancelled.

(d) The difference between the net assets (assets less liabilities) and reserves of the Transferor Companies transferred to the Transferee Company, after making the above adjustments shall be adjusted in the reserves of the Transferee Company.

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- 13.3 In case of any differences in accounting policy between the Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference till the Appointed Date will be quantified and adjusted in the Profit and Loss account, to ensure that the financial statements of Transferee Company reflects the financial position on the basis of consistent accounting policy.

14. DISSOLUTION OF TRANSFEROR COMPANIES

- 14.1 Subject to an order being made by the Court under Section 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be) the Transferor Companies shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made there under.

PART C

**GENERAL TERMS AND CONDITIONS APPLICABLE TO THE ENTIRE
SCHEME**

15. APPLICATION TO THE HIGH COURT OF JUDICATURE AT MADRAS

- 15.1 The Transferor Companies and the Transferee Company shall, with reasonable dispatch, apply to the High Court for necessary orders or directions for holding or dispensing with the meetings of the members (and creditors, if necessary) of the Transferor Companies and the Transferee Company respectively and for sanctioning this Scheme under Sec.391 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be) and orders under Sec.394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013, as the case may be) for carrying this Scheme into effect, for dissolution of the Transferor Companies without winding up, for the transfer of the Undertakings of the Transferor Companies to the Transferee Company.

For Intellect Design Arena Limited


V.V. NARESH

Vice President - Company Secretary & Compliance Officer



16. MODIFICATIONS/AMENDMENTS TO THE SCHEME

16.1 The Transferor Companies and the Transferee Company through their respective Board of Directors or other persons, duly authorised by the respective boards in this regard, may make or assent to any alteration or modification to this Scheme or to any conditions or limitations, which the High Court of Judicature at Madras or any other Competent Authority may deem fit to direct, approve or impose and may give such directions, as they may consider necessary, to settle any doubt, question or difficulty, arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do all such acts, deeds, matters and things necessary for putting this Scheme into effect.

16.2 After dissolution of the Transferor Companies, the Transferee Company by its Board of Directors or other persons, duly authorised by its Board in this regard, shall be authorised, to take such steps, as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, whether by reasons of any order of the High Court or of any directive or order of any other authorities or otherwise, however, arising out of, under by virtue of this Scheme in relation to the amalgamation and / or matters concerning or connected therewith.

16.3 The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by the Court shall be effective from the Appointed Date but shall be operative from the effective date.

17. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

17.1 This Scheme is conditional upon and subject to –

- a) The sanction or approval under any law of the Central Government, State Government, or any other agency, department or authorities concerned, including the Securities and Exchange Board of India, as may be applicable, being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.
- b) The Scheme being agreed to by the respective requisite majorities of the members of the Transferor Companies and the Transferee Company, if meetings

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of Equity Shareholders of the said companies are convened by the Court, or if dispensation from conducting the meeting of the members of the Transferor company is obtained from the Court, and the sanction of the Court being accorded to the Scheme.

- c) The sanction by the Court under Sections 391 and 394 of the Companies Act, 1956 and other applicable provisions of the Act being obtained by the Transferor Companies and the Transferee Company.
- d) The filing with the Registrar of Companies, Tamil Nadu at Chennai, of certified copies of all necessary orders, sanctions and approvals mentioned above by the respective Companies.

18. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

In the event of the Scheme not being sanctioned by the Court and/or the order or orders not being passed as aforesaid, the Scheme shall become fully null and void and in that event no rights and liabilities shall accrue to or be inter-se by the parties in terms of the Scheme, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. In such event, each party shall bear and pay its respective costs, charges and expenses for and / or in connection with the Scheme.

19. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Companies and the Transferee Company respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to or in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company in pursuance of this scheme shall be borne and paid by the Transferee Company.

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