

Date: 22.02.2018

Manager,  
Department,  
**National Stock Exchange of India Limited,**  
Towers, 4th floor, Plot No C 62, G - Block, Opp.  
Bandra Kurla Complex, Bandra (E),  
400 098, India.  
Phone : +91 22 6112 9000, Fax : +91 22 2654 4000

**Meeting to be held on 22.03.2018**

**Ref: D01019**

Pursuant to Provisions of Section 101 and 174 read with Part-A of Schedule-III of the Companies Act, 2013 (Listing Obligations and Disclosure Requirements) Notice of (01/FY 2017-2018) Extra-Ordinary General Meeting of the Company scheduled to be held on Thursday, 22<sup>nd</sup> March, 2018 at 03.00 P.M. to transact the business agenda specified in the

and the notice of EGM to the Members of the

the website of the company [http://www.nettlinx.com/notice%20of%20egm\\_22.03.2018.pdf](http://www.nettlinx.com/notice%20of%20egm_22.03.2018.pdf).

To  
The Listing Manager,  
Listing Department,  
The **Bombay Stock Exchange Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400001.

To  
The Listing Manager,  
Listing Department,  
The **Metropolitan Stock Exchange Limited,**  
Vibgyor Towers,  
Trident Hotel,  
Mumbai – 400 001.  
Telephone : +91 22 2354 4000

**Sub: Notice of (01/FY 2017-2018) EGM scheduled to be held on 22.03.2018**

**Ref: Scrip Code: 511658 (NETTLINX) ISIN: INE020**

Dear Sir,

Further to our intimation dated 09<sup>th</sup> February, 2018 and 108 of the Companies Act, 2013 and Regulations 30, Securities and Exchange Board of India (Listing Regulations, 2015, we hereby enclose a copy of the Notice of General Meeting of the Company scheduled to be held on Thursday, 22<sup>nd</sup> March, 2018 at 03.00 P.M. at the Registered Office of the company, Hyderabad to transact the business agenda specified in the notice.

The Board of Directors of the company has decided to send the notice of EGM to the Members of the company holding shares as on. 09.02.2018.

The above information is also on [http://nettlinx.com/company/notice%20of%20egm\\_22.03.2018.pdf](http://nettlinx.com/company/notice%20of%20egm_22.03.2018.pdf).

Please take the same on record and acknowledge.

Thanking you,

Yours Sincerely,

**For Nettlinx Limited**

  
**Sai Ram Gandikota**  
**Company Secretary & Compliance Officer**





# NETTLINX LIMITED

# 5-9-22, Flat No. 303, 3rd Floor, My Home Sarovar Plaza, Secretariat Road,  
Saifabad, Hyderabad-500 063, Telangana, India. Tel : 23232200, Fax : +91-40-23231610  
E-mail : secretarial@nettlinx.com | URL : www.nettlinx.com | CIN Number : L67120TG1994PLC016930

## **EGM NOTICE**

### **SCHEME OF AMALGAMATION**

**UNDER SECTIONS 230 to 233 OF THE COMPANIES ACT, 2013**

**READ WITH**

**COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS)**

**RULES, 2016**

**BETWEEN**

**NETTLINX LIMITED**

**(TRANSFeree COMPANY)**

**AND**

**NETTLINX AQUACULTURE PRIVATE LIMITED**

**(TRANSFEROR COMPANY)**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF  
NETTLINX LIMITED / TRANSFeree COMPANY**

**To**

**The Equity Shareholders of NETTLINX LIMITED (“the Company” or “Applicant Company”)**

Notice is hereby given that the (01/2017-2018) Extra-Ordinary General Meeting of the Shareholders of M/s. Nettlinx Limited will be held on Thursday, the 22<sup>nd</sup> Day of March, 2018 at 03.00P.M. at the registered office of the Company situated at 5-9-22, Flat No.303, 3<sup>rd</sup> Floor, My Home Sarovar Plaza, Secretariat, Saifabad Hyderabad, Telangana- 500063, India for the purpose of considering, and if thought fit, approving with or without modifications, the Scheme of Amalgamation between Nettlinx Limited (Transferee Company) and Nettlinx Aquaculture Private Limited (Transferor Company) and their respective shareholders and creditors by passing the following resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 233 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, including any statutory modifications, amendments, re-enactments thereof for the time being in force, the NCLT Rules, the provisions of the Memorandum and Articles of Association of the Company and subject to the requisite approvals, sanctions, consents, observations, no objections, confirmations, permissions from the Regional Director, South East Region or such other competent authority as may be applicable, and the confirmation, permission, sanction and approval of the other statutory/regulatory authorities, if any, in this regard and subject to such other conditions or guidelines, if any, as may be prescribed or stipulated by any such authorities, from time to time, while granting such approvals, sanctions, consents, observations, no objections, confirmations, permissions and which may be agreed by the Board of Directors of the Company, the Scheme of Amalgamation between Nettlinx Aquaculture Private Limited, (hereinafter referred to as “Nettlinx Aquaculture” or “Transferor Company”) with Nettlinx Limited (Transferee Company) and their respective Shareholders and Creditors” (“Scheme”), providing for amalgamation of M/s. Nettlinx Aquaculture Private Limited (Transferor Company) into M/s. Nettlinx Limited (Transferee Company) on a going concern basis with effect from 01.04.2017 (First Day of April, Two Thousand and Seventeen) being the appointed date, be and is hereby approved.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized, empowered and directed to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to aforesaid resolution and to effectively implement the arrangements embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Regional Director, South East Region, Hyderabad or National Company Law Tribunal, Hyderabad, while sanctioning the amalgamation embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as may be deemed fit and proper”.

By and on behalf of the Board  
For **Nettlinx Limited**

Sd/-

**Dr. Manohar Loka Reddy**  
Chairman  
(DIN: 00140229)

Place : Hyderabad  
Date:09.02.2018

## NOTES:

- 1 A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. The form of proxy duly completed should, however, be deposited at the Registered Office of the Company not less than 48 (forty-eight) hours before the meeting. A person can act as a proxy on behalf of not more than 50 (fifty) members and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 2 All alterations made in the Form of Proxy should be initialed.
- 3 Only registered Equity Shareholders of the Company may attend and vote (either in person or by proxy or by authorized representative under applicable provisions of the Companies Act, 2013) at the Equity Shareholders Meeting. The authorized representative of a body corporate which is a registered Equity Shareholder of the Company may attend and vote at the Equity Shareholders meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend and vote at the Equity Shareholders meeting is deposited at the Registered Office of the Company not later than 48 (forty-eight) hours before the meeting.
- 4 Foreign Portfolio Investors (FPIs) who are registered Equity Shareholder(s) of the Company would be required to deposit certified copies of Custodial resolutions/Power of Attorney, as the case may be, authorizing the individuals named therein, to attend and vote at the meeting on its behalf. These documents must be deposited at the Registered Office of the Company not later than 48 (forty-eight) hours before the commencement of the meeting.
- 5 A Member or his proxy is requested to hand over the enclosed attendance slip, duly completed and signed as per the specimen signature(s) registered with the Company at the entrance of the meeting hall.
- 6 Members who hold shares in dematerialized form may be required to quote their Client ID and DP ID number for easy identification for attendance at the meeting.
- 7 Members are informed that in case of joint holders attending the meeting, only such joint holders whose name stands first in the Register of Members of the Company/list of Beneficial Owners as received from the National Securities Depository Limited/Central Depository Services (India) Limited in respect of such joint holding will be entitled to vote.
- 8 The Notice is being sent to all the Equity Shareholders, whose names appeared in the Register of Members/Beneficial Owners as per the details furnished by the depositories as on 09<sup>th</sup> February, 2018. A soft/electronic copy of the Notice indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form is being sent to all the Equity Shareholders whose e-mail ids are registered with the Applicant Company/Registrar and Transfer Agent (RTA)/Depository Participant(s) for communication purposes unless any Member has requested for a physical copy of the same. For those Members who have not registered their e-mail addresses, physical copies of this Notice along with Attendance Slip and Proxy Form are being sent in the permitted mode. This Notice is also displayed/posted on the website of the Company <http://www.nettlinx.com>.

- 9 The Company is providing the Members the facility to exercise their right to vote on the resolution proposed by electronic means using an e-voting system from a place other than the venue of the meeting ("remote e-voting") through National Securities Depository Limited (NSDL).
- 10 Members can opt only for one mode of voting. The facility of voting through ballot paper shall be made available at the meeting to those Members, who have not cast their votes through remote e-voting. Those Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their votes again.
- 11 The material documents referred to in the accompanying Statement shall be open for inspection by the Equity Shareholders at the Registered Office of the Company on all working days upto 22/03/2018 between 11.00 a.m. to 1.00 p.m. except Saturday, Sunday and Public Holidays.
- 12 The remote e-voting period commences on Monday, 19<sup>th</sup> March, 2018 at 09.00 A.M. and ends on Wednesday, 21<sup>st</sup> March, 2018 at 5.00 P.M. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the 'cut-off date' of Thursday, 15<sup>th</sup> March, 2018, may cast their vote by remote e-voting. Thereafter the remote e-voting module shall be disabled on 21<sup>st</sup> March, 2018 after 5.00 pm for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- 13 However, a person who is not a member as on cut-off date should treat this notice for information purpose only.
- 14 The instructions, as provided by NSDL, regarding the process and manner is given below:
- a. Members receiving e-mail from NSDL (for members who have registered their email Ids with the Company / Depository Participants)
    - i. Open e-mail and then Open PDF i.e viz., "Nettlinx EGM Meeting-2018.pdf" with the Client ID or Folio number as password. The PDF i.e contains the User ID and Password for e-voting. Please note that the password is an initial password which requires to be changed when the password change menu appears.
    - ii. Open your web browser during the voting period and log on to the e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
    - iii. Click on Shareholder – Login
    - iv. Enter User ID and Password as initial password noted in step (i) above. Click Login.
    - v. Password change menu appears. Change the password with new password with minimum 8 digits / characters or combination thereof. Please note the new password. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.
    - vi. Home page of e-voting opens. Go to "e-voting" icon and select "Active E-Voting Cycles".
    - vii. Select "EVEN" of Nettlinx Limited.
    - viii. Cast your vote and select "Submit" and "Confirm" when prompted.
    - ix. Upon confirmation, the message "Vote cast successfully" will be displayed.
    - x. Once the member has voted on the resolution, such member will not be allowed to modify their vote, subsequently.

- xi. Institutions members (i.e other than individuals, HUF, NRI, etc) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/Authority Letter etc. together with the attested specimen signature of the duly authorised signatory(ies), who are authorized to vote, to the Scrutinizer through email:chveeru@gmail.com with a copy marked to evoting@nsdl.com, secretarial@nettlinx.org and info@vccipl.com.
- (a) In case of any queries, Members may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at 022-24994600.
- (b) If members are already registered with NSDL for e-voting, then they can use their existing user ID and password for casting the vote.
- (c) Members can also update their mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- b. For members who received the Notice of Meeting of Equity Shareholders in physical form, initial password is provided in the Attendance Slip. Members are requested to follow instruction given in Sl. No.(ii) to (ix).
15. A person whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the Cut-off Date only shall be entitled to avail the facility of e-voting as well as voting at the meeting.
16. Mr. Ch.Veeranjanyulu Partner of M/s.VCSR & Associates, Practising Company Secretaries will be acting as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
17. The Chairman of the meeting shall, at the meeting, at the end of discussion on the resolution on which voting is to be held, allow voting with the assistance of the Scrutinizer, for all those Members who are present at the meeting who have not cast their votes by availing the remote e-voting facility.
18. The Scrutinizer shall after the conclusion of voting at the meeting will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company who shall make, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
19. The consolidated results of e-voting and the voting at the venue will be submitted to the Stock Exchanges within forty-eight hours of the conclusion of the meeting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website, <http://www.nettlinx.com> and on the website of NSDL.

By and on behalf of the Board  
For **Nettlinx Limited**

Sd/-

**Dr. Manohar Loka Reddy**

Chairman

(DIN: 00140229)

Place : Hyderabad

Date: 09.02.2018

**EXPLANATORY STATEMENT**  
**Pursuant to Section 102(1) of the Companies Act, 2013**

**1. Details of Companies involved in the Scheme of Amalgamation:**

M/s. Nettlinx Limited was originally incorporated as a Limited Company under the name and style of “Northeast Securities Limited” on 25.01.1994 (Twenty Fifth day of January, One Thousand Nine Hundred and Ninety Four), in the state of Andhra Pradesh, vide Certificate of Incorporation Number 01-16930 of 1993-94, issued by the Registrar of Companies. Subsequently the name of the Company was changed from “Northeast Securities Limited” to “Nettlinx Limited” and consequent upon change of name, the Company obtained a Fresh Certificate of Incorporation from the Registrar of Companies, on 07.02.2002 (Seventh day of February, Two Thousand and Two) after complying with the relevant provisions under the Companies Act, 1956. The present Corporate Identification Number (CIN) of the Company is L67120TG1994PLC016930 (Hereinafter referred to as the “Nettlinx” / “Transferee Company” as the context may require”).

Nettlinx Limited is a Listed Company having its shares listed and traded on BSE Limited (formerly known as ‘Bombay Stock Exchange Ltd’) and Metropolitan Stock Exchange of India Limited (MSEI) (Formerly known as MCX Stock Exchange Limited). The scrip code of the Company is 511658.

The Registered Office of Nettlinx is situated at 5-9-22, Flat No.303, 3rd Floor, My Home Sarovar Plaza, Secretariat, Saifabad, Hyderabad, Telangana-500063, India.

**The present main objects of Nettlinx Limited are as follows:**

- a) To design, develop, acquire, accept, arrange, assemble, manufacture, produce, fabricate, generate, equip, obtain, provide, erect, conduct, install, set up, supervise, implement, support, assign, engineer, give consultancy, advise, train, promote, process, assist, use, distribute, transmit, repair, maintain, improve, extend, manage, modify, alter. convert, Subsidies, exchange, mortgage, transfer, dispose, service, purchase, sell, trade, import, export, advertise, appoint, enfranchise, explore, establish, insure, undertake, conduct, perform, sponsor, participate, protect, act, patent, value, add and resell, lease or hire, sell on hire purchase or on installment system or entering into contract, to act as an authorize representative, reseller. agent, stockiest, distributor, dealer, clearing and forwarding agent franchise holder, counselor, broker, consultant, advisor, retainer, licensee, publisher, trainer, to acquire technical knowhow, to provide technical services, to perform bench work tests, to undertake turnkey projects, to conduct operations research, to provide information processing applications, to conduct feasibility studies, to provide management and marketing services, in the fields of software development, computer software, hardware, peripherals, accessories, appliances, consumables, components, devices, stationery, books, systems, teaching aids, servers, parallel computers, mini and microcomputers, network computers, Pentium based computers and also in the fields of software technology parts, internet and e-mail services.
- b) To set up information management services like data processing, data entry works, desktop publishing, word processing, hiring out machine time, supervise and advice to their companies in for processing aspects, to undertake turnkey projects, conducting feasibility studies, operations research in complete hardware and software solutions and to undertake the data processing and programming relating to issue of securities and to act as registrars and transfer agents, to digitize and make drawings, maps, pictures, photographs, CAD works, deal in animations, multimedia.

- c) To undertake, develop, generate, e-commerce, business solutions and related activities including web page hosting, web page designing, voice-mail, e-mail, and other allied computer related activities, globally and indigenously.

**The authorized, issued, subscribed and paid-up share capital of Nettlinx Limited as on 31st March, 2017, is as follows:**

<b>Share Capital</b>	<b>Amount Rs.</b>	<b>Amount Rs.</b>
<b>Authorized Capital</b>		30,00,00,000
3,00,00,000 Equity Shares of Rs. 10/- each		30,00,00,000
<b>Total</b>		<b>30,00,00,000</b>
<b>Issued, Subscribed and Paid-Up Capital</b>		
1,14,63,312 fully paid up Equity Shares of Rs. 10/- each	11,46,33,120	11,46,33,120
<b>Total</b>		<b>11,46,33,120</b>

Amount due to unsecured creditors: Rs. 38,64,437/-

M/s. **NETTLINX AQUACULTURE PRIVATE LIMITED** was originally incorporated as a Private Limited Company under the name and style "Nettlinx Channel Private Limited" on 19.04.2007 (Nineteenth day of April Two Thousand and seven), in the state of Andhra Pradesh, vide Certificate of Incorporation Number U92111AP2007PTC053502 of 2007-08, issued by the Registrar of Companies. Subsequently, the name of the Company was changed from "Nettlinx Channel Private Limited" to "Nettlinx Aquaculture Private Limited" and consequent to change of name, the Company obtained a Fresh Certificate of Incorporation from the Registrar of Companies, on 20.03.2014 (Twentieth day of March, Two Thousand and Fourteen) after complying the due procedure as laid down under the Companies Act, 1956. The Present Corporate Identification Number (CIN) is U92111TG2007PTC053502 (Hereinafter referred to as the "Nettlinx Aquaculture/Transferor Company").

The Registered Office of Nettlinx Aquaculture is situated at 5-9-22, Flat No.303, 3rd Floor, My Home Sarovar Plaza, Secretariat, Saifabad, Hyderabad, Telangana-500063, India.

The present main objects of Nettlinx Aquaculture are as follows:

- a) To design, develop, acquire, accept, arrange, assemble, manufacture, produce, fabricate, generate, equip, obtain, provide, erect, conduct, install, set up, supervise, implement, support, assign, engineer, give consultancy, advise, train, promote, process, assist, use, distribute, transmit, repair, maintain, improve, extend, manage, modify', alter. convert, Subsidies, exchange, mortgage, transfer, dispose, service, purchase, sell, trade, import, export, advertise, appoint, enfranchise, explore, establish, insure, undertake, conduct, perform, sponsor, participate, protect, act, patent, value, add and resell, lease or hire, sell on hire purchase or on installment system or entering into contract, to act as an authorize representative, reseller. agent, stockiest, distributor, dealer, clearing and forwarding agent franchise holder, counselor, broker, consultant, advisor, retainer, licensee, publisher, trainer, to acquire technical knowhow, to provide technical services, to perform bench work tests, to undertake turnkey projects, to conduct operations research, to provide information processing applications, to conduct feasibility studies, to provide management and marketing services, in the fields of software development, computer software, hardware,



peripherals, accessories, appliances, consumables, components, devices, stationery, books, systems, teaching aids, servers, parallel computers, mini and micro computers, network computers, Pentium based computers and also in the fields of software technology parts, internet and e-mail services.

- b) To set up information management services like data processing, data entry works, desktop publishing, word processing, hiring out machine time, supervise and advice to their companies in for processing aspects, to undertake turnkey projects, conducting feasibility studies, operations research in complete hardware and software solutions and to undertake the data processing and programming relating to issue of securities and to act as registrars and transfer agents, to digitize and make drawings, maps, pictures, photographs, CAD works, deal in animations, multimedia.
- c) To undertake, develop, generate, e-commerce, business solutions and related activities including web page hosting, web page designing, voice-mail, e-mail, and other allied computer related activities, globally and indigenously.
- d)
  - (i) To promote, establish, own and run aqua cultural ponds for culturing all types of shell fish, fin fish, prawns, shrimps, lobsters, and other sea products and to process them by using operations such as freezing, filleting, skinning, meat picking, drying, boiling, etc., and also to pack and prepare the same for sale and delivery in national and international markets and to provide in connection therewith all necessary arrangements, facilities and acts which are incidental thereto.
  - (ii) To manufacture, aid, assist, promote and develop Hatcheries required for shell fish, fin fish, sea water foods and other crustacean.
  - (iii) To purchase or otherwise establish, build, own, operate, acquire, run and manage processing factories, cold storage, refrigerators, ice-making plants, and also warehouses, godowns, sheds and buildings for the purposes of processing, packing, preserving and canning all varieties of fish, fish products, food products, farm products and other edible products including by-products manufactured and dealt in by the company.
  - (iv) To carry on the business of exporters, barterers, sellers, suppliers, stockiest, agents, merchants, distributors and dealers in Sea water foods, river water foods and catches or arrange for the catch of all types of shell fish, fin and other crustacean sea water foods and to manufacture or procure any substances or articles wholly or Partially from shell, fin fish, sea water foods or other crustacean for human or animal consumption.

The authorized, issued, subscribed and paid-up share capital of Nettlinx Aquaculture as on 31st March, 2017, is as follows:

<b>Share Capital</b>	<b>Amount in Rs.</b>
<b>Authorized Capital</b>	
45,00,000 Equity Shares of Rs. 10/- each	4,50,00,000
<b>Total</b>	<b>4,50,00,000</b>
<b>Issued, Subscribed and Paid-Up Capital</b>	
42,00,000 Equity Shares of Rs. 10/- each	4,20,00,000
<b>Total</b>	<b>4,20,00,000</b>

Amount due to unsecured creditors: NIL

## **2. RATIONALE, OBJECTIVE & PURPOSE OF THE SCHEME:**

- a) The Transferor Company and Transferee Company are engaged in the business of IT and IT Enabled Services. Moreover, the Transferor Company is wholly owned subsidiary of Transferee Company and has complementing business activities. Hence, to horizon the activities of both the companies, the Board of Directors of both the Companies have decided to amalgamate the “Nettlinx Aquaculture” or “Transferor Company” into “Nettlinx Limited”, to have synergy of operations which aims to cut down the high overhead cost, reducing the cost of capital and optimum utilization of machinery, manpower etc., and to have optimum utilization of resources after the amalgamation within the wide range of markets geographically by leveraging its strength in software development.
- b) The amalgamation will enable Nettlinx to diversify into high growth and profitable areas of business without any gestation. It enables Nettlinx to improve steadiness of cash flows and to participate more vigorously and profitably in an increasingly competitive and liberalized market.
- c) The amalgamation would result in optimizing and leveraging existing resources and infrastructure of Nettlinx.
- d) The combined entity would result in improved cash flows, increased net worth, better credit rating, and thereby strengthening the value of all the stakeholders of the Company.
- e) The Amalgamation will result in legal integration of the business, reduction of the shareholding layers and direct control of assets of the Transferor Company in the hands of the Transferee Company. This will benefit the shareholders, employees and creditors;
- f) Duplication of management, statutory compliances and administrative functions will be eliminated together with the need for multiple record-keeping, resulting in reduced expenditure.

## **3. Approval of the Board of Directors:**

The Board of Directors of the Company Nettlinx Limited and Nettlinx Aquaculture Private Limited at their respective meetings held on 14<sup>th</sup> February, 2017 and 13<sup>th</sup> February, 2017 have approved the Scheme of Amalgamation under which the entire undertaking of Nettlinx Aquaculture Private Limited will get amalgamated with the Company/ Nettlinx Limited. A copy of the Scheme, setting out the terms and conditions of the amalgamation as approved by the Board of Directors of Nettlinx Aquaculture Private Limited (Transferor Company) and Nettlinx Limited (Transferee Company) is enclosed herewith as Annexure A. The proposed Scheme is envisaged to be effective from the Appointed Date but shall be made operative from the Effective Date (as defined in the Scheme).

## **4. Scheme of arrangement conditional upon:**

This Scheme is conditional upon and subject to:

- a) The Scheme being approved by a shareholders resolution of Nettlinx Limited passed by way of postal ballot or meeting and e-voting, provided that the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
- b) It being agreed to by the respective requisite majorities of members of Nettlinx and Nettlinx Aquaculture as required under the Act and the requisite orders of the Regional Director/NCLT being obtained.

- c) It being agreed to by the respective requisite majorities of creditors and the various classes of creditors (wherever applicable) of the Nettlinx and Nettlinx Aquaculture as required under the Act and the requisite orders of the Regional Director/NCLT being obtained.
- d) The requisite sanctions and approvals, as may be required by law in respect of this Scheme being obtained; and
- e) The certified copies of the orders of the Regional Director/NCLT sanctioning this Scheme being filed with the Registrar of Companies.

**5. No objections or suggestions from Registrar of Companies and the Official Liquidator:**

Pursuant to Section 233(1) of the Companies Act, 2013 and Rule 25 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Company has served notices to the Registrar of Companies and the Official Liquidator, Hyderabad on 01st August, inviting suggestions/objections within 30 days, if any and the Company as on date has not received any objections/ suggestions on the Scheme.

No inquiry or investigation proceedings under Sections 235 to 251 of the Companies Act, 1956, or under Sections 210 to 227 of Companies Act, 2013 or any other provisions of the Companies Act, 2013 or under any other Act have been instituted or are pending in relation to the Transferee Company.

**6. The salient features of the Scheme are as follows:**

## **PART-A**

### **DEFINITIONS, EFFECTIVE AND OPERATIVE DATES**

**1. DEFINITIONS**

- 1.1 “Act” or “the Act” means the Companies Act, 2013 and every modification or re-enactment thereof and references to sections of the Act shall be deemed to mean and include reference to sections enacted in modification or replacement thereof.
- 1.2 “Applicable Law(s)” means any statute, notification, bye-laws, rules, regulations, guidelines, or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 1.3 “Amalgamation” means the blending of Nettlinx Aquaculture into Nettlinx.
- 1.4 “Amalgamating Undertaking” shall mean:
  - a) All the assets and properties including liabilities whatever be in the nature belongs to Nettlinx Aquaculture as on the Appointed Date.
  - b) All the secured and unsecured debts, liabilities, whether short term or long term contingent liabilities or duties and obligations of Nettlinx Aquaculture as on the Appointed Date.
  - c) Without prejudice to the generality of sub clause (a) above, the Undertaking of Nettlinx Aquaculture shall include all the assets and properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building, all fixed and movable plant and machinery, vehicles,

fixed assets, plant and machinery, current assets, investments, reserves, provisions, funds, licenses, franchises, registrations, certificates, permissions, consents, approvals, concessions (including but not limited to sales tax concessions, excise duty, services tax or customs, value added tax and other incentives of any nature whatsoever), remissions, remedies, subsidies, guarantees, bonds, copyrights, patents, trade names, trademarks, track record, good-will and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trademarks, leases, leave and license agreements, tenancy rights, premises, ownership flats, hire purchase, lending arrangements, benefits of security arrangements, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, website designing equipments, software development Equipments and installations and utilities, electricity, water and other service connections, contracts and arrangements, powers, authorities, permits, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, preliminary expenses, benefit of deferred revenue expenditure, provisions, advances, receivables, deposits, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits, whether granted by state government or central government or any such other authority, (including but not limited to credits in respect of income-tax, tax on book profits, value added tax, sales tax, service tax, etc.), and other claims and powers, all books of accounts, documents and records of whatsoever nature and where so ever situated belonging to or in the possession of or granted in favour of or enjoyed by Nettlinx Aquaculture, as on the Appointed Date.

- d) All statutory licenses, franchises, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements / leases (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), of Nettlinx Aquaculture as on the Appointed Date.
- e) All staff, workmen and employees engaged in Nettlinx Aquaculture.
- f) All records, files, papers, information, computer programs, software applications, manuals, data, catalogues, quotations, advertising materials, lists of present and former students / customers, pricing information and other records, whether in physical form or electronic form of Nettlinx Aquaculture.

- 1.5 "Appointed date" means 01.04.2017 (First day of April, Two Thousand and Seventeen) or such other date as may be approved by the Central Government/Regional Director, South East Region, Ministry of Corporate Affairs at Hyderabad or such other competent authority having jurisdiction to sanction the Scheme.
- 1.6 "Board of Directors" or "Board" in relation to Nettlinx Limited and Nettlinx Aquaculture, as the case may be, shall, unless it be repugnant to the context or otherwise, includes any Committee of Directors or any person authorized by the Board of Directors or such Committee of Directors.
- 1.7 "Authority" or "Court" or "High Court" or "Tribunal" means the Regional Director, South Eastern Region at Hyderabad, Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh or the National Company Law Tribunal (NCLT) at Hyderabad or such other tribunal or authority having jurisdictions to sanction the Scheme.

- 1.8 “Effective Date” means the date on which the certified copies of the order passed by the Regional Director, South Eastern region or the National Company Law Tribunal (NCLT) at Hyderabad or such other tribunal or authority having jurisdictions sanctioning the Scheme are filed with the Registrar of Companies of Hyderabad, Telangana and Andhra Pradesh and if the certified copies are filed on different dates the last of such dates. Any references in the Scheme to the phrase “upon the Scheme becoming effective” or “effectiveness of the Scheme” or “Scheme coming into effect” shall mean the “Effective Date”.
- 1.9 “Record Date” means the date on which the Board of Directors of Transferee Company decides for nullifying the shares of the Transferor Company i.e., cancellation of the shares held by the Transferee Company and its Nominees in Transferor Company.
- 1.10 “Registrar of Companies” means the Registrar of Companies at Hyderabad for the State of Telangana and for the state of Andhra Pradesh.
- 1.11 “Regional Director” or “RD” means the Regional Director, South Eastern region at Hyderabad for the State of Telangana and Andhra Pradesh.
- 1.12 “Rules” means the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- 1.13 “Scheme of Amalgamation” or “Scheme” or “the Scheme” or “this Scheme” means this Scheme of Amalgamation in its present form or with any modifications, imposed or approved or directed by the Board of Directors of Nettlinx Limited and /or Nettlinx Aquaculture, or by the members or creditors of the Companies involved and /or DSE/SEBI/RD /NCLT or any other appropriate authority.
- 1.14 “SEBI” means the Securities and Exchange Board of India.
- 1.15 “Shareholders” means the persons registered (whether registered owner of the shares or beneficial owner of the shares) as holders of equity shares of concerned Company as the context may require. The word “Shareholder” and “member” are used to denote the same meaning and are used interchangeably.
- 1.16 “Stock Exchange” means the BSE Limited and MSEI Limited where the equity shares of Nettlinx are listed and traded. The Designated Stock Exchange (DSE), for the purpose of coordinating with SEBI in relation to obtaining the in-principle approval to the Scheme, shall be BSE Limited.
- 1.17 “Transferee Company” means Nettlinx Limited (Nettlinx) a Company incorporated under the provisions of the Companies Act, 1956, bearing CIN: L67120TG1994PLC016930 and having its Registered Office at 5-9-22, Flat No.303, 3rd Floor, My Home Sarovar Plaza, Secretariat, Saifabad, Hyderabad, Telangana-500063, India.
- 1.18 “Transferor Company” means Nettlinx Aquaculture Private Limited (Nettlinx Aquaculture), a Company incorporated under the provisions of the Companies Act, 1956, bearing CIN: U92111TG2007PTC053502 and having its registered office situated at 5-9-22, Flat No.303, 3<sup>rd</sup> Floor, My Home Sarovar Plaza, Secretariat, Saifabad, Hyderabad, Telangana-500063, India.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, the Income-tax Act, 1961 or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

## **2. EFFECTIVE DATE AND OPERATIVE DATE:**

The Scheme set out herein in its present form is subject to any modification(s) approved or imposed or directed by the Board of Directors of Nettlinx and/ or Nettlinx Aquaculture, or by the members or creditors of the Companies involved and/or DSE/SEBI/Regional Director/NCLT or any other appropriate authority, unless otherwise specified in the Scheme, shall be operative from the Appointed Date but shall be effective from the Effective Date.

### **PART-B**

## **AMALGAMATION OF “NETTLINX AQUACULTURE” (TRANSFEROR COMPANY) INTO “NETTLINX” (TRANSFeree COMPANY)**

### **SECTION 1: TRANSFER & VESTING OF AMALGAMATING UNDERTAKING**

#### **3. Transfer of assets, properties, estates, claims, refunds, debts, duties, liabilities, obligations etc.,**

3.1 Subject to the provisions of this Scheme as specified herein and with effect from the Appointed Date, the entire Amalgamating Undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- a) The Amalgamating Undertaking of the Transferor Company comprising of business, all assets and liabilities of whatsoever nature and where-so-ever situated, shall, under the provisions of Sections 230 to 233 of the Act and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in sub clauses (b) (c) and (d) below) be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the Undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.
- b) All the Immovable properties of the Transferor Company shall under the provisions of Sections 230 to 233 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the Properties of the Transferee Company.
- c) All the movable assets including but not limited to computers and equipments, office equipments, machineries, T.V. sets, softwares, IPRs, products, websites, portals, inventories, cash in hand of the Transferor Company capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company.
- d) In respect of movables other than those specified in sub clause (c) above, including, outstanding loans and advances, Investments (whether current or non – current), trade receivables, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and /or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of Sections 230 to 233 of the Act.
- e) In relation to all licenses, franchises, permissions, approvals, consents, entitlements, sanctions, permits, rights, privileges and licenses including rights arising from contracts, deeds, license instruments and agreements, if any, belonging to the Transferor Company, which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case maybe, as and when required.

- f) All secured and/or unsecured debts, if any, all liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of account and whether disclosed or undisclosed in the balance sheet of the Transferor Company shall also, under the provisions of Sections 230 to 233 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or restructuring by virtue of which such secured and/or unsecured debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub clause.

It is clarified that unless otherwise determined by the Board of Directors of the Transferee Company, in so far as the borrowings/debts and assets comprising the Transferor Company are concerned:

- a) the security or charge, if any existing or created in future before the effective date, for the loans or borrowings of the Transferor Company shall, without any further act or deed continue to relate to the said assets after the Effective Date; and
- b) the assets of the Transferee Company shall not relate to or be available as security in relation to the said borrowings of the Transferor Company;
- c) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including credit on account of tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), granted by any government body, local authority or by any other person and availed by the Transferor Company, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

3.2 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 Company, to implement and carry out all formalities and compliances, if required, referred to above.

3.3 All the properties or assets of the Transferor Company whether movable or immovable, being transferred pursuant to this Scheme, which are registered and standing in the name of Transferor Company shall, upon the scheme being sanctioned by the Regional Director, South Eastern Region at Hyderabad and becoming effective, be registered in the name of the Transferee Company and the name of the Transferor Company shall be substituted with the name of the Transferee Company in all such certificates of registration, endorsements, records and in revenue/mutation records in case of immovable properties by such appropriate authorities.

3.4 Any tax liabilities under the Income-tax Act, 1961, service tax laws, customs law or other applicable laws/regulations dealing with taxes/ duties / levies of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date, if any, shall be transferred to Transferee Company.

3.5 Any refund under the Income-tax Act, 1961, Wealth-tax Act, 1957, service tax laws or other applicable laws / regulations dealing with taxes/ duties / levies tax due to Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

3.6 On or after the Effective Date, all rights, entitlements and powers to revise returns and filings of the Transferor Company under the Income-tax Act, 1961, service tax laws and other laws, and to claim refunds and / or credits for taxes paid, etc. and for matters incidental thereto, shall be available to, and vest with the Transferee Company.

3.7 All tax assessment proceedings / appeals of whatsoever nature by or against the Transferor Company



## **5. Contracts, deeds and other instruments:**

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, leave and license agreements, licenses, engagements, certificates, benefits, privileges, entitlements, grants, sanctions, permissions, consents, approvals, concessions, any schemes under which the Transferor Company is registered with the government or any other authorities and incentives (including but not limited to benefits under the Income-Tax Act, 1961, service tax, and other laws), remissions, remedies, subsidies, guarantees, licences and other instruments, if any, of whatsoever nature to which the Transferor Company is a party and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force, and be effective against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company may enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite restructurings, confirmations or novations, to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

## **6. Saving of concluded transactions:**

The transfer of Amalgamating Undertaking under clause 3 above and the continuation of proceedings by or against the Transferee Company under clause 4 above and the effectiveness of the contracts and deeds under clause 5 shall not affect any transactions and proceedings or contracts or deeds already concluded by the Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

## **7. Staff, workmen and employees:**

- 7.1 On the Scheme coming into effect, all staff, workmen and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Effective Date without any break in their service and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date.
- 7.2 It is expressly provided that, in so far as the Gratuity Fund, Provident Fund, Super Annuation Fund, if applicable, Employee's State Insurance Corporation Contribution, Labour Welfare Fund or any other Fund created or existing for the benefit of the staff, workmen and employees of the Transferor Company is concerned, upon the Scheme coming into effect, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund or funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees of the Transferor Company under such Funds and Trusts shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and

employees of the Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.

7.3 In so far as the Provident Fund, Gratuity Fund, Superannuation Fund, if applicable, or other Special Scheme(s) / Fund(s) created or existing for the benefit of the employees of the Transferor Company are concerned upon the coming into effect of this Scheme, balances lying in the accounts of the employees of the Transferor Company in the said funds as on the Effective Date shall stand transferred from the respective trusts / funds of the Transferor Company to the corresponding trusts / funds set up by the Transferee Company.

**8. Clubbing of authorized share capital of Transferor Company with the authorized share capital of Transferee Company:**

8.1 Upon this Scheme becoming effective, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share capital of the Transferor Company amounting to Rs. 4,50,00,000/- (Rupees Four Crores Fifty Lakhs only) divided into 45,00,000 (Forty Five Lakhs) equity shares of Rs. 10/- (Rupees Ten only) each and the Memorandum of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under sections 13, 61, 64, 233 and other applicable provisions of the Companies Act, 2013, as the case may be, would be required to be separately passed, and for this purpose, the stamp duty and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorized share capital to that extent.

8.2 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the Memorandum of Association of the Transferee Company as may be required under the Act and Clause V of the Memorandum of Association of the Transferee Company shall stand altered accordingly.

8.3 Further, if required, the Transferee Company shall take necessary steps to further increase and alter its Authorized Share Capital suitably to enable it to issue and allot the Equity Shares required to be issued and allotted by it to the shareholders of the Transferor Company in terms of this Scheme.

**SECTION 2: CONDUCT OF BUSINESS:**

**9. With effect from the Appointed Date upto and including the Effective Date:**

9.1 The Transferor Company shall carry on and be deemed to have carried on its business and activities and shall stand possessed of Amalgamating Undertaking, in trust for the Transferee Company and shall account for the same to the Transferee Company.

9.2 Any income or profit accruing or arising to the Transferor Company and all costs, charges, expenses and losses or taxes incurred by the Transferor Company shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Transferee Company and shall be available to the Transferee Company for being disposed off in any manner as it thinks fit.

- 9.3 All liabilities debts, duties, obligations which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Transferee Company.
- 9.4 The Transferor Company shall carry on its business with reasonable diligence and in the same manner as it had been doing hitherto and the Transferor Company shall not alter or substantially expand its business except with the written concurrence of the Transferee Company.
- 9.5 With effect from the Effective Date, the Transferee Company shall suitably integrate the business being carried on by the Transferor Company into its business.
- 9.6 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the central government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to own and carry on the business of the Transferor Company.
- 9.7 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the ancillary and incidental alterations, if any, to be carried out to the Memorandum of Association of the Company as may be required under the Act and there would be no further requirement of obtaining the members approval for such alterations arising pursuant to the sanctioned Scheme.

### **SECTION 3: CANCELLATION OF SHARES OF THE TRANSFEROR COMPANY:**

10. Upon the scheme coming into effect, all equity shares of the Transferor Company held by the Transferee Company (either directly or through Nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash whatsoever by the transferee company in lieu of such shares of the transferor company. Towards consideration necessary entries will be passed in the books of accounts to reflect the investments made in the Transferor Company in an appropriate manner in consultation with the statutory auditors of the Company. In view of the fact that the Transferor company is a 100% subsidiary of the Transferee company and there being no consideration passed over to the shareholders of the Transferor Company, the Transferee Company shall not be required to pay any stamp duty for implementation of the scheme of amalgamation.

### **SECTION 4: ACCOUNTING TREATMENT**

#### **11. Accounting Treatment in the Books of the Transferee Company:**

- 11.1 Upon the Scheme becoming effective, the Transferee Company shall record the assets and liabilities of the Transferor Company transferred to the Transferee Company pursuant to this Scheme and account for the amalgamation of the Transferor Company pursuant to this Scheme in accordance with Accounting Standard -14 as notified by the Companies (Accounting Standards) Rules, 2006 or Indian Accounting Standard (Ind AS) 103 as notified by Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time whichever is applicable.
- 11.2 Pursuant to the Scheme coming into effect, investment made by the Transferee Company in the Transferor Company in the Equity Shares shall automatically stand cancelled of.
- 11.3 Inter-corporate deposits/loans and advances, if any, outstanding between the Transferee Company and the Transferor Company inter-se shall stand cancelled and there shall be no further obligation / outstanding in that behalf. Any difference arising on such cancellation should be adjusted in the reserves of the Transferee Company.

11.4 The Transferee Company shall account for the assets of the Transferor Company vested in its terms of the Scheme at fair market value and liabilities of the Transferor Company vested in terms of the Scheme at agreed value. The fair market value of the assets is determined by SRV of Government of Telangana and agreed values of liabilities are determined by the Board of directors of both the Companies.

11.5 In case of any differences in accounting policy between the Transferor Company and Transferee Company, the accounting policies followed by Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted against Profit and Loss Account, to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policy.

11.6 Notwithstanding the above, the Transferee Company in consultation with its Auditors, is authorized to account for any of this balances in any manner, whatsoever if considered appropriate.

## **12. Dissolution of the Transferor Company**

On the Scheme coming into effect, the Transferor Company (i.e. Nettlinx Aquaculture Private Limited) shall, without any further act or deed, stand dissolved without going through the process of winding up.

## **PART - C GENERAL TERMS AND CONDITIONS**

### **13. Impact of the Scheme on creditors**

This Scheme of Amalgamation, if approved by the appropriate authorities and the Central Government/ Regional Director/NCLT as the case may be, shall not have any adverse impact on the Creditors whether secured or unsecured, of Nettlinx and / or Nettlinx Aquaculture.

### **14. Dividends:**

14.1 Nothing contained in this Scheme shall be construed as restricting or restraining any of the Companies from being entitled to declare and pay dividends, whether interim or final, to their respective equity shareholders, whether during the pendency of the Scheme or otherwise.

14.2 The holders of the Equity Shares of respective Companies shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under the Articles of Association of the respective Companies concerned including the right to receive dividends.

14.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of any Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Boards of Directors of the respective Companies and subject to the approval of the shareholders of the respective Companies.

### **15. Filing of applications/petitions with the Regional Director/NCLT:**

Nettlinx and Nettlinx Aquaculture shall, with all reasonable diligence, make and file all necessary applications, affidavits, petitions etc., before the Regional Director/NCLT/any other competent authority having jurisdiction over the Scheme, as the case may be, for obtaining the sanction to this Scheme of Amalgamation under Sections 233 of the Act and each of them shall apply for all necessary approvals as may be required under law.

### **16. Modification of Scheme:**

16.1 Nettlinx and Nettlinx Aquaculture by their respective Board of Directors or any Committee thereof or any Director authorized in that behalf (hereinafter referred to as the “Delegate”) may assent to, or make, from time to time, any modifications or amendments or additions to this Scheme which the Regional Director/NCLT or any other appropriate authority (ies) under law may deem fit to approve or impose and which Nettlinx and Nettlinx Aquaculture may in their discretion accept or such modifications or amendments or additions as Nettlinx and Nettlinx Aquaculture or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise for carrying out this Scheme, and Nettlinx and Nettlinx Aquaculture by their respective Boards of Directors or Delegate are hereby authorized to do, perform and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect. In the event that any conditions may be imposed by the Regional Director/NCLT or any authorities, which Nettlinx and Nettlinx Aquaculture find unacceptable for any reason, then Nettlinx and Nettlinx Aquaculture shall be at liberty to withdraw the Scheme. The aforesaid powers of Nettlinx and Nettlinx Aquaculture may be exercised by their respective Delegates.

16.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates (acting jointly) of Nettlinx and Nettlinx Aquaculture may give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors of the respective Companies), or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those conditions (to the extent permissible under law).

## **17. Scheme Conditional Upon:**

17.1 This Scheme is conditional upon and subject to:

- a) The Scheme being approved by a shareholders resolution of Nettlinx Limited passed by way of postal ballot or meeting and e-voting, provided that the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
- b) It being agreed to by the respective requisite majorities of members of Nettlinx and Nettlinx Aquaculture as required under the Act and the requisite orders of the Regional Director/NCLT being obtained.
- c) It being agreed to by the respective requisite majorities of creditors and the various classes of creditors (wherever applicable) of the Nettlinx and Nettlinx Aquaculture as required under the Act and the requisite orders of the Regional Director/NCLT being obtained.
- d) The requisite sanctions and approvals, as may be required by law in respect of this Scheme being obtained; and
- e) The certified copies of the orders of the Regional Director/NCLT sanctioning this Scheme being filed with the Registrar of Companies.

17.2 In the event of this Scheme failing to take effect before 31st day of March, 2018, or such later date as may be agreed by the respective Boards of Directors of Nettlinx and Nettlinx Aquaculture, this Scheme shall stand revoked, cancelled and be of no effect and become null and void and in that event no rights and

liabilities whatsoever shall accrue to or be incurred inter-se by the Companies or their shareholders or creditors or employees or any other person. In such case, both the Companies shall bear its own costs, charges and expenses or shall bear costs, charges and expenses as may be mutually agreed.

**18. Effect of non-receipt of approvals:**

In the event of any of the said sanctions and approvals referred to in clause 17 above not being obtained (unless otherwise decided by the Board of Directors) and / or the Scheme not being sanctioned by the Regional Director/NCLT or such other competent authority as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect, 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.

**19. Severability:**

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall be subject to the decision of Nettlinx and Nettlinx Aquaculture, not affect the validity or implementation of the other parts and / or provisions of this Scheme.

**20. Costs, charges, etc.:**

All costs, charges, levies and expenses (including stamp duty) of the Transferor Company and the Transferee Company respectively in relation to or in connection with or the implementation thereof or to the completion of Amalgamation of the said undertakings of the Transferor Company in pursuance of this Scheme shall be borne by the Transferee Company.

7. The Salient features as set out above being only the salient features of the Scheme of Amalgamation as are statutorily required to be included in this explanatory statement, the members are requested to read the entire text of the Scheme of Amalgamation (annexed herewith) to get fully acquainted with the provisions thereof and the rationale and objectives of the proposed Scheme of Amalgamation.

**EXTENT OF SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

8. The directors of the Applicant Company/NETTLINX LIMITED and Transferor Company/NETTLINX AQUACULTURE PRIVATE LIMITED, may be deemed to be concerned and/or interested in the Scheme to the extent of their shares that may be held by them, if any, or by the Companies, institutions, trusts of which they are directors, partners, members or trustee in the Applicant Company/NETTLINX LIMITED and Transferor Company/ NETTLINX AQUACULTURE PRIVATE LIMITED.

None of the directors, Key Managerial Personnel ('KMPs') or relatives of the directors and KMPs of the Applicant Company/ NETTLINX LIMITED and Transferor Company/ NETTLINX AQUACULTURE PRIVATE LIMITED, have any material, financial or other interest, in the Scheme, except as shareholders to the extent appearing in the Register of Directors' shareholding and Register of Members maintained by the Applicant Company/ NETTLINX LIMITED and Transferor Company/ NETTLINX AQUACULTURE PRIVATE LIMITED respectively. The directors holding the shares in the Applicant Company/ NETTLINX LIMITED do not have any other interest in the Scheme otherwise than that as shareholder in general. Further, none of the managers, key managerial personnel and relatives of the directors of Applicant Company/ NETTLINX LIMITED is concerned or interested, financial or otherwise in the proposed Scheme. Save as aforesaid, none of the Directors of the Applicant Company/NETTLINX LIMITED have any material interest in the proposed Scheme.

9. The details of the present Directors, Key Managerial Personnel's of the Applicant Company/ NETTLINX LIMITED and their shareholding either individually or jointly as a first holder or as a nominee in the Applicant Company/ NETTLINX LIMITED and Transferor Company/ NETTLINX AQUACULTURE PRIVATE LIMITED, as on 31/12/2017, is as under:

S. No	Name of the Director or Key Managerial Personnel	Designation	Equity Shares Held in	
			Nettlinx Limited	Nettlinx Aquaculture Private Limited
1	Dr Manohar Lokareddy	Non-executive Director – Chairman	5498295	1 (as a Nominee of Nettlinx Limited)
2	Rohith Loka Reddy	Managing Director	0	0
3	Chandra Sekhar Pogula	Whole Time Director & CEO	100000	1 (as A Nominee of Nettlinx Limited)
4	Kothuri Kameswara Rao	Independent Director	Nil	Nil
5	Venkata Hanumantha Rao Joginapally	Independent Director	Nil	Nil
6	Radhika Kundur	Women And Non-executive Director	Nil	Nil
7	Subramanyeswara Rao Kakarala	Independent Director	Nil	Nil
8	Kakarla Kiranvenkatasiva	Independent Director	151	Nil
9	Erwin Leopold Dieck	Independent Director	Nil	Nil
10	Sanku Mahaganesh	Cfo	610	Nil
11	Sai Ram Gandikota	Cs & Compliance Officer	Nil	Nil

10. The details of the present Directors, Key Managerial Personnel's of NETTLINX AQUACULTURE PRIVATE LIMITED and their shareholding either individually or jointly as a first holder or as a nominee in the Applicant Company/ NETTLINX LIMITED, as on 31/12/2017, is as under:

Name of the Director & Key Managerial Personnel	Position	Equity Share held in	
		Nettlinx Limited	Nettlinx Aquaculture Private Limited
Dr Manohar Lokareddy	Director	5498295	01
Chandra Sekhar Pogula	Director	100000	01
Venkata Hanumantha Rao Joginapally	Director	-	-

## PRE AND POST AMALGAMATION SHAREHOLDING PATTERN

11. The pre and post Scheme shareholding pattern of the Applicant Company/Nettlinx Limited is as follows:

Sl. No.	CATEGORY	Pre Scheme of Arrangement details as on 31.12.2017		Post Scheme of Arrangement details	
		Total Number of shares	% of shares	Total Number of shares	% of Shares
<b>A</b>	<b>Promoter &amp; Promoter Group</b>				
1	Indian	-	-	-	-
(a)	Individuals/Hindu Undivided Family	-	-	-	-
1	Indian Promoters	6638992	57.92	6638992	57.92
2	Foreign Promoters	-	-	-	-
	<b>Sub-Total (A)</b>	<b>6638992</b>	<b>57.92</b>	<b>6638992</b>	<b>57.92</b>
<b>B</b>	<b>Public Share holding</b>				
(1)	Institutions				
(a)	Mutual Funds/UTI	0	0	0	0
(b)	Venture Capital Funds	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0
(d)	Foreign Venture Capital Funds	0	0	0	0
(e)	Foreign Portfolio Investors – Individual (FPI)	0	0	0	0
(f)	Foreign Portfolio Investors – Corporate (FPI)	0	0	0	0
(g)	Financial Institutions/Banks	800	0.01	800	0.01
(h)	Insurance Companies	0	0	0	0
(i)	Provident Funds / Pension Funds	0	0	0	0
(j)	Any Other	0	0	0	0
(k)	Foreign Institutional Investores	0	0	0	0
(l)	Qualified Foreign Investor	0	0	0	0
(m)	Qualified Foreign Investor-Corporate	0	0	0	0
(n)	Foreign Bodies Corp	0	0	0	0
(o)	Foreign Nation	0	0	0	0
	<b>Sub-Total(B)(1)</b>	<b>800</b>	<b>0.01</b>	<b>800</b>	<b>0.01</b>
B1	Central Government/State Government(s)	0	0	0	0
	<b>Sub-Total(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(3)	Non Institutions				



(a)	Individual ShareHolders holding nominal share capital upto 2Lakh	1740409	15.18	1740409	15.18
(b)	Individual ShareHolders holding nominal share capital in excess of 2Lakh	2078840	18.13	2078840	18.13
(c)	NBFCs Registered with RBI	0	0	0	0
(d)	Employee Trusts	0	0	0	0
(e)	Overseas Depositories (Holding DRs) (Balancing Figure)	0	0	0	0
(f)	Any Other	0	0	0	0
(g)	Bodies Corporate	837920	7.31	837920	7.31
(h)	Clearing Member	143171	1.25	143171	1.25
(i)	Trust	0		0	
(j)	Non Resident Individuals	23180	0.20	23180	0.20
	<b>Sub-Total(B)(3)</b>	<b>4823520</b>	<b>42.08</b>	<b>4823520</b>	<b>42.08</b>
	<b>Total Public Shareholding B = (B)(1)+(B)(2)+(B)(3)</b>	<b>4824320</b>	<b>42.08</b>	<b>4824320</b>	<b>42.08</b>

The expected pre and post Scheme shareholding pattern of Nettlinx Aquaculture Private Limited is as follows:

Sl. No.	Name of shareholder	Pre Scheme of Arrangement		Post Scheme of Arrangement	
		No. of shares	%	No. of shares	%
1	Nettlinx Limited and its 2 Nominees	42,00,000	100	-	-
	<b>Total</b>	<b>42,00,000</b>	<b>100</b>	<b>-</b>	<b>-</b>

**12. The Post Amalgamation capital structure of the Applicant Company/ NETTLINX LIMITED and NETTLINX AQUACULTURE PRIVATE LIMITED is as follows:**

**12.1 Name of the Company: NETTLINX LIMITED**

Particulars	Amount in Rs.
<b>Authorised Share Capital:</b>	
3,45,00,000 Equity Shares of Rs.10/- each	34,50,00,000
<b>Total</b>	<b>34,50,00,000</b>
<b>Issued, Subscribed and Paid Up:</b>	
1,14,63,312 Equity Shares of Rs.10/- each	11,46,33,120
<b>Total</b>	<b>11,46,33,120</b>

## **12.2 Name of the Company: NETTLINX AQUACULTURE PRIVATE LIMITED**

Upon the proposed Scheme becoming effective, the entire share capital of NETTLINX AQUACULTURE PRIVATE LIMITED shall stand cancelled.

### **13. Valuation, Fairness Opinion and Approvals:**

As there is no consideration involved in the scheme of amalgamation, there is no requirement of valuation and fairness opinion.

14. The Applicant Company/ NETTLINX LIMITED will make a petition under Section 233 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 to the Hon'ble Regional Director, for sanctioning of the Scheme.
15. Under Section 233 of the Companies Act, 2013, the proposed scheme will have to be approved by the respective members or class of members at a general meeting holding at least ninety percent of the total number of shares. A proxy form is enclosed. It is hoped that in view of the importance of the business to be transacted, you will personally attend the meeting. The signing of the form or forms of proxy will, however, not prevent you from attending and voting in person, if you so desire.
16. The requirements as stated under Para I(A) 9(a) of Annexure I of the Circular No. CIRJCFD/CMD/16/2015 dated November 30, 2015 issued by SEBI in relation to the approval of public shareholders to the Scheme through postal ballot and e-voting is not applicable to the Applicant Company and the Applicant Company has issued an undertaking as required under Para 9(c) of the said circular to that effect.
17. The Scheme of arrangement, if approved by the appropriate authorities, shall not have any adverse impact or effect on the Key Managerial Persons, Directors, Promoters, Non-Promoter members, Creditors, whether secured or unsecured, employees of all two Companies involved in the amalgamation. The Companies does not have any Depositors or Debenture Holders.
18. A copy of the Scheme has been led by the Applicant Company/NETTLINX LIMITED with the Registrar of Companies, Andhra Pradesh and Telangana, Hyderabad, on 01<sup>st</sup> August, 2017.
19. No winding up petition is pending against the Applicant Company.
20. In compliance with the provisions of Section 232(2) of the Companies Act, 2103, the Board of Directors of the Applicant Company on 09th February, 2018, have adopted a Report, inter-alia, explaining the effect of the Scheme on each class of shareholders (promoter and non-promoter shareholders) and key managerial personnel.
21. As far as the equity shareholders are concerned (promoter shareholders as well as non-promoter shareholders), there will be no dilution in their shareholding in the Applicant Company. The Scheme is not expected to have any adverse effect on the Key Managerial Personnel, directors, secured or unsecured creditors, non-promoter members, and employees of the Applicant Company wherever relevant, as no sacrifice or waiver is at all called from them nor their rights sought to be modified in any manner.
22. The following documents will be available for inspection by the Shareholders of the Applicant Company at its Registered Office between 11.00 A.M. and 1.00 P.M. up to the date of the meeting, on all working days (except Saturdays, Sundays and public holidays):
  - a. Scheme of Amalgamation.

- b. Memorandum and Articles of Association of Nettlinx Aquaculture Private Limited and Nettlinx Limited.
- c. Annual Reports of Nettlinx Aquaculture Private Limited and Nettlinx Limited for the last three financial years ending 31<sup>st</sup> March, 2015, 31<sup>st</sup> March, 2016 and 31<sup>st</sup> March, 2017.
- d. Copies of Unaudited Financial Statements of Nettlinx Limited for the quarter ended 31<sup>st</sup> December, 2017.
- e. Copy of the Statutory Auditor's certificate dated 08.02.2018 issued by M/s. C. Ramachandram & Co, Chartered Accountants, Hyderabad of the Applicant Company / Nettlinx Limited for Non- Applicability of obtaining a Valuation Report attached as Annexure-B.
- f. Copies of the Resolutions passed by the respective Board of Directors of Nettlinx Aquaculture Private Limited and Nettlinx Limited on 13.02.2017 and 14.02.2017 respectively.
- g. Report adopted by the Board of Directors of the Applicant company as required under Section 233 of the Companies Act, 2013.
- h. Copy of the Statutory Auditor's certificate dated 08.02.2018 issued by M/s. C. Ramachandram & Co, Chartered Accountants, Hyderabad of the Applicant Company / Nettlinx Limited conforming that the accounting treatment provided in the Scheme is in compliance with Section 133 of the Companies Act, 2013 attached as Annexure-C.
- i. Copy of the Statutory Auditors' Certificate dated 08.02.2018 issued by M/s.Niranjan & Narayan, Chartered Accountants, Hyderabad, of Nettlinx Aquaculture Private Limited conforming that the accounting treatment provided in the Scheme is in compliance with Section 133 of the Companies Act, 2013.

By and on behalf of the Board  
For **Nettlinx Limited**

Sd/-  
**Dr. Manohar Loka Reddy**  
Chairman  
(DIN: 00140229)

Place : Hyderabad  
Date:09.02.2018

## **ANNEXURE A**

### **SCHEME OF AMALGAMATION**

**UNDER SECTIONS 230 to 233 OF THE COMPANIES ACT, 2013 READ WITH  
COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES,  
2016**

**BETWEEN**

**NETTLINX LIMITED**

**(TRANSFEREE COMPANY)**

**AND**

**NETTLINX AQUACULTURE PRIVATE LIMITED**

**(TRANSFEROR COMPANY)**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

#### **(A) PREAMBLE OF THE SCHEME:**

This Scheme of Amalgamation is presented under Sections 233 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and it provides for the Amalgamation of Nettlinx Aquaculture Private Limited (hereinafter referred to as "Nettlinx Aquaculture" or "Transferor Company") into "Nettlinx Limited" (hereinafter referred to as "Nettlinx" or "Transferee Company"). The Transferor Company is a wholly owned subsidiary of the Transferee Company. It is proposed that transferor company be amalgamated with transferee company, followed by the dissolution without winding up of the transferor company and the consequent cancellation of equity shares held by the transferee company and its Nominees in the transferor company pursuant to provisions of section 230 to 233 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other relevant provisions of the Act.

The Scheme also provides for various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme.

#### **(B) DESCRIPTION OF THE COMPANIES:**

M/s. Nettlinx Limited was originally incorporated as a Limited Company under the name and style of "Northeast Securities Limited" on 25.01.1994 (Twenty Fifth day of January, One Thousand Nine Hundred and Ninety Four), in the state of Andhra Pradesh, vide Certificate of Incorporation Number 01-16930 of 1993-94, issued by the Registrar of Companies. Subsequently the name of the Company was changed from "Northeast Securities Limited" to "Nettlinx Limited" and consequent upon change of name, the

Company obtained a Fresh Certificate of Incorporation from the Registrar of Companies, on 07.02.2002 (Seventh day of February, Two Thousand and Two) after complying with the relevant provisions under the Companies Act, 1956. The present Corporate Identification Number (CIN) of the Company is L67120TG1994PLC016930 (Hereinafter referred to as the "Nettlinx" / "Transferee Company" as the context may require").

Nettlinx Limited is a Listed Company having its shares listed and traded on BSE Limited (formerly known as 'Bombay Stock Exchange Ltd') and Metropolitan Stock Exchange of India Limited (MSEI)(Formerly known as MCX Stock Exchange Limited). The scrip code of the Company is 511658.

The Registered Office of Nettlinx is situated at 5-9-22, Flat No.303, 3rdFloor, My Home Sarovar Plaza, Secretariat, Saifabad, Hyderabad, Telangana-500063, India.

The present main objects of Nettlinx are as follows:

- d) To design, develop, acquire, accept, arrange, assemble, manufacture, produce, fabricate, generate, equip, obtain, provide, erect, conduct, install, set up, supervise, implement, support, assign, engineer, give consultancy, advise, train, promote, process, assist, use, distribute, transmit, repair, maintain, improve, extend, manage, modify', alter. convert, Subsidies, exchange, mortgage, transfer, dispose, service, purchase, sell, trade, import, export, advertise, appoint, enfranchise, explore, establish, insure, undertake, conduct, perform, sponsor, participate, protect, act, patent, value, add and resell, lease or hire, sell on hire purchase or on installment system or entering into contract, to act as an authorize representative, reseller. agent, stockiest, distributor, dealer, clearing and forwarding agent franchise holder, counselor, broker, consultant, advisor, retainer, licensee, publisher, trainer, to acquire technical knowhow, to provide technical services, to perform bench work tests, to undertake turnkey projects, to conduct operations research, to provide information processing applications, to conduct feasibility studies, to provide management and marketing services, in the fields of software development, computer software, hardware, peripherals, accessories, appliances, consumables, components, devices, stationery, books, systems, teaching aids, servers, parallel computers, mini and micro computers, network computers, Pentium based computers and also in the fields of software technology parts, internet and e-mail services.
- e) To set up information management services like data processing, data entry works, desktop publishing, word processing, hiring out machine time , supervise and advice to their companies in for processing aspects, to undertake turnkey projects, conducting feasibility studies, operations research in complete hardware and software solutions and to undertake the data processing and programming relating to issue of securities and to act as registrars and transfer agents , to digitize and make drawings , maps , pictures , photographs, CAD works, deal in animations, multimedia.
- f) To undertake, develop, generate, e-commerce, business solutions and related activities including web page hosting, web page designing, voice-mail, e-mail, and other allied computer related activities, globally and indigenously.

The authorized, issued, subscribed and paid-up share capital of Nettlinx as on 31<sup>st</sup> March, 2017, is as follows:

<b>Share Capital</b>	<b>Amount in Rs.</b>
Authorized Capital	
3,00,00,000 Equity Shares of Rs. 10/- each	30,00,00,000
<b>Total</b>	<b>30,00,00,000</b>
<b>Issued, Subscribed and Paid-Up Capital</b>	
1,14,63,312 fully paid up Equity Shares of Rs. 10/- each	11,46,33,120
	<b>11,46,33,120</b>
<b>Total</b>	<b>11,46,33,120</b>

M/s. "NETTLINX AQUACULTURE PRIVATE LIMITED" was originally incorporated as a Private Limited Company under the name and style "Nettlinx Channel Private Limited" on 19.04.2007 (Nineteenth day of April Two Thousand and seven), in the state of Andhra Pradesh, vide Certificate of Incorporation Number U92111AP2007PTC053502 of 2007-08, issued by the Registrar of Companies. Subsequently, the name of the Company was changed from "Nettlinx Channel Private Limited" to "Nettlinx Aquaculture Private Limited" and consequent to change of name, the Company obtained a Fresh Certificate of Incorporation from the Registrar of Companies, on 20.03.2014 (Twentieth day of March, Two Thousand and Fourteen) after complying the due procedure as laid down under the Companies Act, 1956. The Present Corporate Identification Number (CIN) is U92111TG2007PTC053502 (Hereinafter referred to as the "Nettlinx Aquaculture/Transferor Company").

The Registered Office of Nettlinx Aquaculture is situated at 5-9-22, Flat No.303, 3rd Floor, My Home Sarovar Plaza, Secretariat, Saifabad, Hyderabad, Telangana-500063, India.

The present main objects of Nettlinx Aquaculture are as follows:

- e) To design, develop, acquire, accept, arrange, assemble, manufacture, produce, fabricate, generate, equip, obtain, provide, erect, conduct, install, set up, supervise, implement, support, assign, engineer, give consultancy, advise, train, promote, process, assist, use, distribute, transmit, repair, maintain, improve, extend, manage, modify', alter. convert, Subsidies, exchange, mortgage, transfer, dispose, service, purchase, sell, trade, import, export, advertise, appoint, enfranchise, explore, establish, insure, undertake, conduct, perform, sponsor, participate, protect, act, patent, value, add and resell, lease or hire, sell on hire purchase or on installment system or entering into contract, to act as an authorize representative, reseller. agent, stockiest, distributor, dealer, clearing and forwarding agent franchise holder, counselor, broker, consultant, advisor, retainer, licensee, publisher, trainer, to acquire technical knowhow, to provide technical services, to perform bench work tests, to undertake turnkey projects, to conduct operations research, to provide information processing applications, to conduct feasibility studies, to provide management and marketing services, in the fields of software development, computer software, hardware, peripherals, accessories, appliances, consumables, components, devices, stationery, books, systems, teaching aids, servers, parallel computers, mini and micro computers, network computers, Pentium based computers and also in the fields of software technology parts, internet and e-mail services.
- f) To set up information management services like data processing, data entry works, desktop publishing, word processing, hiring out machine time , supervise and advice to their companies in for processing

aspects, to undertake turnkey projects, conducting feasibility studies, operations research in complete hardware and software solutions and to undertake the data processing and programming relating to issue of securities and to act as registrars and transfer agents , to digitize and make drawings , maps , pictures , photographs, CAD works, deal in animations, multimedia.

- g) To undertake, develop, generate, e-commerce, business solutions and related activities including web page hosting, web page designing, voice-mail, e-mail, and other allied computer related activities, globally and indigenously.
- h) (i). To promote, establish, own and run aqua cultural ponds for culturing all types of shell fish, fin fish, prawns, shrimps, lobsters, and other sea products and to process them by using operations such as freezing, filleting, skinning, meat picking, drying, boiling, etc., and also to pack and prepare the same for sale and delivery in national and international markets and to provide in connection therewith all necessary arrangements, facilities and acts which are incidental thereto.
- (ii). To manufacture, aid, assist, promote and develop Hatcheries required for shell fish, fin fish, seas water foods and other crustacean.
- (iii). To purchase or otherwise establish, build, own, operate, acquire, run and manage processing factories, cold storage, refrigerators, ice-making plants, and also warehouses, godowns, sheds and buildings for the purposes of processing, packing, preserving and canning all v044 frigTnniarehldie1T proerevwith all

Company” into “Nettlinx Limited”, to have synergy of operations which aims to cut down the high overhead cost, reducing the cost of capital and optimum utilization of machinery, manpower etc., and to have optimum utilization of resources after the amalgamation within the wide range of markets geographically by leveraging its strength in software development.

- b) The amalgamation will enable Nettlinx to diversify into high growth and profitable areas of business without any gestation. It enables Nettlinx to improve steadiness of cash flows and to participate more vigorously and profitably in an increasingly competitive and liberalized market.
- c) The amalgamation would result in optimizing and leveraging existing resources and infrastructure of Nettlinx.
- d) The combined entity would result in improved cash flows, increased net worth, better credit rating, and thereby strengthening the value of all the stakeholders of the Company.

#### **(D) SCOPE OF THE SCHEME:**

The Scheme of Amalgamation provides for:

- 1. Amalgamation of Nettlinx Aquaculture into Nettlinx.
- 2. The Transferor Company is a wholly owned subsidiary of the Transferee Company and the entire equity shares of the Transferor Company are held by the Transferee Company and its Nominees. Accordingly there would be no issue of equity shares of the Transferee Company to the shareholders of the Transferor Company pursuant to the provisions of sections 233 and other relevant provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- 3. Various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme.
- 4. This Scheme of Amalgamation has been drawn up to comply with the conditions as specified under section 2(1B) of Income Tax Act, 1961, such that:
  - (a) All the properties of Nettlinx Aquaculture whatever be the nature including but not limited to fixed assets, current assets, movable, immovable in nature, tangible, intangible assets and intellectual property rights, immediately before the amalgamation, become the properties of Nettlinx Limited by virtue of amalgamation.
  - (b) All the liabilities of Nettlinx Aquaculture, immediately before the amalgamation, become the liabilities of Nettlinx Limited by virtue of amalgamation.

#### **(E) PARTS OF THE SCHEME:**

This Scheme of Amalgamation is explained by dividing it into the following parts:

PART A: Deals with Definitions, Effective and Operative Dates.

PART B: Deals with Amalgamation of “Nettlinx Aquaculture” (Transferor Company) into “Nettlinx” (Transferee Company).

PART C: Deals with General Terms and Conditions.



## **PART-A**

### **DEFINITIONS, EFFECTIVE AND OPERATIVE DATES**

#### **1. DEFINITIONS**

- 1.1 “Act” or “the Act” means the Companies Act, 2013 and every modification or re-enactment thereof and references to sections of the Act shall be deemed to mean and include reference to sections enacted in modification or replacement thereof.
- 1.2 “Applicable Law(s)” means any statute, notification, bye-laws, rules, regulations, guidelines, or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 1.3 “Amalgamation” means the blending of Nettlinx Aquaculture into Nettlinx.
- 1.4 “Amalgamating Undertaking” shall mean:
- a) All the assets and properties including liabilities whatever be in the nature belongs to Nettlinx Aquaculture as on the Appointed Date.
  - b) All the secured and unsecured debts, liabilities, whether short term or long term contingent liabilities or duties and obligations of Nettlinx Aquaculture as on the Appointed Date.
  - c) Without prejudice to the generality of sub clause (a) above, the Undertaking of Nettlinx Aquaculture shall include all the assets and properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building, all fixed and movable plant and machinery, vehicles, fixed assets, plant and machinery, current assets, investments, reserves, provisions, funds, licenses, franchises, registrations, certificates, permissions, consents, approvals, concessions (including but not limited to sales tax concessions, excise duty, services tax or customs, value added tax and other incentives of any nature whatsoever), remissions, remedies, subsidies, guarantees, bonds, copyrights, patents, trade names, trademarks, track record, good-will and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trademarks, leases, leave and license agreements, tenancy rights, premises, ownership flats, hire purchase, lending arrangements, benefits of security arrangements, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, website designing equipments, software development Equipments and installations and utilities, electricity, water and other service connections, contracts and arrangements, powers, authorities, permits, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, preliminary expenses, benefit of deferred revenue expenditure, provisions, advances, receivables, deposits, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits, whether granted by state government or central government or any such other authority, (including but not limited to credits in respect of income-tax, tax on book profits, value added tax, sales tax, service tax, etc.), and other claims and powers, all books of accounts, documents and records of whatsoever nature and where so ever situated belonging to or in the possession of or granted in favour of or enjoyed by Nettlinx Aquaculture, as on the Appointed Date.

- d) All statutory licenses, franchises, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements / leases (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), of Nettlinx Aquaculture as on the Appointed Date.
  - e) All staff, workmen and employees engaged in Nettlinx Aquaculture.
  - f) All records, files, papers, information, computer programs, software applications, manuals, data, catalogues, quotations, advertising materials, lists of present and former students / customers, pricing information and other records, whether in physical form or electronic form of Nettlinx Aquaculture.
- 1.5 “Appointed date” means 01.04.2017 (First day of April, Two Thousand and Seventeen) or such other date as may be approved by the Central Government/Regional Director, South East Region, Ministry of Corporate Affairs at Hyderabad or such other competent authority having jurisdiction to sanction the Scheme.
- 1.6 “Board of Directors” or “Board” in relation to Nettlinx Limited and Nettlinx Aquaculture, as the case may be, shall, unless it be repugnant to the context or otherwise, includes any Committee of Directors or any person authorized by the Board of Directors or such Committee of Directors.
- 1.7 “Authority” or “Court” or “High Court” or “Tribunal” means the Regional Director, South Eastern Region at Hyderabad, Hon’ble High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh or the National Company Law Tribunal (NCLT) at Hyderabad or such other tribunal or authority having jurisdictions to sanction the Scheme.
- 1.8 “Effective Date” means the date on which the certified copies of the order passed by the Regional Director, South Eastern region or the National Company Law Tribunal (NCLT) at Hyderabad or such other tribunal or authority having jurisdictions sanctioning the Scheme are filed with the Registrar of Companies of Hyderabad, Telangana and Andhra Pradesh and if the certified copies are filed on different dates the last of such dates. Any references in the Scheme to the phrase “upon the Scheme becoming effective” or “effectiveness of the Scheme” or “Scheme coming into effect” shall mean the “Effective Date”.
- 1.9 “Record Date” means the date on which the Board of Directors of Transferee Company decides for nullifying the shares of the Transferor Company i.e., cancellation of the shares held by the Transferee Company and its Nominees in Transferor Company.
- 1.10 “Registrar of Companies” means the Registrar of Companies at Hyderabad for the State of Telangana and for the state of Andhra Pradesh.
- 1.11 “Regional Director” or “RD” means the Regional Director, South Eastern region at Hyderabad for the State of Telangana and Andhra Pradesh.
- 1.12 “Rules” means the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- 1.13 “Scheme of Amalgamation” or “Scheme” or “the Scheme” or “this Scheme” means this Scheme of Amalgamation in its present form or with any modifications, imposed or approved or directed by the

Board of Directors of Nettlinx Limited and /or Nettlinx Aquaculture, or by the members or creditors of the Companies involved and /or DSE/SEBI/RD /NCLT or any other appropriate authority.

1.14 “SEBI” means the Securities and Exchange Board of India.

1.15 “Shareholders” means the persons registered (whether registered owner of the shares or beneficial owner of the shares) as holders of equity shares of concerned Company as the context may require. The word “Shareholder” and “member” are used to denote the same meaning and are used interchangeably.

1.16 “Stock Exchange” means the BSE Limited and MSEI Limited where the equity shares of Nettlinx are listed and traded. The Designated Stock Exchange (DSE), for the purpose of coordinating with SEBI in relation to obtaining the in-principle approval to the Scheme, shall be BSE Limited.

1.17 “Transferee Company” means Nettlinx Limited (Nettlinx) a Company incorporated under the provisions of the Companies Act, 1956, bearing CIN: L67120TG1994PLC016930 and having its Registered Office at 5-9-22, Flat No.303, 3rd Floor, My Home Sarovar Plaza, Secretariat, Saifabad, Hyderabad, Telangana-500063, India.

1.18 “Transferor Company” means Nettlinx Aquaculture Private Limited (Nettlinx Aquaculture), a Company incorporated under the provisions of the Companies Act, 1956, bearing CIN: U92111TG2007PTC053502 and having its registered office situated at 5-9-22, Flat No.303, 3rd Floor, My Home Sarovar Plaza, Secretariat, Saifabad, Hyderabad, Telangana-500063, India.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, the Income-tax Act, 1961 or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

## **2. EFFECTIVE DATE AND OPERATIVE DATE:**

The Scheme set out herein in its present form is subject to any modification(s) approved or imposed or directed by the Board of Directors of Nettlinx and/ or Nettlinx Aquaculture, or by the members or creditors of the Companies involved and/or DSE/SEBI/Regional Director/NCLT or any other appropriate authority, unless otherwise specified in the Scheme, shall be operative from the Appointed Date but shall be effective from the Effective Date.

## **PART-B**

### **AMALGAMATION OF “NETTLINX AQUACULTURE” (TRANSFEROR COMPANY) INTO “NETTLINX” (TRANSFEE COMPANY)**

#### **SECTION 1: TRANSFER & VESTING OF AMALGAMATING UNDERTAKING**

### **3. Transfer of assets, properties, estates, claims, refunds, debts, duties, liabilities, obligations etc.,**

3.1 Subject to the provisions of this Scheme as specified herein and with effect from the Appointed Date, the entire Amalgamating Undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

a) The Amalgamating Undertaking of the Transferor Company comprising of business, all assets and liabilities of whatsoever nature and where-so-ever situated, shall, under the provisions of Sections 230 to 233 of the Act and all other applicable provisions, if any, of the Act, without any further act or deed (save as

provided in sub clauses (b) (c) and (d) below) be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the Undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.

- b) All the Immovable properties of the Transferor Company shall under the provisions of Sections 230 to 233 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the Properties of the Transferee Company.
- c) All the movable assets including but not limited to computers and equipments, office equipments, machineries, T.V. sets, softwares, IPRs, products, websites, portals, inventories, cash in hand of the Transferor Company capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company.
- d) In respect of movables other than those specified in sub clause (c) above, including, outstanding loans and advances, Investments (whether current or non – current), trade receivables, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and /or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of Sections 230 to 233 of the Act.
- e) In relation to all licenses, franchises, permissions, approvals, consents, entitlements, sanctions, permits, rights, privileges and licenses including rights arising from contracts, deeds, license instruments and agreements, if any, belonging to the Transferor Company, which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case maybe, as and when required.
- f) All secured and/or unsecured debts, if any, all liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of account and whether disclosed or undisclosed in the balance sheet of the Transferor Company shall also, under the provisions of Sections 230 to 233 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or restructuring by virtue of which such secured and/or unsecured debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub clause.

It is clarified that unless otherwise determined by the Board of Directors of the Transferee Company, in so far as the borrowings/debts and assets comprising the Transferor Company are concerned:

- a) the security or charge, if any existing or created in future before the effective date, for the loans or borrowings of the Transferor Company shall, without any further act or deed continue to relate to the said assets after the Effective Date; and
- b) the assets of the Transferee Company shall not relate to or be available as security in relation to the said borrowings of the Transferor Company;

- c) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including credit on account of tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), granted by any government body, local authority or by any other person and availed by the Transferor Company, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

3.2 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 Company, to implement and carry out all formalities and compliances, if required, referred to above.

3.3 All the properties or assets of the Transferor Company whether movable or immovable, being transferred pursuant to this Scheme, which are registered and standing in the name of Transferor Company shall, upon the scheme being sanctioned by the Regional Director, South Eastern Region at Hyderabad and becoming effective, be registered in the name of the Transferee Company and the name of the Transferor Company shall be substituted with the name of the Transferee Company in all such certificates of registration, endorsements, records and in revenue/mutation records in case of immovable properties by such appropriate authorities.

3.4 Any tax liabilities under the Income-tax Act, 1961, service tax laws, customs law or other applicable laws/ regulations dealing with taxes/ duties / levies of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date, if any, shall be transferred to Transferee Company.

3.5 Any refund under the Income-tax Act, 1961, Wealth-tax Act, 1957, service tax laws or other applicable laws / regulations dealing with taxes/ duties / levies tax due to Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

3.6 On or after the Effective Date, all rights, entitlements and powers to revise returns and filings of the Transferor Company under the Income-tax Act, 1961, service tax laws and other laws, and to claim refunds and / or credits for taxes paid, etc. and for matters incidental thereto, shall be available to, and vest with the Transferee Company.

3.7 All tax assessment proceedings / appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and / or enforced until the Effective Date against the Transferor Company and from the Effective Date, the same 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 Company.

Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company into the Transferee Company or anything contained in the Scheme.

3.8 All the tax payments (including, without limitation payments under the Income-Tax Act, 1961, Service Tax law, and other laws) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and

shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by Transferor Company on transactions with the Transferee Company, if any (from Appointed Date till Effective Date) shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings be dealt with accordingly.

3.9 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company under the Income-tax Act, 1961, service tax laws, or other applicable laws / regulations dealing with taxes/ duties / levies shall be made or deemed to have been made and duly complied with by the Transferee Company.

3.10 This 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. 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 a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, 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(1B) of the Income-tax Act, 1961.

#### **4. Legal Proceedings:**

4.1 Upon the Scheme becoming effective, all legal and other proceedings, including before any statutory or quasi-judicial authority or tribunal of whatsoever nature, if any, by or against the Transferor Company pending and/or arising at the Appointed Date, shall be continued and enforced by or against the Transferee Company only, to the exclusion of the Transferor Company in the manner and to the same extent as it would have been continued and enforced by or against the Transferor Company. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the Transferor Company in the same manner and to the same extent as it would or might have been initiated by the Transferor Company.

4.2 After the Appointed Date, if any proceedings are taken against the Transferor Company the same shall be defended by and at the cost of the Transferee Company.

#### **5. Contracts, deeds and other instruments:**

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, leave and license agreements, licenses, engagements, certificates, benefits, privileges, entitlements, grants, sanctions, permissions, consents, approvals, concessions, any schemes under which the Transferor Company is registered with the government or any other authorities and incentives (including but not limited to benefits under the Income-Tax Act, 1961, service tax, and other laws), remissions, remedies, subsidies, guarantees, licences and other instruments, if any, of whatsoever nature to which the Transferor Company is a party and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force, and be effective against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company may enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite restructurings, confirmations or novations, to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or if so considered

necessary. The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

**6. Saving of concluded transactions:**

The transfer of Amalgamating Undertaking under clause 3 above and the continuation of proceedings by or against the Transferee Company under clause 4 above and the effectiveness of the contracts and deeds under clause 5 shall not affect any transactions and proceedings or contracts or deeds already concluded by the Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

**7. Staff, workmen and employees:**

- 7.1 On the Scheme coming into effect, all staff, workmen and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Effective Date without any break in their service and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date.
- 7.2 It is expressly provided that, in so far as the Gratuity Fund, Provident Fund, Super Annuation Fund, if applicable, Employee's State Insurance Corporation Contribution, Labour Welfare Fund or any other Fund created or existing for the benefit of the staff, workmen and employees of the Transferor Company is concerned, upon the Scheme coming into effect, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund or funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees of the Transferor Company under such Funds and Trusts shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.
- 7.3 In so far as the Provident Fund, Gratuity Fund, Superannuation Fund, if applicable, or other Special Scheme(s) / Fund(s) created or existing for the benefit of the employees of the Transferor Company are concerned upon the coming into effect of this Scheme, balances lying in the accounts of the employees of the Transferor Company in the said funds as on the Effective Date shall stand transferred from the respective trusts / funds of the Transferor Company to the corresponding trusts / funds set up by the Transferee Company.
- 8. Clubbing of authorized share capital of Transferor Company with the authorized share capital of Transferee Company:**
- 8.1 Upon this Scheme becoming effective, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee

Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share capital of the Transferor Company amounting to Rs. 4,50,00,000/- (Rupees Four Crores Fifty Lakhs only) divided into 45,00,000 (Forty Five Lakhs) equity shares of Rs. 10/- (Rupees Ten only) each and the Memorandum of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under sections 13, 61, 64, 233 and other applicable provisions of the Companies Act, 2013, as the case may be, would be required to be separately passed, and for this purpose, the stamp duty and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorized share capital to that extent.

- 8.2 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the Memorandum of Association of the Transferee Company as may be required under the Act and Clause V of the Memorandum of Association of the Transferee Company shall stand altered accordingly.
- 8.3 Further, if required, the Transferee Company shall take necessary steps to further increase and alter its Authorized Share Capital suitably to enable it to issue and allot the Equity Shares required to be issued and allotted by it to the shareholders of the Transferor Company in terms of this Scheme.

## **SECTION 2: CONDUCT OF BUSINESS:**

### **9. With effect from the Appointed Date upto and including the Effective Date:**

- 9.1 The Transferor Company shall carry on and be deemed to have carried on its business and activities and shall stand possessed of Amalgamating Undertaking, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- 9.2 Any income or profit accruing or arising to the Transferor Company and all costs, charges, expenses and losses or taxes incurred by the Transferor Company shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Transferee Company and shall be available to the Transferee Company for being disposed off in any manner as it thinks fit.
- 9.3 All liabilities debts, duties, obligations which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Transferee Company.
- 9.4 The Transferor Company shall carry on its business with reasonable diligence and in the same manner as it had been doing hitherto and the Transferor Company shall not alter or substantially expand its business except with the written concurrence of the Transferee Company.
- 9.5 With effect from the Effective Date, the Transferee Company shall suitably integrate the business being carried on by the Transferor Company into its business.
- 9.6 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the central government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to own and carry on the business of the Transferor Company.



- 9.7 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the ancillary and incidental alterations, if any, to be carried out to the Memorandum of Association of the Company as may be required under the Act and there would be no further requirement of obtaining the members approval for such alterations arising pursuant to the sanctioned Scheme.

### **SECTION 3: CANCELLATION OF SHARES OF THE TRANSFEROR COMPANY:**

10. Upon the scheme coming into effect, all equity shares of the Transferor Company held by the Transferee Company (either directly or through Nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash whatsoever by the transferee company in lieu of such shares of the transferor company. Towards consideration necessary entries will be passed in the books of accounts to reflect the investments made in the Transferor Company in an appropriate manner in consultation with the statutory auditors of the Company. In view of the fact that the Transferor company is a 100% subsidiary of the Transferee company and there being no consideration passed over to the shareholders of the Transferor Company, the Transferee Company shall not be required to pay any stamp duty for implementation of the scheme of amalgamation.

### **SECTION 4: ACCOUNTING TREATMENT:**

#### **11. Accounting Treatment in the Books of the Transferee Company:**

- 11.1 Upon the Scheme becoming effective, the Transferee Company shall record the assets and liabilities of the Transferor Company transferred to the Transferee Company pursuant to this Scheme and account for the amalgamation of the Transferor Company pursuant to this Scheme in accordance with Accounting Standard -14as notified bythe Companies (Accounting Standards) Rules, 2006 or Indian Accounting Standard (Ind AS) 103 as notified byCompanies (Indian Accounting Standards) Rules, 2016, as amended from time to time whichever is applicable.
- 11.2 Pursuant to the Scheme coming into effect, investment made by the Transferee Company in the Transferor Company in the Equity Shares shall automatically stand cancelled of.
- 11.3 Inter-corporate deposits/loans and advances, if any, outstanding between the Transferee Company and the Transferor Company inter-se shall stand cancelled and there shall be no further obligation / outstanding in that behalf. Any difference arising on such cancellation should be adjusted in the reserves of the Transferee Company.
- 11.4 The Transferee Company shall account for the assets of the Transferor Company vested in its terms of the Scheme at fair market value and liabilities of the Transferor Company vested in terms of the Scheme at agreed value. The fair market value of the assets is determined by SRV of Government of Telangana and agreed values of liabilities are determined by the Board of directors of both the Companies.
- 11.5 In case of any differences in accounting policy between the Transferor Company and Transferee Company, the accounting policies followed by Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted against Profit and Loss Account, to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 11.6 Notwithstanding the above, the Transferee Company in consultation with its Auditors, is authorized to account for any of this balances in any manner, whatsoever if considered appropriate.

## **12. Dissolution of the Transferor Company:**

On the Scheme coming into effect, the Transferor Company (i.e. Nettlinx Aquaculture Private Limited) shall, without any further act or deed, stand dissolved without going through the process of winding up.

## **PART - C**

### **GENERAL TERMS AND CONDITIONS**

## **13. Impact of the Scheme on creditors**

This Scheme of Amalgamation, if approved by the appropriate authorities and the Central Government/ Regional Director/NCLT as the case may be, shall not have any adverse impact on the Creditors whether secured or unsecured, of Nettlinx and / or Nettlinx Aquaculture.

## **14. Dividends:**

14.1 Nothing contained in this Scheme shall be construed as restricting or restraining any of the Companies from being entitled to declare and pay dividends, whether interim or final, to their respective equity shareholders, whether during the pendency of the Scheme or otherwise.

14.2 The holders of the Equity Shares of respective Companies shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under the Articles of Association of the respective Companies concerned including the right to receive dividends.

14.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of any Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Boards of Directors of the respective Companies and subject to the approval of the shareholders of the respective Companies.

## **15. Filing of applications/petitions with the Regional Director/NCLT:**

Nettlinx and Nettlinx Aquaculture shall, with all reasonable diligence, make and file all necessary applications, affidavits, petitions etc., before the Regional Director/NCLT/any other competent authority having jurisdiction over the Scheme, as the case may be, for obtaining the sanction to this Scheme of Amalgamation under Sections 233 of the Act and each of them shall apply for all necessary approvals as may be required under law.

## **16. Modification of Scheme:**

16.1 Nettlinx and Nettlinx Aquaculture by their respective Board of Directors or any Committee thereof or any Director authorized in that behalf (hereinafter referred to as the "Delegate") may assent to, or make, from time to time, any modifications or amendments or additions to this Scheme which the Regional Director/ NCLT or any other appropriate authority (ies) under law may deem fit to approve or impose and which Nettlinx and Nettlinx Aquaculture may in their discretion accept or such modifications or amendments or additions as Nettlinx and Nettlinx Aquaculture or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise for carrying out this Scheme, and Nettlinx and Nettlinx Aquaculture by their respective Boards of Directors or Delegate are hereby authorized to do, perform and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this

Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect. In the event that any conditions may be imposed by the Regional Director/NCLT or any authorities, which Nettlinx and Nettlinx Aquaculture find unacceptable for any reason, then Nettlinx and Nettlinx Aquaculture shall be at liberty to withdraw the Scheme. The aforesaid powers of Nettlinx and Nettlinx Aquaculture may be exercised by their respective Delegates.

16.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates (acting jointly) of Nettlinx and Nettlinx Aquaculture may give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors of the respective Companies), or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those conditions (to the extent permissible under law).

## **17. Scheme Conditional Upon:**

17.1 This Scheme is conditional upon and subject to:

- a) The Scheme being approved by a shareholders resolution of Nettlinx Limited passed by way of postal ballot or meeting and e-voting, provided that the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
- b) It being agreed to by the respective requisite majorities of members of Nettlinx and Nettlinx Aquaculture as required under the Act and the requisite orders of the Regional Director/NCLT being obtained.
- c) It being agreed to by the respective requisite majorities of creditors and the various classes of creditors (wherever applicable) of the Nettlinx and Nettlinx Aquaculture as required under the Act and the requisite orders of the Regional Director/NCLT being obtained.
- d) The requisite sanctions and approvals, as may be required by law in respect of this Scheme being obtained; and
- e) The certified copies of the orders of the Regional Director/NCLT sanctioning this Scheme being filed with the Registrar of Companies.

17.2 In the event of this Scheme failing to take effect before 31st day of March, 2018, or such later date as may be agreed by the respective Boards of Directors of Nettlinx and Nettlinx Aquaculture, this Scheme shall stand revoked, cancelled and be of no effect and become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Companies or their shareholders or creditors or employees or any other person. In such case, both the Companies shall bear its own costs, charges and expenses or shall bear costs, charges and expenses as may be mutually agreed.

## **18. Effect of non-receipt of approvals:**

In the event of any of the said sanctions and approvals referred to in clause 17 above not being obtained (unless otherwise decided by the Board of Directors) and / or the Scheme not being sanctioned by the Regional Director/NCLT or such other competent authority as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect, 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.

**19. Severability:**

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall subject to the decision of Nettlinx and Nettlinx Aquaculture, not affect the validity or implementation of the other parts and / or provisions of this Scheme.

**20. Costs, charges, etc.:**

All costs, charges, levies and expenses (including stamp duty) of the Transferor Company and the Transferee Company respectively in relation to or in connection with or the implementation thereof or to the completion of Amalgamation of the said undertakings of the Transferor Company in pursuance of this Scheme shall be borne the Transferee Company.



To  
The Board of Directors,  
Nettlinx Limited.

#### Annexure-B

#### CERTIFICATE

We have examined the proposed "Scheme of Amalgamation (Merger)" between Nettlinx Aquaculture Private Limited ('NAPL' or 'Transferor Company'), a wholly owned subsidiary company and Nettlinx Limited ('Nettlinx' or the 'Transferee Company'), the holding company and their respective shareholders and Creditors under section 233 and other applicable provisions of Companies Act, 2013 (the 'Proposed Scheme') for merger of Nettlinx Aquaculture Private Limited with Nettlinx Limited, for the purpose of certifying the non-applicability of Valuation Report as per Para 1(A)(4) of Annexure-I of SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015 issued by the Securities and Exchange Board of India (SEBI Circular).

1. The Management of the Company is responsible for the maintenance of proper books of accounts and other relevant records prescribed under the applicable laws. This includes collecting, collating and validating data, designing, implementing and monitoring of internal controls relevant for the preparation of the Proposed Scheme and for ensuring compliance with the applicable laws.
2. Our responsibility for the purpose of this certificate, is limited to certifying whether a valuation report is required to be obtained by the Company in terms of the above stated provisions of the SEBI circular on the basis of the Proposed Scheme, audited books of account and other relevant records and documents maintained by the Company, and did not include the evaluation of the adherence by the Company with all the applicable guidelines. We conducted our verification in accordance with the Guidance Note on Certificate for Special Purpose and Standard on Auditing issued by the Institute of Chartered Accountants of India.
3. On the basis of our verification of the Proposed Scheme, audited books of account and other relevant records and documents as referred to in Paragraph 3 above and according to the information and explanation provided to us by the Management of the Company, we certify that the condition of obtaining a valuation report mentioned in Valuation Report as per Para 1(A)(4) of Annexure-I of SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015 issued by the Securities and Exchange Board of India is not applicable to the Proposed Scheme as:
  - a) The entire shares of Nettlinx Aquaculture Private Limited held by Nettlinx Limited shall stand cancelled;
  - b) There will not be any issuance of shares or payment of other consideration by Nettlinx Limited to Nettlinx Aquaculture Private Limited ; and
  - c) There will not be any change in the shareholding pattern of Nettlinx Limited.
4. This certificate is issued at the request of Management of the Company for submission to the BSE and MSEI and SEBI and other connected matters and should not be used for any other purpose without our prior written consent.

For C. Ramachandram & Co.  
Chartered Accountants  
Firm Registration No. 002864S

Sd/-  
C. Ramachandram  
Partner  
Membership No. 025834

Date: 08.02.2018  
Place: Hyderabad

#### Annexure-C

To  
The Board of Directors,  
Nettlinx Limited.

We, the Statutory auditors of Nettlinx Limited (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in Section 4 of Part B of the Draft Scheme of Amalgamation between of Nettlinx Aquaculture Private Limited ('NAPL' or 'Transferor Company') into Nettlinx Limited ('NL' or the 'Transferee Company') and their respective shareholders and Creditors in terms of the provisions of section 233 of Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards prescribed under section 133 of Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards as specified in Section 133 of Companies Act, 2013 and Other Generally Accepted Accounting Principles in India. Nothing contained in this Certificate nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment specified in Section 4 of Part B in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards prescribed under Section 133 of Companies Act, 2013 and Other Generally Accepted Accounting Principles.

This Certificate is issued at the request of the Nettlinx Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE and MSEI and SEBI and other connected matters and should not be used for any other purpose without our prior written consent.

For C. Ramachandram & Co.  
Chartered Accountants  
Firm Registration No. 002864S

Sd/-  
C. Ramachandram  
Partner  
Membership No. 025834

Date: 08.02.2018  
Place: Hyderabad

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

(01/2017-2018) Extra-ordinary General Meeting on Thursday, the 22<sup>nd</sup> March, 2018 at 03.00 P.M, at the Registered Office of the company situated at 5-9-22, Flat No. 303, 3<sup>rd</sup> Floor, My Home Sarovar Plaza, Secretariat, Saifabad, Hyderabad, Telangana-500063, India.

Full name of the members attending \_\_\_\_\_  
(In Block Letters)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the (01/2017-2018) Extra-ordinary General Meeting on Thursday, the 22<sup>nd</sup> March, 2018 at 03.00 P.M, at the Registered Office of the company situated at 5-9-22, Flat No.303, 3<sup>rd</sup> Floor, My Home Sarovar Plaza, Secretariat, Saifabad, Hyderabad, Telangana-500063

(Member's /Proxy's Signature)

**Note:**

- Members are requested to bring their copies of Notice of EGM to the meeting, since further copies will not be available.
- In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

**Form No. MGT-11****Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2015]

Name of the Member(s)		
Registered Address:		
E-mail Id:	Folio No /Client ID	DP ID

I / We, being the member(s) of \_\_\_\_\_ shares of the above named company. Hereby appoint

Name :	E-mail Id:
Address:	
Signature, or failing him	

Name of the Member(s)
Registered Address:

as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the (01/2017-2018) Extraordinary General Meeting on **Thursday, the 22<sup>nd</sup> March, 2018 at 03.00 P.M**, at the Registered Office of the company situated at 5-9-22, Flat No.303, 3<sup>rd</sup> Floor, My Home Sarovar Plaza, Secretariat, Saifabad, Hyderabad, Telangana-500063 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl.No.	Resolution(S)	Vote	
		For	Against
1.	To approve the Scheme of Amalgamation between Nettlinx Limited (Transferee Company) and Nettlinx Aquaculture Private Limited (Transferor Company) and their respective shareholders and creditors.		

Signed this \_\_\_\_\_ day of March, 2018

Affix  
Revenue  
Stamp

Signature of Shareholder

Signature of Proxy holder

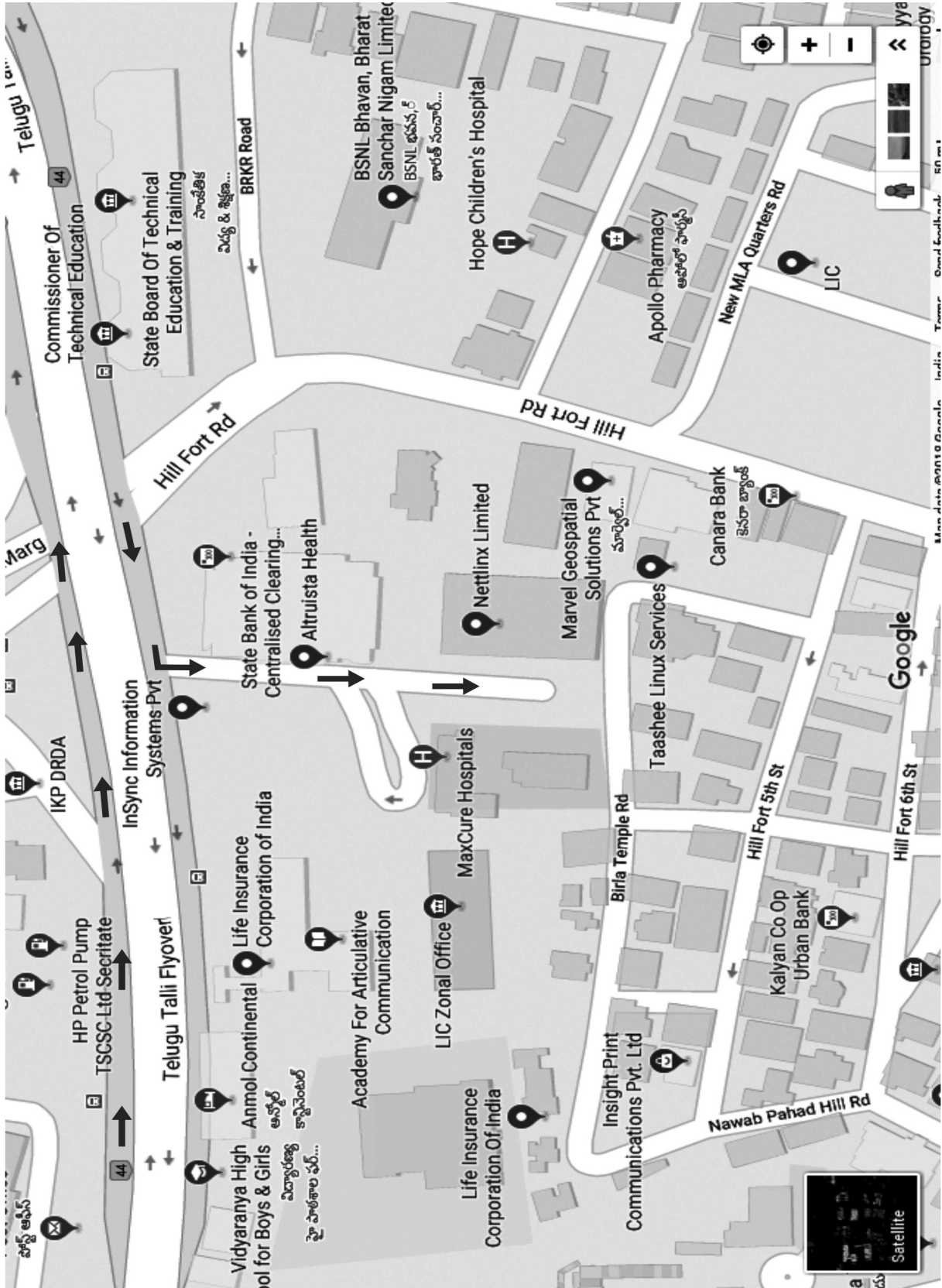
Signature of the shareholder  
across Revenue Stamp

**Note:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- The proxy need not be a member of the company



## ROUTE MAP OF VENUE OF EGM:





Book-Post

To



*if undelivered please return to :*

**NETTLINX LIMITED**

**Registered Office :**

# 5-9-22, Flat No. 303,  
3rd Floor, My Home Sarovar Plaza,  
Secretariat Road, Saifabad,  
Hyderabad-500 063, Telangana.

Tel : 23232200, 23231621, Fax : 040-23231610

E-mail : [secretarial@nettlinx.com](mailto:secretarial@nettlinx.com) | URL : [www.nettlinx.com](http://www.nettlinx.com)