



IntraSoft Technologies Limited

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Date: December 4, 2025

To,
Corporate Relationship Department
BSE Limited
P. J. Towers, Dalal Street,
Fort, Mumbai - 400 001

To,
Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla Complex
Mumbai - 400 051

Scrip code: 533181 / ISFT

Sub: Intimation under Regulation 30 read with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") - Scheme of Merger of One Two Three Greetings (India) Private Limited (Wholly Owned Subsidiary) with the Company

Dear Sir / Madam,

We refer to our letter dated December 03, 2025, wherein it was intimated that the Board of Directors of IntraSoft Technologies Limited ("the Company") at its meeting held on December 03, 2025, subject to requisite approvals/consents, approved the Scheme of Merger of One Two Three Greetings (India) Private Limited ("123G" or "Transferor Company"), wholly owned subsidiary of the Company, with the Company under Sections 233 and other applicable provisions of the Companies Act, 2013 ("Act") read with the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016 with the Appointed Date as April 01, 2025.

In terms of Regulation 37(6) of the SEBI LODR Regulations, the provisions of Regulation 37 of SEBI LODR Regulations are not applicable to draft schemes which solely provide for merger of a wholly owned subsidiary with its holding company. Hence, 'No Objection Letter' on the Scheme is not required to be obtained from the Stock Exchanges on which equity shares of the Company are listed.

However, in accordance with the provisions of Regulation 37(6) of the SEBI LODR Regulation read with the provisions of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, such draft schemes shall be filed with the Stock Exchanges for the purpose of disclosures and the Stock Exchanges shall disseminate the scheme documents on their websites.

This is for your information and records

Yours faithfully,

For IntraSoft Technologies Limited

Aakash Kumar Singh
Company Secretary & Compliance Officer



Encl. Certified true copy of the said Scheme of Merger

SCHEME OF MERGER
BETWEEN
ONE TWO THREE GREETINGS (INDIA) PRIVATE LIMITED
(TRANSFEROR COMPANY)
WITH
INTRASOFT TECHNOLOGIES LIMITED
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER SECTION 233 AND OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013 READ WITH
THE COMPANIES (COMPROMISES, ARRANGEMENTS
AND AMALGAMATIONS) RULES, 2016



PREAMBLE

This Scheme of Merger ('Scheme') is presented under Section 233 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements And Amalgamations) Rules, 2016 for the merger of **One Two Three Greetings (India) Private Limited** (Herein-after referred to as "123G" or "Transferor Company") with **IntraSoft Technologies Limited** (Herein-after referred to as "ITL" or "Transferee Company") where the Transferor Company is a wholly owned subsidiary of the Transferee Company.

(A) DESCRIPTION OF COMPANIES:

- i) **One Two Three Greetings (India) Private Limited ("123G" or "Transferor Company")** - A private limited company bearing CIN: U72900MH2007PTC167426 originally incorporated on the 31st day of January, 2007 under the provisions of the Companies Act, 1956 and validly subsisting within the meaning of the Companies Act, 2013. The registered office of the Company is presently situated at A-502, Prathamesh, Raghuvanshi Mills Limited Compound, Senapati Bapat Marg, Lower Parel, Mumbai City, Mumbai - 400 013, Maharashtra, India. The Company is engaged in the business of providing internet based electronic greetings cards services and various other activities as more specifically described in its Memorandum of Association. The shares of the Company are not listed on any of the stock exchanges. The entire shareholding of the Transferor Company is held by the Transferee Company and its nominees.
- ii) **IntraSoft Technologies Limited ("ITL" or "Transferee Company")** - A public limited company bearing CIN: L24133MH1996PLC197857 originally incorporated on the 27th day of February, 1996 under the provisions of the Companies Act, 1956 and validly subsisting within the meaning of the Companies Act, 2013. The registered office of the Company is presently situated



at A-502, Prathamesh, Raghuvanshi Mills Limited Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra, India. The Company is engaged in the business of providing IT enabled services to its subsidiaries and various other activities as more specifically described in its Memorandum of Association. The equity shares of the Company are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

(B) RATIONALE FOR THE SCHEME:

The proposed Scheme of Merger would *inter alia* result into the following benefits to the companies and all stakeholders including shareholders, creditors and employees and will be in their long-term interests:

- a) The business of the Transferor Company and the Transferee Company can be combined and carried forward conveniently with combined strength.
- b) The merger will enable the Transferee Company to consolidate its line of business by restructuring and re-organizing its business activities under the roof of the Transferee Company.
- c) The merger will enable the companies to broad base their business activities under the roof of the Transferee Company.
- d) The merger will result in economy of scale including reduction in overhead expenses relating to management and administration in better and more productive utilization of various resources.
- e) The business of the companies can be conveniently and advantageously combined together and in general the business of the companies concerned will be carried on more economically and profitably under the said scheme.
- f) The said Scheme of Merger will enable the establishment of a larger company with larger resources and larger capital base enabling further development of the business of the companies concerned.



- g) The said Scheme will also enable the undertakings and businesses of the said companies to obtain greater facilities possessed and enjoyed by one large company compared with a number of small companies for raising capital, securing and conducting trade on favorable terms and other benefits.
- h) The said Scheme will contribute in furthering and fulfilling the objects of the companies concerned and, in the growth, and development of these businesses.
- i) The said Scheme will strengthen and consolidate the position of the amalgamated company and will enable the Transferee Company to increase its profitability.
- j) The said Scheme will enable the undertakings concerned to pool their resources and to expand their activities.
- k) The said Scheme will enable the companies concerned to rationalize and streamline their management, business and finances and to estimate duplication of work to their common advantages.
- l) The said Scheme will have beneficial results for the companies concerned, their shareholders, creditors, employees and all concerned.

(C) TREATMENT OF THE SCHEME FOR THE PURPOSE OF INCOME TAX ACT, 1961:

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 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(1B) of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the provisions of Section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect the other part of the Scheme.



(D) **PARTS OF THE SCHEME**

The Scheme is divided into the following parts:

<u>Parts</u>	<u>Contents</u>
Part I	Definitions, Date of taking effect and Share Capital
Part II	Merger of Transferor Company with the Transferee Company
Part III	Consolidation and Reorganization of Authorized Share Capital and consequential amendment in the Memorandum of Association and Articles of Association of the Transferee Company.
Part IV	General Terms and Conditions

PART I

DEFINITIONS, DATE OF TAKING EFFECT AND SHARE CAPITAL

1) **DEFINITIONS**

In this Scheme, unless the meaning or context requires otherwise, the terms defined in the introductory paragraphs above shall have the same meanings throughout this Scheme, and the following words or expressions, wherever used (including in the introductory paragraphs above) shall have the meanings set out below:

- a) "Act" means the Companies Act, 2013 including any statutory modification, re-enactment or enactments thereof.
- b) "Appointed Date" for the purpose of this Scheme and for Income Tax, 1961, means 1st April, 2025 or such other date as may be directed by any Appropriate Authority being the date with effect from which this Scheme shall be deemed to be effective.
- c) "Board of Directors" or "Board" means the Board of Directors of the Transferor Company and the Transferee Company, as the case may be, and shall include a duly constituted committee thereof.



- d) **"Central Government"** means the Regional Director, Western Region, Maharashtra.
- e) **"Effective Date"** means the later of the following dates or such other dates as the Central Government, may decide:
The date on which the last of all the consents, approvals, permissions, resolutions, sanctions and orders as are hereinafter referred to have been obtained or passed; and the date on which certified copies of the orders of the Central Government under provisions of sections 233 of the said Act are filed with the Registrar of Companies, Ministry of Corporate Affairs.
- f) **"Governmental Authority"** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India.
- g) **"Scheme" or "The Scheme" or "This Scheme"** means this Scheme of Merger drawn pursuant to Section 233 of the Companies Act, 2013.
- h) **"Transferor Company"** means as set out in Para (A) above.
- i) **"Transferee Company"** means as set out in Para (A) above.
- j) **"Undertaking"** means the entire business and the whole of the undertaking of the Transferor Companies as a going concern, all its assets, rights, licenses and powers and all its debts, outstanding, liabilities, duties and obligations as on the Appointed Date and without prejudice to the generality of the foregoing clause the said undertaking includes:
- i. all assets, properties, moveable and immoveable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible of whatsoever nature, whosoever situated including land, buildings, sheds, godowns, warehouse, offices, plant and machinery, vehicles, equipments, furniture, fixtures, investments, sundry debtors, inventories, cash and bank balances, bills of exchange, deposits, loans and advances of the Transferor Company.



- ii. trade marks, brands, goodwill, designs, copy rights, and all other intellectual rights and properties of the Transferor Company.
- iii. all permits, quotas, rights, licenses, approvals, consents, tenancies, privileges, all other rights, benefits and entitlements, lease rights powers and facilities of every kind, nature and description whatsoever, right to use and avail of telephones, telexes, facsimile connections, e-mail connections, communication facilities and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with the Transferor Company.
- iv. all agreements, rights, contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims to any patents, trademarks, design, quota rights, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Companies' business activities and operations.
- v. all records, files, papers, designs, and process information, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form of the Transferor Company.
- vi. amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Government Authority under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment.



- vii. all debts (secured and unsecured), present and future liabilities including contingent liabilities, obligations, and duties of the Transferor Company of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized.
 - viii. all employees of the Transferor Company and all other obligations of whatsoever kind, including liabilities in respect of employees of the Transferor Company about payment of gratuity, provident fund or compensation, if any, etc.
- 1.2) All terms and words not defined in this Scheme shall, unless repugnant or contrary to context or meaning thereof, have the same meaning as described to them under the Act, and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

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

The Scheme of Merger set out herein in its present form or with any modifications approved or imposed or directed by the Central Government shall be operative from the Appointed Date but shall be effective from the Effective Date. The Scheme of Merger is not against the public interest, even as the Appointed Date precedes the date of filing of application before appropriate authority for sanctioning of the Scheme of Merger by more than one year.



3) **SHARE CAPITAL**

A. **One Two Three Greetings (India) Private Limited - Transferor Company**

The Share Capital of the Transferor Company as on March 31, 2025, is as under:

<u>Share Capital</u>	<u>Amount (In Rs.)</u>
Authorized Share Capital	
20,00,000 Equity Shares of Rs. 10/- each.	Rs. 2,00,00,000/-
Total	Rs. 2,00,00,000/-
Issued, Subscribed And Paid-Up Capital	
20,00,000 Equity Shares of Rs. 10/- each.	Rs. 2,00,00,000/-
Total	Rs. 2,00,00,000/-

The entire share capital of the Transferor Company is held by the Transferee Company and its nominees. There is no change in the capital structure of Transferor Company after the aforesaid date.

B. **IntraSoft Technologies Limited - Transferee Company:**

The Share Capital of the Transferee Company as on March 31, 2025, is as under:

<u>Share Capital</u>	<u>Amount (In Rs.)</u>
Authorized Share Capital	
2,52,50,000 Equity Shares of Rs. 10/- each	Rs. 25,25,00,000/-
Total	Rs. 25,25,00,000/-
Issued, Subscribed And Paid-Up Capital	
1,63,11,678 Equity Shares of Rs. 10/- each	Rs. 16,31,16,780/-
Total	Rs. 16,31,16,780/-

There is no change in the capital structure of Transferee Company after the aforesaid date.



PART - II
MERGER OF TRANSFEROR COMPANY WITH THE TRANSFeree COMPANY

4) TRANSFER AND VESTING OF UNDERTAKING FROM THE TRANSFEROR COMPANY TO THE TRANSFeree COMPANY

- 4.1. Upon the Scheme becoming effective and with effect from the Appointed Date, the Undertaking of the Transferor Company shall, without any further act or deed be transferred to and be vested or deemed to be vested in the Transferee Company as a going concern, pursuant to Section 233 and other applicable provisions, if any, of the Act and read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 subject to all charges, liens, mortgages, lispendens, if any, then affecting the same or any part thereof and all the creditors of the Transferor Company shall become the creditors of the Transferee Company on the same terms and conditions.
- 4.2. All the assets and liabilities of the Transferor Company shall be transferred to the Transferee Company at their respective book values. Also, the inter-company investments between the Transferor Company and the Transferee Company shall be cancelled and the difference, if any in the book value will be adjusted in the Reserve.
- 4.3. Transfer of Assets: Without prejudice to the generality, upon coming into effect of this Scheme and with effect from the Appointed Date:
- a) All the assets and properties comprised in the undertaking of whatsoever nature and where so ever situated, shall, under the provisions of Section 233 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be



deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.

- b) Without prejudice to Clause (a) above, in respect of such of the assets and properties of the undertaking as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company to the Transferee Company as an integral part of the Undertaking, without requiring any separate deed or instrument or conveyance for the same.
- c) In respect of movables other than those dealt with in Clause (b) above including sundry debts, receivables, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.
- d) All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Section 233 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or



privileges of the Transferee Company and shall remain valid, effective and enforceable on the same term and conditions.

- e) The Transferor Company shall, if so required, also give notices in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of this Scheme by the Central Government, in accordance with Section 233 and all other applicable provisions, if any, of the Act, the said debtors should pay to the Transferee Company the debt, loan or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover or realize the same stands vested in the Transferee Company.
- f) All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the respective Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective date, shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Section 233 and all other applicable provisions if any, of the Act, without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme. Provided however that no onerous assets shall have been acquired by the Transferor Company after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

4.4. Transfer of Liabilities:

- a) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts, sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertaking of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activates and operations, shall



pursuant to the sanction of this Scheme by the Central Government under and in accordance with the provisions of Section 233 and other applicable provisions, if any of the Act, without any further act, instrument, deed, matter or thing be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the effective Date so as to become as and from the appointed date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or arrangement by virtue of which such liabilities have arisen in order to give effect to this clause.

- b) All debts, liabilities, duties and obligations of the Undertaking as on the Appointed Date, whether or not provided in the books of the respective Transferor Company, and all debts and loans raised and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.
- c) Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.
- d) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Undertaking and the Transferee



Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

4.5. Encumbrances:

- a) The transfer and vesting of the assets comprised in the undertaking to and in the Transferee Company shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.
- b) All the existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances"), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of the Scheme and in so far as such encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Company over its assets after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.
- c) The existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the undertaking transferred to and vested of this scheme.
- d) Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the



assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate.

- e) Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.
- f) It is expressly provided that, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- g) The provisions of Paragraph 4 of this Scheme shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

5) Inter - Se Transactions:

Without prejudice to the provisions of Paragraph 4 and with effect from the Appointed Date, all inter-party transaction between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.



6) Contracts, Deeds, etc.:

Subject to other provisions contained in this scheme, all contracts, deeds, bonds, agreements, and other documents and instruments of whatsoever nature to which the Transferor Company are parties or subsisting or having effect immediately before the arrangement shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party thereto.

7) Legal Proceedings:

On and from the Appointed Date, all suits, actions, claims and legal proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and/or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company. On and from the Effective Date, the Transferee Company shall have the right to initiate, defend, compromise or otherwise deal with any legal proceedings relating to the Undertaking, in the same manner and to the same extent as would or might have been initiated by the Transferor Company as the case may be, had the Scheme not been made. If any suit, appeal or other proceedings relating to the undertaking, of whatever nature by or against the Transferor Company be pending, the same shall not be abate or be discontinued or in any way be prejudicially affected by reason of the merger of the undertaking or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.



8) Conduct Of Business:

- 8.1) With effect from the Appointed Date and up to and including the Effective Date:
- a) The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the undertaking on account of, and for the benefit of and in trust for, the Transferee Company.
 - b) All the profits or income accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company.
 - c) Any of the rights, power, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.
- 8.2) With effect from the date of filing of this Scheme with the Central Government, and up to and including the Effective Date, the Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its group companies or any third party or sell,



transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in each case in the following circumstances:

- a) If the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the Central Government.
- b) If the same is permitted by this Scheme; or
- c) If the consent of the Board of Directors of the Transferee Company has been obtained.

8.3) The Transferor Company shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations (ii) any agreement or transaction; and (iii) such other matters as the Transferee Company may notify from time to time save and except in each case in the following circumstances:

- a) If the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the Central Government.
- b) If the same is permitted by this Scheme; or
- c) If the consent of the Board of Directors of the Transferee Company has been obtained.

8.4) The Transferor Company shall not make any change in its capital structure, whether by way of increase (by issue of equity shares on a right basis, bonus shares) decrease, reduction, reclassification, sub - division or consolidation, re-organization, or in any other manner except by way of making calls on partly paid shares to make them as fully paid, which may, in any way, affect the Share Exchange Ratio (as provided in the underneath paragraphs), except under any of the following circumstances:

- a) by mutual consent of Board of Directors of the Transferor Company and of the Transferee Company; or
- b) as may be permitted under this Scheme.



9) Treatment of Taxes:

- 9.1) Any tax liabilities under the Income-Tax Act, 1961, service tax/GST, stamp laws or other applicable laws/regulations (hereinafter in this clause referred to as "Tax laws") dealing with taxes /duties/levies allocable or related to the business 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 shall be transferred to the Transferee Company.
- 9.2) All taxes (including income tax, service tax /GST, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the payment (including without limitation income tax,/GST, etc.) 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 on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceeding, be dealt with accordingly.
- 9.3) Any refund under the Tax Laws due to the Transferor Company consequent to the assessments made on the 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.
- 9.4) Without prejudice to the generality of the above, all benefits including that of withholding tax TDS under the income tax, service tax/GST etc., to which the Transferor Company are entitled to in terms of the applicable Tax laws shall be available to and vest in the Transferee Company.



10) Employees:

- 10.1) Upon coming into effect of this Scheme, all the staff and permanent employees of the Transferor Company who are in employment as on the Effective Date shall become the staff and permanent employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favorable than those on which they are engaged or employed by the Transferor Company. It is clarified that the staff and permanent employees of the Transferor Company who became staff and permanent employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any Schemes and benefits that may be applicable and available to any of the employees of the Transferee Company unless otherwise determined by the Board of Directors of the Transferee Company. After the Effective Date, the Transferee Company shall be entitled to vary the terms and conditions as to employment and remuneration of the employees of the Transferor Company on the same basis as it may do for the employees of the Transferee Company.
- 10.2) The accumulated balances standing to the credit of the transferred employees' provident fund and/or gratuity fund and/or superannuation fund and/or any other retirement fund shall be transferred and credited to the corresponding statutory and/or exempted retirement fund of Transferee Company subject to approval of the concerned Appropriate Authority. The funds shall, subject to the necessary approvals and permissions and at the discretion of Transferee Company, either be continued as separate funds of Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds, if any, of Transferee Company. In the event that Transferee Company does not have its own funds in respect of any of the above, Transferee Company may, subject to necessary approvals and permissions continue to contribute to the relevant funds of the Transferor Company, until such time that Transferee Company creates its own



fund, at which time the funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to the funds created by Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the said fund or funds.

- 10.3) For the purpose of Clause 10.2, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever including the administration or operation of such funds according to the terms provided in the respective trust deeds governing such funds. It is the aim and the intent of this Scheme that all rights, duties, powers and responsibilities respectively of Transferor Company in relation to such funds shall become the rights, duties, powers and responsibilities of Transferee Company.

11) **Saving Of Concluded Transactions:**

Subject to the terms of this Scheme, the transfer and vesting of the undertaking of the Transferor Company under Paragraph 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded 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 made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.



12) Consideration:

- 12.1) The entire issued, subscribed and paid up share capital of the Transferor Company is held by the Transferee Company and its nominees. Upon coming into effect of this Scheme and in consideration of the transfer and vesting of the undertaking of the Transferor Company in the Transferee Company, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Company. Accordingly, there is no requirement of a Valuation Report.
- 12.2) Upon the Scheme becoming effective, the equity shares held by the Transferee Company in the Transferor Company shall stand cancelled and accordingly, the paid-up equity share capital of the Transferor Company shall stand adjusted to that extent by virtue of operation of law, without any further application, act or instrument or deed.
- 12.3) The cancellation and the consequent reduction of the share capital of the Transferee Company shall be done as an integral part of the Scheme and not in accordance with Section 66 of the Companies Act, 2013 and the same does not involve either diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share Capital and the order of the Central Government sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act confirming the reduction.
- 12.4) In The Event Of Dissenting Shareholders: If the shareholders of any of the Companies involved dissent to the Scheme of Merger, in such event the Transferee Company shall identify a Promoter/Director or such person who it may think fit to buy all the shares of the Dissenting Shareholder.



13) **Accounting Treatment:**

In The Books of the Transferee Company:

- 13.1) Notwithstanding anything contained in any other clause in the Scheme, merger of the Transferor Company with the Transferee Company shall be accounted for in accordance with pooling of interest method for common control business combinations mentioned in Appendix C of Indian Accounting Standard (Ind AS) 103 - Business Combinations or any other relevant or related requirement under the Act, as may be applicable.
- 13.2) The assets and liabilities of the Transferor Company transferred and vested in Transferee Company under this Scheme shall be recorded in the books of the Transferee Company at the value and in the same form as recorded in the consolidated books of Transferee Company. In case of any differences in accounting policy between the Transferee Company and the Transferor Company, accounting policies followed by the Transferee Company shall prevail and impact of the same shall be quantified and appropriately adjusted in accordance with the accounting policies followed by the Transferee Company to ensure the financial statements reflect the financial position on the basis of consistent accounting policy.
- 13.3) The identity of the reserves of Transferor Company shall be preserved and they shall appear in the financial statements of Transferee Company in the same form, in which they appeared in the consolidated financial statements of the Transferee Company.
- 13.4) The carrying amount of investments in the equity shares of the Transferor Company held by the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf.
- 13.5) The inter-corporate investments/deposits/loans and advances between the Transferee Company and the Transferor Company will stand cancelled and there shall be no further obligation in that behalf.
- 13.6) The difference between the net assets (assets less liabilities) of the Transferor Company transferred to the Transferee Company, after making the adjustments, if



any, as mentioned in this Scheme above shall be adjusted in accordance with Appendix C of Ind AS 103 (Business combination of entities under common control).

14) Dissolution of the Transferor Companies:

On the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up, and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

15) Validity of Existing Resolutions, etc.:

Upon the coming into effect of this scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.



PART III
CONSOLIDATION OF AUTHORIZED SHARE CAPITAL AND CONSEQUENTIAL
AMENDMENT IN THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF
ASSOCIATION OF THE TRANSFeree COMPANY

16) Memorandum of Association:

16.1) Capital Clause - Consolidation of Authorized Capital:

- a) Upon the scheme coming into effect and consequent upon the merger of the Transferor Company with the Transferee Company becoming effective, the Authorized Share Capital of the Transferor Company shall be consolidated with the Authorized Share Capital of the Transferee Company, without any further act, instrument or deed on the part of the Transferee Company.
- b) For this purpose, the filing fees and stamp duty already paid by the Transferor Company and the Transferee Company on their respective Authorized Share Capital shall be utilized and applied to the increased Authorized Share Capital of the Transferee and there will be no requirement for any other further payment of stamp duty and/ or ROC fees by Transferee Company for increase in the authorized share capital to that extent. The authorized share capital of Transferee Company will thus be increased to that effect by virtue of the Scheme becoming effective and no separate procedure shall be required to be followed under the Act.
- c) Pursuant to the Scheme becoming effective and consequent upon the merger of the Transferor Company with Transferee Company becoming effective, the Authorized Share Capital of the Transferee Company will be as under -

<u>Particulars</u>	<u>Amount (Rs.)</u>
<u>Authorized Share Capital</u>	
2,72,50,000 Equity Shares of Rs. 10/- each	27,25,00,000/-
Total	27,25,00,000/-



- d) Consequently, Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Sections 13, 14, 61, 64 and any other applicable provisions of the Companies Act, 2013 as under –
"The Authorized Share Capital of the Company is Rs. 27,25,00,000/- (Rupees Twenty Seven Crores Twenty Five Lakhs Only) divided into 2,72,50,000 (Two Crores Seventy Two Lacs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each."
- e) It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their approval also to the change of capital clause of the Memorandum of Association of the Transferee Company as may be required under the Act.

PART - IV

GENERAL TERMS AND CONDITIONS

17) Modification Of Scheme:

- 17.1) The Board of Directors of the Transferor Company and the Transferee Company or any person authorized by them may assent on behalf of all concerned to any modification to this Scheme of Merger or to any condition which the "Central Government" or any other authorities may impose.
- 17.2) The Transferor Company and the Transferee Company by their respective Boards of Directors are authorized to do 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 in law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this scheme.



17.3) For the purpose of giving effect to this scheme or to any modification(s) thereof or addition(s) thereto, the Board of Directors of the Transferor Company and the Transferee Company may give and are authorized to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision 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 or depositors, if any, of the Transferor Company) or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

18) **Applications to Central Government or other Appropriate Authorities:**

- 18.1) The Transferor Company and the Transferee Company shall with all reasonable dispatch, makes necessary applications under Section 233 of the Act and/ or other applicable provisions of the Act to the Central Government or such other Appropriate Authority, where the registered offices of the Transferor Company and the Transferee Company are situated, for approval of this Scheme and all matters ancillary of incidental thereto.
- 18.2) On the Scheme being approved by the requisite majority of the shareholders and/or creditors of the Transferor Company and the Transferee Company whether at a meeting or by consents, the Transferor Company and the Transferee Company shall, with all reasonable dispatch, apply to the Central Government for sanctioning of the Scheme under Section 233 of the Act, and for such other order or orders, as the Central Government may deem fit for carrying this Scheme into effect.



19) **Approvals:**

In the event of any of the said sanctions and approvals referred to in the preceding clause not obtained and/or the Scheme not being sanctioned by the Central Government and/or the order not being passed or within such further period as may be agreed upon between the Transferor Company and the Transferee Company by their Board of Directors (and which the Board of Directors of the Company are hereby empowered and authorized to agree to an extent the scheme from time to time without any limitations) the 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 as may otherwise arise in Law. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the scheme.

20) **Modifications or Amendments to the Scheme:**

- 20.1) The Transferor Company and the Transferee Company by their respective Board of Directors or such other person(s) as the respective Board of Directors may authorize including any committee or sub-committee thereof, may make and/ or give consent to any modifications/amendments to the Scheme or any conditions or limitations that the Central Government or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them the Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof; shall be authorize to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. In case, post approval of the



Scheme by the Central Government, there is any confusion in interpreting any clause of this Scheme, or otherwise, Board of Directors of the Transferor Company and the Transferee Company will have complete power to take the most sensible interpretation so as to render the Scheme operational.

- 20.2) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Board of Directors of the Transferor Company and the Transferee Company may give and hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be shall be binding on all parties. In the same manner as if the same were specifically incorporated in this Scheme.
- 20.3) The Transferor Company and the Transferee Company, acting through their respective Board of Directors, shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Central Government or any authority/person or the lenders is unacceptable to any of them or otherwise if so mutually agreed.

21) Scheme Conditional Upon Approval/Sanctions:

This Scheme is conditional upon and subject to the following:

- a) The Scheme being agreed to by the requisite majority in number and value of each class of shareholders and creditors of the Transferor Company and the Transferee Company, as may be directed by the Central Government.
- b) The Scheme being sanctioned by the Central Government under Sections 233 or other applicable provisions of the Act and also subject to the requisite consents, approvals or permissions of any of the Government Authority or any other Statutory Agencies, which by law may be necessary for the implementation of this Scheme.



- c) The authenticated /certified copy of the order of the Central Government under Section 233 of the Companies Act, 2013 sanctioning this Scheme being filed with the concerned Registrar of Companies.

Accordingly, this Scheme although operative from the Appointed Date shall become effective on the Effective Date, being the last of the dates on which the conditions referred to above have been fulfilled.

22) Costs, Charges and Expenses:

All costs, charges and expenses (including any taxes and duties) incurred or payable by the Transferor Company and the Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the said merger in pursuance of the Scheme, including stamp duty sanctioned by the Central Government, if any and to the extent applicable and payable, shall be paid by the Transferee Company.

23) Miscellaneous:

The Scheme does not contain or provide for any compromise with the creditors of the Transferor Company and the Transferee Company. Further the Scheme has not been drawn to accommodate any corporate debt restructuring. The Scheme also does not come under the purview of the Competition Commission of India.

