

08th July 2025

**AL/CS/BSE/020/2025-26**

To,

**BSE Limited**

1st Floor, New Trading Wing,  
Rotunda Building, P. J. Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

Dear Sir/ Madam,

**Sub: Intimation regarding Meeting of Unsecured Creditors to be held on 9th August 2025 at 03.30 PM**

**Re: SCRIP Code: 517494**

This is to inform you that a Meeting of Unsecured Creditors of the Company is scheduled to be held on Wednesday, 09th August 2025 at 03.30 P.M at 3rd Floor, SFI Complex, No. 178, Valluvar Kottam High Road, Nungambakkam, Chennai - 600034, Tamil Nadu, India for transacting the items of business as set out in the Notice convening the Meeting of Unsecured creditors of the Company. A copy of the Notice is attached. The company has fixed 31st December 2024 as the cut-off date to determine the entitlement of voting rights of creditors.

Kindly take the same on record.

**For Accel Limited,**

**Vishnu Sivanandan**

**Company Secretary**

**ACCEL LIMITED**

**CIN: L30007TN1986PLC100219**

**Registered Office:** III Floor, SFI Complex, 178, Valluvarkottam High Road,  
Nungambakkam Chennai – 600034



**NOTICE TO UNSECURED CREDITORS**

**(01/2025-26)**

**NOTICE OF MEETING OF THE UNSECURED CREDITORS OF ACCEL LIMITED  
CONVENED PURSUANT TO THE ORDER DATED 27<sup>th</sup> JUNE, 2025 OF THE HON'BLE  
NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH**

<b>Day</b>	Saturday
<b>Date</b>	09 <sup>th</sup> August, 2025
<b>Time</b>	03:30 PM
<b>Venue</b>	III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam Chennai – 600034

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**The Notice of the Meeting, Statement under Sections 102, 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 read with applicable SEBI circulars and Annexures constitute a single and complete set of documents and should be read together as they form an integral part of this document.**

**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL  
CHENNAI BENCH  
C.A.(CAA)/43(CHE)2025  
IN THE MATTER OF SECTIONS 230 & 232  
OF THE COMPANIES ACT, 2013  
AND  
IN THE MATTER OF SCHEME OF AMALGAMATION  
OF  
ACCEL MEDIA VENTURES LIMITED  
(TRANSFEROR COMPANY)  
WITH  
ACCEL LIMITED  
(TRANSFeree COMPANY)  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**Accel Limited**

(Cin: L30007tn1986plc100219), A Company Incorporated  
Under The Provisions of The Companies Act, 1956 And Having  
Its Registered Office At 3rd Floor, SFI Complex, 178,  
Valluvarkottam High Road, Nungambakkam,  
Chennai, Tamil Nadu, India, 600034

APPLICANT/TRANSFeree COMPANY

**FORM NO. CAA. 2**

**NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS OF ACCEL LIMITED, THE APPLICANT COMPANY, PURSUANT TO THE ORDER DATED 27<sup>th</sup> JUNE, 2025 PASSED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH**

To,

The Unsecured Creditors of Accel Limited ("**Applicant Company**" or "**Accel**" or "**Transferee Company**" or "**Company**")

NOTICE is hereby given that by an order dated 27<sup>th</sup> June, 2025 ("**Order**"), the Chennai Bench II of the Hon'ble National Company Law Tribunal ("**Hon'ble NCLT**") has directed a meeting of Unsecured Creditors ("**Creditors**") of the Transferee Company to be held for the purpose of considering, and if thought fit, approving with or without modification (s), the Scheme of Amalgamation proposed to be made between Accel Media Ventures Limited ("**Transferor Company**") and Accel Limited ("**Transferee Company**") and their respective shareholders ("**Scheme of Amalgamation**" or '**Scheme**') under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

TAKE NOTICE that in pursuance of the Order and as directed therein, a meeting of the Unsecured Creditors of the Transferee Company will be held at III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam Chennai – 600034 on Saturday, 09<sup>th</sup> August, 2025 at 03:30 PM (IST) and you are requested to attend the same.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorized representative, is deposited at the Registered Office of the Company at 3rd Floor, SFI Complex, 178, Valluvarkottam High Road,

Nungambakkam, Chennai, Tamil Nadu, India, 600034, not later than 48 (forty eight) hours before the time fixed for the aforesaid meeting. Form of proxy is attached with this notice.

TAKE FURTHER NOTICE that the Hon'ble NCLT has appointed Justice (Rtd) Elangovan, High Court of Madras as the Chairperson of the said meeting. The abovementioned Scheme of Amalgamation, if approved by the Creditors, will be subject to the subsequent approval of the Hon'ble NCLT and other applicable regulatory authorities.

This notice is given for transacting the special business mentioned below to be passed through voting at such Hon'ble NCLT Convened Meeting.

The Board of Directors of the Company, at its meeting held on July 07th, 2025, approved the above-mentioned Scheme of Amalgamation, subject to approval of the Shareholders and Unsecured Creditors of the Company, as may be required, and subject to the sanction of the Hon'ble NCLT and of such other authorities as may be necessary.

The Creditors are requested to consider and, if thought fit, approve with or without modification(s), the following resolutions under Sections 230 to 232 of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company for approval of the Scheme of Amalgamation for merger of the businesses of Accel Media Ventures Limited with Accel Limited.

#### **SPECIAL BUSINESS**

Item No. 1: APPROVAL OF SCHEME OF AMALGAMATION OF ACCEL MEDIA VENTURES LIMITED WITH ACCEL LIMITED AND RELATED MATTER.

To consider and if thought fit, to pass with or without modification(s) the following resolutions: **"RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, rules, circulars, notifications, if any, made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the regulations and guidelines issued by the Securities and Exchange Board of India (SEBI) from time to time, and the applicable provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the Hon'ble National Company Law Tribunal, Chennai Bench and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon'ble National Company Law Tribunal, Chennai Bench or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the ("**Board**")), which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) authorized by the Board to exercise its powers including the powers conferred by this resolution), the Scheme of Amalgamation for merger of the businesses of Accel Media Ventures Limited with Accel Limited ("**Scheme**"), be and is hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect

*to this resolution and effectively implement the amalgamation/merger 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 Hon'ble National Company Law Tribunal, Chennai Bench or such other regulatory/statutory authorities while sanctioning the amalgamation/merger embodied in the Scheme or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme or for any other such reason, as the Board may deem fit and proper.”*

The Explanatory Statement under Sections 230, 232 and 102 of the Companies Act, 2013, Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable rules, the Scheme and the other enclosures as indicated in the index are enclosed.

Copies of the said compromise or arrangement or amalgamation, including Explanatory Statement Under Section 230 read with Section 102 of the Companies Act, 2013 along with copy of the Scheme and other annexures including Attendance Slip and other relevant documents are enclosed and can be obtained free of charge at the Registered Office of the Company at III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai 600034 during office hours on working days upto the date of the between 11.00 AM and 02.00 PM. Persons entitled to attend and vote at the meeting (or respective meetings), may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the registered office of the company not later than 48 hours before the meeting. Forms of proxy can be had at the registered office of the Company.

The quorum for the Meeting shall be 80 (Eighty) members. In case the quorum is not present at the designated time, the Meeting shall be adjourned by half an hour and thereafter, the persons present for voting shall be deemed to constitute the quorum.

**For Accel Limited,**

**Sd/-  
Vishnu Sivanandan  
Company Secretary &  
Compliance Officer**

Date: 07.07.2025  
Place: Chennai

Notes:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, along with applicable rules thereunder and provisions of Sections 230 and 232 of the Companies Act, 2013 setting out material facts forms part of this Notice.
2. Only Unsecured Creditors will be entitled to vote in the said meeting either in person or through proxy or by authorized representative.
3. AN UNSECURED CREDITOR ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED NOT LESS THAN 48 (FORTY-EIGHT) HOURS BEFORE THE MEETING. ALL ALTERATIONS MADE IN THE FORM OF PROXY SHOULD BE INITIALED.
4. The representative of a body corporate which is an Unsecured Creditor of the Applicant Company may attend and vote at the Unsecured Creditors Meeting provided an authorization letter or such other document authorizing such representative to attend and vote at the Unsecured Creditors meeting is deposited at the registered office of the Company not later than 48 hours before the meeting.
5. The Unsecured Creditor (in case such Unsecured Creditor is an individual) or the authorized representative of the Unsecured Creditor (in case such Unsecured Creditor is a body corporate) or the proxy should carry their valid and legible identity proof (i.e. a PAN Card/Aadhaar Card/Passport/Driving License/Voter ID Card).
6. An Unsecured Creditor or his/her Proxy is requested to bring the copy of the Notice to the Meeting and produce the Attendance Slip, duly completed and signed at the entrance of the Meeting venue.
7. As directed by Hon'ble NCLT, the notice, together with the documents accompanying the same, is being sent to all the Unsecured Creditors through the permitted mode(s) i.e. by registered post or speed post or courier service or electronically by e-mail. The Notice is also displayed on the website of the Company ([www. accel-india.com](http://www.accel-india.com)).
8. Pursuant to Rule 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the advertisement of the notice convening the aforesaid meeting will be published in Financial Express (English Edition) and Makkal Kural (Tamil Edition).
9. All the documents referred to in the explanatory statement will be available for inspection at the Registered Office of the Company at 3rd Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai, Tamil Nadu, India, 600034, upto and including August 08th, 2025 on all working days between 10.00 AM and 12.00 Noon (except Saturdays, Sundays and public holidays).
10. The Hon'ble National Company Law Tribunal, has appointed Adv. A. Raymond as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
11. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny, and the result of the voting will be announced by the Chairman, on or before Monday, 11<sup>th</sup> August, 2025 at the registered office and will also be displayed on the website of the Company ([www.accel-india.com](http://www.accel-india.com)), besides being communicated to the Stock Exchanges, Depositories and Registrar and Share Transfer Agents.
12. The route map to the Meeting of the Unsecured Creditors venue is given herein.

**EXPLANATORY STATEMENT UNDER SECTIONS 230 AND 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE MEETING OF THE UNSECURED CREDITORS OF ACCEL LIMITED CONVENED PURSUANT TO ORDER OF THE CHENNAI BENCH OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL ("HON'BLE NCLT") DATED 27.06.2025 ("NCLT ORDER")**

This is the Statement accompanying the Notice convening the meeting of the Unsecured Creditors ("**Creditors**") of the Applicant Company pursuant to the Order dated 27<sup>th</sup> June, 2025 passed by the Hon'ble National Company Law Tribunal, Chennai Bench ("**NCLT**"), in the Company Application Number C.A.(CAA)/43(CHE)2025, to be held at III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam Chennai – 600034, on Saturday, 09<sup>th</sup> August, 2025 at 03.30 PM, for the purpose of considering and, if thought fit, approving with or without modification(s), the Scheme of Amalgamation for merger of the businesses of Accel Media Ventures Limited ("**Transferor Companies**") with Accel Limited ("**Transferee Company**") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (the "**Scheme of Amalgamation**" or "**Scheme**").

Notice of the said meeting together with the copy of the Scheme of Amalgamation is sent herewith. This statement explaining the terms of the Scheme of Amalgamation is being furnished as required under Sections 230, 232 of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 of the Companies Act, 2013.

A copy of the Scheme which has been approved by the Board of Directors of the Company is enclosed herewith. The other definitions contained in the Scheme shall also apply to this Explanatory Statement.

**I. Details of the Companies**

TRANSFEROR COMPANY: Accel Media Ventures Limited

Name	Accel Media Ventures Limited
CIN	U74999TN1987PLC014976
PAN	AAACZ1490N
Date of Incorporation	15/10/1987
Type of Company	Non-Govt. Company / Unlisted Public Company
Registered Office; E-mail ID	3rd Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam Chennai – 600034. companysecretary@accelmedia.in

Summary of main objects as per Memorandum of Association

1. To carry on the business of production, distribution, exhibition of cinematographic feature films, television series, DVDs , cartoon films, 3-D films, animation films, advertisement films and other contents in any form, to offer services for mobile and other such equipments content applications and to acquire, sell and Licence any rights in relation thereon and to carry on the business of syndication, Licencing, Printing, publishing, and distribution of multimedia, 3-D Characters, paintings, cartoons, caricatures, comics, stickers, greeting cards, toys and such other special or general purpose publishing or printing activities .
2. To start, takeover, operate, run, maintain, export, import, terrestrial television channels, satellite television channels, cable television network and to run operate and maintain studios, facilities for the production and relay of program's for own channels or for other television channels and to produce/develop necessary software.
3. To carry on the business of exhibiting movie contents through theaters, multiplexes, and setting up of theme and entertainment parks.
4. To conduct all types of training, educational programmes and seminars in the media field such as animation, visual effects, digital intermediate, etc and in the IT field of software, Software Development and Testing, Computer Hardware, Networking, VLSI Design, Embedded Systems Mobile Phones and such other electronic and electric products and for all media and to act as specialized recruitment and placement agents, organize seminars and the like for providing expert service in these areas.
5. To carry and undertake investments and deal in equity shares, debentures (convertible / non-convertible), preference shares in any media companies as a venture capitalist or otherwise and also undertake film financing in any media companies/ ventures and take over any or all kinds of organizations in the media field and to

	maintain, run, finance or dispose them in a commercial manner and to invest in, acquire, hold, underwrite, sell or otherwise deal in shares, stocks, debentures, debenture stocks, bonds, negotiable instruments, securities of any company, Government, Public Body or Authority, Municipal and Local Bodies, whether in India or abroad.
Main Business carried on by the Company	Carry on the business of production, distribution, exhibition of cinematographic feature films, television series, DVDs , cartoon films, 3-D films, animation films, advertisement films and other contents in any form, to offer services for mobile and other such equipments content applications and to acquire, sell and Licence any rights in relation thereon and to carry on the business of syndication, Licencing, Printing, publishing, and distribution of multimedia, 3-D Characters, paintings, cartoons, caricatures, comics, stickers, greeting cards, toys and such other special or general purpose publishing or printing activities .
Details of Change of name, registered office, and objects of the company during the last five years.	There was no Change of name, registered office, and objects of the company in the last 5 years.
Name of the stock exchange(s) where securities of the company are listed	NA
Authorized Capital	Rs. 8,00,00,000 divided into: <ul style="list-style-type: none"> <li>• 52,50,000 Equity Shares of Rs. 10/- (Rupees Ten only) each and</li> <li>• 27,50,000, 6% Cumulative Redeemable Preference Shares of Rs. 10/-.</li> </ul>
Issued, subscribed and Paid up capital	Rs. 7,82,70,000 divided into: <ul style="list-style-type: none"> <li>• 52,18,000 Equity shares with face value of Rs. 10 each</li> <li>• 26,09,000 Preference shares with face value of Rs. 10 each</li> </ul>
Names of the promoters and directors along with their addresses	PROMOTERS: <ol style="list-style-type: none"> <li>1. Accel Limited ADD: III Floor, SFI Complex, 178, Valluvar-kottam High Road, Nungambakkam, Chennai 600 034.</li> <li>2. Narayana Pillai Reghoothama Panicker ADD: AI, 109, 4<sup>th</sup> Street, 9<sup>th</sup> Main Road, Anna Nagar, Chennai – 600040.</li> </ol> DIRECTORS: <ol style="list-style-type: none"> <li>1. Narayana Pillai Reghoothama Panicker ADD: AI, 109, 4<sup>th</sup> Street, 9<sup>th</sup> Main Road, Anna Nagar, Chennai – 600040.</li> </ol>

	<ol style="list-style-type: none"> <li>2. Sunkari Venkateswara Rao ADD: 203 B, Sakthi Srinivasan Salai Thoraipakkam, Chennai – 600097.</li> <li>3. Joseph Kurumkulathil ADD: 44, Victoria Gardens, 100 Feet Road, Koyambedu, Chennai 600 107.</li> </ol>
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The Statutory Auditors of the Transferor Company has issued Certificate on Statement of Secured & Unsecured Creditors as at December 31, 2024, which was submitted before Hon’ble NCLT, Chennai. As on December 31, 2024, the Transferor Company has 34 unsecured creditors and the total amount due and payable by the Transferee Company to the said unsecured creditors is Rs. 8,25,49,396/- (Rupees Eight Crores Twenty Five Forty Nine Thousand Three Hundred and Ninety-Six only). As on December 31, 2024, the Transferor Company has one secured creditor amounting to Rs. 1,54,54,590 (Rupees One Crore Fifty Four Lakhs Fifty Four Thousand Five Hundred and Ninety Only).

**TRANSFEE COMPANY: ACCEL LIMITED**

Name	Accel Limited
CIN	L30007TN1986PLC100219
PAN	AAACT8542K
Date of Incorporation	19.05.1986
Type of Company	Non-Govt. Company / Listed Public Company
Registered Office; E-mail ID	3rd Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam Chennai – 600034 <a href="mailto:companysecretary@accel-india.com">companysecretary@accel-india.com</a>
Summary of main objects as per Memorandum of Association	<ol style="list-style-type: none"> <li>1. To venture. undertake and carry on the business of manufacturing, assembling, making, altering, repairing, servicing, ornamenting, developing, supplying, trading, leasing, importing, exporting, designing and consulting or otherwise dealing in electrical, electronic, telecommunication and other equipments, machines, appliances and accessories, computer systems, peripherals, office automation instruments, Uninterrupted Power Supply Systems, Power Conditioning Equipments, software including medical equipment, household appliances, micro chips and all related services</li> <li>2. To carry on the business of manufacturing, assembling, processing and designing all types and kinds of valves, electrical and electronic pumps, instrumentation and system machinery.</li> <li>3. To act as specialized engineers and consultants offering turnkey information technology solutions and specialized facility management services to users, provide specialized technical knowledge and know how on</li> </ol>

computer site development and conduct training courses, seminars, workshops and the like on software applications programming fourth generation and other languages, tools, client/ server technology, data communication, multimedia, animation, computer telephony interface, voice internet protocol, internet service providers, computer data centre management, cable operation, E- trade, E- commerce in India and abroad.

4. To setup software technology parks and to develop software in all fields and to provide onsite support and services for software development and to execute projects for all types of industries in India and abroad and undertake onshore and offshore software development to deliver business solution of various IT platforms including client server technology.
5. To undertake installation, repair, servicing and maintenance of the above products and carry out research and development in the manufacture and for uses of the said products and act as experts, consultants, technicians and give specialized knowledge in their field
6. To conduct all types of training, educational programmes and seminars in the field of Software, Software Development and Testing, Computer Hardware, Networking, VLSI Design, Embedded Systems. Mobile Phones and such other electronic and electric Products and to act as specialized recruitment and placement agents, organize seminars, clubs and the like for providing expert service in these areas.
7. To appoint franchisees and to give them right to use the technologies, Research and development, Plants and Equipments used by the Company for commercial exploitation to other parties/persons and to receive royalties, fees, considerations for the same in India and abroad.
8. To carry on the business as builders, property developers, civil mechanical and labour contractors building and erection engineers, dealers in, importers, exporters, and manufacturers of prefabricated and precast houses, materials tools, implements machinery and metal ware in connection

therewith or incidental thereto and to carry on any other business that is customarily, usually and conveniently carried on therewith in or outside India dealers, agents, representatives and to undertake installation, maintenance, and to purchase, acquire, take on lease or in exchange or in any other lawful manner any area, land, buildings, structures and to turn the same into account, develop the same dispose off or maintain the same.

9. To acquire by purchase, lease, exchange, hire or otherwise hold, manage work, develop the resources of land and turn to account any estates, land, buildings tenements another property of every description, whether free hold or lease hold or other tenure and where-so-ever situate and any interests thereon and rights connected therewith and in particular to acquire or takeover certain estates situate in India or outside and all or any parts thereon and other assets used in therewith.
10. To carry on the business as an investment company and for that purpose to acquire and hold either in the name of the Company or in that of any nominee immovable properties, shares, stocks, debentures, debenture-stock, bonds, notes derivative products and to invest or to deposit or to hold funds in such articles (including gold, silver, jewellery, platinum, precious metals and precious stones) and acquire purchase, sell or let on hire the same and materials, articles or things, obligations and securities issued or guaranteed by any company, wherever incorporated or carrying on business and debentures, debenture-stock bonds, notes, obligations and securities issued or guaranteed by any government sovereign ruler, commissioner, public body or authority, supreme independent, municipal local or otherwise in any part of the work either at the Company's office of any other places of safe custody.
11. To let out on hire all or any of the property of the company whether immovable or move-able including all and every description of machinery, equipments and appliances, rights and concessions of the company.

Main Business carried on by the Company	The Company is engaged in the business of IT Services, Animation Services, Engineering Services and Real Estate Development.
Details of Change of name, registered office, and objects of the company during the last five years.	<p>By way of Scheme of Arrangement, its holding company merged with the Company and its name was changed from 'Accel Transmatic Limited' to 'Accel Limited'.</p> <p>The Registered office of the company was shifted from Accel House, 75, Nelson Manickam Road, Aminjikarai, Chennai - 600 029 to III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai 600034 (w.e.f. 28.07.2018)</p> <p>Change in Object clause – Clause 8, 9 and 10 of the Main Object has been inserted pursuant to the sanctioned Scheme of Amalgamation approved by The National Company Law Tribunal, Chennai Bench, vide its order dated 05th March 2018. And Clause 11 of the Main Object has been inserted pursuant to the Special Resolution passed at the Extra-Ordinary General Meeting dated 17.05.2018</p>
Name of the stock exchange(s) where securities of the company are listed	BSE Limited
Authorized Capital	<p>Rs. 33,50,00,000/- divided into:</p> <ul style="list-style-type: none"> <li>• 14,25,00,000 Equity shares with face value of Rs. 2 each</li> <li>• 50,00,000 10% Cumulative Redeemable Preference Shares of Rs. 10/ each</li> </ul>
Issued, subscribed and Paid up capital	Rs. 11,51,44,802 divided into 5,75,72,401 Equity shares with face value of Rs. 2 each
Names of the promoters and directors along with their addresses	<p>PROMOTERS:</p> <ol style="list-style-type: none"> <li>1. Narayana Pillai Reghoothama Panicker ADD: AI, 109, 4<sup>th</sup> Street, 9<sup>th</sup> Main Road, Anna Nagar, Chennai – 600040</li> <li>2. Sreekumari R Panicker ADD: AI, 109, 4<sup>th</sup> Street, 9<sup>th</sup> Main Road, Anna Nagar, Chennai – 600040</li> <li>3. Shruthi Panicker ADD: AI, 109, 4<sup>th</sup> Street, 9<sup>th</sup> Main Road, Anna Nagar, Chennai – 600040</li> <li>4. Harikrishna R ADD: AI, 109, 4<sup>th</sup> Street, 9<sup>th</sup> Main Road, Anna Nagar, Chennai – 600040</li> </ol>

**DIRECTORS:**

1. Narayana Pillai Reghoothama Panicker  
ADD: AI, 109, 4th Street, 9th Main  
Road, Anna Nagar, Chennai – 600040
2. Sunkari Venkateswara Rao  
ADD: 203 B, Sakthi Srinivasan Salai  
Thoraipakkam, Chennai – 600097.
3. Raghavan Rangarajan  
ADD: 197, Munirka enclave, Munirka, J.  
N. U. S. O. South West Delhi, Delhi –  
110067
4. Raghu Kilimanoor Varma  
ADD: EDINA 1402, Hiranandini Apart-  
ment, 5/63, Rajiv Gandhi Salai (Old  
Mahabalipuram Road), Egattur Vil-  
lage, Siruseri, Chennai 600 013
5. Shruthi Panicker  
ADD: AI, 109, 4<sup>th</sup> Street, 9<sup>th</sup> Main  
Road, Anna Nagar, Chennai – 600040
6. Nagarajan Krishnamurthy  
ADD: Flat F No.5, Luz Avenue 5th  
Street, Mylapore, Chennai – 600 004.

**II. The fact and details of any relationship subsisting between such companies which are parties to such scheme of compromise or arrangement, including holding, subsidiary or of associate companies.**

<b>S. No.</b>	<b>Name of the Company</b>	<b>Relationship</b>
1	Accel Media Ventures Limited	Subsidiary / Transferor Company
2	Accel Limited	Holding Company/ Transferee Company

The scheme of amalgamation relates to the amalgamation of subsidiary (Transferor Company) with the holding company (Transferee Company).

III The Statutory Auditors of the Transferee Company has issued Certificate on Statement of Secured & Unsecured Creditors as at December 31, 2024, which was submitted before Hon'ble NCLT, Chennai. As on December 31, 2024, the Transferee Company has 3982 unsecured creditors and the total amount due and payable by the Transferee Company to the said unsecured creditors is 41,02,54,034/- (Rupees Forty-One Crores Two Lakhs Fifty-Four Thousand and Thirty-Four only). As on December 31, 2024, the Transferee Company has 4 secured creditors and the total amount due and payable by the Transferee Company to the said secured creditors is 58,59,12,437/- (Rupees Fifty-Eight Crores Fifty-Nine Lakhs Twelve Thousand Four Hundred and Thirty-Sevens only).

IV. The details of Promoters and Promoter Group shareholders of Transferee Company are as follows:

Sl. No.	Name	Address	No. of equity shares held as on March 31st, 2025	Percentage shareholding (%) as on March 31st, 2025
1	Narayana Pillai Reghoothama Panicker	AI, 109, 4 <sup>th</sup> Street, 9 <sup>th</sup> Main Road, Anna Nagar, Chennai – 600040	2,32,81,032	40.44
2	Sreekumari R Panicker	AI, 109, 4 <sup>th</sup> Street, 9 <sup>th</sup> Main Road, Anna Nagar, Chennai – 600040	45,24,778	7.86
3	Shruthi Panicker	AI, 109, 4 <sup>th</sup> Street, 9 <sup>th</sup> Main Road, Anna Nagar, Chennai – 600040	65,06,851	11.30
4	Harikrishna R	AI, 109, 4 <sup>th</sup> Street, 9 <sup>th</sup> Main Road, Anna Nagar, Chennai – 600040	66,98,000	11.63

V The details of Directors (including Promoter Directors) and Key Managerial Personnel (KMP) of Transferee Company are as follows:

Sl. No.	Name of the Directors	Designation in the Company	Address	Shareholding in Transferor Companies as on March 31st, 2025	Shareholding in Transferee Company as on March 31st, 2025
1	Narayana Pillai Reghoothama Panicker	Chairman & Managing Director	AI, 109, 4th Street, 9th Main Road, Anna Nagar, Chennai – 600040	5,31,250	2,32,81,032
2	Sunkari Venkateswara Rao	Whole-Time Director	203 B, Sakthi Srinivasan Salai, Thoraiakkam, Chennai –600097.	-	66,254
3	Raghavan Rangarajan	Independent Director	197, Munirka enclave, Munirka, J. N. U. S. O. South West Delhi, Delhi – 110067	-	-
4	Raghu Kilimanoor Varma	Independent Director	EDINA 1402, Hiranandini 5Apartment, 56/63, Rajiv Gandhi Salai (Old Mahabalipuram Road), Egattur Village, Siruseri, Chennai 600 013	-	-
5	Shruthi Panicker	Director	AI, 109, 4 <sup>th</sup> Street, 9 <sup>th</sup> Main Road, Anna	-	65,06,851

			Nagar, Chennai – 600040		
6	Nagarajan Krishnamurthy	Independent Director	Flat F No.5, Luz Avenue 5th Street, Mylapore, Chennai – 600 004.	-	-

#### IV. Disclosing details of the scheme of compromise or arrangement including,

##### 1. Parties involved in such compromise or arrangement

The Transferor Company are subsidiary of the Transferee Company. The parties involved in the scheme of amalgamation are the shareholders, creditors of the companies.

##### 2. The following are the salient features of the scheme. Please refer to the Scheme of Amalgamation enclosed herewith for complete details.

- a) The Scheme envisages the amalgamation of the Transferor Company, Accel Media Ventures Limited ("**Transferor Company**") with Accel Limited ("**Transferee Company**") in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013.
- b) The appointed date of the Scheme is April 1, 2024.
- c) Effective Date of the Scheme of Amalgamation shall mean the last of dates on which the sanctions, approvals, consents, matters or filings referred to in Clause 18 of the Scheme of Amalgamation is fulfilled.
- d) Upon coming into effect of the Scheme of Amalgamation and with effect from the Appointed Date, and subject to the provisions of the Scheme of Amalgamation including in relation to the mode of transfer and vesting, the entire business of the Transferor Companies including all of the assets, under the provisions of Sections 230 to 232 of the Companies Act, 2013 and pursuant to the order of the Hon'ble National Company Law Tribunal sanctioning the Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business and Undertaking of the Transferee Company.
- e) Upon the Scheme of Amalgamation becoming effective, the Transferor Companies shall stand dissolved without being wound up and without any further act or deed on the part of the Transferor Companies.  
Note: The aforesaid are only the salient features of the Scheme. Members are requested to read the entire text of the Scheme annexed hereto and get fully acquainted with the provisions thereof.
- f) The shareholders of the Transferor Company other than the Transferee Company (whose name is recorded in the register of members of the Transferor Company as holding equity shares on the Record Date), will be entitled to receive 6,06,250 equity shares of face value INR 2/- each of the Transferee Company for every 2 (Two) Equity Share of the Transferor Company.

**g) Valuation Report and Fairness Opinion(s)**

CA N V Subbarao Kesavarapu, a Registered Valuer, IBBI Registration No. – IBBI/RV/02/2019/12292 vide valuation report dated June 24th, 2024 (hereinafter referred to as ‘Valuation Report’) recommended to the Board of Directors of Participating Companies, the share exchange ratio in which equity shares of the Transferee Company should be issued to the shareholders of the Transferor Company. A copy of the Valuation Report issued by the CA N V Subbarao Kesavarapu is available as **Annexure** to this notice.

Fairness Opinion(s) dated June 24th, 2024 on the Valuation Report of CA N V Subbarao Kesavarapu was obtained from a SEBI Registered Merchant Banker: The copy of above Fairness Opinion(s) is available as **Annexure** to this notice.

The copies of the said Valuation Report, Fairness Opinion(s) and other documents submitted to the Stock Exchange are also displayed on the website of the Participating Companies at [www.accel-india.com.com](http://www.accel-india.com.com), the website of Bombay Stock Exchange of India Limited, the designated stock exchange where the shares of the Participating Companies are listed, in terms of the Securities and Exchange Board of India circular SEBI/HO/CFD/POD- 2/P/CIR/2023/93 dated June 20, 2023 and the same are available for inspection at the registered office of the Company.

**h) Approvals**

- I. The Scheme is conditional upon and subject to necessary sanctions and approvals as set out in the Scheme.
- II. The shareholders of the Transferor Company have approved the Scheme of Amalgamation through an Affidavit submitted before Hon’ble NCLT, Chennai. The Board of Directors of the Transferor has approved the Scheme on May 27, 2024.
- III. Similarly, the Transferee Company at its Board Meeting held on June 24, 2024, approved the Scheme of Amalgamation and all Directors of the Board were present at the meeting in person and voted in favour of the resolution. Names of the Directors are provided in Sl. Nos. 1 to 7 of the table under Item V above.
- IV. Pursuant to the Securities and Exchange Board (“SEBI”) circular SEBI/HO/CFD/POD- 2/P/CIR/2023/93 dated June 20, 2023 (the “SEBI Circular”) read with Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI LODR Regulations’) the Participating Companies had applied to Bombay Stock Exchange Limited (BSE), Designated Stock Exchange for seeking their No objection to the proposed Scheme. BSE, had vide their letters dated December 2, 2024, have conveyed “no adverse observations / no-objection” to the Scheme. The letters are available on the website of the Companies [www.accel-india.com](http://www.accel-india.com) and in the **Annexures** to the notice.

**i) Rationale and Benefits of the Amalgamation**

The proposed amalgamation between the Transferor Companies and the Transferee Company shall result in the following benefits, amongst others, to both companies, their respective members and creditors:

- i. The amalgamation will enable the Transferee Company to integrate its business operations and provide impetus to the operations of the Transferee Company. The consolidation of the activities by way of an amalgamation will provide seamless access to the assets of the Transferor Companies, which will lead to synergies of operations, reduction in overheads including administrative, managerial and other expenditure, operational rationalization, organizational efficiency and optimal utilization of resources.
- ii. The combined entity will have a bigger portfolio of services targeted at a wider array of customers, which will strengthen its competitive position in providing IT services/software and technology related services markets. This will also enable the Transferee Company to address newer solutions and services to its customers and to the Transferor Companies' customers and enhance its marketing capabilities.
- iii. Rationalizing multiple subsidiaries in the group to ensure optimised legal entity structure more aligned with the business by reducing the number of legal entities and re-organising the legal entities in the group structure.
- iv. Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Companies and the Transferee Company.
- v. Concentrated effort and focus by the management to grow the business by eliminating duplicative communication and burdensome co-ordination efforts across multiple entities and countries.
- vi. The banks, creditors and financial institutions, if any, of the Transferor Companies will not be adversely affected by the proposed amalgamation as their existing security, if any, on any outstanding borrowings/credit facility is maintained.

**j) General**

- i. The services of all the employees of the Transferor Companies shall stand transferred to the Transferee Company on the terms and conditions not less beneficial to such employees than those subsisting with reference to the Transferor Companies.
- ii. The services of such employees shall not be treated as broken or interrupted for the purpose of employee benefits.
- iii. Since the proposed Scheme of Amalgamation does not involve any compromise or arrangement with the creditors, the rights of the creditors shall not be affected by the Scheme. There will be no reduction in their claims on account of the Scheme.
- iv. There will be no change in the Board of Directors or the KMP of the Transferee Company on account of the Scheme of Amalgamation. The Transferor Companies shall cease to exist and thus the question of any change in the Directors and KMP of the Transferor Companies does not arise. Apart from the above, the Scheme does not affect the material interests of any of the KMP, Promoters, shareholders, creditors, or employees of the Transferor Companies or the Transferee Company in any manner.
- v. The rights and interest of the Members and creditors of the Transferee Company and the Transferor Companies will not be prejudicially affected by the Scheme.

- vi. In compliance with the provisions of Section 232(2)(c) of the Companies Act, 2013, the Board of Directors of the Transferee Company, at its meeting held on June 24, 2024, has adopted a report, inter alia, explaining the effect of the Scheme on Shareholders, Key Managerial Personnel, Promoter and Non-Promoter Shareholders. A copy of the report adopted by the Board of Directors of the Transferee Company is annexed to this Notice.
- vii. In compliance with Section 232(2) of the Companies Act, 2013, Limited Review Report of the Balance Sheet, Profit and Loss account and Cash Flow statement of the Transferee Company and the Transferor Companies as at March 31, 2025 have been annexed to this Notice. The Limited Review Report of Financial Statements of the Transferee Company and the Transferor Companies as at March 31, 2025 are available on the website of the Transferee Company at [www.accel-india.com](http://www.accel-india.com).

**k) Inspection**

The following documents will be available to the Members for obtaining extracts from or for making or obtaining copies of or for inspection at the Registered Office of the Transferee Company at 3rd Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam Chennai – 600034, up to and including 08<sup>th</sup> August, 2025 on all working days between 10 AM and 12 noon (except Saturdays, Sundays and public holidays):

- i. Limited Review Report of Financial statements of the Transferee Company including consolidated financial statements as on March 31, 2025;
- ii. Limited Review Report of Financial Statements of the Transferor Companies as on March 31, 2025;
- iii. Memorandum and Articles of Association of Transferee Company and Transferor Company;
- iv. Constitutional documents of Transferor Company;
- v. Scheme of Amalgamation;
- vi. Copy of the Order dated 27<sup>th</sup> June 2025 passed by NCLT, Chennai Bench in Company Application (CAA)/ 43 (CHE)/2025 directing convening the meeting of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company;
- vii. Report adopted by the Board of Directors of the Transferee Company and Transferor Company 4 under section 232(2)(c) of the Companies Act, 2013;
- viii. Copy of the resolutions passed by sole shareholder of Transferor Company and the Board of Directors of the Transferor Company and the Transferee Company;
- ix. Register of Directors' shareholding of the Transferee Company;
- x. The certificate dated February 17, 2025 issued by K S Aiyer & Co, the Statutory Auditors of the Transferee Company, to the effect that the accounting treatment proposed in the Scheme of Amalgamation is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

**l) Pre and Post shareholding pattern**

The pre-Scheme shareholding pattern of the Transferor Company as on March 31, 2025 is as follows:

Sr	Description	Name of Shareholder	Transferor Company	
			Accel Media Ventures Ltd	
			Pre-arrangement	
			No. of shares	%
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>			
<b>1</b>	<b>Indian</b>			
	Individuals/ Hindu Undivided Family	<b>Name of Promoters</b>		
		Narayana Pillai Reghoothama Panicker	5,31,250	10.18
(b)	Central Government/ State Government(s)	-	-	-
(c)	Bodies Corporate	<b>Name</b>		
		Accel Limited	40,05,500	76.76
(d)	Financial Institutions/ Banks	-	-	-
(e)	Any Others	-	-	-
	<b>Sub Total(A)(1)</b>		<b>45,36,750</b>	<b>86.94</b>
<b>2</b>	<b>Foreign</b>			
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-
(b)	Bodies Corporate	-	-	-
(c)	Institutions	-	-	-
(d)	Any Others	-	-	-
	<b>Sub Total(A)(2)</b>	-	-	-
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	-	<b>45,36,750</b>	<b>86.94</b>
<b>(B)</b>	<b>Public shareholding</b>			
<b>1</b>	<b>Institutions</b>			
(a)	Mutual Funds/ UTI	-	-	-
(b)	Financial Institutions / Banks	-	-	-
(c)	Central Government/ State Government(s)	-	-	-
(d)	Venture Capital Funds	-	-	-
(e)	Insurance Companies	-	-	-

(f)	Foreign Institutional Investors	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-
(h)	Any Other	-	-	-
	<b>Sub-Total (B)(1)</b>	-	-	-
<b>2</b>	<b>Non- institutions</b>			
(a)	Bodies Corporate	-	-	-
(b)	Individuals			
I	Individuals – i. Individual shareholders holding nominal share capital up to 1 lakh	-	1,56,250	2.99
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	1,25,000	2.40
c)	Any Other	-	4,00,000	7.67
	<b>Sub-Total (B)(2)</b>	-	<b>6,81,250</b>	<b>13.06</b>
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	-	<b>6,81,250</b>	<b>13.06</b>
	<b>TOTAL (A)+(B)</b>	-	<b>52,18,000</b>	<b>100.00</b>
<b>(C)</b>	Shares held by Custodians and against which DRs have been issued	-	-	-
	<b>GRAND TOTAL (A)+(B)+(C)</b>	-	<b>52,18,000</b>	<b>100.00</b>

The expected pre and post Scheme shareholding pattern of the Transferee Company as on March 31, 2025 is as follows:

			Transferee company			
			Accel Limited			
			Pre-arrangement		Post-arrangement	
Sr	Description	Name of Shareholder	No. of shares	%	No. of shares	%
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>					

<b>1</b>	<b>Indian</b>					
	Individuals/ Hindu Undivided Family	<b>Name of Promoters</b>				
		Narayana Pillai Reghoothama Panicker	2,32,81,032	40.44	2,35,46,657	40.47
		Sreekumari Panicker	45,24,778	7.86	45,24,778	7.7
		Harikrishna R	66,98,000	11.63	66,98,000	11.51
		Shruthi Panicker	65,06,851	11.30	65,06,851	11.18
(b)	Central Government/ State Government(s)	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-
(e)	Any Others	-	-	-	-	-
	<b>Sub Total(A)(1)</b>		<b>4,10,10,661</b>	<b>71.23</b>	<b>4,12,76,286</b>	<b>70.95</b>
<b>2</b>	<b>Foreign</b>					
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-
(c)	Institutions	-	-	-	-	-
(d)	Any Others	-	-	-	-	-
	<b>Sub Total(A)(2)</b>	-	-	-	-	-
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	-	<b>4,10,10,661</b>	<b>71.23</b>	<b>4,12,76,286</b>	<b>70.95</b>
<b>(B)</b>	<b>Public shareholding</b>					
<b>1</b>	<b>Institutions</b>					
(a)	Mutual Funds/ UTI	-	2,144	0.004	2,144	0.00
(b)	Financial Institutions / Banks	-	520	0.00	520	0.00
(c)	Central Government/ State Government(s)	-	5824	0.01	5824	-
(d)	Venture Capital Funds	-	1,37,080	0.24	1,37,080	0.23
(e)	Insurance Companies	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-
(h)	Any Other	-	-	-	-	-
	<b>Sub-Total (B)(1)</b>	-	<b>1,45,568</b>	<b>0.25</b>	<b>1,45,568</b>	<b>0.25</b>

<b>2</b>	<b>Non- institutions</b>					
(a)	Bodies Corporate	-	8,51,197	1.48	8,51,197	1.46
(b)	Individuals					
I	Individuals – i. Individual shareholders holding nominal share capital up to 1 lakh	-	64,86,837	11.27	66,27,462	11.39
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	84,27,716	12.48	86,27,716	14.83
c)	Any Other	-	6,50,422	1.12	6,50,422	1.12
	<b>Sub-Total (B)(2)</b>	-	<b>1,64,16,172</b>	<b>28.51</b>	<b>1,67,56,797</b>	<b>28.80</b>
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	-	<b>1,65,61,740</b>	<b>28.77</b>	<b>1,69,02,365</b>	<b>29.05</b>
	<b>TOTAL (A)+(B)</b>	-	<b>5,75,72,401</b>	<b>100.00</b>	<b>5,81,78,651</b>	<b>100.00</b>
<b>(C)</b>	Shares held by Custodians and against which DRs have been issued	-	-	-	-	-
	<b>GRAND TOTAL (A)+(B)+(C)</b>	-	<b>5,75,72,401</b>	<b>100.00</b>	<b>5,81,78,651</b>	<b>100.00</b>

For Accel Limited,

Sd/-  
Vishnu Sivanandan  
Company Secretary &  
Compliance Officer

Date: 07.07.2025  
Place: Chennai

**SCHEME OF AMALGAMATION**

**OF**

**ACCEL MEDIA VENTURES LIMITED**

**(TRANSFEROR COMPANY)**

**WITH**

**ACCEL LIMITED**

**(Formerly ACCEL TRANSMATIC LIMITED)**

**(TRANSFeree COMPANY)**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**UNDER**

**SECTION 232 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF COMPANIES (COMPROMISES,  
ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 AND OTHER APPLICABLE PROVISIONS**

**PART I**  
**INTRODUCTION, DEFINITIONS AND INTERPRETATION**

**1. INTRODUCTION, DEFINITIONS AND INTERPRETATION**

**1.1 INTRODUCTION**

**1.1.1** “Accel Limited” or “AL” or “Transferee Company”, bearing CIN: L30007TN1986PLC100219 was initially incorporated on 19<sup>th</sup> May, 1985, vide Certificate of Incorporation issued by the Registrar of Companies, Kerala in accordance with the provisions of the Companies Act, 1956 as Transmatic Systems Limited. Subsequently, the name of the Company was changed to Accel Transmatic Limited, and a fresh Certificate of Incorporation dated 11<sup>th</sup> August, 2004, was issued by the Registrar of Companies, Kerala. Further, by way of Scheme of Arrangement, its holding company was merged with the Company and its name was changed to Accel Limited. The Registered office of the Company was also changed from Trivandrum to Chennai. A fresh Certificate of Incorporation dated 28<sup>th</sup> July, 2018, was issued by Registrar of Companies, Chennai. The Registered Office of Transferee Company is situated at 3<sup>rd</sup> Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600 034. The Transferee Company is engaged in the business of IT Services and Realty Services. The Transferee company is a listed entity with BSE Limited with the scrip code 517494.

**1.1.2 Transferor company**

“Accel Media Ventures Limited” or “AMVL” or “Transferor Company”, bearing CIN: U74999TN1987PLC014976 was initially incorporated on October 15, 1987 vide Certificate of Incorporation issued by the Registrar of Companies, Chennai in accordance with the provisions of the Companies Act, 1956 as Zener Controls Private Limited. The registered office of the Company was situated at No.11, Ganapathy Colony, Off. Chamiers Road, Chennai – 600 018. Subsequently, the name of the Company was changed from Zener Controls Private Limited to Accel Investments Private Limited and a fresh Certificate of Incorporation dated 16<sup>th</sup> April 2008 was issued by the Registrar of Companies, Chennai. The Registered office of the Company was also changed from No.11, Ganapathy Colony, Off. Chamiers Road, Chennai – 600 018 to 2<sup>nd</sup> Floor, Chateau D’Ampa, 37, Nelson Manickam Road, Aminjikarai, Chennai – 600 029. A fresh Certificate of Incorporation dated 2<sup>nd</sup> January 2006 was issued by Registrar of Companies, Chennai. Subsequently, the name of the Company was changed from Accel Investments Private Limited to Accel Media Ventures Private Limited and a fresh Certificate of Incorporation dated 25<sup>th</sup> January 2010 was issued by the Registrar of Companies, Chennai. Subsequently, the name of the

Company was changed from Accel Media Ventures Private Limited to Accel Media Ventures Limited and a fresh Certificate of Incorporation dated 29<sup>th</sup> March 2010 was issued by the Registrar of Companies, Chennai. The Company was changed from Private company to Public Limited company. The Company was converted into Public Limited Company vide EGM dated 8<sup>th</sup> March 2010 and got its name changed to Accel Media Ventures Limited. A fresh Certificate of Incorporation dated 29<sup>th</sup> March 2010 was issued by Registrar of Companies, Chennai. The Registered office of the Company was also changed from 2<sup>nd</sup> Floor, Chateau D'Ampa, 37 Nelson Manickam Road, Aminjikarai, Chennai-600 029 to Accel House, III Floor, 75, Nelson Manickam Road, Aminjikarai, Chennai – 600 029. A fresh Certificate of Incorporation dated 16<sup>th</sup> March 2009, was issued by Registrar of Companies, Chennai. The Registered office of the Company was also changed from Accel House, III Floor, 75, Nelson Manickam Road, Aminjikarai, Chennai-600 029 to SFI Complex, III Floor, 178, Valluvarkottam High Road, Nungambakkam, Chennai-600 034. A fresh Certificate of Incorporation dated 7<sup>th</sup> March 2018, was issued by Registrar of Companies, Chennai.

### **1.1.3 RATIONALE OF THE SCHEME**

The amalgamation of the Undertaking of the Transferor company with and into the Transferee Company pursuant to this Scheme shall be in the interest of all concerned stakeholders including shareholders, customers, creditors, employees and general public, in the following ways:

- (i) The Transferee Company is the Holding Company of the Transferor Company. The Transferee company, has been in the media industry content development business with computer graphics and has developed content for international customers in the past, apart from developing world class content for the domestic market, for which they hold certain IPs. The transferor company have in the recent past had reorganized their business model so as to include IT and Media Education under the Brand name “Accel Academy”, as a business unit. Accel Academy is a 33-year-old Brand owned by Accel Group having a strong Brand recall. The transferor company also started a You Tube channel by name “Accel TV” to promote digital content which is already in possession of Accel Media and to promote new content, that can be gainfully commercialized, with infusion of some more funds. Accel TV has already garnered more than 144,000 subscribers in a short span of time. The projected business and financial model have been prepared, considering the growth of these two additional businesses. The transferor company, with these three business units has put together its plans for the future. Accel Academy’s training programs are comparable with the new age learning institutions, using a hybrid model of learning. The transferor company’s thrust in three business lines as explained above, will achieve a smart turnaround of the company with the support of the Transferee company’s financial and organizational strength.
- (ii) The Transferee Company will have, post amalgamation, the ability to leverage on the resources of both the Transferee and the Transferor Company. It will also be possible to take advantage of the combined professional and managerial experience and expertise to increase the shareholder’s value. This will result in operational synergies, centralization, simplification, streamlining and optimization of the corporate structure of the group, thereby facilitating efficient administration.
- (iii) On evaluating the growth of the Transferor Company, it is considered that the amalgamation will enable pooling of resources of the aforesaid Transferor Company with the resources of the Transferee Company to their advantage, resulting in more productive utilization of said resources, and cost and operational efficiencies which would be beneficial to all the stakeholders. The consolidated entity will offer a strong and stable financial structure to all stakeholders, facilitate resource mobilization and lead to the achievement of better cash flows and also optimum utilization of assets and resources. This will result in a substantial enhancement of shareholders’ value of the Transferee Company as well.

- (iv) The activities of the Transferor Company and the Transferee Company complement each other, and the combined efforts and resources would lead to a more concentrated approach towards development of the business and the achievement of their objectives.
- (v) The Transferee Company holds certain valuable IP's in Media and Animation field and by way of combined efforts of Transferee Company and Transferor Company, this can be gainfully commercialised.
- (vi) Consequent upon merger, the Transferee Company would be able to optimize the resources required for the overall general and administrative purpose. The Transferee Company would be able to use its existing resources as well as the resources of the Transferor Company and this would reduce the cost of maintaining and using separate resources.
- (vii) The consolidated entity is likely to achieve higher long-term financial returns than could be achieved individually by the Companies. The merger will enable the Transferor Company to come out of its serious liquidity crunch, which is presently having a significant adverse impact on its business operation.
- (viii) The consolidation of the business operations, undertakings, assets, liabilities etc. of the Transferor Company into the Transferee Company, under a single centralized system of management, will result in management being able to exercise greater control over the operations of the Companies. This will also result in management being able to undertake any re-structuring/re-organization of the various business undertakings of the Companies for the purposes of achieving optimum efficiency and/or to attract investments in the individual business undertakings of the Companies.
- (ix) The Banks, creditors and institutions, if any of the Transferor and Transferee companies are not affected by the proposed amalgamation, as their security is maintained, and no compromise or arrangement is proposed to be made with them. There is no likelihood that the interests of any shareholder or creditor of either the Transferor Company or the Transferee Company would be prejudiced as a result of the Scheme. The Amalgamation will not impose any additional burden on the members of Transferor Company or the Transferee Company.
- (x) The Scheme is expected to bring about overall cost management and reduction of statutory and legal compliance in the interest of the shareholders, creditors and employees of the Transferor Company & Transferee Company and their stakeholders and would enable the Transferor Company and Transferee Company to adopt a focused business approach for the maximization of benefits to their respective stakeholders. The Scheme shall not in any manner be prejudicial to the interests of concerned shareholders, creditors or / and general public at large.
- (xi) In order to consolidate the business at specified places and effectively manage the Transferor company and the Transferee company as a single entity, which will provide several benefits including streamlining Group structure by reducing the number of entities, reducing the multiplicity of legal and regulatory compliances, rationalising costs, it is intended that the Transferor Company be amalgamated with the Transferee Company.
- (xii) The amalgamation will thus eliminate a multi-layer structure and reduce managerial overlaps, which are necessarily involved in running multiple entities and also prevent cost duplication that can erode financial efficiencies of a holding structure and the resultant operation would be substantially cost efficient.

(xiii) The Scheme envisages simplify shareholding structure and reduce shareholding tiers.

The amalgamated entity will have a tax benefit of approximately Rs 3.74 Crore on account of the carry forward loss of the transferor company.

**1.1.3** The Scheme is divided into five parts:

- (i) Part I sets-forth the Introduction, Definitions and Interpretation.
- (ii) Part II sets-forth the capital structure of the Transferee Company and Transferor Company.
- (iii) Part III deals with the amalgamation of the Transferor Company into and with the Transferee Company, in accordance with section 230 to 232 of the Act.
- (iv) Part IV deals with consideration, accounting and tax treatments in the Financial Statements of the Transferee Company pursuant to the amalgamation of the Transferor Company in the Transferee Company and terms of this Scheme; and
- (v) Part V deals with general/residuary terms and conditions.

## **1. DEFINITIONS**

In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the same meanings as set out herein below:

- 1.1. "Accounting Standards" means the Accounting standards as modified under Section 133 of the Companies Act, 2013 read together with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendments Rules, 2016 issued by the Ministry of Corporate Affairs and other Accounting Principles generally accepted in India.
- 1.2. "Act" means the Companies Act, 2013, and the rules made thereunder, and includes any alterations, modifications and amendments made thereto and/or any reenactment thereof.
- 1.3. "Applicable Law(s)" means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Governmental Authority resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any. interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question.
- 1.4. "Appointed Date" means 1<sup>st</sup> April 2024, the date with effect from which this scheme shall come into effect or such other date as may be approved by the National Company Law Tribunal (NCLT).
- 1.5. "Board" or "Board of Directors" in relation to the Transferor Company and Transferee Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of Directors or any person authorized by the Board of Directors or such committee as may be constituted by the Board of Directors.
- 1.6. "Clause" and "sub-Clause" means the relevant clauses and sub-clauses set out in this Scheme.
- 1.7. "Companies" means the Transferor Company and the Transferee Company.
- 1.8. "Consent" means any license, permission, approval, Clearance, permit, notice, authorization, waiver, grant, concession, agreement, certificate, exemption, order or registration from any Government Authority or any other person.

- 1.9. "Equity Share(s) " means the equity shares of the Transferor Company or the Transferee Company, as the case may be.
- 1.10. "Effective Date" means the date or last of the dates on which the certified copy of the order of the NCLT sanctioning this Scheme of Amalgamation is filed with the Registrar of Companies, Tamil Nadu, Chennai by the Transferee Company, pursuant to Clause 10 of Part V of this Scheme. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "after this Scheme becomes effective" shall mean the Effective Date.
- 1.11. "Fairness Opinion" means the fairness opinion dated 24<sup>th</sup> June 2024 issued by Navigant Corporate Advisors Limited, an independent SEBI registered merchant banker, pursuant to the SEBI Circular.
- 1.12. "Financial Statements" would include Standalone and Consolidated accounts.
- 1.13. "Governmental Authority" means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof.
- 1.14. "Income Tax Act" means the Income Tax Act, 1961 and the rules made thereunder and includes any alterations, modifications and amendments made thereto and /or any re-enactment thereof, from time to time and to the extent in force.
- 1.15. "NCLT" means the Hon'ble National Company Law Tribunal, Bench at Chennai, to which this scheme of amalgamation in its present form is submitted for its sanctioning under section 230 to 232 of the Act.
- 1.16. "New Equity Shares" means the equity shares to be issued to members of the Transferor Company other than the Transferee Company under Clause 4.1.
- 1.17. "Preference Shares" means Preference shares of INR 10/- each of the Transferor Company
- 1.18. "Record Date" means the date to be fixed by the Board of Directors of the Transferor Company and the Transferee Company for the purpose of determining the members of the Transferor Company to whom shares will be allotted pursuant to Clause 4.1 of this Scheme.
- 1.19. "SEBI" means the Securities and Exchange Board of India.
- 1.20. "SEBI Circular" means Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20 , 2023 on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Rule 19(7) of the Securities Contracts (Regulation) Rules, 1957, as amended from time to time or any other circular issued by SEBI applicable to schemes of arrangement, from time to time;
- 1.21. "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form (along with any annexures, schedules, etc., annexed/attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities, as may be required under the Act, as applicable, and under all other applicable laws;
- 1.22. "Share Exchange Ratio" means the share exchange ratio as defined in Clause 4.1;
- 1.23. "Stock Exchange" means BSE Limited, the exchange where the Transferee Company is listed.

- 1.24. "Transferor Company" means M/s. Accel Media Ventures Limited, a Company incorporated under the Companies Act, 1956, having its registered office at 3<sup>rd</sup> Floor, SFI Complex, 178, Valluvar-kottam High Road, Nungambakkam, Chennai – 600034.
- 1.25. "Transferee Company" means M/s. Accel Limited, as defined in Clause 1.1.1 of Part I above.
- 1.26. "Undertaking of the Transferor Company " means all the business, personnel, property, assets, investments, rights, benefits and interest of the Transferor Company as a going concern and shall include (without limitation) to the extent applicable:
- (i) any and all of its assets, whether movable or immovable, whether present or future, whether tangible or intangible, leasehold or freehold, all rights, title, interests, covenants, undertakings, liabilities; together with all present and future liabilities including contingent liabilities and debts appertaining thereto.
  - (ii) any and all loans and advances (including inter-corporate loans), including accrued interest thereon, receivables, funds, cash, bank balances, investments, accounts, and all other rights, benefits of all agreements, subsidies, grants, incentives, bills of exchange; letters of intent.
  - (iii) all investments in the capital of other companies, whether as shares, scrips, stocks, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates including dividends declared and other accrued benefits thereto.
  - (iv) any and all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies, municipal permissions, balances with Governmental Authorities, intellectual property rights, including trade names, trademarks, service marks, copyrights, domain names, income tax credit, advance tax, applications for trade names, trademarks, service marks, copyrights, powers and facilities of every kind and description whatsoever.
  - (v) any and all secured and unsecured debts, borrowings and liabilities (including contingent liabilities), present or future, undertakings and obligations.
  - (vi) any and all employees, workmen and staff who are on the pay roll of the Transferor Company, including those engaged at its offices and branches employees/personnel engaged on a contract basis, contract labourers and interns/trainees, including all employee benefits such as provident fund, employees' state insurance, etc
  - (vii) any and all insurance policies
  - (viii) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings, suits, appeals, applications or proceedings of whatsoever nature, initiated by or against the Transferor Company.
  - (ix) any and all advance monies, earnest monies and/or security deposits, trade payables, payment against warrants or other entitlements; and
  - (x) all books, records, files, papers, engineering and process information, application software, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations,

dossiers, fists of present and former borrowers, lenders and suppliers including service providers, other borrower information, customer credit information, customer/supplier pricing information, and all other books and records whether in physical or electronic form.

- 1.27. "Valuation Report" means the valuer report on the Share Exchange Ratio dated -24<sup>th</sup> June 2024 issued by Mr. N V Subbarao Kesavarapu , Registered Valuer – IBBI/RV/02/2019/12292 (Securities or Financial assets )

### 1.3 INTERPRETATION

- 1.3.1 The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words used in this Scheme refers to this entire Scheme.

- 1.3.2 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other applicable laws, rules, regulations, guidelines, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the NCLT in this Scheme.

### 1.4 DATE OF TAKING EFFECT AND OPERATIVE DATE

- 1.4.1 The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT shall be deemed to be effective from the Appointed Date but shall be operative only from the Effective Date.

## Part – II SHARE CAPITAL STRUCTURE

### 2. CAPITAL STRUCTURE

- 2.1 The share capital of the Transferee Company as on March 31, 2024 was as under:

#### CAPITAL STRUCTURE OF M/S. ACCEL LIMITED (TRANSFEREE COMPANY)

PARTICULARS	AMOUNT (in Rs.)
<b>Authorised Share Capital</b>	
14,25,00,000 Equity Shares of Rs.2/- each	28,50,00,000
50,00,000 10% Cumulative Redeemable Preference Shares of Rs. 10/- each	5,00,00,000
<b>Total</b>	<b>33,50,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	
5,75,72,401 Equity Shares of Rs.2/- each Fully Paid up	11,51,44,802
<b>Total</b>	<b>11,51,44,802</b>

There is no change in the capital structure of the Transferee Company after the Appointed Date.

2.2 The share capital of the Transferor Company as on 31<sup>st</sup> March 2024 was as under:

**CAPITAL STRUCTURE OF M/S. ACCEL MEDIA VENTURES LIMITED  
(TRANSFEROR COMPANY)**

PARTICULARS	AMOUNT (in Rs.)
<b>Authorised Share Capital</b>	
52,50,000 Equity Shares of Rs.10/- each	5,25,00,000
27,50,000 - 6% Cumulative Redeemable Preference Shares of Rs.10/- each	2,75,00,000
<b>Total</b>	<b>8,00,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	
<b>52,18,000</b> Equity Shares of Rs.10/- each fully paid up	
<b>Transferee Company</b> - Accel Limited (76.76%) 40,05,500	4,00,55,000
Other Share Holders (23.24 % )12,12,500	1,21,25,000
<b>Total</b>	<b>5,21,80,000</b>
<b>6% Cumulative Redeemable Preference shares</b>	
26,09,000 6% Cumulative Redeemable Preference Shares of Rs.10/- each fully paid up	
<b>Transferee Company</b> - Accel Limited 26,09,000	2,60,90,000
<b>Total</b>	<b>2,60,90,000</b>

There is no change in the capital structure of the Transferor Company after the Appointed Date.

**Part – III  
AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE  
TRANSFEE COMPANY**

**3. THE TRANSFER BY WAY OF AMALGAMATION OF THE TRANSFEROR COMPANY WITH TRANSFEE COMPANY**

Upon the Scheme becoming effective and with effect from the Appointed Date, subject to the provisions of the Scheme, the Transferor Company shall stand transferred to and be vested in the Transferee Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein, in accordance with Sections 230 to 232 of the Act, Income Tax Act and other Applicable Law, if any.

### 3.1 TRANSFER OF ASSETS

3.1.1 Upon this Scheme becoming effective, and with effect from the Appointed Date:

- (i) all assets of the Transferor Company, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Transferee Company and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly.
- (ii) all movable properties of the Transferor Company, other than those specified in sub-clause (i) above, including but not limited to, sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits, bank balances, term deposits, and deposits, if any with any Governmental Authorities or any other bodies and/or customers or any other person, whether recoverable in cash or in kind or for value to be received, , if any, shall without any further act, instrument or deed, become the property of the Transferee Company;
- (iii) all investments forming part of the Transferor Company including but not limited to, the investments made by the Transferor Company in the capital of other companies whether as shares, scrips, stocks, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates and other accrued benefits thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Transferee Company, without any further act or deed done by the Transferor Company and/or the Transferee Company;
- (iv) all statutory permissions, licenses, approvals, consents, privileges, environmental approvals and consents, registration or other licenses, benefits and benefits of filings and all other incorporeal rights emanating from such licenses including but not limited to all permits, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights and any waiver of the foregoing issued by any legislative, executive or judicial unit of any Governmental Authority or semi-Governmental entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority (together the "Licenses", for the purpose of this sub-clause (v)) shall stand transferred to and be vested in the Transferee Company without any further act or deed. The benefit of all Licenses of the Transferor Company shall vest in and become available to the Transferee Company pursuant to the Scheme. Notwithstanding such transfer/ vesting of the Licenses, if any application is required for the statistical record of the statutory or other authorities to implement the transfer and vesting of the Licenses, as provided hereinabove, the Transferee Company shall facilitate the statutory authorities by filing such applications, which shall be granted/ approved in favour of the Transferee Company based on the sanction order of the Scheme by the NCLT.
- (v) all intellectual property rights, including but not limited to, registrations, trademarks, trade names, service marks, computer programmes, manuals, data, copyrights, patents, designs, domain names, applications for trademarks, trade names, trade secrets, copyrights, research and studies, technical know-how, designs and domain names and all software, and all the website contents (including text, graphics, images, audio, video and data) along with any derivatives, enhancements thereof, goodwill, and licenses, whether

owned, licensed or otherwise used by or held for use by the Undertaking of the Transferor Company (whether registered or unregistered), thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Transferee Company. The Transferor Company agree to execute and deliver, at the request of the Transferee Company, all relevant documents and instruments required in respect of such intellectual property to vest such rights, title and interest in the name of the Transferee Company and in order to update the records of the concerned registries, wherever applicable, to reflect the name and address of the Transferee Company as the current owner of the intellectual property.

### **3.2 TRANSFER OF LIABILITIES**

3.2.1 Upon this Scheme becoming effective, and with effect from the Appointed Date:

- (i) all debts and liabilities including but not limited to, guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any statute, contract or tort based on negligence or strict liability), whether provided for or not in the books of accounts or disclosed in the balance sheets of the Transferor Company in, shall, be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and the Transferee Company undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.
- (ii) all the security interest over any movable and /or immovable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Transferor Company or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons, to whom the Transferor Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company, as if such security was ab initio created in favour of the Transferee Company.

It is clarified that any reference to any security documents or arrangements (to which the Transferor Company are Parties) pertaining to the assets of the Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to such assets, as are offered or agreed to be offered as security, pertaining to the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Company or any of the assets of the Transferee Company. Similarly, the Transferee Company shall not be required to create any additional security over the assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of/to be availed of by it, and the encumbrances in respect of such indebtedness of the Transferee Company shall not extend or be deemed to extend or apply to the assets so vested.

- 3.2.2 Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Transferee Company shall, if required, simultaneously with the amendment in the register of charges, file particulars of the modified charges with the concerned Registrar of Companies and execute necessary documentation with the lenders.

### **3.3 TRANSFER OF CONTRACTS**

- 3.3.1 Upon this Scheme becoming effective, and with effect from the Appointed Date, all existing and future contracts, including but not limited to, agreements, request for proposal, bids, responses to invitation for expression of interest, leases, leave and licenses, memoranda of undertakings, memoranda of agreements, arrangements, undertakings, whether written or otherwise, deeds, bonds, insurance policies, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature, in relation to the Transferor Company or to the benefit of which, the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.
- 3.3.2 The Transferee Company shall, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.
- 3.3.3 Any inter se contracts between the Transferor Company and the Transferee Company shall stand cancelled and cease to operate upon the scheme becoming effective.

### **3.4 TRANSFER OF EMPLOYEES**

- 3.4.1 Upon this Scheme becoming effective, and with effect from the Appointed Date, all staff, workmen and employees, who are on the payroll of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees of the Transferor Company, who are on its payroll (collectively, "Employees") shall be deemed to have become, the employees of the Transferee Company, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Transferor Company, without any break in or interruption of service as a result of this amalgamation and transfer. Services of the Employees shall be taken into account from the date of their respective appointment with the Transferor Company, for the purposes of all retirement benefits and all other entitlements for which they may be eligible. For the purpose of payment of any retrenchment compensation or other termination benefits, if any, such past services with the Transferor Company shall also be taken into account by the Transferee Company.
- 3.4.2 Upon this Scheme becoming effective, all contributions including any provisions created thereof, to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, or any other special scheme or, tax benefits (including medical, pension and leave travel allowance) or any other benefits created or existing exclusively for the benefit of the

Employees of the Transferor Company shall be made by the Transferee Company in accordance with the provisions of such schemes or funds and Applicable Law.

- 3.4.3 The existing accumulations under provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme or benefits of the Transferor Company pertaining to the Employees shall be continued on the same terms and conditions and shall be transferred to, the provident fund, employees' state insurance corporation, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company or as may be created by the Transferee Company for such purpose, in accordance with the Applicable Law.
- 3.4.4 It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the Employees and the services of all the Employees for such purpose, shall be treated as having been continuous.
- 3.4.5 Upon this Scheme becoming effective, the Directors or key managerial personnel of the Transferor Company will not become directors or key managerial personnel of the Transferee Company merely by virtue of the provisions of this Scheme. It is clarified that this Scheme will not affect any directorship or key managerial position of a person, who is already a Director / or key managerial personnel in the Transferee Company as of the Effective Date, if any.

### **3.5 LEGAL PROCEEDINGS**

- 3.5.1 Upon this Scheme becoming effective, and with effect from the Appointed Date, all legal, taxation or other proceedings whether civil or criminal including but not limited to suits, summary suits, indigent petitions, assessments, appeals, or other proceedings of whatever nature (hereinafter called the "Proceedings"), if any, whether by or against the Transferor Company, shall not abate or be discontinued or in any way prejudicially be affected by reason of the amalgamation of the Transferor Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented. The Transferee Company shall file the necessary application for transfer of all such Proceedings relating to the Transferor Company, subject to Applicable Law.

### **3.6 BANK ACCOUNTS**

- 3.6.1 Upon this Scheme becoming effective, all bank accounts operated or entitled to be operated by the Transferor Company shall be deemed to have transferred and shall stand transferred to the Transferee Company and the name of the Transferor Company shall be substituted by the name of the Transferee Company in the Bank's records and particulars of the new authorized signatories for withdrawals and/ or deposits/ credits in such Bank accounts shall be reconstituted accordingly.
- 3.6.2 Upon this Scheme becoming effective, and with effect from the Appointed Date, the Transferee Company shall be entitled to operate all Bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned.

3.6.3 For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders, electronic fund transfers (such as NEFT, RTGS, etc.) received and presented for encashment, which are in the name of the Transferor Company after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the accounts of the Transferee Company, if presented by the Transferee Company or received through electronic transfers. Similarly, the bankers of the Transferee Company shall honour all cheques/ electronic fund transfer instructions issued by the Transferor Company for payments processed prior to the Effective Date.

### **3.7 BENEFIT OF STATUTORY/CORPORATE APPROVALS**

3.7.1 Without prejudice to the generality of the above and upon the Scheme becoming effective, the benefits of any and all corporate approvals, statutory approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise and any other approvals as obtained under the Act, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been complied with by the Transferee Company, by virtue of approval of this Scheme. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by Transferee Company.

3.7.2 Upon the Scheme becoming effective, all the incentives, subsidies, special status, and other benefits or privileges enjoyed, granted by any Governmental Authority, local authority, or by any other person, or availed by the Transferor Company shall vest with and be available to the Transferee Company on the same terms and conditions.

3.7.3 The consent/approval of this Scheme pursuant to Section 230 to 232 of the Act and SEBI Circular shall be deemed to be sufficient and no further approvals under the provisions of Section 188 of the Act or any other applicable provisions of the Act and Regulation 23 of SEBI LODR or any other applicable provisions of the SEBI LODR, shall be required to be obtained separately for approving the Scheme.

### **3.8 AGREEMENTS**

3.8.1 Upon the Scheme becoming effective, without any separate deed, instrument or writing, the rights and obligations of the Transferor Company under the Rental Agreement as set out in **Schedule I** shall stand transferred and be vested in the Transferee Company and the name of the Transferor Company under Rental Agreement shall stand substituted by the name of the Transferee Company. The Rental Agreement shall stand novated in the name of the Transferee Company and all the other terms and conditions of the Rental Agreements shall remain unchanged.

3.8.2 For the purpose of transfer and vesting of all rights and obligations of the Transferor Company under the Rental Agreement to the Transferee Company including novation of the Rental Agreement in favour of the Transferee Company with effect from the Appointed Date and upon the Scheme becoming effective, the consent/approval to this Scheme pursuant to Section 230 and 232 of the Act and SEBI Circular shall be deemed to be sufficient and no further approvals as required under the provisions of Sections 188 of the Act or any other applicable provisions of the Act and Regulation 23 of SEBI LODR or any other applicable provisions of the SEBI LODR, shall be required to be obtained separately for giving effect to the Clause 3.8.1 mentioned above.

### **3.9. SAVING OF CONCLUDED TRANSACTIONS**

The transfer of Transferor Company, the continuance of the effectiveness of contracts and deeds and legal proceedings by or against the Transferee Company shall not affect any transaction or 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.

### **3.10 CONDUCT OF BUSINESS**

3.10.1 With effect from the Appointed Date and until occurrence of the Effective Date:

- (i) the Transferor Company undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Transferee Company; and
- (ii) all profits and income accruing or arising to the Transferor Company and all taxes, duties and levies thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, income, taxes, duties, levies, or losses, as the case may be, of the Transferee Company; and
- (iii) The Transferor Company shall declare a dividend between the Appointed date and the effective date, only after obtaining the prior written consent of the Transferee Company.
- (iv) the Transferor Company shall carry on its business, with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/assets, except: (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of filing of this Scheme in the NCLT; or (c) when a prior written consent of the Transferee Company has been obtained in this regard; and
- (v) except by mutual consent of the Board of Directors of the Transferor Company and the Transferee Company and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date or as part of this Scheme, pending sanction of this Scheme by the NCLT, the Transferor Company shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, reorganization or in any other manner, which would have the effect of reorganisation of capital of the Transferor Company. Notwithstanding the aforesaid, in the event of any such change in the capital structure of the Transferor Company at any time before the Record Date, there shall be an appropriate adjustment to the Share Exchange Ratio to take into account the effect of such change and the same shall be subject to Applicable Laws and be approved by the Board of Directors of the Transferor Company and the Transferee Company; and
- (vi) the Transferor Company shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations undertaken prior to the date of approval of the

Scheme by the Board of Directors of the Transferor Company, the terms and conditions of employment of any of its employees, nor shall it conclude settlement with its employees except with the written concurrence of the Transferee Company; and

- (vii) the Transferor Company shall not alter or substantially expand its business except with the written concurrence of the Transferee Company; and
- (viii) the Transferor Company shall not amend its memorandum of association and / or its articles of association, except with the written concurrence of the Transferee Company.

3.10.2 Notwithstanding anything contained in this Scheme, subject to the Applicable Laws, the Board of Directors of the Transferee Company shall be entitled to consider, pursue, manage, undertake and conduct the business of the Transferee Company inter-alia including, any corporate actions, declaration of dividend, issue of securities and bonus shares, buy back of securities, reorganization, restructuring of its businesses, strategic acquisition or sale of any business, joint ventures, business combinations etc., as it may deem prudent and necessary in the interest of the Transferee Company or to give effect to any obligations under the Applicable Laws.

3.10.3 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorized to carry on the business of the Transferor Company.

### **3.11 DISSOLUTION OF THE TRANSFEROR COMPANY**

Upon this Scheme becoming effective, the Transferor Company shall stand dissolved, without following the procedure of winding up or liquidation, under the Act or under any other law for the time being in force and without any further act, instrument or deed.

## **Part – IV**

### **CONSIDERATION, ACCOUNTING TREATMENT AND TAX TREATMENT OF THE TRANSFEEE COMPANY**

#### **4. CONSIDERATION**

4.1 Upon this Scheme becoming effective, and in consideration of the amalgamation of the Transferor Company with the Transferee Company pursuant to Part III of the Scheme, the Transferee Company shall, without any further act or deed and without any further payment, on the basis of the Valuation Report, issue and allot to the shareholders of the Transferor Company other than the Transferee Company (whose name is recorded in the register of members of the Transferor Company as holding equity shares on the Record Date) in the following manner:

“For every 2 (Two) equity share of Transferor Company of face value of INR 10/- each held in the said Transferor Company-, every equity shareholder of the Transferor Company other than the Transferee Company, shall without any application, act or deed, be entitled to receive 1 (One) equity share of face value INR 2/- each of the Transferee Company, credited as fully paid up on the same terms and conditions of issue as prevalent in Transferor Company ("Share Exchange Ratio").

4.2 Accordingly, the shareholders of the Transferor Company other than the Transferee Company (whose name is recorded in the register of members of the Transferor Company as holding equity shares on the Record Date), will be entitled to receive 1 (One) equity share of face value INR 2/- each of the Transferee Company for every 2 (Two) equity shares of face value INR 10/- each of the Transferor Company.

- 4.3 The New Equity Shares shall be issued in dematerialized form to those shareholders who hold shares of the said Transferor Company as on the Record Date in dematerialized form, into the account in which shares of the said Transferor Company are held or such other account as is intimated in writing by the shareholders to the Transferor Company and/or its registrar, provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. All those shareholders who hold shares of the Transferor Company, in physical form shall also receive the equity shares to be issued by the Transferee Company, in dematerialized form provided the details of their account with the depository participant are intimated in writing to the Transferor Company and/or its registrar provided such intimation has been received by the said Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. If no such intimation is received from any shareholder who holds shares of the Transferor Company in physical form 7 (seven) days before the Record Date, or if the details furnished by any shareholder do not permit electronic credit of the shares of the Transferee Company, then the Transferee Company shall keep such shares in abeyance/escrow account and will credit the same to the respective depository participant accounts of such shareholders, as and when the details of such shareholder's account with the depository participant are intimated in writing by the shareholders to the Transferee Company and/or its registrar.
- 4.4 If any member becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of the New Equity Shares by the Transferee Company in accordance with Clause 4.1 above, the Board of the Transferee Company shall consolidate all such fractional entitlements and shall round up the aggregate of such fractions to the next whole number and issue consolidated New Equity Shares to a trustee nominated by the Transferee Company (the "Trustee"), who shall hold such New Equity Shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices and on such time or times within 90 (ninety) days from the date of allotment, as the Trustee may in its sole discretion decide and on such sale, pay to the Transferee Company, the net sale proceeds (after deduction of applicable taxes and costs incurred) thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Transferor Company in proportion to their respective fractional entitlements.
- 4.5 Without prejudice to the generality of Clause 4.1 above, the Board of the Transferee Company shall, if and to the extent required, apply for and obtain any approvals from the concerned appropriate authorities and undertake necessary compliance for the issue and allotment of the New Equity Shares pursuant to Clause 4.1 of the Scheme.
- 4.6 Approval of this Scheme by the equity shareholders of the Transferee Company shall be deemed to be the approval of shareholders under and due compliance of the provisions of Section 13, Section 14, Section 42, Section 62 and other relevant and applicable provisions of the Act and rules made thereunder.
- 4.7 The New Equity Shares issued in terms of Clause 4.1 of this Scheme will be listed and/ or admitted to trading on the Stock Exchange, where the shares of the Transferee Company is listed on the Effective Date. The Transferee Company shall apply to the Stock Exchange (where the shares of the Transferee Company is listed) and SEBI for listing and admission to trading of all the New Equity Shares pursuant to this Scheme in terms of the SEBI Circular read with any other Applicable Laws.

- 4.8 The New Equity Shares to be issued to the members of the Transferor Company under Clause 4.1 above shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu in all respects with the existing equity shares of the Transferee Company.
- 4.9 The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with the Applicable Laws or regulations for the Transferee Company to comply with the formalities and requirements of the said Stock Exchange. The New Equity Shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing and trading permission is given by the Stock Exchange as mentioned above. There shall be no change in the shareholding pattern or control in the Transferee Company between the Record Date in terms of the Scheme and the listing, which may affect the status of approvals received from the Stock Exchange.
- 4.10 The Fairness Opinion certifies that the Valuation Report in reference to the Scheme, is fair and reasonable.

**5. CANCELLATION OF THE EQUITY SHARES AND PREFERENCE SHARES HELD BY THE TRANSFEE COMPANY IN THE TRANSFEROR COMPANY**

- 5.1 Upon the Scheme becoming effective, 40,05,500 (Forty lakhs five thousand and five hundred) Equity shares of the Transferor Company held by the Transferee Company as investments, shall stand cancelled on the Effective Date without any further act, instrument or deed and no shares of the Transferee Company shall be allotted or issued in lieu of such cancellation.
- 5.2 Upon the Scheme becoming effective, 26,09,000 (Twenty six lakhs nine thousand) Preference Shares of the Transferor Company held by the Transferee Company as investments and debt component of Investment in Preference Shares, shall stand cancelled on the Effective Date without any further act, instrument or deed and no shares of the Transferee Company shall be allotted or issued in lieu of such cancellation.
- 5.3 It is clarified that the above cancellation of the Equity Shares held by the Transferee Company as investment in the Transferor Company shall not be considered as a reduction of share capital and the order of the NCLT sanctioning this Scheme shall be deemed to be an order in compliance with the provisions of the Act inter-alia including section 66, if applicable and the said reduction would not involve either a diminution of liability in respect of unpaid share capital, if any or payment to any shareholder of any unpaid share capital.

**6. CHANGE IN AUTHORISED SHARE CAPITAL**

- 6.1 Upon this Scheme becoming effective and upon the vesting and transfer of the Transferor Company in the Transferee Company pursuant to the terms of this Scheme, the entire authorized share capital of the Transferor Company shall stand transferred from the authorized share capital of the Transferor Company to the authorized share capital of the Transferee Company.
- 6.2 By virtue of Clause 6.1 above, the authorized share capital of the Transferee Company shall stand increased by an amount of INR 8,00,00,000 ) and Clause V in the memorandum of association of the Transferee Company shall stand substituted to read as follows:

"V. The Authorized Share Capital of the Company is Rs.41,50,00,000 (Rupees Forty-one Crore Fifty Lakhs Only) divided into 50,00,000 (Fifty lakhs only) 10% Cumulative Redeemable Preference Shares of Rs.10/- each, 27,50,000 (Twenty seven lakhs fifty thousands) 6% Cumulative

Redeemable Preference Shares of Rs 10/- each and 16,87,50,000 (Sixteen crores eighty seven lakhs fifty thousands only) Equity Shares of Rs. 2/- (Rupees Two only) each with the rights, privileges and conditions attaching thereto as provided by the requisitions of the Company for the time being with power to increase and reduce the capital of the Company and divide the shares in the Capital for the time being into several classes to attach thereto or in accordance with the Articles of the Company for the time being in force, and to modify, enlarge or abrogate any such right, privilege or conditions in such manner as may be permitted by the said Act or provided by the Articles of Association of the Company for the time being in force."

- 6.3 Filing fees and stamp duty, if any, paid by the Transferor Company (Transferor Company) on its authorized share capital, shall be set off against any fee payable by the Transferee Company on the combined authorized Share capital in terms of Section 232 (3) (i) of the Act and the Transferee Company shall pay the fees, if any, for the enhanced authorized capital subsequent to the amalgamation after setting off the fees paid by the Transferor Company.
- 6.4 It is hereby clarified that for the purposes of increasing the authorized share capital of the Transferee Company in accordance with Clause 6.1 and 6.2 above, the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under section 13, 14, 61, 64 or any other applicable provisions of the Act, would be required to be separately passed.
- 6.5 The Articles of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to section 14, 230 to 232 and other applicable provisions of Companies Act 2013.
- 6.6 The Transferee Company shall file with the Registrar of Companies, Registrar of Companies, Chennai all the requisite forms and complete the compliance and procedural requirements under the Act, if any.

## **7. ACCOUNTING TREATMENT FOR AMALGAMATION**

- 7.1 Upon approval of this scheme, with effect from the "Appointed date" , since the transaction involves entities which are ultimately controlled by the same parties before and after the transaction, for the purpose of accounting and dealing with the value of assets and liabilities of the Transferor Company, the Transferee Company shall account for the amalgamation in accordance with "Pooling of interest method" laid down in Appendix C to Ind AS 103 " Business Combinations of entities under common control, read along with the relevant rules framed thereunder and other applicable accounting standards.
- 7.2 All assets and liabilities of the Transferor Company, shall be transferred to and vested in Transferee Company pursuant to the Scheme and shall be recorded by Transferee Company at their carrying values as appearing in the books of the Transferor Company.
- 7.3 The identity of the reserves shall be preserved, and the Transferee Company shall record the reserves of the Transferor Company, at the carrying amount as appearing in the books of the Transferor Company after giving effect to adjustment arising out of necessary accounting treatment.
- 7.4 The Transferee Company shall credit to its share capital account, the aggregate face value of the equity shares issued by it to the shareholders of the Transferor Company in terms of Clause 4.1 of this Scheme.

- 7.5 The value of the investments in the shares (Equity and /or Preference) and debt component of Investment in Preference Shares of the Transferor Company held by the Transferee Company inter-se shall stand cancelled, without further act or deed. The difference, if any, arising between the investments held by the Transferee Company and the amount of share capital of the Transferor Company shall be adjusted against the reserves (including the capital reserve) of the combined entity.
- 7.6 The inter-company balances and dues, if any, between the Transferee Company and the Transferor Company appearing in the books of accounts of either the Transferee Company or the Transferor Company, if any, shall stand cancelled and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 7.7 The financial information in the financial statements of the transferee Company in respect of the prior year would be restated as if the amalgamation had occurred from the beginning of the prior year or from the date of the transferor Company were consolidated in the prior year (date of accounting for business combination of the transferor Company with the transferee Company) in accordance with Appendix C to Ind AS 103 as the amalgamation is considered to be a common control business combination.
- 7.8 The difference, if any, arising after taking the effect of Clause 7.2 to 7.5 shall be transferred to "Capital Reserve Account" in the financial statements of the Transferee Company.
- 7.9 In case of any differences in accounting policies between the Transferee Company and the Transferor Company, the 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 that the financial statements reflect the financial position based on consistent accounting policies. The adjustments, if any, made to harmonize accounting policies will be recognized in the Retained Earnings.
- 7.10 Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of the amalgamation, as stated above, as if the amalgamation had occurred from the beginning of the comparative period.
- 7.11 Notwithstanding anything contained hereinabove, the Board of Directors of the Transferee Company is authorized to account for any of the aforementioned transactions in accordance with the applicable accounting standards and generally accepted accounting principles.

## **8. TAX MATTERS AND TAX TREATMENT**

- 8.1 The provisions of this Scheme as they relate to the amalgamation of the Transferor Company with the Transferee Company has been drawn up to comply with the conditions relating to 'amalgamation' as defined under Section 2(1 B) of the Income Tax Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act. Such modification will, however, not affect the other parts of the Scheme.

- 8.2 Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act (including for purposes of carry forward and set-off of tax losses, unabsorbed depreciation, unabsorbed allowance under Section 35(4) of the Income Tax Act and tax benefits), service tax, sales tax, VAT, excise and customs laws, as may be applicable, CGST, SGST, IGST and other tax laws and to claim refunds and/or credits for taxes paid by Transferor Company, and to claim tax benefits, under the Income Tax Act and other tax laws etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme. The order of the NCLT sanctioning this Scheme shall be deemed to be an order permitting the Transferee Company to prepare and/or revise its financial statements and books of accounts on and from the Appointed Date and no further act shall be required to be undertaken by the Transferee Company.
- 8.3 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 by the Transferor Company. In the event of the Transferor Company failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As and from the Effective Date, the tax proceedings 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.
- 8.4 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 with the Transferee Company or anything contained in the Scheme.
- 8.5 All taxes (including but not limited to advance tax, self-assessment tax, regular tax, dividend distribution tax, securities transaction tax, deferred tax assets/liabilities, Foreign Tax Credit, tax deducted at source, tax collected at source, customs duty, CGST, IGST, SGST, etc, including any interest, penalty, surcharge and/or cess, paid/ payable by or refunded / refundable to the Transferor Company with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/ claims/credits, etc. as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, accumulated losses, allowance for unabsorbed depreciation under Income Tax Act, including payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source such as under Sections 40, 40A, 43B, etc. of the Income Tax Act, exemptions, credits, deductions tax holidays, remissions, reductions, GST input credits, export benefits, or set-offs etc., as would have been available to the Transferor Company, pursuant to this Scheme becoming effective, be available to the Transferee Company and the relevant authority shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon coming into effect of this Scheme.
- 8.6 Subject to compliance with the provisions of Section 72A of the Income Tax Act, 1961, the accumulated loss and the unabsorbed depreciation of the transferor Company shall be deemed to be the loss or, as the case may be, allowance for depreciation of the Transferee Company for the previous year in which the amalgamation is effected, and other provisions of this Act relating to set off and carry forward of loss and allowance for depreciation shall also apply accordingly.
- 8.7 The Transferee Company shall also be permitted to claim refunds / credits in respect of any transaction between the Transferor Company and the Transferee Company. Without prejudice to the generality of Clause 8.3 above, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns and related withholding tax certificates, including withholding tax certificates, relating to transactions

between the Transferor Company and the Transferee Company, and to claim refunds, advance tax and withholding tax credits, foreign taxes and carry forward of accumulated losses, unabsorbed depreciation etc. pursuant to the provisions of this Scheme.

- 8.8 All the expenses incurred by the Transferor Company and the Transferee Company in relation to the amalgamation of the Transferor Company with and into the Transferee Company in accordance with this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the Income Tax Act over a period of 5 (Five) years beginning with the financial year in which this Scheme becomes effective.

**Part – V**  
**GENERAL /RESIDUARY TERMS AND CONDITIONS**

**9. APPLICATION TO NCLT**

- 9.1 The Transferee Company and the Transferor Company shall make all the necessary applications and petitions to the NCLT for sanctioning this Scheme under Section 230 to 232 of the Act and other applicable provisions of the Act, and obtaining such other approvals, as required under the Applicable Law.
- 9.2 The Transferee Company and the Transferor Company, as the case may be, shall be entitled, pending the effectiveness of this Scheme, to apply to the appropriate authorities, as required, under any Applicable Law for such consents and approvals which may be required by the Transferor Company to effect the transactions contemplated under the Scheme, subject to the terms as may be mutually agreed between the Transferee Company and the Transferor Company.
- 9.3 This Scheme with the said specific Appointed Date is beneficial to all concerned, considering the various benefits arising out of the Scheme as stated supra and is not against the public interest. The Transferor and Transferee Companies shall put their best efforts to file the Applications under Section 230 to 232 of the Act within one year from the Appointed Date. This clause has been incorporated in compliance of General Circular No 9 of 2019 dt 21.8.2019 issued by Ministry of Corporate Affairs.

**10. CONDITIONALITY OF THE SCHEME**

This Scheme is and shall be conditional upon and subject to:

- (a) The receipt of the no- objection from the “Bombay Stock Exchange”.
- (b) The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Transferor Company and Transferee Company as may be directed by the NCLT under Section 230- 232 of the Act.
- (c) The approval of the Scheme by the public shareholders of the Transferee Company in accordance with Para A. IO (a) & (b) of Part I of the SEBI Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20 , 2023 provided that the same shall be acted upon, only if the votes cast by the public shareholders in favour of the Scheme are more than the votes cast by the public shareholders against it.
- (d) The sanctioning of this Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise.
- (e) The filing of the certified copies of the orders of the NCLT with the Registrar of Companies, Chennai, by the Transferor Company and Transferee Company, as the case may be.
- (f) Any other sanctions and orders as may be directed by the NCLT in respect of the Scheme.

## **11. MODIFICATION OR AMENDMENTS TO THE SCHEME**

- 11.1 The Transferor Company and the Transferee Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the NCLT and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. The Transferor Company and the Transferee Company (acting through its respective Boards of Directors) be and is hereby authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the NCL or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.
- 11.2 If any issue arises regarding any asset, liability, employee pertaining to the Transferor Company and/or Transferee Company, or not under this Scheme, the same shall be decided by the Board of Directors of the Transferor Company and/or Transferee Company, as relevant, on the basis of relevant books of account and other evidence that they may deem relevant for the said purposes.

## **12. WITHDRAWAL OF THE SCHEME**

Subject to the approval of the NCLT or any other competent authority, if required, the Board of Directors of the Transferee Company and the Transferor Company shall be entitled to revoke, cancel, withdraw and declare this Scheme of no effect at any stage if, (a) any of the conditions that may be imposed by the NCLT or other authorities, which the Transferor Company and the Transferee Company may find unacceptable for any reason,; or(b) they are of view that the coming into effect of the Scheme could have adverse implications on the Transferee Company and/or the Transferor Company.

## **13. EFFECT OF NON-RECEIPT OF APPROVALS**

- 13.1 In the event that, (a) the Scheme is not sanctioned by the NCLT; (b) subject to Clause 13.2 below, any consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with; (c) the Scheme is revoked, cancelled or withdrawn in accordance with Clause 12 above; or (d) for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void, and the Transferee Company shall bear the costs, charges and expenses incurred in connection with the Scheme, unless it is otherwise mutually agreed between the Transferor Company and the Transferee Company.
- 13.2 The non - receipt of any sanctions or approvals for a particular asset or liability forming part of the Transferor Company getting transferred pursuant to this Scheme, shall not affect the effectiveness of the respective section of the Scheme, if the Boards of Directors of the Transferor Company and/or the Transferee Company so decide. In the event of non - receipt of approval of any lender / creditor for the transfer of any liability, then at the option of the Boards of Directors of the Transferor Company, it may issue a security / recognize a liability in favour of the Transferee Company on the same terms. The transfer of such asset or liability shall become effective from the Appointed Date as and when the said requisite approvals are received or aforesaid liability being recognized / security being issued and the provisions of the Scheme shall apply appropriately to the said transfer / issue / recognition.

## **14. COSTS, CHARGES & EXPENSES**

- 14.1 Except as otherwise expressly provided in the Scheme, the Transferee Company and Transferor Company shall bear their own costs, charges and expenses in connection with the Scheme. The stamp duty, if any, in relation to the Scheme shall be borne by the Transferee Company.
- 14.2 Upon the Scheme becoming effective all taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.
- 15. MISCELLANEOUS**
- 15.1 If any part of this Scheme hereof is invalid, ruled illegal by NCLT or unenforceable under present or future laws, then it is the intention of the Transferor Company and Transferee Company that such Part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part shall cause this Scheme to become materially adverse to Transferor Company and/or Transferee Company, in which case the Transferor Company and Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and Transferee Company the benefits 'and obligations of the Scheme, including but not limited to such Part.
- 15.2 For the purpose of giving effect to the amalgamation order passed under section 230 to 232 and other applicable provisions of the Act in respect of the Scheme by NCLT, the Transferee Company shall, at any time pursuant to the order on the Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Transferor Company, in accordance with the provisions of section 230 to 232.

**SCHEDULE I  
DETAIL OF RENTAL AGREEMENTS**

S. No.	Particulars of Agreement	Date of Agreement
1	Rental Agreement	03.06.2020

**Report adopted by the Board of Directors of Accel Limited at its meeting held on June 24, 2024 as per the provisions of section 232(2)(c) of the Companies Act, 2013**

Pursuant to the recommendation of Audit Committee, the propose Scheme of Amalgamation (“Scheme”) of Accel Media Ventures Limited (“Transferor Company” with Accel Limited (“Transferee Company” or “Company”) was approved by the Board of Directors of the Company (“Board”) vide resolution passed at its Meeting held on June 24, 2024.

The provisions of Section 232(2)(c) of the Companies Act, 2013 requires the Directors to adopt a report explaining the effect of the Scheme on Shareholders, Key Managerial Personnel (“KMP”), Promoter and Non-Promote Shareholders, laying out in particular the share exchange ratio and specifying any special valuation difficulties. The said report is required to be circulated to the Shareholders and Creditors along with the notice convening the meeting of Members/Creditors. The Board noted that, shareholders of the Transferor Company other than the Transferee Company (whose name is recorded in the register of members of the Transferor Company as holding equity shares on the Record Date), will be entitled to receive 6,06,250 equity shares of face value INR 2/- each of the Transferee Company for every 2 (Two) Equity Share of the Transferor Company.

Having regard to the aforesaid provision, the Board took into consideration, inter alia, the rationale of the Scheme, its impact on the Company’s shareholders, the financial position of the Transferor Companies and other document placed before it.

### **Report**

The Board of Directors after considering the afore-mentioned aspects and recommendations of the Audit Committee, approved the Scheme. The Board was of the opinion that:

1. The Scheme will, inter alia, enable optimisation of legal entity structure through rationalization of number of subsidiaries. It will result in integration of business operations and consolidation of the activities leading to operational synergies and elimination of duplicate efforts across multiple entities and countries. It will provide the Company seamless access to the assets (including intangible assets, licenses and intellectual properties) of the Transferor Companies. It will also result in reduction of the multiplicity of legal and regulatory compliances.
2. The Board Considered valuation report dated June 24th, 2024 issued by CA N V Subbarao Kesavarapu, a Registered Valuer, IBBI Registration No. – IBBI/RV/02/2019/12292 vide (hereinafter referred to as ‘Valuation Report’) recommended to the Board of Directors of Participating Companies, the share exchange ratio in which equity shares of the Transferee Company should be issued to the shareholders of the Transferor Company. Fairness Opinion(s) dated June 24th, 2024 on the Valuation Report of CA N V Subbarao Kesavarapu was obtained from SEBI Registered Merchant Bankers, Navigant Corporate Advisors Limited.

The copies of the said Valuation Report, Fairness Opinion(s) and other documents submitted to the Stock Exchange are also displayed on the website at [www.accel-india.com.com](http://www.accel-india.com.com), the website of Bombay Stock Exchange of India Limited, the designated stock exchange where the shares of the Participating Company are listed, in terms of the Securities and Exchange Board of India circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023.

3. The Scheme solely provides for merger of the businesses of Accel Media Ventures Limited which is the subsidiary of Accel Limited, its parent company, by way of amalgamation. Therefore, pursuant to paragraph 7 of the Securities and Exchange Board of India (SEBI) Circular bearing no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (“Circular”) read with regulation 37(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall apply to obtain a no-objection letter from stock exchange.

4. Mr. Narayana Pillai Reghoothama Panicker, Managing Director and Promoter will be allotted 2,65,625 equity shares of Transferee Company pursuant to the Scheme. Apart from that, the Scheme does not entitle the Promoter/Promoter Group, related parties of the Promoter/Promoter Group, associates of the Promoter/Promoter Group, and subsidiaries of the Promoter/Promoter Group of the Transferee Company to any additional shares. There will be no change in the shareholding of Promoter/Promoter Group of the Transferee Company pursuant to the adoption of the Scheme.

5. As far as the Equity Shareholders of the Transferee Company are concerned (Promoter shareholders and other non-promoter shareholders), the dilution in the shareholding in the Transferee Company is described below;

	<b>Pre-Arrangement- Percentage of Shareholding</b>	<b>Post-Arrangement- Percentage of Shareholding</b>
<b>Promoter</b>	71.23	70.95
<b>Non-Promoter</b>	28.77	29.05

6. Further, there will be no change in the KMP of the Transferee Company pursuant to the Scheme.

7. The Transferee Company will carry on the businesses of Transferor Companies along with its own business with reasonable diligence and business prudence to ensure that the interests of the stakeholders of Transferor Companies are protected and enhanced.

8. The Scheme will be beneficial to the Transferee Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

**Date: 24<sup>th</sup> June, 2024**

**To,**

<b>The Audit Committee,</b> Accel Limited, 3 <sup>rd</sup> Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034.	<b>The Board of Directors,</b> Accel Media Ventures Limited, 178, Valluvarkottam High Road, Nungambakkam, SFI Complex, Chennai - 600 034.
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**Subject: Recommendation of Share Entitlement Ratio for proposed Amalgamation of Accel Media Ventures Limited into Accel Limited.**

**Dear Sirs/Madam,**

We refer to our engagement letter dated 13<sup>th</sup> June 2024 and subsequent discussion with the management of Accel Limited (hereinafter referred "ACCEL" or "Amalgamated Company" or "Client") wherein ACCEL had requested us (hereinafter referred "Valuer" or "We" or "Us") a recommendation of Share Exchange Ratio/ Share Entitlement Ratio for proposed amalgamation of Accel Media Ventures Limited (AMVL) into ACCEL (hereinafter referred "ACCEL" or "Amalgamated Company") pursuant to a Scheme of Arrangement under section 230 to 232 and other applicable clauses of the companies Act, 2013 ("Scheme" or "Scheme of Arrangement"). In the following paragraphs, we have summarized our valuation analysis together with the description of the methodologies used and limitation in our scope of work.

ACCEL, and AMVL shall hereinafter be collectively referred as "Companies".

**The valuation exercise and Report thereon is executed into the following sections –**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page No.</b>
1.	Purpose of the report	1
2.	Brief background	2
3.	Scope and limitations	3
4.	Sources of information	4
5.	Share entitlement ratio basis	4
6.	Recommendation of Share Exchange Ratio	5

**Privileged & Confidential**

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## **I. PURPOSE OF THE REPORT**

We have been informed that ACCEL is contemplating a restructuring pursuant to a scheme for amalgamation of AMVL into ACCEL from the appointed date. The proposed restructuring is to be effective through the Scheme pursuant to the provision of Section 230 to 232 and other applicable provisions of the Companies Act, 2013. Under the Scheme, the shareholders of AMVL (other than the Amalgamated company) would be issued equity shares of ACCEL as a consideration for the proposed amalgamation.

In pursuant to the above, the Valuer has been requested by ACCEL to submit a valuation report as necessitated under Companies Act, 2013 and recommendation of Share Exchange Ratio/ Share Entitlement Ratio in connection with the proposed amalgamation to be placed before the Board of Directors of the respective companies involved in the scheme.

This Report has been issued only for the purpose of facilitating the amalgamation of AMVL into ACCEL and should not be used for any other purpose.

## **2. BRIEF BACKGROUND**

**Accel Limited or ACCEL** or Amalgamated Company, bearing CIN:L30007TN1986PLC100219 was initially incorporated on May 19, 1985 vide Certificate of Incorporation issued by the Registrar of Companies, Kerala in accordance with the provisions of the Companies Act, 1956 as Transmatic Systems Limited. Subsequently, the name of the Company was changed to Accel Transmatic Limited and a fresh Certificate of Incorporation dated August 11, 2004 was issued by the Registrar of Companies, Kerala. Further, by way of Scheme of Arrangement its holding Company merged with the Company and its name was changed to Accel Limited. The Registered office of the Company was also changed from Trivandrum to Chennai. A fresh Certificate of Incorporation dated 28<sup>th</sup> July, 2018 was issued by Registrar of Companies, Chennai. The Registered Office of Amalgamated Company is situated at 3<sup>rd</sup> Floor, SFI Complex, 178, Valluvarcottam High Road, Nungambakkam, Chennai – 600034. The Amalgamated Company is engaged in the business of IT Services, Engineering Services, Realty and Animation Services. The Amalgamated Company is a listed entity with BSE Limited with the scrip code 517494.

Share Capital of the Company as on 31<sup>st</sup> March, 2024 is as follows: -

<b>Particulars</b>	<b>Amount in Rs.</b>
<b>Authorised Share Capital:</b>	
14,25,00,000 Equity Shares of Rs.2/- each	28,50,00,000
50,00,000 10% Cumulative Redeemable Preference Shares of Rs. 10/- each	5,00,00,000
<b>TOTAL</b>	<b>33,50,00,000</b>
<b>Issued Share Capital:</b>	
5,75,72,401 Equity Shares of Rs.2/- each fully paid up	11,51,44,802
<b>TOTAL</b>	<b>11,51,44,802</b>
<b>Subscribed and paid-up Share Capital:</b>	
5,75,72,401 Equity Shares of Rs.2/- each fully paid up	11,51,44,802
<b>TOTAL</b>	<b>11,51,44,802</b>

There has been no change in the share capital of ACCEL after 31<sup>st</sup> March, 2024.



***Recommendation of Fair Equity Share Exchange Ratio for Proposed Amalgamation of Accel Media Ventures Limited into Accel Limited***

Equity Shareholding pattern of ACCEL as at 31<sup>st</sup> March, 2024.

Shareholders	Number of Shares	Percentage Holding
Promoters	4,12,35,661	71.62
Public	1,63,36,740	28.38
<b>Total</b>	<b>5,75,72,401</b>	<b>100.00</b>

The Management has represented that there are no outstanding stock options/warrants/security/convertible instruments, etc. issued or granted by ACCEL as at the date of issue of this Report, which would impact the number of equity shares of ACCEL. Further, the Management has confirmed that there will be no change in the shareholding pattern of ACCEL on account of allotment / issue of any shares till the amalgamation becomes effective.

**Accel Media Ventures Limited or AMVL** or Amalgamating Company bearing CIN: U74999TN1987PLC014976 was initially incorporated on October 15, 1987 vide Certificate of Incorporation issued by the Registrar of Companies, Chennai in accordance with the provisions of the Companies Act, 1956 as Zener Controls Private Limited. The registered office of the Company was situated at No.11, Ganapathy Colony, Off. Chamiers Road, Chennai – 600 018. Subsequently, the name of the Company was changed from Zener Controls Private Limited to Accel Investments Private Limited and a fresh Certificate of Incorporation dated 16th April 2008 was issued by the Registrar of Companies, Chennai. The Registered office of the Company was also changed from No.11, Ganapathy Colony, Off. Chamiers Road, Chennai – 600 018 to 2<sup>nd</sup> Floor, Chateau D’Ampa, 37, Nelson Manickam Road, Aminjikai, Chennai – 600 029. A fresh Certificate of Incorporation dated 2<sup>nd</sup> January, 2006 was issued by Registrar of Companies, Chennai. Subsequently, the name of the Company was changed from Accel Investments Private Limited to Accel Media Ventures Private Limited and a fresh Certificate of Incorporation dated 25<sup>th</sup> January 2010 was issued by the Registrar of Companies, Chennai. Subsequently, the name of the Company was changed from Accel Media Ventures Private Limited to Accel Media Ventures Limited and a fresh Certificate of Incorporation dated 29<sup>th</sup> March 2010 was issued by the Registrar of Companies, Chennai. The Company was changed from Private Company to Public Limited Company. The Company was converted to Public Limited Company vide EGM dated 8<sup>th</sup> March 2010 and got its name change to Accel Media Ventures Limited. The Registered office of the Company was also changed from 2<sup>nd</sup> Floor, Chateau D’Ampa, 37 Nelson Manickam Road, Aminjikai, Chennai – 600 029 to Accel House, III Floor, 75, Nelson Manickam Road, Aminjikai, Chennai – 600 029. A fresh Certificate of Incorporation dated 16<sup>th</sup> March, 2009 was issued by Registrar of Companies, Chennai. The Registered office of the Company was also changed from Accel House, III Floor, 75, Nelson Manickam Road, Aminjikai, Chennai – 600029 to SFI Complex, III Floor, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034. A fresh Certificate of Incorporation dated 7<sup>th</sup> March, 2018 was issued by Registrar of Companies, Chennai.



**Recommendation of Fair Equity Share Exchange Ratio for Proposed Amalgamation of Accel Media Ventures Limited into Accel Limited**

The Share Capital of the AMVL as on 31<sup>st</sup> March, 2024 is as follows: -

Particulars	Amount in Rs
<b>Authorised Share Capital:</b>	
52,50,000 Equity Shares of Rs.10/- each	5,25,00,000
27,50,000 - 6% Cumulative Redeemable Preference Shares of Rs.10/- each	2,75,00,000
<b>TOTAL</b>	<b>8,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital:</b>	
52,18,000 Equity Shares of Rs.10/- each fully paid up	<b>5,21,80,000</b>
26,09,000 6% Cumulative Redeemable Preference Shares of Rs.10/- each fully paid up	2,60,90,000
<b>TOTAL</b>	<b>7,82,70,000</b>

There has been no change in the share capital of AMVL after 31<sup>st</sup> March, 2024.

Equity Shareholding pattern of AMVL as at 31<sup>st</sup> March, 2024.

Shareholders	Number of Equity Shares	Percentage Holding
ACCEL	40,05,500	76.76%
Others	12,12,500	23.24%
<b>Total</b>	<b>52,18,000</b>	<b>100.00</b>

The Management has represented that there are no outstanding stock options/warrants/security/convertible instruments, etc. issued or granted by AMVL as at the date of issue of this Report, which would impact the number of equity shares of AMVL. Further, the Management has confirmed that there will be no change in the shareholding pattern of AMVL on account of allotment / issue of any shares till the amalgamation becomes effective.

### Transaction Overview and Rationale

This arrangement would inter alia have the following benefits:

- The Transferee Company is the Holding Company of the Transferor Company. The Transferee company, has been in the media industry content development business with computer graphics and has developed content for international customers in the past, apart from developing world class content for the domestic market, for which they hold certain IPs. The transferor company have in the recent past had reorganized their business model so as to include IT and Media Education under the Brand name ' Accel Academy' ,as a business unit. Accel Academy is a 33-year-old Brand owned by Accel Group having a strong Brand recall. The transferor company also started a You Tube channel by name "Accel TV" to promote digital content which is already in possession of Accel Media and to promote new content, that can be gainfully commercialized, with infusion of some more funds. Accel TV has already garnered more than 144,000 subscribers in a short span of time . The projected business and financial model have been prepared, considering the growth of these two additional businesses. The transferor company, with these three business units has put together its plans for the future . Accel Academy's training programs are comparable with the new age learning institutions , using a hybrid model of learning. The transferor company's thrust in three business lines as explained above, will achieve a smart turnaround



of the company with the support of the Transferee company's financial and organizational strength.

- The Transferee Company will have, post amalgamation, the ability to leverage on the resources of both the Transferee and the Transferor Companies. It will also be possible to take advantage of the combined professional and managerial experience and expertise to increase the shareholder's value. This will result in operational synergies, centralization, simplification, streamlining and optimization of the corporate structure of the group, thereby facilitating efficient administration.
- On evaluating the growth of the Transferor Company, it is considered that the amalgamation will enable pooling of resources of the aforesaid Transferor Company with the resources of the Transferee Company to their advantage, resulting in more productive utilization of said resources, and cost and operational efficiencies which would be beneficial to all the stakeholders. The consolidated entity will offer a strong and stable financial structure to all the stakeholders, facilitate resource mobilization and lead to the achievement of better cash flows and also optimum utilization of assets and resources. This will result in a substantial enhancement of shareholders' value of the Transferee Company.
- The activities of the Transferor Company and the Transferee Company complement each other, and the combined efforts and resources would lead to a more concentrated approach towards development of the business and the achievement of their objectives.
- The Transferee Company holds certain IP's in Media and Animation field and by way of combined efforts of Transferee Company with that of the Transferor Company, this can be gainfully commercialised.
- Consequent upon merger, the Transferee Company would be able to optimize the resources required for the overall general and administrative purpose. The Transferee Company would be able to use its existing resources as well as the resources of the Transferor Company and this would reduce the cost of maintaining and using separate resources.
- The consolidated entity is likely to achieve higher long-term financial returns than could be achieved individually by the Company. The merger will enable the Transferor Company (being a division of a bigger Company) to come out of its serious liquidity crunch, which is presently having a significant adverse impact on its business operation.

#### **VALUATION APPROACHES AND METHODOLOGIES:**

- As per the Scheme, the equity shareholders of AMVL will be issued equity shares of ACCEL as consideration for the proposed amalgamation. In accordance with International Valuation Standards (IVS), to arrive at the fair share exchange ratio, it is required to determine the fair value of equity shares of AMVL and fair value of equity shares of ACCEL. These values have to be determined on a per share basis and have to be determined independently without considering the proposed transaction. The values are then to be assessed on a relative basis to determine the share exchange ratio.
- For the purpose of valuation, it is necessary to select an appropriate basis of valuation amongst the various valuation techniques. It is universally recognised that the valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is



suitable for the purpose. The application of any particular method of valuation depends upon various factors including the size of Company, nature of its business and purpose of valuation. Further, the concept of valuation is all about the price at which a transaction takes place i.e., the price at which seller is willing to sell and buyer is willing to buy. Accordingly, a fair and reasonable approach for valuing the shares of the Company is to use a combination of these methods.

- IVS 301 read with IVS 103 specifies that generally the following three approaches for valuation of the business / business ownership interest are being used:
  - Cost Approach
  - Market Approach
  - Income Approach

**Cost Approach – Net Asset Value (NAV) method :**

- The value under cost approach is determined based on the underlying value of the assets which could be on book value basis, replacement cost basis or on the basis of realizable value. Under NAV method, the total value of the business is based either on net asset value or realisable value or replacement cost basis. NAV methodology is most applicable for the business, where the value lies in the underlying assets and not the ongoing operations of the business. NAV method does not capture the future earning capacity of the business.

**Income Approach – Discounted Cash Flows (DCF) method :**

- Under the Income Approach, business is valued by converting maintainable or future amount of cash flows to a single current amount either through discounting or capitalisation. DCF Method seeks to arrive at the value of the business based on its future cash flows generating capability and the risks associated with the said cash flows. Free cash flows to the firm (“FCFF”) represents the cash available for distribution to both the owners and the creditors of the business. Risk-adjusted discount rate or Weighted Average Cost of Capital (“WACC”) is applied to free cash flows in the explicit period and that in perpetuity. Adjustments pertaining to debt, surplus/non-operating assets including investments, cash & Bank balance and contingent assets/liabilities and other liabilities, as relevant, are required to be made in order to arrive at the value for equity shareholders. The total value for the equity shareholders so arrived is then to be divided by the number of equity shares to arrive at the value per equity share of the Company.

**Market Approach – Market Price method:**

- Under the Market Price method, the market price of an equity shares as quoted on a recognised Stock Exchange is normally considered as the value of the equity shares of that Company, where such quotations are arising from the shares being regularly and frequently traded. Generally, market value is reflective of the investors’ perception about the actual worth of the Company. However, in certain situations, the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further in case of amalgamation, where the value of shares of one Company is required to be evaluated against the value of shares of another Company, the volume of shares traded and available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.



**Market Approach – Comparable Companies’ Multiple (CCM) method:**

- Under CCM Method, the value of shares of the subject Company is determined on the basis of multiples derived from valuations of comparable companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. The Comparable Companies’ Multiple Method arrives at the value of the Company by using multiples derived from valuations of comparable Companies, as manifested through stock market valuations of listed Companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all the factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences, such as growth potential, past track record, size, Company dynamics, etc.

**3. SCOPE & LIMITATIONS**

Our report is subject to the scope and limitations detailed hereinafter:

- 3.1 The scope of our services is to conduct a relative (and not absolute) Valuation of a equity shares of the Companies and report a fair share exchange ratio for the proposed amalgamation in accordance with Valuation Standards.
- 3.2 Recommend a Share Entitlement Ratio for an issue of equity share of ACCEL to the shareholders of AMVL.
- 3.3 This Valuation Report, its contents and the results herein are specific to the purpose mentioned in this report.
- 3.4 In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of information (both written & verbal) made available to us by the Companies and (ii) the accuracy of the information that was publicly available, and formed substantial basis for this Valuation Report. We have not carried out a due diligence or audit of the Companies, nor have we independently investigated or otherwise verified the data provided by the Companies. In rendering this Valuation Report, we have not provided legal, regulatory, tax, accounting or actuarial advise and accordingly we do not assume any responsibility or liability in respect thereof. We do not express any opinion or offer any form of assurance that the explanations, financial information or other information as prepared and provided by the Companies is accurate and complete. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that, in case of any doubt, they have checked the relevance or materiality of any specific information with respect to the present exercise with us. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.
- 3.5 Our scope of work was not designed to verify the accuracy or reliability of the information provided to us and nothing in this report should be taken to imply that we have for the purpose of this assignment conducted procedures, audits or investigations in an attempt to verify or confirm any of the information supplied to us.
- 3.6 We do not hold any responsibility to update this Report for events occurring after the date of this Report.



- 3.7 The information contained herein and our report is confidential and it is intended only for the sole use and information of the Companies and for use in the aforementioned proceeds.
- 3.8 We are not responsible either for any person/party or for any decision of such person or party based on this Report.
- 3.9 Valuation of Companies and businesses is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. There is, therefore, no indisputable single Share Entitlement Ratio. While we have provided our view on the Share Entitlement Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The companies acknowledge and agree that the companies have the final responsibility for determination of the Share Entitlement Ratio for the proposed restructuring and factors other than our report will need to be taken into account in determining such ratios; these will include the Companies own assessment of the proposed restructuring and may include the input of other professional advisors.
- 3.10 This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed in the report. As such, the Report is to be read in totality, and not in parts, in conjunctions with relevant documents referred therein.
- 3.11 This Report does not look into the business/ commercial reasons behind the proposed amalgamation nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the proposed amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of share entitlement ratio only. Its suitability and applicability of any other use has not been checked by us.
- 3.12 No investigation of claim to title of assets has been made for the purpose of this report and the claim of companies to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- 3.13 We owe responsibility only to the Amalgamated Company which has appointed us under the terms of our agreement and nobody else. We do not accept any liability to any third party in relation to the issuance of this Report.
- 3.14 The fee for this engagement is not contingent upon the results of this report.

#### **4. SOURCES OF INFORMATION**

We have called for and obtained such data, information, etc. as were necessary for the purpose of our assignment, which have been, as far as possible, made available to us by the Management. For the purpose of this assignment, we have relied on the following information provided by the Management of the respective Companies:

- Audited financial statements of ACCEL for FY 2024, 2023 and 2022 & 2021
- Audited financial statements of AMVL for FY 2024
- Latest Shareholding Pattern of ACCEL and AMVL.
- Draft Scheme of Arrangement.
- Proposed Capital Structure of ACCEL and AMVL.



- Explanation & Management Representation provided by the management of the Companies from time to time.
- Such other analysis, reviews and enquiries, as we considered relevant.

The Companies have been provided with an opportunity to review the report as part of our standard practice to make sure that factual inaccuracies/omissions are avoided in our final Report.

## **5. SHARE ENTITLEMENT RATIO BASIS & RECOMMENDATION:**

We understand that, as part of the Scheme, AMVL is proposed to be Amalgamated into ACCEL. Once the Scheme is implemented and in consideration of the amalgamation of AMVL and transfer and vesting thereof with ACCEL, all the shareholders of AMVL would also become the shareholders of ACCEL. The effect of amalgamation is that each shareholder of AMVL (excluding the transferee company) would be allotted shares of ACCEL as per the Swap ratio determined hereinafter.

Given the above context, ACCEL shall, without any further act or deed and without any further payment, issue and allot the equity shares at par on a proportionate basis to each member of AMVL (excluding the Transferee company) whose name is recorded in the register of members of AMVL as may be recognized by the Board of Directors of AMVL in the following proportion.

### **Swap ratio for the amalgamation of AMVL into ACCEL:**

*“for every 2 (two) equity share of face value of INR 10 each held in AMVL, as on record date, every equity shareholder of AMVL shall without any application, act or deed be entitled to receive 1 (one) equity share of face value of INR 2 each of ACCEL, credited as fully paid up.”*

*K.V. Subbarao*



**N V SUBBARAO KESAVAPURI**  
**REGISTERED VALUER-SECURITIES OR FINANCIAL ASSETS**  
**IBBI NO: IBBI/RV/02/2019/12292**

**Place: Hyderabad**

**Date: 24.06.2024**

**UDIN: 24224318BKALKA4057**

**VRN: IOV/2024-2025/7153**

**ANNEXURE I – SHARE EXCHANGE RATIO WORKINGS**

**Share Exchange Ratio in compliance with relevant pricing provisions**

Valuation Approach	ACCEL		AMVL	
	Value per Share (INR)	Weight (%)	Value per Share (INR)	Weight (%)
Asset Approach- NAV Method	NA	0.00%	NA	0.00%
Income Approach – DCF Method	NA	0.00%	12.15	100.00%
Market Approach – Market Price Method	24.29	100.00%	NA	0.00%
Market Approach – CCM Method	NA	0.00%	NA	0.00%
<b>Relative value per share</b>	<b>24.29</b>		<b>12.15</b>	

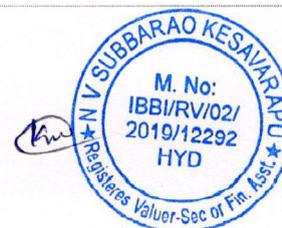
Based on the above computation, we recommend a fair share exchange ratio as below:

*“1 (One) equity shares of ACCEL of face value of INR 2/- each fully paid up for every 2 (Two) equity shares of AMVL.”*

- Since, ACCEL is a listed Company and equity shares of ACCEL are traded on BSE over a reasonable period, we have considered average of Market Price method and Net Asset Value method to determine the value of equity shares of ACCEL. We understand that the shares are infrequently traded (in terms of Regulation 164(5) of SEBI Issue of Capital and Disclosure Requirements (ICDR) Regulations, 2018. We have considered the Market Price method for calculating the fair market value of equity shares of ACCEL.
- The Company’s Equity shares are presently listed on BSE and are infrequently traded at BSE. In terms of Regulation 165 of SEBI ICDR 2018, where the shares of an issuer are not frequently traded, the price determined by the issuer shall take into account the valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.

**Refer Annexure II** for computation of share price of ACCEL shares under Regulation 165 of ICDR Regulations.

- Since, AMVL is an unlisted Company and Equity Shares of AMVL is not tradeable on any stock exchange, we have not considered Market Price Method to determine the value of the Equity shares of AMVL.
- We have not considered NAV method for the valuation of AMVL as AMVL has operating businesses and we understand that historical book value does not reflect intrinsic value of its businesses. We do not contemplate an actual sale realisation of the individual assets.



***Recommendation of Fair Equity Share Exchange Ratio for Proposed Amalgamation of Accel Media Ventures Limited into Accel Limited***

We have therefore not considered NAV method for the said valuation of AMVL.

- We have not considered Discounted Cash Flows (DCF) method under the income approach due to unavailability of business projections of ACCEL as we understand that projections of ACCEL would mean to be price sensitive information, which was therefore not made available to us.
- We have considered DCF method to determine the value of equity shares of AMVL since, the AMVL has operating businesses and is a growing Company, therefore, we have considered DCF method for AMVL.

**Refer Annexure III** for computation of share price of AMVL.

- We understand from the Management that there are no companies listed on stock exchanges operating in similar business line as ACCEL . Considering this, we have not considered the CCM method of valuation to determine the value of shares of ACCEL. Management has confirmed that there are no listed companies that can be directly comparable to ACCEL and factors relevant to nature of operations, current stage of business, etc., making the use of this method unsuitable for the said valuation purpose. We have therefore not considered CCM method for valuation.



**Annexure II**

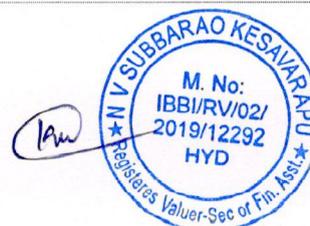
**Valuation workings of ACCEL:**

**I. Market Approach:**

The price under Market Approach has been calculated considering Closing price of the related equity shares quoted on BSE i.e. the day immediately preceding the relevant date i.e. 24<sup>th</sup> June, 2024

**Fair Value as on relevant date as follows:**

<b>Weightaged Average</b>	<b>Price per Share</b>	<b>Weight</b>	<b>Product</b>
Price Under Market approach	24.29	100.00%	24.29
		<b>Price</b>	<b>24.29</b>



**Valuation workings of AMVL**

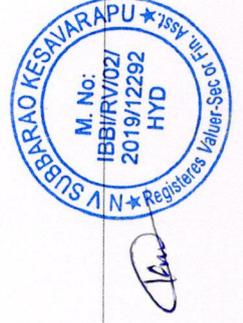
PARTICULAR	FY 25	FY 26	FY 27	FY 28	FY 29	TERMINAL VALUE
PROFIT AFTER TAX	62,95,602.50	1,14,00,830.00	1,64,09,037.00	1,91,66,809.50	2,21,96,127.27	2,33,05,933.63
ADD: DEPRECIATION	26,23,119.00	26,21,021.00	20,02,514.00	18,02,262.60	16,22,036.34	17,03,138.16
LESS: CAPITAL EXPENDITURE	0.00	0.00	0.00	21,02,262.60	19,22,036.34	17,03,138.16
LESS: INCREMENT IN WORKING CAPITAL	8,29,547.54	1,60,738.70	90,99,766.41	-45,37,712.69	15,34,317.87	6,21,261.59
ADD: INCREASE IN BORROWINGS	-53,68,385.05	-7,47,377.00	-1,04,43,400.00	-73,64,182.00	-88,37,018.40	0
<b>FREE CASH FLOW TO EQUITY</b>	<b>27,20,788.91</b>	<b>1,31,13,735.30</b>	<b>-11,31,615.41</b>	<b>1,60,40,340.19</b>	<b>1,15,24,791.00</b>	<b>2,26,84,672.04</b>
DISCOUNTING PERIOD	0.50	1.50	2.50	3.50	4.50	
DISCOUNTING FACTOR	0.9026	0.7352	0.5989	0.4879	0.3974	0.3974
<b>PRESENT VALUES</b>	<b>24,55,649.67</b>	<b>96,41,422.03</b>	<b>-6,77,729.91</b>	<b>78,25,543.24</b>	<b>45,80,122.56</b>	<b>90,15,224.50</b>

SUM OF PRESENT VALUES	2,38,25,007.58
TERMINAL VALUES	5,07,61,399.20
<b>GROSS EQUITY VALUE</b>	<b>7,45,86,406.78</b>
ADD: CASH AND CASH EQUIVALENTS	1,631.00
ADD: INVESTMENT	0.00
<b>EQUITY VALUE</b>	<b>7,45,88,037.78</b>
LESS: NON MOBILITY DISCOUNT	1,11,88,205.67
<b>ADJ EQUITY VALUES</b>	<b>6,33,99,832.11</b>
No of shares	52,18,000
<b>FAIR MARKET VALUE PER SHARE</b>	<b>12.15</b>

The value of shares of the Company under DCF Approach has been arrived at as follows:

Valuation under DCF method is based on management certified Audited financial statements for the period ended 31<sup>st</sup> March, 2024 and Projections of the Company comprising of Balance Sheet, Profitability statements from FY 2024-25 to FY 2028-29 ("explicit period") as provided to us by the Management.

**Privileged & Confidential**



For the explicit period, free cash flows from the Equity have been arrived at as follows:

- Profits after Tax as per the projections have been considered.
- Depreciation & amortization on fixed assets have been added.
- Increase in borrowings have been added.
- Fund requirements for incremental working capital and capital expenditure have been reduced from the cash earnings of the respective years.
- Cost of Equity is worked out using the following formula:
  - Risk Free Return + (Beta x Equity Risk Premium) + Company specific premium;
  - The risk free rate of return is taken at 7.05% based on Indian government bond rate for 10 years – source, (<https://countryeconomy.com/bonds/india?dr=2024-03>).
  - Industry leveraged Beta is considered as 1.00.
  - Based on qualitative analysis of long term, Market risk premium is arrived – source, CAGR of BSE Sensex S&P 500 from 1<sup>st</sup> January, 1999 to 31<sup>st</sup> March, 2024 i.e. 7.71% - Source: [www.bseindia.com](http://www.bseindia.com);
  - Company specific premium of 8.00% has been considered based on size of AMVL and past profit history of AMVL;
  - Based on the above, the Cost of Equity is determined to be 22.76%.
- After the explicit period, the business will continue to generate cash. In DCF Method, therefore, perpetuity value is also considered to arrive at the enterprise value. For arriving at the perpetuity value, we have considered a growth rate of 5.00% based on management estimate.
- The discounted perpetuity value is added to the discounted cash flows for the explicit period to arrive at the gross equity value.
- Appropriate adjustments have been made for cash and cash equivalents to arrive at the Equity Value.
- Since, the Company is unlisted Company, we have given an illiquid discount of 15.00% of the Equity Value.
- The value so arrived is divided by the outstanding number of equity shares on fully diluted basis as on the date of this report to arrive at the value per share.



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**CA. N V SUBBARAO KESAVARAPU**  
**REGISTERED VALUER (IBBI NO: IBBI/RV/02/2019/12292)**

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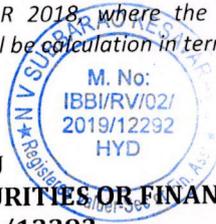
Addendum to the valuation report dated 24.06.2024, the following are the points while considering the valuation:

This is to submit that Value have considered Market approach to estimate the fair value of equity shares of ACCEL being a listed Company at BSE Limited. This is to further submit that due to some typographical error Net Asset Value method as method to determine the value of share of ACCEL, however, only Market price method has been applied.

This is to further submit that in term of regulations 164(5) of SEBI ICDR 2018, the equity share of the ACCEL is frequently traded, you are requested to consider the following revised para:

- *Since, ACCEL is a listed Company and equity shares of ACCEL are traded on BSE over a reasonable period, we have considered average of Market Price method to determine the value of equity shares of ACCEL. We understand that the shares are frequently traded (in terms of Regulation 164(5) of SEBI Issue of Capital and Disclosure Requirements (ICDR) Regulations, 2018. We have considered the Market Price method for calculating the fair market value of equity shares of ACCEL.*
- *The Company's Equity shares are presently listed on BSE and are frequently traded at BSE. In terms of Regulation 165 of SEBI ICDR 2018, where the shares of an issuer are frequently traded, the price determined by the issuer shall be calculation in terms of Regulation 164 of SEBI ICDR 2018.*

  
**N V SUBBARAO KESAVARPU**  
**REGISTERED VALUER-SECURITIES OR FINANCIAL ASSETS**  
**IBBI NO: IBBI/RV/02/2019/12292**



**Place: Hyderabad**  
**Date: 24.06.2024**  
**UDIN: 24224318BKALKA4057**  
**VRN: IOV/2024-2025/7153**

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**Flat. No. 201, Pratima Arcade, Karnataka Bank Building, Hyderabad, Telangana - 500072, India.**

**E-mail: knvsubbarao@gmail.com, Phone: 8499800661.**

**CA. N V SUBBARAO KESAVARAPU**  
**REGISTERED VALUER (IBBI NO: IBBI/RV/02/2019/12292)**

Date: 19-09-2024

To,

The Board of Directors,

Accel Media Ventures Limited ("The Company")

3rd Floor, SFI Complex, 178, Valluvarkottam High Road,

Nungambakkam, Chennai, Tamil Nadu, 600034

Sub: Clarification on the query sought by the BSE (Bombay Stock Exchange) dated September 18<sup>th</sup>, 2024 in order to provide rationale and detailed justification for the fluctuations in the PAT projected considered for valuation of AMVL.

Dear Sir/Madam,

With refer to the above subject and your letter dated 19<sup>th</sup> September 2024 we hereby clarify that we have considered the past financial performance and financial projections furnished to us in arriving at a valuation on DCF method. We have also been provided with explanations by the management, for the past losses, pre covid and Post covid and the reasons for the profits projected post-merger. As explained by the management, we have treated the company similar to a start up in technology space, calling for constant innovation and investment in technology and trained manpower.

We have reviewed the draft justifications being furnished now by the management and the explanations furnished to us are on the same line, as provided to us during the valuation process and are justifiable.

We have already indicated our scope and Limitations in clause 3 of the valuation report submitted by us.

Thanking you

*K.N.V. Subbarao Kesavarpu*

**N V SUBBARAO KESAVARPU**  
**REGISTERED VALUER-SECURITIES OR FINANCIAL ASSETS**  
**IBBI NO: IBBI/RV/02/2019/12292**



Place: Hyderabad

Date: 19.09.2024

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Flat. No. 201, Pratima Arcade, Karnataka Bank Building, Hyderabad, Telangana -  
500072, India.

E-mail: knvsubbarao@gmail.com, Phone: 8499800661.

**FAIRNESS OPINION REPORT ON VALUATION FOR THE PROPOSED SCHEME  
OF AMALGAMATION**

**OF**

**ACCEL MEDIA VENTURES LIMITED**

**WITH**

**ACCEL LIMITED**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS**

**By**



**Navigant**

**Navigant Corporate Advisors Limited**

804, Meadows, Sahar Plaza Complex,  
J.B. Nagar, Andheri Kurla Road,  
Andheri East, Mumbai-400 059

Email Id- [navigant@navigantcorp.com](mailto:navigant@navigantcorp.com)

Web: [www.navigantcorp.com](http://www.navigantcorp.com)

**June 24, 2024**

**SEBI Registered Category I Merchant Banker**

**SEBI Registration No. INM000012243**



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**Page 1 of 11**

## Notice to Reader

Navigant Corporate Advisors Limited (“Navigant” / “NCAL” or “Authors of the Report”) is a SEBI registered ‘Category I’ Merchant banker in India and was engaged by Board of Directors of **Accel Limited (“ACCEL” or “Transferee Company”)** to prepare an Independent Fairness Opinion Report (“**Report**”) with respect to providing an independent Opinion and Assessment as to Fairness of Valuation Report and Swap ratio determined by **CA N.V. Subbarao Kesavarapu, Registered Valuer (SFA) (“Valuer” / “Independent Valuer”)** an Independent Valuer for the purpose of intended proposed Merger of **Accel Media Ventures Limited (“AMVL”)** into **ACCEL Limited (“ACCEL” or “Transferee Company”)** pursuant to a Scheme of Arrangement under section 230 to 232 and other applicable Clauses of the Companies Act, 2013 (“Scheme”).

ACCEL, AMVL shall hereinafter be collectively referred as “Companies”.

The Fairness Opinion Report (“Report”) has been prepared on the basis of the review of information provided to Navigant and specifically the Report on Swap Ratio (hereinafter referred as Valuation Report) prepared by Valuer as an Independent Valuer. The Report does not give any valuation or suggest any Swap Ratio; however, this Report is limited to provide its Fairness Opinion on the Valuation Report.

The information contained in this Report is selective and is subject to updations, expansions, revisions and amendments. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent.

This Report is based on data and explanations provided by the Management and certain other data culled out from various websites believed to be reliable. Navigant has not independently verified any of the information contained herein. Neither the Company nor Navigant, nor affiliated Bodies Corporate, nor the Directors, Shareholders, Managers, Employees or Agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information contained in the Report. All such Parties and Entities expressly disclaim any and all liability for or based on or relating to any such information contained in, or errors in or omissions from, this Report or based on or relating to the Recipients’ use of this Report.



**Date: 24<sup>th</sup> June, 2024**

To,  
**The Audit Committee,**  
Accel Limited,  
3<sup>rd</sup> Floor, SFI Complex, 178, Valluvarkottam High Road,  
Nungambakkam, Chennai – 600034

Dear Members of the Board,

### **Engagement Background**

We understand that the Board of Directors of AMVL and ACCEL are considering a Scheme of Arrangement between AMVL and ACCEL and their respective Shareholders (“the Scheme”) for Amalgamation under the provisions of Sections 230 to 232 read with Section 52 and 66 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961, as may be applicable, for amalgamation of AMVL and vesting of the same in ACCEL on a going concern basis.

We understand that the Valuation as well as the Swap Ratio thereof is based on the Valuation Certificate dated 24<sup>th</sup> June, 2024 issued by **CA N.V. Subbarao Kesavarapu, Registered Valuer (SFA) (“Valuer”/ “Independent Valuer”)** (IBBI Registration No. **IBBI/RV/02/2019/12292**).

We, Navigant Corporate Advisors Limited, a SEBI registered Category-I Merchant Banker, have been engaged by ACCEL to give a Fairness Opinion (“Opinion”) on Valuation Certificate dated 24<sup>th</sup> June, 2024 issued by **CA N.V. Subbarao Kesavarapu, Registered Valuer (SFA) (“Valuer”/ “Independent Valuer”)** (IBBI Registration No. **IBBI/RV/02/2019/12292**).

### **Background of the Companies**

**Accel Limited or ACCEL** or Amalgamated Company, bearing CIN:L30007TN1986PLC100219 was initially incorporated on May 19, 1985 vide Certificate of Incorporation issued by the Registrar of Companies, Kerala in accordance with the provisions of the Companies Act, 1956 as Transmatic Systems Limited. Subsequently, the name of the Company was changed to Accel Transmatic Limited and a fresh Certificate of Incorporation dated August 11, 2004 was issued by the Registrar of Companies, Kerala. Further, by way of Scheme of Arrangement its holding Company merged with the Company and its name was changed to Accel Limited. The Registered office of the Company was also changed from Trivandrum to Chennai. A fresh Certificate of Incorporation dated 28<sup>th</sup> July, 2018 was issued by Registrar of Companies, Chennai.



The Registered Office of Amalgamated Company is situated at 3<sup>rd</sup> Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034. The Amalgamated Company is engaged in the business of IT Services, Engineering Services, Realty and Animation Services. The Amalgamated Company is a listed entity with BSE Limited with the scrip code 517494.

**Accel Media Ventures Limited or AMVL** or Amalgamating Company bearing CIN: U74999TN1987PLC014976 was initially incorporated on October 15, 1987 vide Certificate of Incorporation issued by the Registrar of Companies, Chennai in accordance with the provisions of the Companies Act, 1956 as Zener Controls Private Limited. The registered office of the Company was situated at No.11, Ganapathy Colony, Off. Chamiers Road, Chennai – 600 018. Subsequently, the name of the Company was changed from Zener Controls Private Limited to Accel Investments Private Limited and a fresh Certificate of Incorporation dated 16<sup>th</sup> April 2008 was issued by the Registrar of Companies, Chennai. The Registered office of the Company was also changed from No.11, Ganapathy Colony, Off. Chamiers Road, Chennai – 600 018 to 2<sup>nd</sup> Floor, Chateau D’Ampa, 37, Nelson Manickam Road, Aminjikai, Chennai – 600 029. A fresh Certificate of Incorporation dated 2<sup>nd</sup> January, 2006 was issued by Registrar of Companies, Chennai. Subsequently, the name of the Company was changed from Accel Investments Private Limited to Accel Media Ventures Private Limited and a fresh Certificate of Incorporation dated 25<sup>th</sup> January 2010 was issued by the Registrar of Companies, Chennai. Subsequently, the name of the Company was changed from Accel Media Ventures Private Limited to Accel Media Ventures Limited and a fresh Certificate of Incorporation dated 29<sup>th</sup> March 2010 was issued by the Registrar of Companies, Chennai. The Company was changed from Private Company to Public Limited Company. The Company was converted to Public Limited Company vide EGM dated 8<sup>th</sup> March 2010 and got its name change to Accel Media Ventures Limited. The Registered office of the Company was also changed from 2<sup>nd</sup> Floor, Chateau D’Ampa, 37 Nelson Manickam Road, Aminjikai, Chennai – 600 029 to Accel House, III Floor, 75, Nelson Manickam Road, Aminjikai, Chennai – 600 029. A fresh Certificate of Incorporation dated 16<sup>th</sup> March, 2009 was issued by Registrar of Companies, Chennai. The Registered office of the Company was also changed from Accel House, III Floor, 75, Nelson Manickam Road, Aminjikai, Chennai – 600029 to SFI Complex, III Floor, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034. A fresh Certificate of Incorporation dated 7<sup>th</sup> March, 2018 was issued by Registrar of Companies, Chennai.



## Transaction Overview and Rational

It is proposed to amalgamate AMVL into ACCEL. This arrangement would inter alia have the following benefits:

- The Transferee Company is the Holding Company of the Transferor Company. The Transferee company, has been in the media industry content development business with computer graphics and has developed content for international customers in the past, apart from developing world class content for the domestic market, for which they hold certain IPs. The transferor company have in the recent past had reorganized their business model so as to include IT and Media Education under the Brand name ' Accel Academy" ,as a business unit. Accel Academy is a 33-year-old Brand owned by Accel Group having a strong Brand recall. The transferor company also started a You Tube channel by name "Accel TV" to promote digital content which is already in possession of Accel Media and to promote new content, that can be gainfully commercialized, with infusion of some more funds. Accel TV has already garnered more than 144,000 subscribers in a short span of time . The projected business and financial model have been prepared, considering the growth of these two additional businesses. The transferor company, with these three business units has put together its plans for the future . Accel Academy's training programs are comparable with the new age learning institutions , using a hybrid model of learning. The transferor company's thrust in three business lines as explained above, will achieve a smart turnaround of the company with the support of the Transferee company's financial and organizational strength.
- The Transferee Company will have, post amalgamation, the ability to leverage on the resources of both the Transferee and the Transferor Company. It will also be possible to take advantage of the combined professional and managerial experience and expertise to increase the shareholder's value. This will result in operational synergies, centralization, simplification, streamlining and optimization of the corporate structure of the group, thereby facilitating efficient administration.
- On evaluating the growth of the Transferor Company, it is considered that the amalgamation will enable pooling of resources of the aforesaid Transferor Company with the resources of the Transferee Company to their advantage, resulting in more productive utilization of said resources, and cost and operational efficiencies which would be beneficial to all the stakeholders. The consolidated entity will offer a strong and stable financial structure to all the stakeholders, facilitate resource mobilization and lead to the achievement of better cash flows and also optimum utilization of assets and resources. This will result in a substantial enhancement of shareholders' value of the Transferee Company.
- The activities of the Transferor Company and the Transferee Company complement each other, and the combined efforts and resources would lead to a more concentrated approach towards development of the business and the achievement of their objectives.
- The Transferee Company holds certain IP's in Media and Animation field and by way of combined efforts of Transferee Company with that of the Transferor Company, this can be gainfully commercialized.



- Consequent upon merger, the Transferee Company would be able to optimize the resources required for the overall general and administrative purpose. The Transferee Company would be able to use its existing resources as well as the resources of the Transferor Company and this would reduce the cost of maintaining and using separate resources.
- The consolidated entity is likely to achieve higher long-term financial returns than could be achieved individually by the Company. The merger will enable the Transferor Company (being a division of a bigger Company) to come out of its serious liquidity crunch, which is presently having a significant adverse impact on its business operation.

### Information relied upon:

We have prepared the Fairness Opinion Report on the basis of the information provided to us and inter alia the following:

- Share Exchange Ratio Report by CA N.V. Subbarao Kesavarapu, Registered Valuer (SFA) (“Valuer”/ “Independent Valuer”) (IBBI Registration No. IBBI/RV/02/2019/12292) dated 24<sup>th</sup> June, 2024;
- Other information and explanations as provided by the Management.

Further, we had discussions on such matters which we believe are necessary or appropriate for the purpose of issuing the Valuation Report.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed to be good and marketable and we would urge the Company to carry out the independent assessment of the same prior to entering into any transaction, after giving due weightage to the results of such assessment.

We have been informed that all information relevant for the purpose of issuing the Fairness Opinion Report has been disclosed to us and we are not aware of any material information that has been omitted or that remains undisclosed.



## Valuation Summary:

Some of the methods considered by the valuer for arriving at Fair Value of Shares of a Company are as under:

### **Cost Approach – Net Asset Value (NAV) method**

- The value under cost approach is determined based on the underlying value of the assets which could be on book value basis, replacement cost basis or on the basis of realizable value. Under NAV method, total value of the business is based either on net asset value or realizable value or replacement cost basis. NAV methodology is most applicable for the business where the value lies in the underlying assets and not the ongoing operations of the business. NAV method does not capture the future earning capacity of the business.

### **Income Approach – Discounted Cash Flows (DCF) method**

- Under the Income Approach, business is valued by converting maintainable or future amount of cash flows to a single current amount either through discounting or capitalization. DCF Method seeks to arrive at the value of the business based on its future cash flows generating capability and the risks associated with the said cash flows. FCFE or free cash flows to the firm (“FCFE”) represents the cash available for distribution to both the owners and the creditors of the business. Risk-adjusted discount rate or Weighted Average Cost of Capital (“WACC”) is applied to free cash flows in the explicit period and that in perpetuity. Adjustments pertaining to debt, surplus/non-operating assets including investments, cash & bank balance and contingent assets/liabilities and other liabilities, as relevant, are required to be made in order to arrive at the value for equity shareholders. The total value for the equity shareholders so arrived is then to be divided by the number of equity shares to arrive at the value per equity share of the company.

### **Market Approach – Market Price method**

- Under the Market Price method, the market price of an equity share as quoted on a recognized Stock Exchange is normally considered as the value of the equity shares of that company, where such quotations are arising from the shares being regularly and frequently traded. Generally, market value is reflective of the investors’ perception about the actual worth of the company. However, in certain situations, the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further in case of amalgamation, where the value of shares of one company is required to be evaluated against the value of shares of another company, the volume of shares traded and available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.



**Basis of Valuation and Assumptions made by the valuer:**

**The valuation is based, on the aforesaid methods as described below:**

**VALUATION OF AMVL:**

To determine the value of AMVL, Valuer has considered Income Method (Discounted Cash Flow Method).

- The Fair Value has been arrived at Rs. 12.15 per Equity Share of face value of Rs. 10/- Each.

**VALUATION OF ACCEL**

- For determining the Fair Value of ACCEL, the valuer has considered average of Market Price method and Net Asset Value method to determine the value of equity shares of ACCEL. The shares of ACCEL are infrequently traded in terms of Regulation 164(5) of SEBI Issue of Capital and Disclosure Requirements (ICDR) Regulations, 2018. the valuer has considered the average of Market Price method and Net Asset Value method for calculating the fair market value of equity shares of ACCEL.
- The Fair Value has been arrived at Rs. 24.29 per Equity Share of face value of Rs. 2/- Each.

**Conclusion ratio:-**

**SHARE EXCHANGE RATIO RECOMMENDED BY THE VALUER FOR AMALGAMATION OF AMVL INTO ACCEL:**

***“For every 2 (two) equity share of face value of INR 10 each held in AMVL, as on record date, every equity shareholder of AMVL shall without any application, act or deed be entitled to receive 1 (one) equity share of face value of INR 2 each of ACCEL, credited as fully paid up”.***



## Exclusions and Limitations

Our Opinion and Analysis is limited to the extent of review of the Valuation Report by the Valuer and the Draft Scheme Document. In connection with the opinion, we have

- A) Reviewed the Draft Scheme Document and the Valuation Report by the Valuer dated 24<sup>th</sup> June, 2024.
- B) Reviewed Management Certified financial statements of AMVL for the year ended 31 March 2024 and Projected Financial Statements from FY 2024-25 to FY 2028-29;
- C) Reviewed Financial statements of ACCEL for the year ended 31<sup>st</sup> March, 2024;
- D) Reviewed Draft Scheme of Amalgamation;
- E) Held discussions with the Valuer, in relation to the approach taken to Valuation and the details of various methodologies utilized by them in preparing the Valuation Report and recommendations;
- F) Reviewed historical Stock Prices and Trading Volumes of ACCEL at BSE;
- G) Reviewed such other information and explanations as we have required and which have been provided by the Management of AMVL and ACCEL.

This Opinion is intended only for the sole use and information of ACCEL and in connection with the Scheme, including for the purpose of obtaining Judicial and Regulatory Approvals for the Scheme or the purpose of complying with the SEBI Regulations and requirement of Stock Exchanges on which the Company is listed, and for no other purpose. We are not responsible in any way to any Person/Party/Statutory Authority for any decision of such Person or Party or Authority based on this opinion. Any Person/Party intending to provide finance or invest in the Shares/Business of either AMVL and/or ACCEL or their Subsidiaries /Joint Ventures/Associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

For the purpose of this Assignment, Navigant has relied on the Valuation Certificate for the proposed "Scheme of Arrangement" of AMVL and ACCEL and their respective Shareholders and information and explanation provided to it, the accuracy whereof has not been evaluated by Navigant. Navigant's work does not constitute certification or due diligence of any past working results and Navigant has relied upon the information provided to it as set out in working results of the aforesaid reports.

Navigant has not carried out any physical verification of the Assets and Liabilities of the Companies and takes no responsibility on the identification and availability of such Assets and Liabilities.



We hereby give our consent to present and disclose the Fairness Opinion in the Board /General Meetings of AMVL and ACCEL and to the Stock Exchanges and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed scheme of Arrangement with the provisions of any Law including Companies, Taxation and Capital Market related Laws or as regards any Legal implications or issues arising thereon.

The information contained in this Report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The Report has been prepared solely for the purpose of giving a Fairness Opinion on Valuation Certificate issued for the proposed Scheme of Arrangement between AMVL and ACCEL and their respective Shareholders, and may not be applicable or referred to or quoted in any other context.

Our opinion is dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing Audit tests for the purpose of expressing an Opinion on the Fairness or Accuracy of any Financial or Analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any Opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to this date.

We have assumed that the Final Scheme will not differ in any material respect from the Draft Scheme Document shared with us.

We do not express any Opinion as to any tax or other consequences that might arise from the Scheme on AMVL and ACCEL and their respective Shareholders, nor does our Opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective Companies have obtained such advice as they deemed necessary from qualified Professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which AMVL and ACCEL and/or their Associates/ Subsidiaries, are or may be Party.



The Company has been provided with an opportunity to review the Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion.

Our Opinion is not intended to and does not constitute a recommendation to any Shareholder as to how such holder should vote or act in connection with the Scheme or any matter thereto.

### **Our Fairness Opinion:**

Based upon Valuation work carried out by CA N.V. Subbarao Kesavarapu, Registered Valuer (SFA) ("Valuer"/ "Independent Valuer"), we are of the Opinion that the purpose of the proposed Amalgamation of AMVL into ACCEL are fair, from a financial point of view.

The fairness of the Proposed Merger is tested by:

- (1) Considering whether the Valuation Methods adopted by CA N.V. Subbarao Kesavarapu, Registered Valuer (SFA) ("Valuer"/ "Independent Valuer") depict a correct picture on the value of shares of all companies;
- (2) Calculating the Fair Market Value of Companies;
- (3) Considering qualitative factors such as economies of scale of operations, synergy benefits that may result from the proposed Amalgamation of AMVL into ACCEL.

The rationale for Share Exchange Ratio as explained above, as assumed by CA N.V. Subbarao Kesavarapu, Registered Valuer (SFA) ("Valuer"/ "Independent Valuer") is justified.

We are in opinion that, CA N.V. Subbarao Kesavarapu, Registered Valuer (SFA) ("Valuer"/ "Independent Valuer") is justified by taking the Fair Value of Companies, and covers each aspect of valuation.

This being of our best of professional understanding, we hereby sign the Fairness Opinion Report on Valuation.

**For Navigant Corporate Advisors Limited**



**Sarthak Vijlani**  
**Managing Director**

DCS/AMAL/AK/R37/3423/2024-25

December 2, 2024

The Company Secretary,  
**Accel Ltd**  
3rd Floor, SFI Complex,  
No. 178, Valluvar Kottam High Road,  
Nungambakkam, Chennai,  
Tamil Nadu, 600034

Dear Sir,

**Sub: Scheme of Amalgamation of Accel Media Ventures Limited (Transferor Company) with Accel Limited (Transferee Company) and their respective shareholders under Section 230 to 232 of the Companies Act, 2013**

We are in receipt of the Scheme of Amalgamation of Accel Media Ventures Limited with Accel Limited and their respective shareholders under Section 230 to 232 of the Companies Act, 2013 as required under SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 37 & 94(2) of SEBI LODR Regulations 2015 along with SEBI/HO/DDHS/DDHS Div/P/CIR/2022/0000000103 dated July 29, 2022 (SEBI Circular) and Regulation 94A(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated November 28, 2024 has inter alia given the following comment(s) on the draft scheme of Amalgamation:

- a. **“The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.”**
- b. **“The Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”**
- c. **“The Company shall ensure compliance with SEBI circulars issued from time to time.**
- d. **“The entities involved in the Scheme shall duly comply with various provisions of the SEBI master Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.”**
- e. **“Company is advised that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.”**
- f. **“Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.”**
- g. **“Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice sent to shareholders.”**

- h. “The Companies involved in the scheme are advised to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, to enable them to make an informed decision
- Details of assets, liabilities, net worth and revenue of the Companies involved, pre and post scheme.
  - Impact of the scheme on revenue generating capacity of the transferee Company.
  - Need and Rationale of the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme.
  - Value of assets and liabilities of Transferor Company that are being transferred to Transferee Company
- i. “Company shall ensure that applicable additional information, if any, to be submitted to SEBI along with draft scheme of arrangement and document requested via Query No.11 dated July 16,2024 on BSE portal shall form part of disclosures to the shareholders.”
- j. “Company is advised that proposed equity shares proposed to be issued as part of the “Scheme” shall mandatorily be in demat form only.”
- k. “Company shall ensure that the “Scheme” shall be acted upon subject to the complying with the relevant clauses mentioned in the scheme document.”
- l. “Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.”
- m. “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon’ble NCLT and the Company is obliged to bring the observations to the notice of Hon’ble NCLT.”
- n. “Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.”
- o. “It is to be noted that the petitions are filed by the company before Hon’ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon’ble NCLT.

*P.P. SV*

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders; while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Byelaws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

  
**Sabah Vaze**  
Senior Manager

  
**Jayanti Pradhan**  
Assistant Manager

**ACCEL LIMITED**

*(formerly 'Accel Transmatic Limited')*

**CIN: L30007TN1986PLC100219**

**Registered Office:** 3<sup>rd</sup> Floor, SFI Complex, No.178, Valluvar Kottam High Road,  
Nungambakkam,  
Chennai-600034

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and  
Rule 19 of the Companies (Management and Administration) Rules, 2014]

Name of the Unsecured Creditor (s):	
Registered Address:	
e-mail Id:	
Regd. Folio No. / Client ID:	
DP ID No	

I/We, being the Unsecured Creditor (s) of Accel Limited, hereby appoint:

1. \_\_\_\_\_ residing at \_\_\_\_\_ having e-mail  
id \_\_\_\_\_ or failing him/her;

2. \_\_\_\_\_ residing at \_\_\_\_\_ having e-mail  
id \_\_\_\_\_ or failing him/her;

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll)  
for me/us and on my/our behalf at the Meeting of Unsecured Creditor of Accel Limited to be  
held on Saturday, the 09<sup>th</sup> August, 2025 at 03.30 P.M. at III Floor, SFI Complex, 178,  
Valluvar Kottam High Road, Nungambakkam Chennai – 600034 and at any adjournment  
thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	In favor *	Against*
1	Approval of scheme of amalgamation of Accel Media Ventures Limited with Accel Limited and related matter.		

\*Please put (v) wherever applicable

Affix Revenue Stamp
---------------------------

Signed this..... day of.....2025 \_\_\_\_\_

Signature of Unsecured Creditor

\_\_\_\_\_  
Signature of first proxy holder  
proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third  
proxy holder

**Notes:**

1. The Proxy to be effective should be deposited at the Registered office of the Company not less than FORTY-EIGHT HOURS before the commencement of the Meeting.

\_\_\_\_\_

**ACCEL LIMITED**

*(formerly Known as 'Accel Transmatic Limited')*

**CIN: L30007TN1986PLC100219**

**Registered Office:** 3<sup>rd</sup> Floor, SFI Complex, No.178, Valluvar Kottam High Road,  
Nungambakkam,

Chennai-600034 Tel: 044 28222262

Email : [companysecretary@accel-india.com](mailto:companysecretary@accel-india.com)

Website: [www.accel-india.com](http://www.accel-india.com)

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**ATTENDANCE SLIP**

**MEETING OF THE UNSECURED CREDITORS OF THE COMPANY CONVENED PURSUANT TO  
THE ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH**

(To be handed over at entrance of the Meeting Venue)

Folio No. .... DP. ID No./ Client ID .....

Name of the Member ..... Signature  
.....

Name of Proxy Holder ..... Signature  
.....

No. of share held ..... E-mail ID .....

I/We hereby record my presence at the meeting of the Unsecured Creditors of the Company convened pursuant to the order of the Hon'ble National Company Law Tribunal, Bengaluru Bench, to be held on Saturday, the 09<sup>th</sup> August, 2025 at 03.30 p.m. at III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam Chennai – 600034

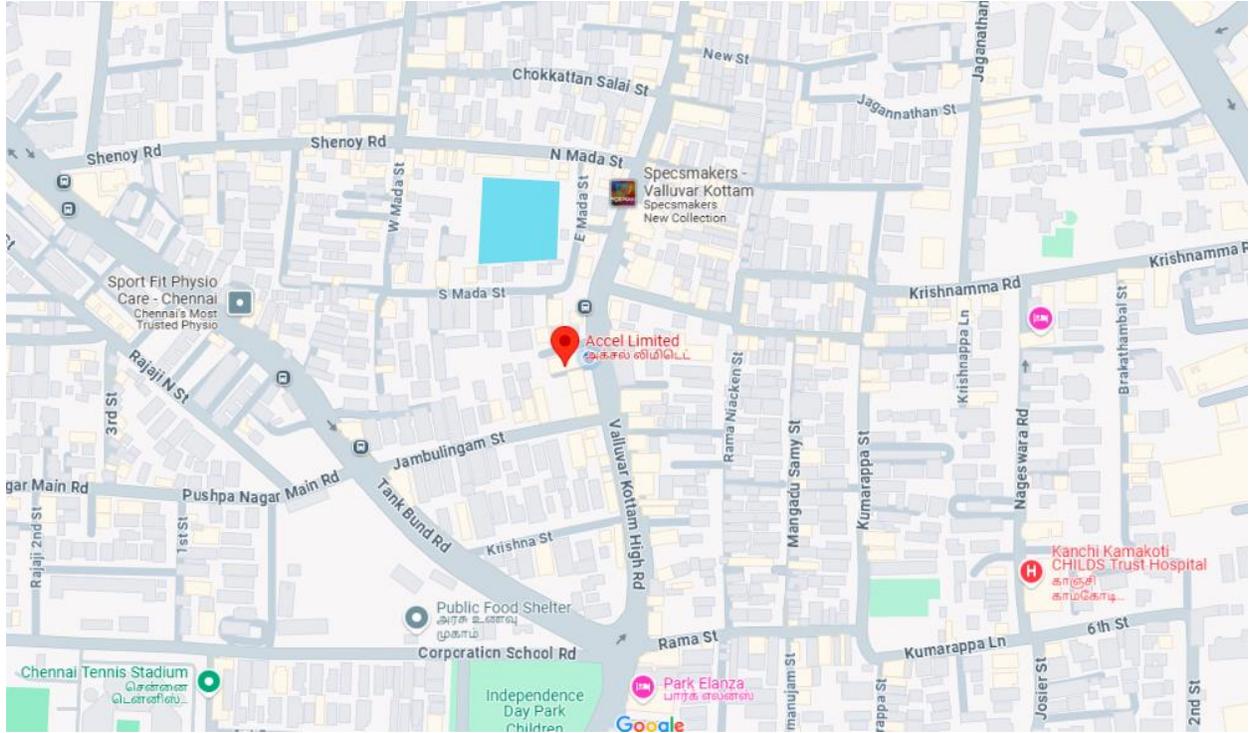
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Signature of the Unsecured Creditor/Proxy holder /Authorized Representative

NOTE: Unsecured Creditor/Proxy holder/Authorized Representative wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance of the venue duly filled and signed.

## ROUTE MAP

Route Map for the Venue of Meeting of Unsecured-Creditors of Accel Limited to be held on Saturday, the 09<sup>th</sup> Day of August 2025 at 03.30 PM





**IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH - II, CHENNAI**

**CA (CAA)/ 42 (CHE)/ 2025**

*(Under Sections 230 to 232 of the Companies Act, 2013)*

**ACCEL MEDIA VENTURES LIMITED**

(CIN: U74999TN1987PLC014976)

Having its Registered Office at

3rd Floor, SFI Complex, 178, Valluvarkottan High Road,

Nungambakkam, Chennai – 600 034,

Represented by its Director, Mr. N. R. Paniker

*... Applicant / Transferor Company*

**CA (CAA)/ 43 (CHE)/ 2025**

*(Under Sections 230 to 232 of the Companies Act, 2013)*

**ACCEL LIMITED**

(CIN: L30007TN1986PLC100219)

Having its Registered Office at

3rd Floor, SFI Complex, 178, Valluvarkottan High Road,

Nungambakkam, Chennai – 600 034,

Represented by its Director, Mr. S. V. Rao

*... Applicant / Transferee Company*

*In the matter of the Scheme of Amalgamation*

**BETWEEN**

**ACCEL MEDIA VENTURES LIMITED**

**WITH**

**ACCEL LIMITED**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

*Order Pronounced on 27.06.2025*

**CORAM**

**Shri. JYOTI KUMAR TRIPATHI, MEMBER (JUDICIAL)**

**Shri. RAVICHANDRAN RAMASAMY, MEMBER (TECHNICAL)**

*Present:*

*For Applicants: Mr.A.R.Ramanathan, Advocate*



**ORDER**  
*(Heard through hybrid mode)*

The above Company Petitions have been filed by **ACCEL MEDIA VENTURES LIMITED** (hereinafter referred as *Transferor Company*) with **ACCEL LIMITED** (hereinafter referred as *Transferee Company*), under section 230-232 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (for brevity 'the Rules') for approval of the Scheme of Amalgamation (hereinafter referred to as the 'SCHEME') proposed between the Applicant Companies which is filed along with their respective Petitions and marked as **ANNEXURE 4**.

2. An affidavit has been filed in support of the above petitions sworn by **Mr.N.R.Paniker** for the Transferor Company and **Mr. S.V.Rao** for the Transferee Company, in the capacity of Authorised Signatories and the corresponding Extracts of Board Resolutions dated 27.05.2024 and 24.06.2024 respectively are placed on record and the same is annexed along with their applications as **Annexure 3**.

3. The Applicant Companies in this Application has sought for the following reliefs;

	EQUITY SHAREHOLDERS	PREFERENCE SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
TRANSFEROR COMPANY	Dispense	Dispense	Dispense	Convene
TRANSFEREE COMPANY	Convene	NA	Dispense	Convene

4. It is submitted that the Transferor Company is an Unlisted Public Limited Company, incorporated under the provisions of Companies Act, 1956 on 15.08.1987 with name **ACCEL MEDIA VENTURES LIMITED**. The Share Capital of the Transferor Company as on 31.03.2024 is as follows:



Particulars	Amount in Rs.
<b>Authorized Share Capital</b>	
52,50,000 equity shares of Rs 10/- each	5,25,00,000/-
27,50,000 - 6% Cumulative Redeemable Preference Shares of Rs.10/- each	2,75,00,000/-
<b>Total</b>	<b>8,00,00,000/-</b>
<b>Issued, Subscribed and Fully Paid-Up Share Capital</b>	
<b>52,18,000</b> equity shares of Rs 10/- each	
Transferee Company - Accel Limited (76.76%) 40,05,500	4,00,55,000/-
Other Share Holders (23.24%) 12,12,500	1,21,25,000/-
<b>Total</b>	<b>5,21,80,000/-</b>
6% Cumulative Redeemable Preference Shares of Rs.10/- each fully paid up	
Transferee Company - Accel Limited 26,09,000	2,60,90,000/-
<b>TOTAL</b>	<b>2,60,90,000/-</b>

**MAIN OBJECTS OF THE TRANSFEROR COMPANY IN BRIEF:**

*“The Main Objects of the Applicant Company are set out in Clause III of its Memorandum of Association and marked as Annexure 1:*

- a) To start, takeover, operate, run, maintain, export, import, terrestrial television channels, satellite television channels, cable television network and to run operate and maintain studios, facilities for the production and relay of programs for own channels or for other channels and to television produce/develop necessary software.*
- b) To on the business of exhibiting movies contents through theaters, multiplexes, and setting up of theme and entertainment parks.”*

5. It is submitted that the Transferee Company is a Public Listed Company in Bombay Stock Exchange, incorporated under the provisions of the Companies Act, 2013 on 19.03.1986 with name **ACCEL LIMITED**. The Share Capital of the Transferee Company as on 31.03.2024 is as follows:



Particulars	Amount in Rs.
<b>Authorized Share Capital</b>	
14,25,00,000 equity shares of Rs 2/- each	28,50,00,000/-
50,00,000 10% Cumulative Redeemable Preference Shares of Rs.10/- each	5,00,00,000
<b>Total</b>	<b>33,50,00,000/-</b>
<b>Issued, Subscribed and Fully Paid-Up Share Capital</b>	
5,75,72,401 equity shares of Rs 2/- each fully paid up	11,51,44,802/-
<b>TOTAL</b>	<b>11,51,44,802/-</b>

**MAIN OBJECTS OF THE TRANSFEREE COMPANY IN BRIEF:**

*"4. The Object for which the Transferee Company are set out in Clause III of its Memorandum of Association and marked as Annexure 1;*

- a) To carry on the business of assembling, manufacturing, processing and designing all types and kinds of valves, electrical and electronic pumps, instrumentation and system machinery.*
- b) To setup software technology parks and to develop software in all fields and to provide onsite support and services for software development and to execute projects for all types of industries in India and abroad and undertake onshore and offshore software development to deliver business solution of various IT platforms including client server technology. "*

6. Applicant companies have filed their respective Memorandum and Articles of Association inter alia delineating their object clauses. The Applicant Companies have filed their audited financial Statements as on 31.03.2024 and is placed as **Annexure 2** in their applications respectively.

7. The Present Scheme provides for Amalgamation of Applicant companies and the rationale of the scheme is as follows:

*"The amalgamation of the Undertaking of the Transferor company with and into the Transferee Company pursuant to this Scheme shall be in the interest of all concerned stakeholders including shareholders, customers, creditors, employees and general public, in the following ways:*

- (i) Transferee Company is the Holding Company of Transferor Company. The Transferee company, has been in media industry content development business with computer graphics and has developed content for international customers, in the past, apart from developing world class content for the domestic market, for which they hold certain IPs. The transferor company have in the recent past had reorganized their business*



model as to include IT and Media Education under the Brand name “Accel Academy”, as a business unit. Accel Academy is a 33-year-old Brand owned by Accel Group having Brand recall. The transferor company also started a YouTube channel by name “Accel TV” to promote digital content which is already in possession of Accel Media and to promote new content, that can be gainfully commercialized. with infusion of some more funds. Accel TV has already garnered more than 144,000 subscribers in a short span of time. The projected business and financial model have been prepared, considering the growth of these two additional businesses. The transferor company, with these three business units has put together its plans for the future. Accel Academy’s training programs are comparable with the new age learning institutions, using a hybrid model of teaming. The transferor company’s thrust in three business lines as explained above, will achieve a smart turnaround of the company with the support of the Transferee company’s financial and organizational strength.

- (ii) The Transferee Company will have post amalgamation, the ability to leverage on the resources of both the Transferee and the Transferor Company. It will also be possible to take advantage of the combined professional and managerial experience and expertise to increase the Shareholder’s value. This will result in operational synergies, centralization, simplification, streamlining and optimization of the corporate structure of the group, thereby facilitating efficient administration.
- (iii) On evaluating the growth of the Transferor Company, it is considered that the amalgamation will enable pooling of resources of the aforesaid Transferor Company with the resources of the Transferee Company to their advantage, resulting in more productive utilization of said resources and cost and operational efficiencies which would be beneficial to all the stakeholders. The consolidated entity will offer a strong and stable financial structure to all stakeholders, facilitate resource mobilization and lead to the achievement of better cash flows and also optimum utilization of assets and resources. This will result in a of substantial enhancement shareholders’ value of the Transferee Company as well.
- (iv) The activities of the Transferor Company and the Transferee Company complement each other and the combined efforts and resources would lead to a more concentrated approach towards development of the business and the achievement of their objectives.
- (v) The Transferee Company holds certain valuable IPs in Media and Animation field and by way of combined efforts of Transferee Company and Transferor Company, this can be gainfully commercialized.”



8. The Board of Directors of the Transferor Company and the Transferee Company in the meeting held on 27.05.2024 and 24.06.2025 respectively, has approved the proposed Scheme as contemplated above. Certified Copies of the Board resolutions passed thereon have been placed on record by the companies as *Annexure 3* of their applications.

9. The Statutory Auditors of both the Applicant Companies have certified that the Accounting Standards are in compliance with Section 133 of the Companies Act, 2013.

10. With respect to **Accel Media Ventures Limited (Transferor Company)**, it is submitted as under:

**I. EQUITY SHAREHOLDERS:**

- (i) There are **7 (Seven)** Equity Shareholders and the List of equity shareholders to this effect as on 18.02.2025 is placed on record as a certificate issued by the Chartered Accountant at Pg.No.146 as Annexure 7. Consent by way of Affidavits was given by all the Equity Shareholders amounting to 100% is also placed on record at Pg.No.148 - 170 as Annexure 8 of the application and the transferor company has sought to *dispense with the meeting*.
- (ii) Since it is represented that there are **7 (Seven)** Equity Shareholders in the Company whose consents by way of affidavits forming 100% value have been obtained and are placed on record, the necessity to convene and hold a meeting is *dispensed with*.

**II. PREFERENTIAL SHAREHOLDERS:**

- (i) There is **1 (One)** Preferential Shareholders. Certificate has been issued by the Chartered Accountant to this effect as on 18.02.2025 is placed along with the application at Pg.No.147 as Annexure 7. Consent by way of Affidavits was given by one Preferential Shareholder amounting to 100% is also placed on



record at Pg.No.171 - 173 as Annexure 9 of the application and the transferor company has sought to *dispense with the meeting*.

- (ii) Since it is represented by the Transferor Company that there are **1 (One) Preferential Shareholder** whose consent affidavit amounting to 100% of the total value have been placed on record, the necessity of convening, holding and conducting the meeting is *dispensed with*.

### III. SECURED CREDITORS:

- (i) There is **1 (One)** Secured Creditor. Certificate has been issued by the Chartered Accountant to this effect as on 18.02.2025 is placed along with the application at Pg.No.176 as Annexure 10. Consent by way of Affidavits was given by one Secured creditor amounting to 100% is also placed on record at Pg.No.178 - 181 as Annexure 11 of the application and the transferor company has sought to *dispense with the meeting*.
- (ii) Since it is represented by the Transferor Company that that there are **1 (One)** Secured Creditor whose consent affidavit amounting to 100% of the total value have been placed on record, the necessity of convening, holding and conducting the meeting is *dispensed with*.

### IV. UNSECURED CREDITORS:

- (i) There is **34 (Thirty four)** Unsecured Creditors. Certificate has been issued by the Chartered Accountant to this effect as on 18.02.2025 is placed along with the application at Pg.No.184 - 190 as Annexure 12.
- (ii) Since it is represented that there are **34 (Thirtyfour)** Unsecured Creditors in the Company, who have sought for direction to convene the meeting, hence, this tribunal directs to convene the meeting of unsecured creditors on 09.08.2025 at 10.A.M at the



Registered office address of the Transferor Company or through video conferencing or if not convenient at any other suitable place for which approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

11. With respect to **Accel Limited (Transferee Company)**, it is submitted as under:

**I. EQUITY SHAREHOLDERS:**

- (i) There are **14232 (Fourteen thousand two hundred and thirty two)** Equity Shareholders and the List of equity shareholders to this effect as on 17.02.2025 is placed on record as a certificate issued by the Chartered Accountant at Pg.No.322 as Annexure 7.
- (ii) Since it is represented that there are **14232 (Fourteen thousand two hundred and thirty two)** Equity Shareholders in the Company, who have sought for direction to convene the meeting, hence, this tribunal directs to convene the meeting of Equity Shareholders on 09.08.2025 at 11.30 A.M at the Registered office address of the Transferee Company or through video conferencing or if not convenient at any other suitable place for which approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

**II. SECURED CREDITORS:**

- (i) There are **4 (Four)** Secured Creditors. Certificate has been issued by the Chartered Accountant to this effect as on 17.02.2025 is placed along with the application at Pg.No.325 as Annexure 8 and consent by way of Affidavits was given by 3 of the secured creditors amounting to 84.38% is also placed on record at



Pg.No.326 - 337 as Annexure 9 of the application and the transferee company has sought to *dispense with the meeting*.

- (ii) Since it is represented that there are **3 (Three)** Secured Creditors in the Company, who have sought for dispensation of meeting, but as there exists only 84.38% of total consent, hence, this tribunal directs to convene the meeting of secured creditors on 09.08.2025 at 02.00 P.M at the Registered office address of the Transferee Company or through video conferencing or if not convenient at any other suitable place for which approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

### III. UNSECURED CREDITORS:

- (i) There is **3892 (Three thousand eight hundred and ninety two)** unsecured Creditors. Certificate has been issued by the Chartered Accountant to this effect as on 17.02.2025 is placed along with the application at Pg.No.340 as Annexure 10.
- (ii) Since it is represented that there are **3892 (Three thousand eight hundred and ninety two)** Unsecured Creditors in the Company, who have sought for direction to convene the meeting, hence, this tribunal directs to convene the meeting of unsecured creditors on 09.08.2025 at 3.30 P.M at the Registered office address of the Transferee Company or through video conferencing or if not convenient at any other suitable place for which approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

12. The quorum for the meeting of the Applicant Company shall be as follows:

**(a) Transferor Company**



S.No.	Class	Quorum
1	Unsecured Creditors	34

**(b) Transferee Company**

S.No.	Class	Quorum
1	Equity Shareholders	300
2	Secured creditors	4
3	Unsecured Creditors	80

- (i) The Chairperson appointed for the aforesaid meeting shall be Justice (Rtd) Elangovan, High Court of Madras (email: [ilangovangesan@gmail.com](mailto:ilangovangesan@gmail.com) ). The Fee of the Chairperson for the said meeting shall be Rs.1,40,000/- (Rupees One Lakh forty thousand only) in addition to meeting his incidental expenses. The Chairperson(s) will file the reports of the meeting within a week from the date of holding of the above said meetings.
- (ii) Mr. Raymond A (Mobile No.9677172756) is appointed as a Scrutinizer and would be entitled to a fee of Rs. 70,000/- (Rupees seventy thousand only) for services in addition to meeting his incidental expenses.
- (iii) In case the quorum as noted above, for the above meeting of the Applicant Companies is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the person(s) present and voting shall be deemed to constitute the quorum. For the purpose of computing the quorum the valid proxies shall also be considered, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting, is filed with the registered office of the applicant companies at least 48 hours before the meeting. The Chairperson appointed herein along with Scrutinizer shall ensure that the proxy registers are properly maintained. However, every endeavour should be made by the applicant



companies to attain at least the quorum fixed, if not more in relation to approval of the scheme.

- (iv) The meetings shall be conducted as per applicable procedure prescribed under MCA Circular MCA General Circular Nos. (i) 20/2020 dated 5<sup>th</sup> May 2020 (AGM Circular), (ii) 14/2020, dated 08.04.2020 (EGM Circular-I) and (iii) 17/2020 dated 13.04.2020 (EGM Circular-II);
- (v) That individual notices of the above said meetings shall be sent by the Applicant Company through registered post or speed post or through courier or e-mail, 30 days in advance before the scheduled date of the meeting, indicating the day, date, the place and the time as aforesaid, together with a copy of scheme, copy of explanatory statement, required to be sent under the Companies Act, 2013 and the prescribed form of proxy shall also be sent along and in addition to the above any other documents as may be prescribed under the Act or rules may also be duly sent with the notice.
- (vi) That the applicant company shall publish advertisement with a gap of at least 30 clear days before the aforesaid meetings, indicating the day, date and the place and time as aforesaid, to be published in the English Daily "Business Standard" (All India Edition), and "Makkal Kural" Tamil (Tamil Nadu Edition) in Vernacular stating the copies of Scheme, the Explanatory Statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and the form of proxy shall be provided free of charge at the registered office of the respective Applicant companies.
- (vii) The Chairperson shall as aforesaid be responsible to report the result of the meeting within a period of 3 days of the conclusion of the meeting with details of voting on the proposed scheme.



- (viii) The company shall individually send notice to the Regional Director concerned, MCA, Registrar of Companies, Official Liquidator and the Income Tax Authorities as well as other Sectoral regulators who may have significant bearing on the operation of the applicant companies or the Scheme *per se* along with copy of required documents and disclosures required under the provisions of Companies Act, 2013 read with Companies (Compromises, Arrangements & Amalgamations) Rules, 2016.
- (ix) The applicant company shall further copy of the Scheme free of charge within 1 days of any requisition for the Scheme made by every creditor or member of the applicant companies entitled to attend the meetings as aforesaid.
- (x) The authorized Representative of the Applicant Company shall furnish an affidavit of service of notice of meetings and publication of advertisement and compliance of all directions contained herein at least a week before the proposed meetings.
- (xi) All the aforesaid directions are to be complied with strictly in accordance with the applicable law including forms and formats contained in the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016 as well as the provisions of the Companies Act, 2013 by the Applicants.
13. Accordingly, the Application stand **allowed** on the aforesaid terms and is **disposed of**.

-Sd-  
**RAVICHANDRAN RAMASAMY**  
MEMBER (TECHNICAL)

-Sd-  
**JYOTI KUMAR TRIPATHI**  
MEMBER (JUDICIAL)