

ANNEXURE - II

COMPOSITE SCHEME OF ARRANGEMENT

**UNDER SECTION 232 READ WITH SECTION 230 OF THE COMPANIES ACT,
2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT,
2013 AND RULES FRAMED THEREUNDER**

BETWEEN

LUMINA DATAMATICS LIMITED

("Transferor Company" for Part II of the Scheme)

AND

DATAMATICS GLOBAL SERVICES LIMITED

("Transferee Company" for Part II of the Scheme

OR

"Demerged Company" for Part III of the Scheme)

AND

LDR ERETAIL LIMITED

("Resulting Company" for Part III of the Scheme)

AND

THEIR RESPECTIVE SHAREHOLDERS

A. PREAMBLE

This Composite Scheme of Arrangement ("Scheme") is presented under Section 232 read with Section 230 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder for:

- Amalgamation and vesting of Lumina Datamatics Limited ("Transferor Company" for Part II of the Scheme) with and into Datamatics Global Services Limited ("Transferee Company" for Part II of the Scheme); and
- Upon amalgamation and vesting of Lumina Datamatics Limited with and into Datamatics Global Services Limited becoming effective, demerger and vesting of Demerged Undertaking (hereinafter defined) of Datamatics Global Services Limited ("Demerged Company" for Part III of the Scheme) into LDR ERetail Limited ("Resulting Company" for Part III of the Scheme), on a going concern basis,

in the present form or with such alterations / modifications, as may be approved or imposed or directed by National Company Law Tribunal.



B. DESCRIPTION OF COMPANIES

Lumina Datamatics Limited (“Transferor Company” for Part II of the Scheme), was incorporated as a private limited company under the name and style of Lexicon Publishing Services Private Limited in the State of Tamil Nadu on 26th November, 2007 vide Corporate Identity Number U22220TN2007PLC065507. The Registered Office is situated at 12th Floor, Phase II (Crest), International Tech Park, CSIR Road, Taramani, Chennai – 600113 and having PAN AABCL3918Q and email ID of its authorised representative is divya.kumat@datamatics.com. Thereafter, its name was changed to Lumina Datamatics Private Limited on 12th May, 2014. The members of the Transferor Company passed a resolution to convert the Transferor Company into a public company. By a certificate dated 28th May, 2014, the Transferor Company was converted from a Private Limited Company to a Public Limited Company and the name of the Transferor Company was changed from Lumina Datamatics Private Limited to Lumina Datamatics Limited.

Datamatics Global Services Limited (“Transferee Company” for Part II of the Scheme and “Demerged Company” for Part III of the Scheme), was incorporated as a private limited company in the State of Maharashtra on 3rd November, 1987 as Interface Software Resources Private Limited. The name of the Transferee Company was changed to Datamatics Technologies Private Limited on December 18, 1992. On January 14, 1999, the Company became a deemed public company, pursuant to the provisions of section 43A of the Companies Act, 1956. The members of the Transferee Company passed a resolution on December 27, 1999, to convert the Company to public company. By a certificate dated January 13, 2000, the name of the Transferee Company was changed from Datamatics Technologies Private Limited to Datamatics Technologies Limited. The name of the Transferee Company was changed to its current name Datamatics Global Services Limited pursuant to a High Court order dated December 17, 2008 and by certificate of change of name issued dated 17th January, 2014. It has its Corporate Identity Number as L72200MH1987PLC045205. The Registered Office is situated at Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri East, Mumbai - 400093 and having PAN AAACD4471B and Email ID of its authorised representative is divya.kumat@datamatics.com.

LDR ERetail Limited (“Resulting Company” for Part III of the Scheme), was incorporated as a public limited company in the State of Maharashtra on 12th August, 2015 vide Corporate Identity Number U74120MH2015PLC267425. Subsequently, registered office of the Company was shifted to Chennai, in the state of Tamil Nadu and a new Corporate Identity Number U74120TN2015PLC123418 was allotted. The Registered Office is now situated at 12th Floor, Phase II (Crest), International Tech Park, CSIR Road, Taramani, Chennai – 600113 and having PAN AACCL9156D and email ID of its authorised representative is divya.kumat@datamatics.com.



C. RATIONALE OF THE SCHEME

1. Background

Lumina Datamatics Limited, a company in which the Transferee Company holds ~98.04% stake, is inter-alia engaged in the business of providing e-retail and digital publishing services in content development, design and composition, content transformation, e-books and new media, rights and permissions, QA services, project management, consulting and information services, software development and implementation, assets storage and management, adaptive assessment system, site merchandising, market intelligence and e-Commerce data publishing & e-retail solutions to clients.

Datamatics Global Services Limited, a company listed on the BSE and the NSE, is a technology company that builds intelligent solutions enabling data-driven businesses to digitally transform themselves through Robotics, Artificial Intelligence, Cloud, Mobility and Advanced Analytics. With its wide array of solutions, the company has developed several proprietary products and innovative solutions through which it caters to over 450 customers across the globe, some of which are Fortune 500 companies. Headquartered in Mumbai, the company has a strong presence across the America, Australia, Asia, Europe, and the Middle East.

LDR ERetail Limited, a wholly owned subsidiary of the Transferor Company, has main objects of the business of providing eRetail, eCommerce enablement services products and solutions to manufacturers, traders, retailers who wish to take their business online in their merchandizing and marketing operations and to provide systems, processes, technical know-how and services enabling to do online business to manage the functions of supply chain, merchandising, marketing fulfilment and customer support in India and overseas. It also provides services and products to manufacturers, traders, retailers, and individual sellers to acquire market intelligence and to provide intelligence on the best channels for sale, best pricing, best products, best time for promotions and best regions and to develop, maintain, create database of intelligence by way of surveys and internet research and process them to generate actionable insights that help the organizations, analysts community consultants and decisions makers in companies connected with the retail domain. Further, it also carries on business of providing e-retail and digital publishing services in content development, design and composition, content transformation, e-books and new media, rights and permissions, QA services, project management, consulting and information services, software development and implementation, assets storage and management, adaptive assessment system, site merchandising, market intelligence and e-Commerce and other related business and to produce, publish, distribute and or market any content electronically or otherwise, independently or on behalf of publishers, printers or end customers.



2. Rationale for the Scheme

- 2.1. The Transferee Company / Demerged Company owns ~98.04% of the equity share capital in the Transferor Company.
- 2.2. The Transferee Company / Demerged Company and the Transferor Company are engaged in varied business. The nature of risk, competition, challenges, opportunities and business methods for the business carried on the Transferor Company is separate and distinct from the business carried on by the Transferee Company / Demerged Company. The business carried on by the Transferee Company / Demerged Company and the Transferor Company are capable of attracting separate set of investors, strategic partners, lenders and other stakeholders. There is also a difference in the manner in which the business of the Transferee Company / Demerged Company and the Transferor Company are required to be handled and managed. In order to lend greater / enhanced focus to the operations of the of the business of the Transferor Company, it is proposed to re-organize / restructure the group structure via this Scheme.
- 2.3. The proposed restructuring pursuant to this Scheme is expected, inter-alia, to result in the following benefits:
 - a) Segregation of business of the Transferor Company into the Resulting Company in the manner provided in this Scheme;
 - b) Unlock the value for the shareholders of the Transferee Company / Demerged Company by listing of the shares of the Resulting Company;
 - c) Enhancing attractiveness of the employees of the business of the Transferor Company by enabling liquidity of ESOP's held by them;
 - d) Allowing managements of the each of the Transferee Company / Demerged Company and the Transferor Company to pursue independent growth strategies;
 - e) Allow in creating the ability to achieve valuation based on respective risk-return profile and cash flows, attracting the right investors and thus enhancing flexibility in accessing capital;
 - f) Provide scope of separate companies for independent collaboration and expansion.

The Scheme is in the interest of the shareholders, creditors, lenders and various other stakeholders of the respective companies. It is not prejudicial to the interests of shareholders, creditors, lenders and various other stakeholders of the respective companies.



D. PARTS OF THE SCHEME

This Scheme is divided into the following parts:

Part I deals with the preliminary of the Scheme, definitions of the terms used in this Scheme, Objects and the Share Capital;

Part II deals with amalgamation and vesting of Lumina Datamatics Limited into Datamatics Global Services Limited;

Part III deals with demerger and vesting of Demerged Undertaking (hereinafter defined) of Datamatics Global Services Limited (upon Part II becoming effective) into LDR ERetail Limited, on a going concern basis (Upon Part II becoming effective); and

Part IV deals with the General Terms and Conditions.

E. SEQUENCE OF EFFECTIVENESS OF THE SCHEME

Upon the Scheme becoming effective, with effect from the Appointed Date, the following shall be deemed to have occurred and become effective and operative only in the order mentioned hereunder:

- (a) Part II which provides for amalgamation and vesting of Lumina Datamatics Limited with and into Datamatics Global Services Limited, shall be operative prior to coming effect of Part III; and
- (b) Part III which provides for demerger and vesting of Demerged Undertaking (hereinafter defined) of Datamatics Global Services Limited (upon Part II becoming effective) into LDR ERetail Limited, on a going concern basis shall take effect immediately after coming into effect of Part II.

F. TREATMENT OF THE SCHEME FOR THE PURPOSES OF INCOME TAX ACT, 1961

The provisions of this Scheme have been drawn up to comply with the conditions relating to "Amalgamation" and "Demerger" as defined under section 2(1B) and 2(19AA) of the Income Tax Act, 1961, respectively. If, at a later date, any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of section 2(1B) and 2(19AA) of the Income Tax Act, 1961, including as a result of an amendment of law or enactment of new legislation or any other reason whatsoever, the provisions of section 2(1B) and 2(19AA) of the Income Tax Act, 1961, or a corresponding provisions of any amended or newly enacted law, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) and 2(19AA) of the Income Tax Act, 1961. Such modifications will, however, not affect the other provisions of the Scheme.



PART I
DEFINITIONS AND INTERPRETATION

3. DEFINITIONS

In this Scheme, unless repugnant to the context, the following expressions shall have the following meaning:

- 3.1. **“Act”** means the Companies Act, 1956 and/or Companies Act, 2013, to the extent its provisions relevant for this Scheme are notified and ordinances, rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 3.2. **“Appointed Date”** means the 1st day of April, 2019.
- 3.3. **“Board of Directors” or “Board”** means the Board of Directors of the Transferor Company, Transferee Company / Demerged Company and the Resulting Company, as the case may be, and shall include a duly constituted committee thereof.
- 3.4. **“Concurrent Scheme”** means the separate Composite Scheme of Arrangement under section 232 read with section 230 of the Companies Act, 2013 for the proposed demerger and vesting of Demerged Undertaking of Delta Infosolutions Private Limited into Datamatics Infotech Services Private Limited on a going concern basis and thereafter proposed amalgamation and vesting of the residual Delta (post demerger) into Datamatics Global Services Limited approved, inter alia, by the Board of Directors of Datamatics Global Services Limited on April 27, 2018.
- 3.5. **“Demerger”** means the transfer by way of demerger in accordance with the provisions of Section 2(19AA) of the Income Tax Act, 1961 of the Demerged Undertaking into the Resulting Company.
- 3.6. **“DGSL” or “Transferee Company” or “Demerged Company”** means Datamatics Global Services Limited having its Corporate Identity Number as L72200MH1987PLC045205, the Registered Office is situated at Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri East, Mumbai - 400093 and having PAN – AAACD4471B and Email ID of its authorised representative is divya.kumat@datamatics.com.
- 3.7. **“Effective Date”** means the last of the dates on which the conditions specified in Clause 32 are complied with. Any references in this Scheme to the date of “coming into effect of this scheme” or “effectiveness of this scheme” or “Scheme taking effect” shall mean the Effective Date.



3.8. **“ERetail & Digital Publishing Services Undertaking”** or **“Demerged Undertaking”** shall mean the business of providing e-retail and digital publishing services in content development, design and composition, content transformation, e-books and new media, rights and permissions, QA services, project management, consulting and information services, software development and implementation, assets storage and management, adaptive assessment system, site merchandising, market intelligence and e-Commerce data publishing & e-retail solutions to clients which is being carried on by Lumina Datamatics Limited at present as a going concern (and which shall vest with DGSL as a result of Part II of this Scheme becoming effective), all its assets, rights, licenses and powers, and all its debts, outstandings, liabilities, duties, obligations and employees as on the Appointed Date including, but not limited to, the following:

- (a) All the assets and properties (whether moveable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent) pertaining to the Demerged Undertaking, whether situated in India or abroad, including, but not limited to all the interests, of whatever nature and whosoever situated, plant and machinery, freehold land, leasehold land, tenancy rights (including but not limited to SEEPZ Unit Nos. 117, 118, 119 and 120 at SDF IV and SEEPZ Unit No. 172 at SDF VI at SEEPZ, Andheri East, Mumbai), buildings and structures, offices, residential and other premises, capital work in progress, development capital work in progress, furniture, fixtures, office equipment, appliances, accessories, power lines, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stock, units or pass through certificates) (including but not limited to investments in LDR ERetail Limited and Lumina Datamatics Inc.), cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, and hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts including the Joint Operating Agreements/Operating Agreement, licenses (industrial and otherwise), municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, leases, licenses, fixed and other assets, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits) and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Demerged Undertaking relating to its business, authorisations, permits, approvals, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, computer software, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers,



customer credit information, customer and supplier pricing information and other records in connection with or relating to the Demerged Undertaking or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Demerged Undertaking in each case, whether in India or abroad.

- (b) All agreements, rights, contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quotas, rights, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Demerged Undertaking's business activities and operations.
- (c) All intellectual property rights including but without being limited to trade and service names and marks, patents, copyrights, know-how, technical know-how, franchise and other intellectual property rights of any nature whatsoever, engineering and process information, software licenses (whether proprietary or otherwise), drawings, records, files, books, papers, computer programmes, manuals, data, catalogues, sales and advertising material, lists of present and former customers and suppliers, customer credit information, customer pricing information, other customer information and all other records and documents, whether in physical or electronic form, relating to the business activities and operations of the Demerged Undertaking.
- (d) Amounts claimed by the Demerged Undertaking whether or not so recorded in the books of account of the LDL from any Governmental Authority, under any law, act, scheme or rule, as refund of any tax, duty, cess or of any excess payment.
- (e) Rights to any claim not preferred or made by the Demerged Undertaking in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by LDL and any interest thereon, under any law, act, rule or scheme, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, MAT credit, CENVAT/ GST input credit, amortization benefit, etc. whether under the Income Tax Act, 1961, the rules and regulations thereunder, or taxation laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India.
- (f) All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Demerged Undertaking and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized. Provided that if there exists any reference in the security documents or arrangements entered into by the Demerged Undertaking



under which the assets of the Demerged Undertaking stand offered as a security for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to the Demerged Undertaking vested in LDR by the virtue of the Scheme. The Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Demerged Undertaking which shall vest in LDR by virtue of the demerger. LDR shall not be obliged to create any further or additional security thereof after the Demerger has become effective.

- (g) All other obligations of whatsoever kind, including liabilities of the Demerged Undertaking with regard to their employees, or the employees of any of their subsidiaries, with respect to the payment of gratuity, pension benefits and the provident fund or other compensation or benefits, if any, whether in the event of resignation, death, voluntary retirement or retrenchment or otherwise;
- (h) All permanent and temporary employees engaged by LDL at various locations as on the Effective Date.
- (i) All legal or other proceedings of whatsoever nature that pertain to the Demerged Undertaking.

It is hereby clarified that where any question that may arise as to whether a specific asset whether tangible or intangible or liability or contracts or employee, pertains or does not pertain to the Demerged Undertaking, if any, or whether it arises out of the activities or operations of the Demerged Undertaking, if any, shall be mutually decided by the Board of the Demerged Company and Resulting Company, or any committee constituted thereof.

- 3.9. **“Encumbrance”** means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term "Encumbered" shall be construed accordingly.
- 3.10. **“Governmental Authority”** means any applicable Central, State or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction and shall include any other authority which supersedes the existing authority.
- 3.11. **“LDL” or “Transferor Company”** means Lumina Datamatics Limited having its Corporate Identity Number as U22220TN2007PLC065507, the Registered Office is situated at 12th Floor, Phase II (Crest), International Tech Park, CSIR Road, Taramani, Chennai – 600113 and having PAN – AABCL3918Q and Email ID of its authorised representative is divya.kumat@datamatics.com.



- 3.12. **“LDR” or “Resulting Company”** means LDR ERetail Limited having its Corporate Identity Number as U74120TN2015PLC123418, the Registered Office is situated at 12th Floor, Phase II (Crest), International Tech Park, CSIR Road, Taramani, Chennai – 600113 and having PAN – AACCL9156D and Email ID of its authorised representative is divya.kumat@datamatics.com.
- 3.13. **“NCLT”** means the National Company Law Tribunal having jurisdiction over the Transferor Company, Transferee Company / Demerged Company and the Resulting Company.
- 3.14. **“Record Date 1”** shall mean the date to be fixed by the Board of Directors of the Transferee Company for the purpose of issue of shares of the Transferee Company to the shareholders of the Transferor Company (except itself).
- 3.15. **“Record Date 2”** shall mean the date to be fixed by the Board of Directors of the Resulting Company for the purpose of issue of shares of the Resulting Company to the shareholders of the Demerged Company.
- 3.16. **“Remaining Business”** means all the undertakings, businesses, activities, operations, assets and liabilities of DGSL other than those comprised in the Demerged Undertaking.
- 3.17. **“Scheme” or “the Scheme” or “this Scheme”** means this Composite Scheme of Arrangement as amended or modified, in its present form submitted to the NCLT for approval, with any modifications, as may be approved or imposed or directed by the NCLT or any other appropriate authority.
- 3.18. **“Stock Exchanges”** means BSE Limited and National Stock Exchange of India Limited.
- 3.19. **“Transition period”** means period starting from the date immediately after the Appointed Date till the Effective Date.

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



4. SHARE CAPITAL

4.1. The share capital structure of the Transferor Company as on 31st October, 2018 is as under –

Share Capital	Amount (Rupees)
Authorized Share Capital	
1,35,00,000 Equity Shares of Rs. 10 each	13,50,00,000
7,80,00,000 Preference shares of Rs. 10 each	78,00,00,000
TOTAL	91,50,00,000
Issued, subscribed and paid-up Share Capital	
1,02,28,655 Equity Shares of Rs. 10 each	10,22,86,550
2,76,70,856 Preference Shares of Rs. 10 each	27,67,08,560
TOTAL	37,89,95,110

There is no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company from 31st October, 2018 till the date of approval of the scheme by the Board of Directors of the Transferor Company on 14th December, 2018.

4.2. The share capital structure of the Transferee Company / Demerged Company as on 31st October, 2018 is as under –

Share Capital	Amount (Rupees)
Authorized Share Capital	
10,40,00,000 Equity Shares of Rs. 5 each	52,00,00,000
4,55,50,000 Preference shares of Rs. 10 each	45,55,00,000
TOTAL	97,55,00,000
Issued, subscribed and paid-up Share Capital	
5,89,49,337 Equity Shares of Rs. 5 each	29,47,46,685
TOTAL	29,47,46,685

There is no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company / Demerged Company from 31st October, 2018 till the date of approval of the scheme by the Board of Directors of the Transferee Company / Demerged Company on 14th December, 2018.



- 4.3. The share capital structure of the Resulting Company as on 31st October, 2018 is as under –

Share Capital	Amount (Rupees)
Authorized Share Capital	
50,000 Equity Shares of Rs. 10 each	5,00,000
49,50,000 Preference shares of Rs. 10 each	4,95,00,000
TOTAL	5,00,00,000
Issued, subscribed and paid-up Share Capital	
50,000 Equity Shares of Rs. 10 each	5,00,000
49,50,000 Preference shares of Rs. 10 each	4,95,00,000
TOTAL	5,00,00,000

The shareholders of the Resulting Company have approved on 5th December, 2018, the split of face value of equity shares from INR 10/- per share to INR 5/- per share. Except the above, there is no change in the authorised, issued, subscribed and paid-up share capital of the Resulting Company from 31st October, 2018 till the date of approval of the scheme by the Board of Directors of the Resulting Company on 14th December, 2018.

5. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 5.1. The Scheme shall be effective in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other appropriate authority and shall become effective from the Appointed Date as defined in Section 232(6) of the Act in terms of Clause 1.2 mentioned above.

**PART II – AMALGAMATION AND VESTING OF LUMINA DATAMATICS
LIMITED INTO DATAMATICS GLOBAL SERVICES LIMITED**

**6. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES OF
TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY**

- 6.1. With effect from the Appointed Date and upon the Scheme becoming effective, the Transferor Company as a going concern, along with all assets, liabilities, contracts, employees, licences, records, approvals, etc. being integral parts of the Transferor Company shall, without any further act, instrument or deed, stand amalgamated with and be vested in or be deemed to have been vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.



6.2. Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

- a) All its properties and assets of Transferor Company, tangible or intangible, balance in bank, cash or investments and other assets of whatsoever nature and tax credits including under GST law, quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever for all intents and purposes, permissions under income tax and/or any other statutes, incentives, if any, without any further act or deed so as to become the business, properties and assets of the Transferee Company.
- b) All the movable assets of Transferor Company or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.
- c) All other movable properties of the Transferor Company, including investments in shares of the subsidiaries of the Transferor Company, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the orders of this Scheme becoming effective and by operation of law become the properties of the Transferee Company, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of the Transferee company. All investments of the Transferor Company shall be recorded in the name of the Transferee Company by operation of law as transmission in favour of the Transferee Company as a successor in interest and any documents of title in the name of the Transferor Company shall also be deemed to have been mutated and recorded in the name of the Transferee Company to the same extent and manner as originally held by the Transferor Company and enabling the ownership, right, title and interest therein as if the Transferee Company was originally the Transferor Company. The Transferee Company shall subsequent to this Scheme becoming effective be entitled to the delivery and possession of all documents of title of such movable property in this regard;



- d) If and to the extent required, the Transferor Company shall give notice in such form as it deems fit to such persons, that pursuant to this Scheme becoming effective, the said outstanding balances would be paid or made good to or held on account of, the Transferee Company, and the rights of the Transferor Company will vest with the Transferee Company upon this Scheme becoming operative.
- e) All debts, liabilities, contingent liabilities, duties, taxes (including any advance taxes paid, TDS deducted on behalf of the Transferor Company, etc.), GST liabilities, and obligations of Transferor Company, as on the Appointed Date, whether provided for or not, in the books of accounts of the Transferor Company, and all other liabilities which may accrue or arise after the Appointed Date but which relates to the Transition period, shall, pursuant to this Scheme becoming effective as per the order of the NCLT or such other competent authority, as may be applicable under Section 232 and other applicable provisions of the Act, and without any further act or deed, be vested or deemed to be vested in and be assumed by the Transferee Company, so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, taxes, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.
- f) the Transferee Company, may, at any time after this Scheme coming into effect, if required under law or otherwise, execute deeds of confirmation in favour of any other party with which the Transferor Company has a contract or arrangement, or give any such writing or do any such things, as may be necessary, to give effect to the above.
- g) In so far as loans and borrowings of the Transferor Company pertaining to the loans and liabilities, which are to be vested to the Transferee Company shall, without any further act or deed, become loans and borrowings of the Transferee Company, and all rights, powers, duties and obligations in relation thereto shall be and stand vested in and shall be exercised by or against the Transferee Company as if it had entered into such loans and incurred such borrowings. Thus, the primary obligation to redeem or repay such liabilities upon the Scheme becoming effective shall be that of the Transferee Company. However, without prejudice to such vesting of liability amount, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, the Transferee Company may discharge such liability (including accretions thereto) by making payments on the respective due dates to the Transferor Company, which in turn shall make payments to the respective creditors.
- h) The vesting of the assets comprised in Transferor Company to the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.



- i) The existing securities, mortgages, charges, encumbrances or liens or those, if any, created by the Transferor Company after the Appointed Date and during the Transition period, in terms of this Scheme, over the assets comprised in Transferor Company, or any part thereof, shall be vested in the Transferee Company by virtue of this Scheme, and the same shall, after the Transition period, continue to relate and attach to such assets or any part thereof to which they relate or attached prior to the Transition period and are vested with the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets, of the Transferor Company.
- j) In so far as the existing Encumbrances of Transferor Company, if any, in respect of the loans, borrowings, debts, liabilities, is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in Transferor Company which have been Encumbered in respect of the transferred liabilities as transferred to the Transferee Company pursuant to this Scheme. Provided that if any of the assets comprised in Transferor Company which are being transferred to the Transferee Company pursuant to this Scheme have not been Encumbered in respect of the transferred liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.
- k) In so far as the existing security in respect of the loans or borrowings of the Transferor Company and other liabilities relating to the Transferor Company are concerned, such security shall, without any further act, instrument or deed be continued with the Transferor Company. The Transferor Company and the Transferee Company shall file necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- l) The foregoing provisions insofar as they relate to the vesting of liabilities with the Transferee Company shall operate, notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security documents, all of which instruments shall stand modified and/or superseded by the foregoing provisions.
- m) With effect from the Appointed Date and during the Transition period, subject to the other provisions of the Scheme, all approvals (including but not limited to the transfer of SEEPZ Unit Nos 117, 118, 119 and 120 at SDF IV and SEEPZ Unit No. 172 at SDF VI at SEEPZ, Andheri East, Mumbai), quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever, privileges, deeds, bonds, quality certifications and approvals, powers of attorneys, agreements and other instruments of whatsoever nature in relation to Transferor Company is a party, or the benefit to which the Transferor Company may



be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company and may be enforced fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto so as to continuation of operations of the Transferor Company by the Transferee Company without any hindrance or disruption after the Transition period. The Transferee Company shall enter into and/or issue and/or execute deeds, writings, endorsements or confirmation or enter into any tripartite agreement, confirmations or novation's to which Transferor Company will, if necessary, also be a party, in order to give formal effect to the provisions of this Scheme, if so required or if it becomes necessary. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings, endorsements or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme. In case a question arises as to whether a specific asset or liability or contracts or employee, pertains or does not pertain to Transferor Company or whether it arises out of the activities or operations of Transferor Company shall be decided by the Board of the Transferor Company, or any committee constituted thereof. A certificate issued by the Board of Directors or the committee thereof in this respect shall be a conclusive evidence of the matter.

- n) With effect from the Appointed Date and upon the Scheme becoming effective, the entitlement to various benefits under incentive schemes and policies, if any, in relation to Transferor Company shall stand vested in and/or be deemed to have been vested in the Transferee Company together with all benefits, entitlements and incentives of any nature whatsoever. Such entitlements shall include (but shall not be limited to) income-tax, sales tax exemption / deferment, value added tax, turnover tax, excise duty, service tax, good and service tax, customs, export benefits and other incentives in relation to Transferor Company to be claimed by the Transferee Company with effect from the Appointed Date as if the Transferee Company were originally entitled to all such benefits under such incentive scheme and/or policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under such incentive schemes were made available to the Transferor Company. The Transferee Company shall be entitled to such benefits in its name, without any additional liabilities or expenses whatsoever.
- o) Any tax liability under the Income-tax Act, 1961, Customs Act 1962, Central Excise Act, 1944, Goods and Services Tax Act, 2017, State Value Added Tax laws, Central Sales Tax Act, 1956 or other applicable laws/ regulations dealing with taxes/ duties/ levies (herein referred to as 'Tax Laws') of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date related to Transferor Company shall be vested with the Transferee Company.



- p) All taxes (including income tax (including advance taxes paid, TDS deducted on behalf of the Transferor Company, etc.), a goods and services tax, sales tax, excise duty, service tax, VAT etc.) paid or payable by the Transferor Company in respect of the operations and/ or the profits of Transferor Company before the Appointed Date shall be on account of the Transferor Company and in so far as it relates to the tax payment (including, without limitation, sales tax, goods and services tax, excise duty, custom duty, income tax, service tax, VAT etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operations of Transferor Company after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.
- q) On and from the Appointed Date, if any Certificate for Tax Deducted at Source or any other tax credit certificate relating to Transferor Company is received in the name of the Transferor Company, it shall be deemed to have been received by the Transferee Company, which alone shall be entitled to claim credit for such tax deducted or paid.
- r) On and from the Appointed Date, the benefit of all balances relating to CENVAT or GST or Service Tax or VAT being balances pertaining to Transferor Company, if any, shall stand vested in the Transferee Company as if the transaction giving rise to the said balance or credit was a transaction carried out by the Transferee Company. The liabilities of Transferor Company as on the Appointed Date shall stand vested in the Transferee Company, save as otherwise in respect of the liabilities which were met by the Transferor Company during the Transition period, which shall be construed to have been met by the Transferee Company as if the transaction giving rise to the said liability was a transaction carried out by the Transferee Company.
- s) Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature in relation to the Transferor Company, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect before the Appointed Date and during the Transition period, shall continue in full force and effect on or against or in favour, as the case may be, 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 or thereunder. All liabilities arising from all such contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature in relation to the Transferor Company, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Appointed Date, shall be on account of the Transferor Company and after the Appointed Date, the same shall be on account of the Transferee Company and shall, in all proceedings, be dealt with accordingly.



t) If any assets (including estate, claims, rights, title, interest in or authorities relating to any asset) or any contracts, deeds, bonds, agreements, Schemes, arrangements or other instruments of whatsoever nature in relation to the Transferor Company owns or to which the Transferor Company is a party to, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company shall hold such assets, contracts, deeds, bonds, agreements, Schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Transferee Company, insofar as it is permissible so to do, till such time as the transfer is affected.

u) It is hereby clarified that the vesting of Transferor Company in the Transferee Company shall be on a going concern basis.

7. STAFF & EMPLOYEES

- 7.1. Upon the Scheme coming into effect, all staff and employees of the Transferor Company in service (including but not limited to permanent, temporary or contractual) immediately preceding the Effective Date shall be deemed to have become staff and employees of the Transferee Company with effect from the Appointed Date, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them in the Transferor Company immediately preceding the transfer.
- 7.2. The equitable interest in accounts/funds of the employees and staff, if any, whose services are vested with the Transferee Company, relating to superannuation, provident fund and gratuity fund shall be identified, determined and vested with the respective trusts/funds of the Transferee Company and such employees shall be deemed to have become members of such trusts/funds of Transferee Company. Until such time, the Transferor Company may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Transferor Company to the relevant funds of the Transferor Company.
- 7.3. The Transferee Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Transferor Company to which any of the Transferor Company is a party in order to give formal effect to the provisions of the Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized 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 behalf of the Transferor Company.



8. CHANGE IN OBJECT CLAUSE OF TRANSFEREE COMPANY

8.1. With effect from the Appointed Date, and upon the Scheme becoming effective, the main object clause of the Memorandum of Association of Transferee Company shall be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities Transferor Company, pursuant to the provisions of Sections 13 and 14 of the Companies Act, 2013 and other applicable provisions of the Act. Accordingly, the Memorandum of Association of the Transferee Company shall be altered and amended and necessary revisions in numbering of the clauses inserted shall be carried out. The following clause shall be added to the Memorandum of Association of Transferee Company and shall read as under:

“ ...

3. To provide business process outsourcing services including all types of design, production, electronic content, prepress and archival services pertaining to Book, Journal, Magazine, Legal, Financial, e-Commerce, e-Retail and all related services relating to e-Commerce, e-Retail and publishers, printers and other end customers Globally.

4. To undertake consulting, project management and end to end production services for publishers, printers and end customers directly or through Joint ventures, agency relationships or other Business Partnerships.

5. To produce, publish, distribute and or market any content electronically or otherwise, independently or on behalf of publishers, printers or end customers.”

8.2. For the purposes of amendment in the Memorandum of Association and Articles of Association of Transferee Company as provided in this Clause, the consent / approval given by the members of Transferee Company to this Scheme under the Companies Act, 2013 and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of members of Transferee Company as required under the provisions of Section 13 and 14 of the Companies Act, 2013 and any other applicable provisions of the Act shall be required to be passed for making such change / amendment in the Memorandum of Association and Articles of Association of Transferee Company and filing of the certified copy of this Scheme as sanctioned by the NCLT, and a printed copy of the Memorandum of Association for the purposes of said Section 13 and 14 of the Companies Act, 2013 and all other applicable provisions of the Act and the Registrar of Companies, Mumbai shall register the same and make the necessary alterations in the Memorandum of Association and Articles of Association of Transferee Company accordingly and shall certify the registration thereof in accordance with the provisions of Section 13 and 14 of the Companies Act, 2013 and any other applicable provisions of the Act.



- 8.3. Transferee Company shall file with the jurisdictional Registrar of Companies all requisite forms and complete the compliance and procedural requirements under the Act, if any.

9. LEGAL PROCEEDINGS

- 9.1. If any suit, appeal or other legal proceedings of whatsoever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation and by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made. In the event that the legal proceedings referred to herein require the Transferor Company and the Transferee Company to be jointly treated as parties thereto, Transferee Company shall be added as party to such proceedings and shall prosecute and defend such proceedings in co-operation with the Transferor Company.
- 9.2. The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of Transferor Company.
- 9.3. After the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the Transferor Company.

10. AMALGAMATION NOT TO AFFECT TRANSACTIONS / CONTRACTS OF TRANSFEROR COMPANY:

- 10.1. The amalgamation of Transferor Company and the continuance of the said proceedings by or against the Transferee Company shall not affect any transaction or proceedings already concluded by or against the Transferor Company after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done or executed by the Transferor Company after the Appointed Date as done and executed on its behalf. The said transfer and vesting pursuant to Section 232 of the Act, shall take effect from the Appointed Date unless the NCLT otherwise directs.

11. CONSIDERATION

- 11.1. Upon coming into effect of the Scheme and in consideration for amalgamation of Transferor Company into the Transferee Company, the Transferee Company shall, without any further application or deed, issue and allot equity shares of face value INR 5/- each, credited as fully paid up, to all the equity shareholders of the Transferor Company (except for the Transferee Company itself) whose names appear in the



register of members as on the Record Date 1 of the Transferor Company or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, in the following proportion:

“187 fully paid up Equity Shares of INR 5/- each of the Transferee Company shall be issued and allotted to the Equity Shareholders of the Transferor Company (except for the Transferee Company), in proportion to 100 equity shares held by them in the Transferor Company.”

- 11.2. Equity shares shall be issued by the Transferee Company in dematerialized form to those equity shareholders of the Transferor Company respectively (except for the Transferee Company itself) who hold shares of the Transferor Company in dematerialized form, in to the account in which the Transferee Company shares are held or such other account as is intimated by the shareholders to the Transferor Company and / or its Registrar.
- 11.3. In case any shareholders shareholding in the Transferor Company is such that such shareholder becomes entitled to a fraction of any equity share of Transferee Company, Transferee Company shall not issue fractional shares to such shareholder but shall consolidate such fractions and issue and allot the consolidated shares directly to a trustee nominated by the Board of Directors of Transferee Company in that behalf, who shall sell such shares in the market at such price(s) and at such time(s) as the trustee may in its sole discretion decide and on such sale, shall pay to Transferee Company, the net proceeds (after deduction of applicable taxes and other expenses incurred), whereupon Transferee Company shall, subject to withholding taxes, if any, distribute such sale proceeds to the concerned shareholders of Transferor Company in proportion to their respective fractional entitlements.
- 11.4. The Transferee Company shall take necessary steps to increase or alter or re-classify, (if necessary), its authorized share capital suitably to enable it to issue and allot equity shares required to be issued and allotted by it under this Scheme.
- 11.5. The new Equity Shares to be issued and allotted as provided in clause 11.1 above, shall rank *pari passu* in all respects with the then existing Equity Shares of the Transferee Company after the Record Date 1.
- 11.6. Approval of this Scheme by the equity shareholders of the Transferee Company shall be deemed to be the due compliance of the provisions of section 62 and section 42 of the Companies Act, 2013, and other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Transferee Company to the equity shareholders of the Transferor Company (except for the Transferee Company itself) respectively, as provided in this Scheme.



- 11.7. The issue and allotment of equity shares by the Transferee Company to the equity shareholders of the Transferor Company (except for the Transferee Company itself) as provided in this Scheme, shall be deemed, without any further act or deed by the Transferee Company, to be a private placement within the meaning of section 42 of the Companies Act, 2013 and it shall be deemed that the procedures laid down under the said section of the Act and any other applicable provisions of the Act were duly complied with.
- 11.8. The approval of this Scheme by the equity shareholders of both the companies under Sections 230 to 232 of the Act shall be deemed to have the approval under sections 13 and 14 of the Companies Act, 2013 and other applicable provisions of the Act and any other consents and approvals required in this regard.
- 11.9. The shares issued under this clause shall, in compliance with the applicable laws, be listed and admitted to trading on the stock exchanges pursuant to this scheme and the relevant SEBI circular. The Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the relevant SEBI circular and applicable laws and promptly take all steps to procure the listing of the shares issued by it pursuant to this clause.
- 11.10. The equity shares allotted by Transferee Company pursuant to the Scheme shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchanges.

12. ACCOUNTING TREATMENT

- 12.1. Amalgamation of the Transferor Company with the Transferee Company would be accounted in the books of the Transferee Company for by way of as per "Pooling of Interests Method" under Ind-AS 103 (Accounting for Business Combinations) and any other relevant Indian Accounting Standard prescribed under Section 133 of the Companies Act, 2013.

13. INCREASE IN AUTHORISED SHARE CAPITAL OF THE TRANSFEE COMPANY

- 13.1. Upon the Concurrent Scheme (as per Clause 21 of the Concurrent Scheme) being effective, the Authorised Capital increased as per the said Clause 21 of the Concurrent Scheme shall further stand increased and the Authorized Share Capital of the Transferor Company shall get combined and merged with that of the Transferee Company without payment of additional fees and duties as the said fees have already been paid and the Authorised Capital of the Transferee Company will be increased to that effect without any compliances in respect of the notices, meetings etc. but only by filing requisite statutory forms with the Registrar of Companies.



- 13.2. Thus, upon this Scheme becoming effective, the capital clause of the Transferee Company shall read as follows:

"Clause V

The Authorised Share Capital of the Company is Rs. 189,17,50,000 comprising of 10,42,50,000 (Ten Crores Forty Two Lakhs Fifty Thousand) Equity Shares of Rs. 5 each, 1,35,00,000 (One Crore Thirty Five Lakhs) Equity Shares of Rs. 10 each, 12,35,50,000 (Eleven Crores Eighty Five Lakhs Fifty Thousand) Redeemable Preference Shares of Rs. 10/- (Rupees Ten only) each with the rights, privileges and conditions attaching thereto as provided in the Articles of Association of the company for the time being. The Company shall have the power to increase or reduce the capital of the Company and to divide the shares in the capital into two classes and to attach to respectively such preferential, qualified or special rights, privileges or conditions as may be determine by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company

14. CONDUCT OF BUSINESS

14.1. Transferor Company as Trustee

- a. With effect from the Appointed Date and up to and including Effective Date, the Transferor Company shall carry on and shall be deemed to have carried on all their business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Transferor Company on account of and for the benefit of and in trust for, the Transferee Company, as the Transferee Company is taking over the business as going concern. The Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall neither undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for themselves or on behalf of any third parties, sell, transfer, alienate, charge, mortgage or encumber or deal with the assets of the Transferor Company or any part thereof save and except in the ordinary course of business as carried on by them as on the date of filing of this Scheme with the NCLT or if written consent of the Transferee Company has been obtained.

14.2. Profit or Losses up to Effective Date

- a. With effect from the Appointed Date and upto and including the Effective Date, all profits or incomes accruing or arising to the Transferor Company or all expenditure or losses incurred or arising, as the case may be, by the Transferor Company shall, for all



purposes, be treated and deemed to be and accrue as the profits or incomes or expenditures or losses, as the case may be, of the Transferee Company.

14.3. Taxes

- a. All taxes paid or payable by the Transferor Company in respect of the operations and / or profits of the business before the Appointed Date and from the Appointed Date till the Effective Date, shall be on account of the Transferor Company and in so far as it relates to the tax payment by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.
- b. Any refund under Income Tax Act, 1961 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Company and due to the Transferor Company consequent to the assessment made on the Transferor Company shall also belong to and be received by the Transferee Company.
- c. All taxes benefits of any nature, duties, cesses or any other like payments or deductions available to Transferor Company under Income Tax, Sales Tax, Value Added Tax, Service Tax etc. or any Tax deduction/Collections at Source, MAT Credit, tax credits, benefits of CENVAT credits, GST Credits, benefits of input credits up to the Effective Date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee company upon the passing of the order by the NCLT.

15. CANCELATION OF INTER-SE INVESTMENT BETWEEN THE TRANSFEROR COMPANY AND THE TRANSFEE COMPANY

- 15.1. In so far as the Equity shares of the Transferor Companies held by the Transferee Company, if any, as on the Effective Date are concerned, such shares would also be cancelled.
- 15.2. Pursuant to the Scheme becoming effective, the investment in the Transferee Company held by the Transferor Company shall be adjusted first against the balance in combined capital reserve, thereafter, the balance, if any, shall further be adjusted against the combined capital redemption reserve, thereafter, the balance, if any, shall further be adjusted against the balance in securities premium and thereafter, balance, if any, shall further be adjusted against the combined general reserves of the Transferee Company after giving effect to Clause 12 of this Scheme.
- 15.3. The adjustment against the capital reserve, capital redemption reserve and securities premium as per above, shall be effected as an integral part of the scheme and the orders of the NCLT sanctioning the scheme shall be deemed to be



an order under section 66 of the Act confirming the reduction and no separate sanction under section 66 of the Act will be necessary.

15.4. Notwithstanding the reduction of capital of the Transferee Company, the Transferee Company shall not be required to add "And Reduced" as suffix to its name.

16. ENFORCEMENT OF CONTRACTS, DEEDS, BONDS & OTHER INSTRUMENTS:

16.1. Subject to other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which the Transferor Company is a party subsisting or having effect immediately before the amalgamation, shall remain in full force and effect against or, as the case may be, in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company was a party thereto. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that amalgamation and vesting of the Transferor Company occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds, confirmations or other writings or arrangements to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized 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 to be carried out or performed.

16.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the Government Authorities concerned as may be necessary in this behalf.

17. MATTERS RELATING TO SHARE CERTIFICATES:

17.1. The Share Certificates held by the Shareholders of the Transferor Company shall automatically stand cancelled without any necessity of them being surrendered to the Transferee Company.



18. DISSOLUTION OF THE TRANSFEROR COMPANY

- 18.1. Upon the Scheme being sanctioned by an order made by the NCLT under Sections 230 to 232 of the Act and subject to the Effective Date, the Transferor Company shall stand dissolved without winding up on the Effective Date.

PART III – DEMERGER AND VESTING OF DEMERGED UNDERTAKING OF DATAMATICS GLOBAL SERVICES (UPON PART II BECOMING EFFECTIVE) INTO LDR ERETAIL LIMITED, ON A GOING CONCERN BASIS

19. TRANSFER AND VESTING OF DEMERGED UNDERTAKING INTO RESULTING COMPANY

- 19.1. Upon this Part II of this Scheme becoming effective, with effect from the Appointed Date and upon the Scheme becoming effective, the ERetail & Digital Publishing Services Undertaking or the Demerged Undertaking of the Demerged Company as a going concern, along with all assets, liabilities, contracts, employees, licences, records, approvals, etc. being integral parts of the ERetail & Digital Publishing Services Undertaking or the Demerged Undertaking of the Demerged Company shall, without any further act, instrument or deed, stand demerged and be vested in or be deemed to have been vested in the Resulting Company as a going concern so as to become as and from the Appointed Date, the undertaking of the Resulting Company by virtue of and in the manner provided in this Scheme.

- 19.2. Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

- a) All properties and assets, tangible or intangible, balance in bank, cash or investments and other assets of whatsoever nature and tax credits including under GST law, quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever for all intents and purposes, permissions under income tax and/or any other statutes, incentives of Demerged Company in relation to Demerged Undertaking, if any, without any further act or deed so as to become the business, properties and assets of the Resulting Company.
- b) All the movable assets of Demerged Undertaking or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to the Resulting Company to the end and intent that the property therein passes to the Resulting Company on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Resulting Company accordingly.



- c) All other movable properties of the Demerged Undertaking, including investments in shares of the subsidiaries of the Demerged Undertaking (including but not limited to investments in LDR ERetail Limited and Lumina Datamatics Inc.), mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the orders of this Scheme becoming effective and by operation of law become the properties of the Resulting Company, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of the Resulting company. All investments of the Demerged Undertaking shall be recorded in the name of the Resulting Company by operation of law as transmission in favour of the Resulting Company as a successor in interest and any documents of title in the name of the Demerged Company in relation to Demerged Undertaking shall also be deemed to have been mutated and recorded in the name of the Resulting Company to the same extent and manner as originally held by the Demerged Company in relation to Demerged Undertaking and enabling the ownership, right, title and interest therein as if the Resulting Company was originally the Demerged Company in relation to Demerged Undertaking. The Resulting Company shall subsequent to this Scheme becoming effective be entitled to the delivery and possession of all documents of title of such movable property in this regard;
- d) If and to the extent required, the Demerged Company in relation to Demerged Undertaking shall give notice in such form as it deems fit to such persons, that pursuant to this Scheme becoming effective, the said outstanding balances would be paid or made good to or held on account of, the Resulting Company, and the rights of the Demerged Company in relation to Demerged Undertaking will vest with the Resulting Company upon this Scheme becoming operative.
- e) All debts, liabilities, contingent liabilities, duties, taxes (including any advance taxes paid, TDS deducted on behalf of the Demerged Company in relation to Demerged Undertaking, etc.), GST liabilities, and obligations of Demerged Company in relation to Demerged Undertaking, as on the Appointed Date, whether provided for or not, in the books of accounts of the Demerged Company in relation to Demerged Undertaking, and all other liabilities which may accrue or arise after the Appointed Date but which relates to the Transition period, shall, pursuant to this Scheme becoming effective as per the order of the NCLT or such other competent authority, as may be applicable under Section 232 and other applicable provisions of the Act, and without any further act or deed, be vested or deemed to be vested in and be assumed by the Resulting Company, so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, taxes, duties and obligations of the Resulting Company on the same terms and conditions as were applicable to the Resulting Company and the Resulting Company undertakes to meet, discharge and satisfy to the exclusion of the Demerged Company in relation to Demerged



Undertaking and to keep the Demerged Company in relation to Demerged Undertaking indemnified at all times from and against all such debts, liabilities, contingent liabilities, duties, taxes and obligations of Demerged Company in relation to Demerged Undertaking from all actions, demands and proceedings in respect thereto.

- f) The Resulting Company, may, at any time after this Scheme coming into effect, if required under law or otherwise, execute deeds of confirmation in favour of any other party with which the Demerged Company in relation to Demerged Undertaking has a contract or arrangement, or give any such writing or do any such things, as may be necessary, to give effect to the above.
- g) In so far as loans and borrowings of the Demerged Company in relation to Demerged Undertaking pertaining to the loans and liabilities, which are to be vested to the Resulting Company shall, without any further act or deed, become loans and borrowings of the Resulting Company, and all rights, powers, duties and obligations in relation thereto shall be and stand vested in and shall be exercised by or against the Resulting Company as if it had entered into such loans and incurred such borrowings. Thus, the primary obligation to redeem or repay such liabilities upon the Scheme becoming effective shall be that of the Resulting Company. However, without prejudice to such vesting of liability amount, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, the Resulting Company may discharge such liability (including accretions thereto) by making payments on the respective due dates to the Demerged Company in relation to Demerged Undertaking, which in turn shall make payments to the respective creditors.
- h) The vesting of the assets comprised in Demerged Company in relation to Demerged Undertaking to the Resulting Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.
- i) The existing securities, mortgages, charges, encumbrances or liens or those, if any, created by the Demerged Company in relation to Demerged Undertaking after the Appointed Date and during the Transition period, in terms of this Scheme, over the assets comprised in Demerged Company in relation to Demerged Undertaking, or any part thereof, shall be vested in the Resulting Company by virtue of this Scheme, and the same shall, after the Transition period, continue to relate and attach to such assets or any part thereof to which they relate or attached prior to the Transition period and are vested with the Resulting Company, and such Encumbrances shall not relate or attach to any of the other assets, of the Demerged Company in relation to Demerged Undertaking.
- j) In so far as the existing Encumbrances, if any, in respect of the loans, borrowings, debts, liabilities, is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over



the assets comprised in Demerged Company in relation to Demerged Undertaking which have been Encumbered in respect of the transferred liabilities as transferred to the Resulting Company pursuant to this Scheme. Provided that if any of the assets comprised in Demerged Company in relation to Demerged Undertaking which are being transferred to the Resulting Company pursuant to this Scheme have not been Encumbered in respect of the transferred liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

- k) In so far as the existing security in respect of the loans or borrowings of the Demerged Company in relation to Demerged Undertaking and other liabilities relating to the Demerged Company in relation to Demerged Undertaking are concerned, such security shall, without any further act, instrument or deed be continued with the Demerged Company in relation to Demerged Undertaking. The Demerged Company in relation to Demerged Undertaking and the Resulting Company shall file necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- l) The foregoing provisions insofar as they relate to the vesting of liabilities with the Resulting Company shall operate, notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security documents, all of which instruments shall stand modified and/or superseded by the foregoing provisions.
- m) With effect from the Appointed Date and during the Transition period, subject to the other provisions of the Scheme, all approvals (including but not limited to the transfer of SEEPZ Unit Nos 117, 118, 119 and 120 at SDF IV and SEEPZ Unit No. 172 at SDF VI at SEEPZ, Andheri East, Mumbai), quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever, privileges, deeds, bonds, quality certifications and approvals, powers of attorneys, agreements and other instruments of whatsoever nature in relation to Demerged Company in relation to Demerged Undertaking is a party, or the benefit to which the Demerged Company in relation to Demerged Undertaking may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of the Resulting Company and may be enforced fully and effectively as if instead of the Demerged Company in relation to Demerged Undertaking, the Resulting Company had been a party or beneficiary thereto so as to continuation of operations of the Demerged Company in relation to Demerged Undertaking by the Resulting Company without any hindrance or disruption after the Transition period. The Resulting Company shall enter into and/or issue and/or execute deeds, writings, endorsements or confirmation or enter into any tripartite agreement, confirmations or novation's to which Demerged Company in relation to Demerged Undertaking will, if necessary, also be a party, in



order to give formal effect to the provisions of this Scheme, if so required or if it becomes necessary. Further, the Resulting Company shall be deemed to be authorized to execute any such deeds, writings, endorsements or confirmations on behalf of the Demerged Company in relation to Demerged Undertaking and to implement or carry out all formalities required on the part of the Demerged Company in relation to Demerged Undertaking to give effect to the provisions of this Scheme. In case a question arises as to whether a specific asset or liability or contracts or employee, pertains or does not pertain to Demerged Company in relation to Demerged Undertaking or whether it arises out of the activities or operations of Demerged Company in relation to Demerged Undertaking shall be decided by the Board of the Demerged Company in relation to Demerged Undertaking, or any committee constituted thereof. A certificate issued by the Board of Directors or the committee thereof in this respect shall be a conclusive evidence of the matter.

- n) With effect from the Appointed Date and upon the Scheme becoming effective, the entitlement to various benefits under incentive schemes and policies, if any, in relation to Demerged Company in relation to Demerged Undertaking shall stand vested in and/or be deemed to have been vested in the Resulting Company together with all benefits, entitlements and incentives of any nature whatsoever. Such entitlements shall include (but shall not be limited to) income-tax, sales tax exemption / deferment, value added tax, turnover tax, excise duty, service tax, good and service tax, customs, export benefits and other incentives in relation to Demerged Company in relation to Demerged Undertaking to be claimed by the Resulting Company with effect from the Appointed Date as if the Resulting Company were originally entitled to all such benefits under such incentive scheme and/or policies, subject to continued compliance by the Resulting Company of all the terms and conditions subject to which the benefits under such incentive schemes were made available to the Demerged Company in relation to Demerged Undertaking. The Resulting Company shall be entitled to such benefits in its name, without any additional liabilities or expenses whatsoever.
- o) Any tax liability under the Income-tax Act, 1961, Customs Act 1962, Central Excise Act, 1944, Goods and Services Tax Act, 2017, State Value Added Tax laws, Central Sales Tax Act, 1956 or other applicable laws/ regulations dealing with taxes/ duties/ levies (herein referred to as "Tax Laws") allocable or related to the Demerged Undertaking to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date related to Demerged Company in relation to Demerged Undertaking shall be vested with the Resulting Company.
- p) All taxes (including income tax (including advance taxes paid, TDS deducted on behalf of the Demerged Company in relation to Demerged Undertaking, etc.), a goods and services tax, sales tax, excise duty, service tax, VAT etc.) paid or payable by the Demerged Company in relation to Demerged Undertaking in respect of the



operations and/ or the profits of Demerged Company in relation to Demerged Undertaking before the Appointed Date shall be on account of the Demerged Company in relation to Demerged Undertaking and in so far as it relates to the tax payment (including, without limitation, sales tax, goods and services tax, excise duty, custom duty, income tax, service tax, VAT etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Demerged Company in relation to Demerged Undertaking in respect of the profits or activities or operations of Demerged Company in relation to Demerged Undertaking after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company and shall in all proceedings be dealt with accordingly.

- q) On and from the Appointed Date, if any Certificate for Tax Deducted at Source or any other tax credit certificate relating to Demerged Company in relation to Demerged Undertaking is received in the name of the Demerged Company in relation to Demerged Undertaking, it shall be deemed to have been received by the Resulting Company, which alone shall be entitled to claim credit for such tax deducted or paid.
- r) On and from the Appointed Date, the benefit of all balances relating to CENVAT or GST or Service Tax or VAT being balances pertaining to Demerged Company in relation to Demerged Undertaking, if any, shall stand vested in the Resulting Company as if the transaction giving rise to the said balance or credit was a transaction carried out by the Resulting Company. The liabilities of Demerged Company in relation to Demerged Undertaking as on the Appointed Date shall stand vested in the Resulting Company, save as otherwise in respect of the liabilities which were met by the Demerged Company in relation to Demerged Undertaking during the Transition period, which shall be construed to have been met by the Resulting Company as if the transaction giving rise to the said liability was a transaction carried out by the Resulting Company.
- s) Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature in relation to the Demerged Company in relation to Demerged Undertaking, to which the Demerged Company in relation to Demerged Undertaking is a party or to the benefit of which the Demerged Company in relation to Demerged Undertaking may be eligible, and which are subsisting or have effect before the Appointed Date and during the Transition period, shall continue in full force and effect on or against or in favour, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if instead of the Demerged Company in relation to Demerged Undertaking, the Resulting Company had been a party or beneficiary or obligee thereto or thereunder. All liabilities arising from all such contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature in relation to the Demerged Company in relation to Demerged Undertaking, to which the Demerged Company in relation to Demerged Undertaking is a party or to the benefit of which the Demerged



Company in relation to Demerged Undertaking may be eligible, and which are subsisting or have effect immediately before the Appointed Date, shall be on account of the Demerged Company in relation to Demerged Undertaking and after the Appointed Date, the same shall be on account of the Resulting Company and shall, in all proceedings, be dealt with accordingly.

- t) If any assets (including estate, claims, rights, title, interest in or authorities relating to any asset) or any contracts, deeds, bonds, agreements, Schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Company in relation to Demerged Undertaking owns or to which the Demerged Company in relation to Demerged Undertaking is a party to, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company in relation to Demerged Undertaking shall hold such assets, contracts, deeds, bonds, agreements, Schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as the transfer is affected.
- u) It is hereby clarified that the vesting of Demerged Undertaking of the Demerged Company in the Resulting Company shall be on a going concern basis.

20. STAFF & EMPLOYEES

- 20.1. Upon the Scheme coming into effect, all staff and employees of the Demerged Undertaking of the Demerged Company in service (including but not limited to permanent, temporary or contractual) immediately preceding the Effective Date shall be deemed to have become staff and employees of the Resulting Company with effect from the Appointed Date, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Resulting Company shall not be less favorable than those applicable to them in the Demerged Undertaking of the Demerged Company immediately preceding the transfer.
- 20.2. The equitable interest in accounts/funds of the employees and staff, if any, whose services are vested with the Resulting Company, relating to superannuation, provident fund and gratuity fund shall be identified, determined and vested with the respective trusts/funds of the Resulting Company and such employees shall be deemed to have become members of such trusts/funds of Resulting Company. Until such time, the Demerged Company in relation to the Demerged Undertaking may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Demerged Company in relation to the Demerged Undertaking to the relevant funds of the Demerged Company in relation to the Demerged Undertaking.



20.3. The Resulting Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Demerged Company in relation to the Demerged Undertaking to which any of the Demerged Company in relation to the Demerged Undertaking is a party in order to give formal effect to the provisions of the Scheme. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company in relation to the Demerged Undertaking and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Demerged Company in relation to the Demerged Undertaking.

21. CHANGE IN OBJECT CLAUSE OF RESULTING COMPANY

21.1. With effect from the Appointed Date, and upon the Scheme becoming effective, the main object clause of the Memorandum of Association of Resulting Company shall be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities Demerged Company in relation to the Demerged Undertaking, pursuant to the provisions of Sections 13 and 14 of the Companies Act, 2013 and other applicable provisions of the Act. Accordingly, the Memorandum of Association of the Resulting Company shall be altered and amended and necessary revisions in numbering of the clauses inserted shall be carried out. The following clause shall be added to the Memorandum of Association of Resulting Company and shall read as under:

“...

3. To provide business process outsourcing services including all types of design, production, electronic content, prepress and archival services pertaining to Book, Journal, Magazine, Legal, Financial, e-Commerce, e-Retail and all related services relating to e-Commerce, e-Retail and publishers, printers and other end customers Globally.

4. To undertake consulting, project management and end to end production services for publishers, printers and end customers directly or through Joint ventures, agency relationships or other Business Partnerships.

5. To produce, publish, distribute and or market any content electronically or otherwise, independently or on behalf of publishers, printers or end customers.”

21.2. For the purposes of amendment in the Memorandum of Association and Articles of Association of Resulting Company as provided in this Clause, the consent / approval given by the members of Resulting Company to this Scheme under the Companies Act, 2013 and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of members of Resulting Company as required under the provisions of Section 13 and 14 of the Companies Act, 2013 and any other applicable



provisions of the Act shall be required to be passed for making such change / amendment in the Memorandum of Association and Articles of Association of Resulting Company and filing of the certified copy of this Scheme as sanctioned by the NCLT, and a printed copy of the Memorandum of Association for the purposes of said Section 13 and 14 of the Companies Act, 2013 and all other applicable provisions of the Act and the Registrar of Companies, Mumbai shall register the same and make the necessary alterations in the Memorandum of Association and Articles of Association of Resulting Company accordingly and shall certify the registration thereof in accordance with the provisions of Section 13 and 14 of the Companies Act, 2013 and any other applicable provisions of the Act.

- 21.3. Resulting Company shall file with the jurisdictional Registrar of Companies all requisite forms and complete the compliance and procedural requirements under the Act, if any.

22. LEGAL PROCEEDINGS

- 22.1. If any suit, appeal or other legal proceedings of whatsoever nature by or against the Demerged Company in relation to the Demerged Undertaking is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the demerger and by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Resulting Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Demerged Company in relation to the Demerged Undertaking as if this Scheme had not been made. In the event that the legal proceedings referred to herein require the Demerged Company in relation to the Demerged Undertaking and the Resulting Company to be jointly treated as parties thereto, Resulting Company shall be added as party to such proceedings and shall prosecute and defend such proceedings in co-operation with the Demerged Company in relation to the Demerged Undertaking.
- 22.2. The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company in relation to the Demerged Undertaking referred to above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of Demerged Company in relation to the Demerged Undertaking.
- 22.3. After the Effective Date, the Resulting Company shall and may, if required, initiate any legal proceedings in relation to the Demerged Company in relation to the Demerged Undertaking.



23. DEMERGER NOT TO AFFECT TRANSACTIONS / CONTRACTS OF DEMERGED COMPANY IN RELATION TO THE DEMERGED UNDERTAKING:

23.1. The demerger of the Demerged Undertaking of the Demerged Company and the continuance of the said proceedings by or against the Demerged Company in relation to the Demerged Undertaking shall not affect any transaction or proceedings already concluded by or against the Demerged Company in relation to the Demerged Undertaking after the Appointed Date to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done or executed by the Demerged Company in relation to the Demerged Undertaking after the Appointed Date as done and executed on its behalf. The said transfer and vesting pursuant to Section 232 of the Act, shall take effect from the Appointed Date unless the NCLT otherwise directs.

24. CONSIDERATION

24.1. Upon coming into effect of the Scheme and in consideration for demerger of Demerged Undertaking of the Demerged Company into the Resulting Company, the Resulting Company shall, without any further application or deed, issue and allot equity shares of face value INR 5/- each, credited as fully paid up, to all the equity shareholders of the Demerged Company whose names appear in the register of members as on the Record Date 2 of the Demerged Company or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, in the following proportion:

“2,00,00,000 fully paid up Equity Shares of INR 5/- each of the Resulting Company shall be issued and allotted to the Equity Shareholders of the Demerged Company, in proportion to their shareholding in DGSL.”

24.2. Equity shares shall be issued by the Resulting Company in dematerialized form to those equity shareholders of the Demerged Company who hold shares of the Demerged Company in dematerialized form, in to the account in which the Resulting Company shares are held or such other account as is intimated by the shareholders to the Demerged Company and / or its Registrar. All those shareholders who hold shares of the Demerged Company in physical form shall also have the option to receive the equity shares in the Resulting Company in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to the Resulting Company and / or its Registrar. Otherwise, they would be issued equity shares in physical form.

24.3. In case any shareholders shareholding in the Demerged Company is such that such shareholder becomes entitled to a fraction of any equity share of Resulting Company, Resulting Company shall not issue fractional shares to such shareholder but shall consolidate such fractions and issue and allot the consolidated shares directly to a



trustee nominated by the Board of Directors of Resulting Company in that behalf, who shall sell such shares in the market at such price(s) and at such time(s) as the trustee may in its sole discretion decide and on such sale, shall pay to Resulting Company, the net proceeds (after deduction of applicable taxes and other expenses incurred), whereupon Resulting Company shall, subject to withholding taxes, if any, distribute such sale proceeds to the concerned shareholders of Demerged Company in proportion to their respective fractional entitlements.

- 24.4. The Resulting Company shall take necessary steps to increase or alter or re-classify, (if necessary), its authorized share capital suitably to enable it to issue and allot equity shares required to be issued and allotted by it under this Scheme.
- 24.5. The equity shares to be issued and allotted as provided in clause 24.2 above, shall rank *pari passu* in all respects with the then existing equity shares of the Resulting Company after the Record Date 2.
- 24.6. Approval of this Scheme by the equity shareholders of the Resulting Company shall be deemed to be the due compliance of the provisions of section 62 and section 42 of the Companies Act, 2013, and other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Resulting Company to the equity shareholders of the Demerged Company, as provided in this Scheme.
- 24.7. The issue and allotment of equity shares by the Resulting Company to the equity shareholders of the Demerged Company as provided in this Scheme, shall be deemed, without any further act or deed by the Resulting Company Company, to be a private placement within the meaning of section 42 of the Companies Act, 2013 and it shall be deemed that the procedures laid down under the said section of the Act and any other applicable provisions of the Act were duly complied with.
- 24.8. The approval of this Scheme by the equity shareholders of both the companies under Sections 230 to 232 of the Act shall be deemed to have the approval under sections 13 and 14 of the Companies Act, 2013 and other applicable provisions of the Act and any other consents and approvals required in this regard.
- 24.9. The shares issued under this clause shall, in compliance with the applicable laws, be listed and admitted to trading on the stock exchanges pursuant to this scheme and the relevant SEBI circular. The Resulting Company shall make all requisite applications and shall otherwise comply with the provisions of the relevant SEBI circular and applicable laws and promptly take all steps to procure the direct listing of the shares issued by it pursuant to this clause.
- 24.10. Resulting Company shall, if and to the extent required to, apply for and obtain any approvals from the Governmental Authorities including Reserve Bank of India, for the issue and allotment of Equity Shares by Resulting Company to the non- resident equity shareholders of Demerged Company.



- 24.11. The equity shares allotted by Resulting Company pursuant to the Scheme shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchanges.
- 24.12. Equity Shares to be issued by Resulting Company pursuant in respect of any Demerged Company Equity Shares and which are held in abeyance, if any under the provisions of Section 126 of the Companies Act, 2013 (corresponding provision of Section 206A of the Companies Act, 1956) or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be held in abeyance by Resulting Company.
- 24.13. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Demerged Company, shall be empowered prior to or even subsequent to the Record Date 2, to effectuate such transfers in Demerged Company as if such changes in registered holders were operative as on the Records Date 2, in order to remove any difficulties arising to the transferors of the shares in relation to the shares issued by the Resulting Company. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties that may arise in the course of implementation of this Scheme and registration of new shareholders in the Resulting Company on account of difficulties faces in the transition period.

25. ACCOUNTING TREATMENT

Upon the Scheme becoming effective, the Resulting Company and the Demerged Company shall account for demerger in their respective books of account as under:

25.1. In the books of Resulting Company

The Resulting Company shall give effect to the accounting treatment in its books of account in accordance with the "Pooling of Interests Method" under Ind-AS 103 (Accounting for Business Combinations) and any other relevant Indian Accounting Standard prescribed under Section 133 of the Companies Act, 2013.

25.2. In the books of Demerged Company

The Demerged Company shall give effect to the accounting treatment in its books of account in accordance with the relevant Indian Accounting Standard prescribed under Section 133 of the Act.

26. CONDUCT OF BUSINESS

26.1. Demerged Company in relation to the Demerged Undertaking as Trustee

With effect from the Appointed Date and up to and including Effective Date, the Demerged Company in relation to the Demerged Undertaking shall carry on and



shall be deemed to have carried on all their business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Demerged Company in relation to the Demerged Undertaking on account of and for the benefit of and in trust for, the Resulting Company, as the Resulting Company is taking over the business as going concern. The Demerged Company in relation to the Demerged Undertaking shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall neither undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for themselves or on behalf of any third parties, sell, transfer, alienate, charge, mortgage or encumber or deal with the assets of the Demerged Company in relation to the Demerged Undertaking or any part thereof save and except in the ordinary course of business as carried on by them as on the date of filing of this Scheme with the NCLT or if written consent of the Resulting Company has been obtained.

26.2. Profit or Losses up to Effective Date

With effect from the Appointed Date and upto and including the Effective Date, all profits or incomes accruing or arising to the Demerged Company in relation to the Demerged Undertaking or all expenditure or losses incurred or arising, as the case may be, by the Demerged Company in relation to the Demerged Undertaking shall, for all purposes, be treated and deemed to be and accrue as the profits or incomes or expenditures or losses, as the case may be, of the Resulting Company.

26.3. Taxes

All taxes paid or payable by the Demerged Company in relation to the Demerged Undertaking in respect of the operations and / or profits of the business before the Appointed Date and from the appointed date till the Effective Date, shall be on account of the Demerged Company in relation to the Demerged Undertaking and in so far as it relates to the tax payment by the Demerged Company in relation to the Demerged Undertaking in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company and shall in all proceedings be dealt with accordingly.

Any refund under Income Tax Act, 1961 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Demerged Company in relation to the Demerged Undertaking and due to the Demerged Company in relation to the Demerged Undertaking consequent to the assessment made on the Demerged Company in relation to the Demerged Undertaking shall also belong to and be received by the Resulting Company.



All taxes benefits of any nature, duties, cesses or any other like payments or deductions available to Demerged Company in relation to the Demerged Undertaking under Income Tax, Sales Tax, Value Added Tax, Service Tax etc. or any Tax deduction/Collections at Source, MAT Credit, tax credits, benefits of CENVAT credits, GST Credits, benefits of input credits up to the Effective Date shall be deemed to have been on account of or paid by the Resulting Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Resulting company upon the passing of the order by the NCLT.

27. REDUCTION IN PAID UP SHARE CAPITAL OF THE RESULTING COMPANY

27.1. Upon the issuance and allotment of equity shares pursuant to Clause 24 above, the existing shares (equity shares and preference shares) i.e. shares held by the shareholders of the Resulting Company prior to the Scheme becoming effective shall stand cancelled without any further application, act, instrument or deed, as an integral part of this Scheme.

27.2. The share certificate(s) in relation to the shares held by the existing shareholders of the Resulting Company as on the date of issue and allotment above, shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and no new share certificates will be issued by the Resulting Company, in lieu of share certificates already held by existing shareholders of the Resulting Company in the Resulting Company.

27.3. Such reduction of share capital of the Resulting Company shall be adjusted against the reserves of the Resulting Company and shall be effected as an integral part of the scheme and the orders of the NCLT sanctioning the scheme shall be deemed to be an order under section 66 of the Act confirming the reduction and no separate sanction under section 66 of the Act will be necessary.

27.4. Notwithstanding the reduction of capital of the Resulting Company, the Resulting Company shall not be required to add "And Reduced" as suffix to its name.

28. ENFORCEMENT OF CONTRACTS, DEEDS, BONDS & OTHER INSTRUMENTS:

28.1. Subject to other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which the Demerged Company in relation to the Demerged Undertaking is a party subsisting or having effect immediately before the amalgamation, shall remain in full force and effect against or, as the case may be, in favour of the Resulting Company and may be enforced as fully and effectively as if instead of the Demerged Company in relation to the Demerged Undertaking, the Resulting Company was a party thereto. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that



demerged and vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds, confirmations or other writings or arrangements to which the Demerged Company in relation to the Demerged Undertaking is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company in relation to the Demerged Undertaking and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company in relation to the Demerged Undertaking to be carried out or performed.

- 28.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Demerged Undertaking shall stand transferred to the Resulting Company and the Resulting Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Resulting Company. The Resulting Company shall receive relevant approvals from the Government Authorities concerned as may be necessary in this behalf.

29. CHANGE OF NAME OF THE RESULTING COMPANY:

- 29.1. Upon this scheme becoming effective, without any further act, instrument or deed, the name of the Resulting Company shall be changed to "Lumina Datamatics Limited". Further, the name "LDR ERetail Limited" wherever occurs in the memorandum of association and articles of association of the Resulting Company shall be substituted by such name.
- 29.2. The approval and consent of this scheme by the shareholders of the Resulting Company shall be deemed to be the approval of shareholders by way of special resolution under section 13 of the Companies Act, 2013 for change of name of the Resulting Company as contemplated herein and shall be deemed to be sufficient for the purpose of effecting the amendments in the memorandum of association and articles of association of the Resulting Company in relation to the change of name of Resulting Company in accordance with provisions of the Companies Act, 2013. The sanction of this scheme by the NCLT shall be deemed and no further resolution(s) would be required to be separately passed to be complying with the provisions of the Companies Act, 2013, for the purpose of effecting the change in name of the Resulting Company.



- 29.3. The Board of Directors and the shareholders of the Transferor Company shall not have any objection to the adoption and use of the name "Lumina Datamatics Limited" by the Resulting Company pursuant to the scheme.

PART IV - GENERAL TERMS AND CONDITIONS

30. APPLICATION TO NCLT

- 30.1. Necessary applications and / or petitions by the Transferor Company, Transferee Company / Demerged Company and the Resulting Company shall be made for the sanction of the Composite Scheme of Arrangement to the NCLT, for sanctioning of this Scheme under the provisions of law and obtain all approvals as may be required under the law.

31. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 31.1. Subject to approval of NCLT, the respective Boards or the respective authorized representative appointed by the Board of the Transferor Company, Transferee Company / Demerged Company and the Resulting Company may make modifications or assent to any modifications, alterations or amendments of this Scheme or any conditions which the NCLT and / or any other competent authority may deem fit to direct or impose and the said respective Boards and after dissolution of the Transferor Company, the Board of the Transferee Company / Demerged Company and the Resulting Company may do all such acts, things and deeds necessary in connection with or to carry out the Scheme into effect and take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any order of the NCLT or any directions or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and / or matters concerned or connected therewith.

- 31.2. The Transferor Company, Transferee Company / Demerged Company and the Resulting Company may withdraw this Scheme prior to the Effective Date at any time.

32. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is conditional upon and subject to:

- 32.1. The approval by the requisite majorities of the respective members and / or creditors (including but not limited to secured and unsecured) of the Transferor Company, Transferee Company / Demerged Company and the Resulting Company, as required under the Act and directed by the NCLT.
- 32.2. The Scheme being approved by a shareholders' resolution of the Transferee Company / Demerged Company passed by way of e-voting in terms of Para I(A)(9) of Annexure 1 of the SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and other SEBI



guidelines, as may be amended from time to time, wherein it is provided that the Scheme shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it.

32.3. The Concurrent Scheme being made effective in terms of the provisions of the Companies Act, 2013.

32.4. The appointed date having ensued.

32.5. The sanction or approval of the authorities concerned being obtained and granted in respect of any of the matters for which such sanction or approval being required.

32.6. The sanction of the Scheme by the NCLT under Sections 230 to 232 of the Act and other applicable provisions of the Act.

32.7. The requisite orders of the NCLT being obtained for sanctioning the Scheme under Section 230 read with Section 232 of the Act being filed with the concerned Registrar of Companies.

33. OPERATIVE DATE OF THE SCHEME

33.1. The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date.

34. BINDING EFFECT

34.1. Upon the Scheme becoming effective, the same shall be binding on the Transferor Company, Transferee Company / Demerged Company and the Resulting Company and all concerned parties without any further act, deed, matter or thing.

35. EFFECT OF NON-RECEIPT OF APPROVALS

35.1. In the event any of the said approvals or sanctions referred to above not being obtained or conditions enumerated in the Scheme not being complied with, or for any other reason, the Scheme cannot be implemented, the Boards of Directors or committee empowered thereof of the Transferor Company, Transferee Company / Demerged Company and the Resulting Company shall by mutual agreement waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void and shall stand revoked, cancelled and be of no effect and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.



36. GIVING EFFECT TO THE SCHEME

- 36.1. For the purpose of giving effect to the Scheme, the Board of Directors of the Transferor Company, Transferee Company / Demerged Company and the Resulting Company or any Committee thereof, is authorized to give such directions as may be necessary or desirable and to settle as they may deem fit, any question, doubt or difficulty that may arise in connection with or in the working of the Scheme and to do all acts, deeds and things necessary for carrying into effect the Scheme.

37. DECLARATION OF DIVIDEND, BONUS, ETC.

- 37.1. Transferor Company, Transferee Company / Demerged Company and the Resulting Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date but only in the ordinary course of business. Any declaration or payment of dividend otherwise than as aforesaid, by Transferor Company, Transferee Company / Demerged Company and the Resulting Company shall be subject to the prior approval of the Board of Directors of respective companies and in accordance with applicable laws. It is clarified that prior approval of any of the Board of the Directors shall not be required for payment of any dividend already announced or declared but yet to be paid, by either of Transferor Company, Transferee Company / Demerged Company and the Resulting Company to its shareholders.
- 37.2. Transferor Company or the Demerged Company in relation to the Demerged Undertaking shall not utilize the profits or income, if any, for the purpose of declaring or paying any dividend to its shareholders or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of Transferee Company and the Resulting Company respectively.
- 37.3. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of Transferor Company, Transferee Company / Demerged Company and the Resulting Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of Transferor Company, Transferee Company / Demerged Company and the Resulting Company and subject, wherever necessary, to the approval of the shareholders of Transferor Company, Transferee Company / Demerged Company and the Resulting Company, respectively.

38. COSTS

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferor Company, Transferee Company / Demerged Company and the Resulting Company as decided by the Board or any committee constituted thereof of respective companies, by mutual decision.

