

LTI/SE/STAT/2021-22/70

September 8, 2021

National Stock Exchange of India Limited  
Exchange Plaza, Bandra-Kurla Complex  
Bandra (E), Mumbai - 400 051  
**NSE Symbol: LTI**

The BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001  
**BSE Scrip Code: 540005**

Dear Sirs,

Subject: **Update on Scheme of Amalgamation between Syncordis Software Services India Private Limited and Ruletronics Systems Private Limited with Larsen & Toubro Infotech Limited ('the Company')**

In continuation to our previous disclosures vide letter no. LTI/SE/STAT/2020-21/55 dated October 20, 2020 and letter no. LTI/SE/STAT/2020-21/64 dated November 13, 2020, we wish to inform you that the Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated July 16, 2021 has sanctioned the Scheme of Amalgamation between Syncordis Software Services India Private Limited and Ruletronics Systems Private Limited ("Transferor Companies"), wholly owned subsidiaries, with the Company ("Transferee Company") and their respective shareholders ("Scheme of Amalgamation"). The Company received the certified true copy of the order on September 6, 2021 and to make the Scheme of Amalgamation effective, the Company has filed the same with Registrar of Companies, Mumbai today on September 8, 2021.

The Appointed date of the Scheme is April 1, 2021.

We request you to kindly take the above information on record.

Thanking You,  
Yours sincerely,  
**For Larsen & Toubro Infotech Limited**

**Manoj Koul**  
**Company Secretary & Compliance Officer**  
**Membership No.: ACS 16902**

Encl: As above

**Larsen & Toubro Infotech Ltd.**

Technology Tower 1, Gate No.5, Saki Vihar Road, Powai, Mumbai-400072, India  
T +91 22 6776 6776 | F +91 22 2858 1130



IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT - 5

C.P.(CAA)/36/MB/2021

IN

C.A. (CAA)/1137/MB/2020

In the matter of the Companies Act, 2013; and In the matter of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder

and

In the matter of Scheme of Amalgamation of Syncordis Software Services India Private Limited having CIN U72900MH2015FTC340700 ("Transferor Company 1")

and

Ruletronics Systems Private Limited having CIN U72200MH2014PTC341550 ("Transferor Company 2")

with

Larsen & Toubro Infotech Limited having CIN L72900MH1996PLC104693 ("Transferee Company")

and their respective shareholders ("Scheme")



IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT - V

C.P. (CAA)/36/MB/2021 IN  
C.A. (CAA)/1137/MB/2020

Syncordis Software Services India Private )  
Limited, a Company incorporated under the )  
provisions of the Companies Act, 2013 having )  
its registered office at, Ground Floor, )  
Technology Tower – I, Gate No.5, Near Saki )  
Vihar Road, Powai, Mumbai – 400072, )...Transferor Company 1 /First  
Maharashtra, India Petitioner Company

Ruletronics Systems Private Limited, a )  
Company incorporated under the provisions )  
of the Companies Act, 2013 having its )  
registered office at, Ground Floor, Technology )  
Tower – I, Gate No.5, Near Saki Vihar Road, )...Transferor Company 2/ Second  
Powai, Mumbai – 400072, Maharashtra, India Petitioner Company

Larsen & Toubro Infotech Limited, a Company )  
incorporated under the provisions of the )  
Companies Act, 1956 having its registered )  
office at L&T House, Ballard Estate, Mumbai )...Transferee Company/ Third  
400001 Maharashtra, India Petitioner Company

The First Petitioner Company, the Second Petitioner Company and the  
Third Petitioner Company are collectively known as "Petitioners  
Companies".

Order Pronounced on: 16.07.2021

Coram:

Hon'ble Smt. Suchitra Kanuparthi: Member (Judicial)  
Hon'ble Shri. Chandra Bhan Singh: Member (Technical)

Appearances (via videoconferencing):



For the Petitioners: Mr. Ajit Singh Tawar, a/w Mr. Vikas  
Agarwal and Ms. M Swati i/b Lega Logic  
Consulting, Advocates for the  
Petitioners.

For the Regional Director: Ms. Rupa Sutar.

Per: Suchitra Kanuparthi, Member (J)

ORDER

1. This Court is convened through videoconferencing today.
2. Heard the Learned Counsel for the Petitioner Companies. No objector has come before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in the Petition.
3. The sanction of this Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, to the Scheme of Amalgamation of Syncordis Software Services India Private Limited having CIN U72900MH2015FTC340700 ("Transferor Company 1") and Ruletronics Systems Private Limited having CIN U72200MH2014PTC341550 ("Transferor Company 2") with Larsen & Toubro Infotech Limited having CIN L72900MH1996PLC104693 ("Transferee Company") and their respective shareholders ("Scheme").
4. The Transferor Company 1 and Transferor Company 2 are wholly owned subsidiaries of the Transferee Company.
5. The Learned Counsel for the Petitioner Companies submits that the First Petitioner Company is engaged in the business of software designing,



development, offers its clients a unique range of implementation and production support services, including customised services; the Second Petitioner Company is engaged in the business to provide innovative, strategic, cost effective end-to-end business process management and customer relationship management solutions and help organizations to build software solutions and products and; the Third Petitioner Company is engaged in the business of global technology consulting and digital solutions.

6. The Petitioner Companies have approved the Scheme by passing the Board Resolutions in their respective board meetings held on 28.09.2020 for the First and Second Petitioner Company and 20.10.2020 for the Third Petitioner Company which are annexed to the Joint Company Scheme Petition and thereafter they have approached the Tribunal for sanction of the Scheme.

7. The Learned Counsel for the Petitioner Companies submits that the Petition has been filed in consonance with the order dated 04.12.2020 passed by this Tribunal in C.A.(CAA)/1137/MB/2020.

8. The Learned Counsel for the Petitioner Companies submits that the Petitioner Companies have complied with all requirements as per directions of this Tribunal and they have filed necessary affidavits of compliance in this Tribunal. Moreover, the Petitioner Companies undertake to comply with all the statutory requirements, if any, as required under the Companies Act, 2013 and the rules made thereunder whichever is applicable. The said undertaking is accepted by the Petitioner Companies.

9. The Learned Counsel for the Petitioner Companies submits that the rationale mentioned in the Scheme is as under:



The reasons and circumstances leading to and justifying the Scheme of Amalgamation of the Transferor Companies with Transferee Company, which make it beneficial for all concerned, including the members of Transferor Companies and Transferee Company, are as follows:

- a. The Transferor Companies and the Transferee Company are operating in complementary /similar line of business and can be conveniently combined for mutual benefit as this would increase the profitability of the Transferee Company. The Transferee Company and the Transferor Companies are in the Information Technology services business which can be carried out more efficiently as one amalgamated entity. The Transferor Company 1 is engaged in providing core banking implementation services which will help the Transferee Company expand its core banking implementation capabilities. The Transferor Company 2 is a gold implementation partner of Pega Systems, leader in Intelligent Business Process Management, Customer Relationship Management and Process Automation which will help the Transferee Company to strengthen its rapidly growing digital business.
- b. The proposed amalgamation will help pool and combine finances and resources into one consolidated entity which will result in administrative and operations rationalization, organization efficiencies, optimal utilization of various resources, overheads and other expenses and better compliance management.
- c. The proposed amalgamation will help the Transferee Company to achieve financial strength and flexibility aiding in achieving economies of scale, more focused operational efforts, standardization and simplification of business processes and productivity improvements.



- d. The proposed amalgamation will help the Transferee Company to enhance its reach to serve customers better thereby leading to increased business opportunities and its net worth.
- e. The proposed amalgamation will reduce management overlaps, as two of the Key Managerial Personnel of the Transferee Company are Directors in the Transferor Companies, which will improve efficiency in managing companies.
- f. Elimination of multiple entities will help in streamlining the organization structure of the Transferee Company and the proposed amalgamation will prevent cost duplication and will result in synergies in operations which would increase the operational efficiency and integration of business functions.
- g. The proposed amalgamation is commercially and economically viable, feasible, fair and reasonable and is in the interest of the Transferor Companies, the Transferee Company and their respective stakeholders.
10. The Regional Director, Western Region, Mumbai has filed his report dated 09.06.2021, in this Tribunal. In his report in paragraph IV (a) to (l), the Regional Director has stated its observations and the Petitioner Companies filed an affidavit in rejoinder dated 11.06.2021 in response to the Report of the Regional Director. The observations of the Regional Director and the response to each observation by the Petitioner Companies is given below in the tabulated format:

Sr. No.	Observations of the Regional Director	Response by the Petitioner Companies
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a.	In addition to compliance of AS-14 (IND AS-103), the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc.	In so far as observation made in paragraph IV (a) of the Report of the Regional Director is concerned, the Petitioner Companies undertake that it shall pass necessary accounting entries in connection with the Scheme as per AS-14 (IND AS-103) as well as comply with other applicable Accounting Standards to the extent applicable
b.	As per Part-II-Definitions Clause A(A-2), & A(A-5) of the Scheme. "Appointed Date" shall mean 01.04.2021 or such other date(s) as the National Company Law Tribunal at Mumbai, Maharashtra or such other	In so far as observation made in paragraph IV (b) of the Report of Regional Director is concerned, the Petitioner Companies clarify that Scheme shall be effective from the Appointed Date which is a specific date i.e. 01.04.2021 and Effective Date (shall be the last of the dates on which the certified or authenticated copies of the orders of this Hon'ble NCLT sanctioning the Scheme along with e-form INC-28 are filed with the Registrar of Companies/Ministry of Corporate Affairs by the Petitioner Companies), is provided more from an operation purpose and described under Part C of the Scheme Hence, the Scheme is in compliance with Section 232(6) read with circular no. F. No. 7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.





<p>Appropriate Authority may approve;</p> <p>“Effective Date” means the last of the dates on which the certified or authenticated copies of the orders of the National Company Law Tribunal, Mumbai sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Companies and by the Transferee Company. Any reference in this scheme to the “date of coming into effect of this scheme” or “effectiveness of this Scheme” or “Scheme taking</p>	
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<p>effect" shall mean Effective Date.</p> <p>In this regard, it is submitted that section 232(6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the Scheme shall be deemed to be effective from such date and not a date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.</p> <p>Further, the petitioners may be</p>	
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	asked to comply with the requirements and clarified vide circular no. F. No. 7/ 12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.	
c.	The Hon'ble Tribunal may kindly seek the undertaking that this Scheme is approved by the requisite majority of members and creditors as per Section 230(6) of the Act in meetings duly held in terms of Section 230(1) read with subsection (3) to (5) of Section 230 of the Act and the Minutes thereof are duly placed before the Tribunal.	In so far as observation made in paragraph IV (c) of the Report of Regional Director is concerned, the Petitioner Companies state that by an order dated 04.12.2020 by Hon'ble NCLT in C.A.(C.A.A.)/1137/MB/2020, the meetings of the Equity Shareholders and Secured & Unsecured Creditors of the Petitioner Companies were dispensed with, in view of the following facts: All the Equity Shareholders of the Transferor Companies have provided their consent for dispensing the requirement of shareholders meetings by way of consent affidavits which were produced before this Hon'ble NCLT. a) The meetings of the Secured Creditors of the Transferor Companies were not required to be held as there were no Secured Creditors in the Transferor Companies. b) The present Scheme of Amalgamation is between the Transferor Companies with the Transferee Company and their respective shareholders as contemplated under the provisions of Section 230(1)(b) of the Companies Act 2013 and not in accordance as per Section 230(1)(a) of the Companies Act 2013.



	<p>c) The Transferor Companies are wholly owned subsidiaries of the Transferee Company, and no reconstruction or arrangement is proposed between the shareholders or creditors of the Transferor Companies with the Transferee Company and thus, it does not require to hold either shareholders' meeting or creditors' meeting for approval of the proposed Scheme in view of ratio laid down by this NCLT in CSA No 243 of 2017 in the matter of Housing Development Finance Corporation Limited.</p> <p>Accordingly, the Petitioner Companies further state that since meetings of the Shareholders and Creditors were dispensed with, the placing of the minutes before this Hon'ble NCLT would not arise.</p>
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<p>d.</p>	<p>Hon'ble NCLT may kindly direct the petitioners to file an affidavit to the extent that the Scheme enclosed to Company Application &amp; Company Petition, are one and same and there is no discrepancy/any change/changes are made, for changes if any, liberty be given to Central Government to file further report if any required;</p>	<p>In so far as observation made in paragraph IV (d) of the Report of Regional Director is concerned, the Petitioner Companies undertake that Scheme enclosed to Company Scheme Application and Company Scheme Petition, are one and same and there are no discrepancy/any change/changes made between the Company Scheme Application filed on 12.11.2020 and the Company Scheme Petition filed on 22.01.2021, except the changes in the issued, subscribed and paid-up share capital of the Transferee Company pursuant to the Employee Stock Option Scheme 2015 of the Transferee Company, given as under:</p> <table border="1" data-bbox="929 1132 1823 1939"> <thead> <tr> <th>Particulars</th> <th>As on 12.11.2020</th> <th>As on 22.01.2021</th> <th>As on date of this Affidavit in Reply</th> </tr> </thead> <tbody> <tr> <td colspan="4"><b>ISSUED CAPITAL</b></td> </tr> <tr> <td>Equity Shares of Re. 1/- each</td> <td>17,45,97,756</td> <td>17,46,96,508</td> <td>174,762,328</td> </tr> <tr> <td colspan="4"><b>SUBSCRIBED AND PAID-UP CAPITAL</b></td> </tr> <tr> <td>Equity shares of Re. 1/- each fully paid-up as detailed herein</td> <td>17,45,97,756</td> <td>17,46,96,508</td> <td>174,762,328</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>17,45,97,756</b></td> <td><b>17,46,96,508</b></td> <td><b>174,762,328</b></td> </tr> </tbody> </table> <p>Notes:</p>	Particulars	As on 12.11.2020	As on 22.01.2021	As on date of this Affidavit in Reply	<b>ISSUED CAPITAL</b>				Equity Shares of Re. 1/- each	17,45,97,756	17,46,96,508	174,762,328	<b>SUBSCRIBED AND PAID-UP CAPITAL</b>				Equity shares of Re. 1/- each fully paid-up as detailed herein	17,45,97,756	17,46,96,508	174,762,328	<b>TOTAL</b>	<b>17,45,97,756</b>	<b>17,46,96,508</b>	<b>174,762,328</b>
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<b>TOTAL</b>	<b>17,45,97,756</b>	<b>17,46,96,508</b>	<b>174,762,328</b>																							



		<p>1. Between Company Scheme Application and Company Scheme Petition, the Transferee Company allotted 45,832 (Forty-Five Thousand Eight Hundred and Thirty-Two) and 52,920 (Fifty-Two Thousand Nine Hundred and Twenty) equity shares of face value of Re. 1/- each under the Employee Stock Option Scheme 2015, on 04.12.2020 and 19.01.2021, respectively.</p> <p>2. Between the Company Scheme Petition and filing of affidavit in reply to Regional Director's report dated 11.06.2021, the Transferee Company allotted 54,100 (Fifty-Four Thousand One Hundred) and 11,720 (Eleven Thousand Seven Hundred and Twenty) equity shares of face value of Re. 1/- each under the Employee Stock Option Scheme 2015, on 22.03.2021 and 04.05.2021, respectively.</p>
e.	<p>The Petitioners under provisions of section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Amalgamation. Further, the approval of the scheme by this Hon'ble Tribunal</p>	<p>In so far as observation made in paragraph IV (e) of the Report of Regional Director is concerned, the Petitioner Companies undertake that it has served notices dated 06.01.2021 and 19.05.2021 under Section 230(5) of the Companies Act, 2013, to all concerned authorities which are likely to be affected by the Scheme of Amalgamation. Further, the approval of the Scheme by this Hon'ble NCLT will not deter such authorities to deal with any of the issues arising after giving effect to the Scheme. The decision of such authorities shall be binding on the Petitioner Companies.</p>



	may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such Authorities is binding on the Petitioner Company(s).	
f.	Petitioner Company have to undertake to comply with section 232(3)(i) of Companies Act, 2013, where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorised capital shall be set-off against any fees payable by the transferee company on its authorised capital	In so far as observation made in paragraph IV (f) of the Report of Regional Director is concerned, the Transferee Company undertakes to comply with Section 232(3)(i) of the Companies Act, 2013, pursuant to amalgamation of the Transferor Companies, the fees, if any, paid by the Transferor Companies on its Authorized Capital shall be set-off against any fees payable by the Transferee Company on its Authorized Capital subsequent to the amalgamation and shall comply to the provisions of the said Section.



	subsequent to the amalgamation and therefore, petitioners to affirm that they comply the provisions of the section.	
g.	The Petitioner Company may be directed to submit undertaking that the petitioner company shall ensure compliance of the all provisions of the Income Tax Act, 1961 including provisions of section 2(1B) of the Income Tax Act.	In so far as observation made in paragraph IV (g) of the Report of Regional Director is concerned, the Petitioner Companies undertake to comply with all the provisions of the Income Act, 1961 including provisions of Section 2(IB) of the Income Tax Act, 1961.





<p>h.</p>	<p>Since the Transferee Company limited by shares, is listed on the Bombay Stock Exchange and the National Stock Exchange, the Petitioner Company be directed to place on record whether necessary approval from SEBI and the concerned Stock Exchange have been obtained and whether the meeting of the Shareholders/class of shareholders have been convened as per the listing/SEBI guidelines.</p>	<p>In so far as observation made in paragraph IV (h) of the Report of Regional Director is concerned, the Transferee Company states that in view of provisions of Regulation 37(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/ 21 dated 10.03.2017 and SEBI Circular No. CFD/DIL3/CIR/2018/2 dated 03.01.2018, "no-objection certificate" is not required from the Stock Exchanges. The Transferee Company vide a letter dated 20.10.2020 had intimated BSE and NSE under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the Scheme of arrangement for merger of the Transferor Companies with the Transferee Company.</p> <p>The Transferee Company for the purpose of disclosure as required under Regulation 37(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 filed the draft Scheme with the National Stock Exchange of India ("NSE") and BSE Limited ("BSE") vide a letter dated 13.11.2020. Further, the Transferee Company states that by an order dated 04.12.2020 in C.A.(C.A.A.)/1137/MB/2020, the meeting of the Equity Shareholders of the Transferee Company was dispensed with. The Transferee Company served the order passed by the Hon'ble NCLT on 04.12.2020 along with the notice under Section 230(5) of the Companies Act, 2013 to SEBI, and the relevant stock exchanges namely, NSE and BSE. Further, the proposed Scheme being amalgamation between Transferor Companies (being wholly owned subsidiaries) with Transferee Company, does not require approval of shareholders of Transferee Company as per SEBI Regulations/guidelines.</p>
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<p><i>i.</i></p>	<p>As per Part-D- Clause 20(a to c) of the Scheme (Increase of Authorized Share Capital of the Transferee Company); In this regard it is submitted that the fee payable by the Transferee Company shall be in accordance with the provisions of Section 13, Section 14, Section 61, Section 64 and Section 232(3)(i) of the Companies Act, 2013 further if any stamp duty is payable the same should be paid in accordance with applicable laws of the State;</p>	<p>In so far as observations made in paragraph IV (i) of the Report of Regional Director is concerned, the Transferee Company undertakes that pursuant to combination of Authorized Share Capital and Amendment of Memorandum of Association, the fees payable by the Transferee Company shall be in accordance with the Section 13, Section 61, Section 64 and Section 232(3)(i) of the Companies Act, 2013 also, if any, Stamp Duty is payable the same will be paid in accordance with the applicable laws of the State. It is hereby stated that the Articles of Association of Transferee Company will not be altered on account of combination of Authorized Share Capital of the Transferor Companies with Transferee Company. Hence, Section 14 of the Companies Act, 2013 is not applicable.</p>
<p><i>j.</i></p>	<p>As per Part-E- Clause E-1(h) of the Scheme</p>	<p>In so far as observations made in paragraph IV (j) of the Report of Regional Director is concerned, the Transferee Company undertakes that the difference between the net</p>



<p>(Accounting Treatment for the Amalgamation in the Books of Transferee Company). The difference between the net assets (assets less liabilities) and reserves of the Transferor Company transferred to the Transferee Company, after making the adjustments, if any, as mentioned in this Scheme above shall be transferred to the capital reserve. In view of the above it is submitted that the difference so credited to "Capital Reserve arising out of Amalgamation"</p>	<p>assets (assets less liabilities) and reserves of the Transferor Companies transferred to the Transferee Company, after making the adjustments, if any, shall be transferred to the Capital Reserves of the Transferee Company. Further, the Petitioner Companies also undertake that in case of any difference in accounting policy between the Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference shall be adjusted in the reserve of the Transferee Company. In view of the above, it is submitted that the difference so credited to Capital Reserve arising out of Amalgamation shall not be available for distribution of dividend and other similar purposes.</p>
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	shall not be available for distribution of dividend and other similar purposes.	
k.	Since the Transferee Company have foreign/ non-resident shareholders, therefore, it is subject to the compliance of section 55 of the Companies Act, 2013 the FEMA Regulations/RBI Guidelines by the Transferee Company.	In so far as observations made in paragraph IV (k) of the Report of Regional Director is concerned, the Transferee Company undertakes to comply with the FEMA Regulations / RBI Guidelines, to the extent applicable and further states that Section 55 of the Companies Act, 2013 is not applicable as there are no preference shares issued by the Transferee Company.
l.	In view of the observation raised by the ROC Mumbai, mentioned at para 16 above Hon'ble NCLT may pass appropriate orders/ orders as deem fit;	In so far as observations made in paragraph IV (l) of the Report of Regional Director is concerned, the observation raised by the Registrar of Companies Maharashtra, Mumbai at para 16 of the report inter alia stating as follows: <u>Observation of the ROC, Mumbai is as under:-</u> 1. This office received complaint against the Transferee Company from Bharatiben D. Shah on 08.09.2016 with regards to non-receipt of Annual Report for F. Y. 2015-16. 2. Interest of the Creditors should be protected.



	<p>With respect to observation no. 1, Transferee Company submits that the complaint from Bharatiben D. Shah on 08.09.2016 with regards to non-receipt of Annual Report for F. Y. 2015-16, was not received by the Company either from the shareholder/ ROC. Same complaint was brought to the notice of the Transferee Company by ROC during the previous Scheme of Amalgamation between Augment IQ Data Sciences Private Limited and the Transferee Company in Company Scheme Petitions No. 849 &amp; 850 of 2017. Thereafter, the Company had duly served the Annual Report to the concerned shareholder. Further, this Hon'ble NCLT while allowing the said Scheme of Amalgamation clarified that non-receipt of annual report cannot be an objection to the approval of the said Scheme.</p> <p>With respect to observation no. 2, the Transferee Company undertakes to protect the interest of its creditors, as the Scheme is between the Holding and its wholly owned subsidiaries, the rights and the interests of the creditor and the shareholders of the Petitioner Companies are not affected in any manner whatsoever.</p>
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11. The observations made by the Regional Director and Registrar of Companies have been explained by the Petitioner Companies in Para 10 above. The clarifications and undertakings given by the Petitioner Companies are accepted by the Tribunal.

12. The Official Liquidator has filed his report on 16.06.2021 stating therein that the affairs of the Transferor Companies have been conducted in a proper manner and the Scheme is not prejudicial to the interest of public and the Shareholders of the Transferor Companies. Accordingly, the Transferor Company may be ordered to be dissolved without winding up.



13. Upon coming into effect of this Scheme. each of the Transferor Companies shall stand dissolved without winding up, and the Board of Directors of each of the Transferor Companies shall without any further act, deed or instrument shall stand dissolved. b. On and with effect from the Effective Date, the name of each of (the Transferor Companies shall be struck off front the records of the appropriate Registrar of Companies. The Transferee Company shall make necessary fillings in this regard.

14. As the present Scheme solely provides for Amalgamation of wholly owned subsidiaries with its holding company, no formal approval, no objection certificate or vetting is required from Stock Exchange of SEBI for the Scheme, in terms of provisions of the Security and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Security and Exchange Board of India (Listing Objections and Disclosure Requirements) (Amendment) Regulations, 2015, SEBI Circular CFD/DIL3/CIR/2017/21 dated 10.03.2018, SEBI Circular CFD/DIL3/CIR/2018/2 dated 03.01.2018 and other applicable provisions if any.

15. In terms of the SEBI Regulations, the present Scheme of Amalgamation by absorption is only required to be filed with Stock Exchange for the purpose of disclosure and dissemination on their website.

16. Pursuant to the order dated 04.12.2020 passed by this Tribunal in C.A.(CAA)/1137/MB/2020, the meeting of the Equity Shareholders of the Petitioner Companies for the purpose of considering and, if thought fit, approving the proposed Scheme with or without modification(s) were dispensed with.



17. Pursuant to the order dated 04.12.2020 passed by this Tribunal in C.A.(CAA)/1137/MB/2020, the meeting of the Unsecured Creditors of the Petitioner Companies were dispensed with.

18. From the material on record, the Scheme appears to be fair and reasonable and does not violate any provisions of law and is not contrary to public policy or public interest.

19. All the assets and liabilities including taxes and charges, if any and duties of the Transferor Companies, shall pursuant to section 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Transferee Company.

20. Since all the requisite statutory compliances have been fulfilled, C.P.(C.A.A.)/36/MB/2021 filed by the Petitioner Companies are made absolute in terms of prayer, as mentioned in the Prayer clause from (i) to (iv) of the said Company Scheme Petition.

21. The Petitioner Companies are directed to file a certified copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with e-Form INC-28 in addition to physical copy, within 30 days from the date of receipt of order, duly certified by the Deputy Registrar or the Assistant Registrar, as the case may be, of this Tribunal.

22. The Petitioner Companies are directed to lodge a certified copy of this order and the Scheme duly authenticated by the Deputy Registrar or the Assistant Registrar, as the case may be, of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the certified order from the registry of this Tribunal.

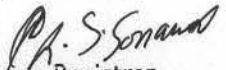


23. All concerned Regulatory authorities, to act on the copy of this order duly certified by the Deputy Registrar or the Assistant Registrar of this Tribunal along with the copy of the Scheme.
24. Any concerned Authority to act on the copy of this order duly certified by the Deputy Registrar or the Assistant Registrar of this Tribunal along with the copy of the Scheme.
25. The Scheme of Amalgamation is sanctioned hereby, and the appointed date of the Scheme is fixed as 01.04.2021.
26. Ordered accordingly.

SD/-  
Chandra Bhan Singh  
Member (Technical)

SD/-  
Suchitra Kanuparthi  
Member (Judicial)

Certified True Copy  
Copy Issued "free of cost"  
On 06.09.2021

  
Deputy Registrar  
National Company Law Tribunal Mumbai Bench  
Government of India





**SCHEME OF AMALGAMATION**

**(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)**

**OF**

**SYNCORDIS SOFTWARE SERVICES INDIA PRIVATE LIMITED  
("TRANSFEROR COMPANY 1")**

**AND**

**RULETRONICS SYSTEMS PRIVATE LIMITED  
("TRANSFEROR COMPANY 2")**

**WITH**

**LARSEN & TOUBRO INFOTECH LIMITED  
("TRANSFEREE COMPANY")**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS**



## A. PREAMBLE

This Scheme is presented as an integrated and complete Scheme of Amalgamation of Syncordis Software Services India Private Limited and Ruletronics Systems Private Limited (hereinafter collectively referred to as “**Transferor Companies**”) with Larsen & Toubro Infotech Limited under Chapter XV pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification or re-enactment thereof, for the time being in force).

## B. DESCRIPTION OF THE COMPANIES

### a. Syncordis Software Services India Private Limited (“Transferor Company 1”)

**Syncordis Software Services India Private Limited**, (“Transferor Company 1”) (CIN: U72900MH2015FTC340700) is a private limited company, incorporated under the provisions of Companies Act, 2013 on 5<sup>th</sup> August 2015 having its registered office at Ground Floor, Technology Tower- I, Gate No. 5, Near Saki Vihar Road, Powai, Mumbai 400072, Maharashtra, India. The Transferor Company 1 is involved in the business of software designing, development, offers its clients a unique range of implementation and production support services, including customised services. The Transferor Company 1 became a wholly owned subsidiary of the Transferee Company on 11<sup>th</sup> December 2017.

The main object of the Transferor Company 1 is –

- (i) To carry on the business of software designing, development, customization, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions and to import, export, sell, purchase, distribute, host (in data centers or over the web) or otherwise deal in own and third party computer software packages, programs and solutions, and to provide internet/web based applications, services and solutions, provide or take up information technology related assignment and sub-contracting basis, offering services on-site / off-site or through development centers using owned/ hired or third party infrastructure and equipment, software development, IT enabled services, IT training providing recruitment and HR related services, providing and taking personnel/ consultants/ human resources to/ from other organizations, providing solutions/ Packages/ services through applications services provider mode via internet or



otherwise, to undertake IT enabled services like call Centre Management, Medical and legal transcription, data processing, Back office processing, Accounting, HR and payroll processing, Insurance claims processing, credit card processing, loans and letters of credit processing, data warehousing and database management, to carry on the business of manufacturing, dealing and maintenance of computer hardware, computer systems and assemble data processors, program designs and to buy, sell or otherwise deal in such hardware and software packages and all types of tabulating machine, accounting machines, IT enabled services, IT products, IT solutions, website development and computer related activities, calculators, computerized telecommunication systems and network, their components, spare parts, equipments and devices and to carry on the business of establishing, running and managing institutions, school and academics for imparting education in computer technology, offering equipment, solutions and services for Networking and network management, data centre management and in providing consultancy services in all above mentioned areas.

- (ii) To develop, provide, undertake, design, import, export, distribute and deal in Systems and application software for microprocessor based information systems, off shore software development projects, internet service provider, and solutions in all areas of application including those in emerging niche segments like internet and intranet website applications solutions software enterprise, resource planning, e-commerce, value added products and other business applications either for its own use for sale in India or for export outside India and to design and develop such systems and application software for and on behalf of manufacturers owners and users of computer, telecom, digital, electronic equipments in India or elsewhere in the world.
- (iii) To manufacture, sell, export, import all kinds of electric and electronic components capable of being used in Electrical & mechanical and electronic Industries including Computers telecommunications to carry our software research and development, to design and develop system software, application software and any other software in India and abroad to start Integrated services Digital Local Network (ISDLAN) dial for data Centers technology parks, wide area network Internet, user net, cyber café services in India and abroad.



**b. Ruletronics Systems Private Limited (“Transferor Company 2”)**

**Ruletronics Systems Private Limited**, (“Transferor Company 2”) (CIN: U72200MH2014PTC341550) is a private limited company, incorporated under the provisions of Companies Act, 2013 on 24<sup>th</sup> July 2014, having its registered office at Ground Floor, Technology Tower- I, Gate No. 5, Near Saki Vihar Road, Powai, Mumbai 400072, Maharashtra, India. The Transferor Company 2 is involved in the business to provide innovative, strategic, cost effective end-to-end business process management and customer relationship management solutions and help organisations to build software solutions and products. The Transferor Company 2 became a wholly owned subsidiary of the Transferee Company on 15<sup>th</sup> March 2019.

The main object of the Transferor Company 2 is –

- (i) To carry on the business of providing software solutions to improve business process, procedures, rules and systems, design, development, manufacture alter and trade of all types of Computer Software, which include Computer Aided Design/ Computer Aided Management, Data Communications office Automation, Artificial Intelligence, Simulation, Modelling, Bio Medical Computing Image Processing Software Engineering, Operating Systems, Computer Graphics including multimedia, Business Information Processing, Computer Science Education in Education and all other fields related to Computers.
- (ii) To carry on the business of buying, selling manufacturing, letting out on hire-purchase or otherwise, and dealing in computers and further engage in or carry on the business of designing and manufacturing computer ancillaries including programmes and other software with an intent to export, import, trade or otherwise deal in computers, computer ancillaries, programmes, software and other related products in Information Technology including Telecommunication, Mobile Communication Systems, Multi Media Systems and to provide consultancy services and training or description related to the preparation and maintenance including preservice or storage of information and reports of all kinds, collecting, storing, processing and transmitting information and data or every kind and description systems analysis and design, programming, letting on hire processing time, testing and utilization of machine service for solving or aiding commercial, industrial, scientific and research problems and for all other related business;



- (iii) To act as an export house to design, develop, and to market computer software and to provide data processing services of all kinds including computer consultancy media and systems analysis, programming and computer maintenance in India and abroad and provide online services such as internet, E-mail and related for India and overseas companies.
- (iv) To render consultancy and services in the field of Information Technology, Computer Sciences, Data Processing, call centres, Computer systems, and Software, Operations Research and Management Sciences, in India and Abroad, and to act as dealers, distributors, authorized. Representatives for such services in India and Abroad. Business of Education and Training, and to conduct Seminars, workshops, Short Term and Long Term Courses in Computer Sciences, Information Technology and Engineering Sciences and to promote educational institutions, to impart such training in India and abroad and to act as a consultancy.

**c. Larsen & Toubro Infotech Limited (“Transferee Company”)**

**Larsen & Toubro Infotech Limited** (“Transferee Company”) (CIN: L72900MH1996PLC104693) is a public limited company, incorporated under the provisions of Companies Act, 1956 on 23<sup>rd</sup> December 1996 with the name ‘L&T Information Technology Limited’. The name of the Transferee Company was changed to ‘Larsen & Toubro Infotech Limited’ on 25<sup>th</sup> June 2001. The Transferee Company is having its registered office at L&T House, Ballard Estate, Mumbai 400001, Maharashtra, India. The shares of the Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited. The Transferee Company is engaged in the business of global technology consulting and digital solutions.

The main objects of Transferee Company is –

- (i) To carry on business of analyzing, designing, maintaining, converting, porting, debugging; coding, outsourcing and programming ‘software’ to be used on computer or any microprocessor based device or any other kind of electronic and electromechanical devices or any other such hardware within or outside India.



- (ii) To purchase, acquire, develop, enhance, improve, compress, experiment with, supply, distribute, customise, import, export, trade, act as agents / dealers of all kinds of software products.
- (iii) To carry on in India or elsewhere business of data collection, compilation, feeding, converting, processing, analysis, testing or any kind of database management for both analog and digital data including CAD/CAM and digitization services for any individual, company or any authority, government or otherwise.
- (iv) To acquire, design, develop, sell, maintain, upgrade any kind of application which uses voice, image, binary or any other kind of data and any type of man-machine interface.
- (v) To make or give services for making animation films using computer software for any person or company or authority, government or otherwise.
- (vi) To carry on in India or elsewhere business of providing professional services including system analysis, design and implementation, turnkey project execution, reengineering, process analysis and redesigning, management consultancy in the areas of finance, marketing, manufacturing, distribution, administration, human resource management and any such business related area.
- (vii) To design, develop, maintain, operate, expand, upgrade, lease out any kind of communications network consisting of computer, peripherals and electronic devices including telecommunication equipment, connected through any kind of link with or without cables and to provide value added services on such a network within or outside India.
- (viii) To carry on business of preparing, distributing, selling, importing, exporting, trading, modifying all kinds of educational and entertainment software on any kind of storage devices.
- (ix) To carry on in India or elsewhere any engineering and/or contracting business, and in particular to arrange, procure, give on hire or loan for consideration or otherwise, the services of skilled personnel for software and consultancy.



### C. RATIONALE FOR THE SCHEME OF AMALGAMATION:

The reasons and circumstances leading to and justifying the proposed Scheme of Amalgamation of the Transferor Companies with Transferee Company, which make it beneficial for all concerned, including the members of Transferor and Transferee Companies, are as follows:

- a. The Transferor Companies and the Transferee Company are operating in complementary /similar line of business and can be conveniently combined for mutual benefit as this would increase the profitability of the Transferee Company. The Transferee Company and the Transferor Companies are in the Information Technology services business which can be carried out more efficiently as one amalgamated entity. The Transferor Company 1 is engaged in providing core banking implementation services which will help the Transferee Company expand its core banking implementation capabilities. The Transferor Company 2 is a gold implementation partner of Pega Systems, leader in Intelligent Business Process Management, Customer Relationship Management and Process Automation which will help the Transferee Company to strengthen its rapidly growing digital business.
- b. The proposed amalgamation will help pool and combine finances and resources into one consolidated entity which will result in administrative and operations rationalization, organization efficiencies, optimal utilization of various resources, overheads and other expenses and better compliance management.
- c. The proposed amalgamation will help the Transferee Company to achieve financial strength and flexibility aiding in achieving economies of scale, more focused operational efforts, standardization and simplification of business, processes and productivity improvements.
- d. The proposed amalgamation will help the Transferee Company to enhance its reach to serve customers better thereby leading to increased business opportunities and its net worth.
- e. The proposed amalgamation will reduce management overlaps, as two of the Key Managerial Personnel of the Transferee Company are Directors in the Transferor Companies, which will improve efficiency in managing companies.



- f. Elimination of multiple entities will help in streamlining the organization structure of the Transferee Company and the proposed amalgamation will prevent cost duplication and will result in synergies in operations which would increase the operational efficiency and integration of business functions.
- g. The proposed amalgamation is commercially and economically viable, feasible, fair and reasonable and is in the interest of the Transferor Companies, the Transferee Company and their respective stakeholders.

This Scheme of Amalgamation is divided into the following parts:

1. **Part A** deals with the Definitions;
2. **Part B** deals with the capital structure of the respective Transferor Companies and the Transferee Company;
3. **Part C** deals with date of taking effect and operative date;
4. **Part D** deals with the Amalgamation of the Transferor Companies with the Transferee Company;
5. **Part E** deals with accounting treatment for the Amalgamation in the books of Transferee Company;
6. **Part F** deals with general terms and conditions that would be applicable to the Scheme;
7. **Part G** deals with other terms and conditions applicable to the Scheme.

In addition to the above, the Scheme also provides for various other matters consequential or otherwise integral to it.

## **PART A - DEFINITIONS**

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

- A-1.** “**Act**” or “**the Act**” shall mean the Companies Act, 2013 the rules and regulations made thereunder and will include any statutory modification(s), re-enactment(s) or amendment(s) thereto, from time to time; (to the extent notified on the relevant date);





- A-2. “**Appointed Date**” shall mean **1<sup>st</sup> April 2021** or such other date(s) as the National Company Law Tribunal at Mumbai, Maharashtra or such other Appropriate Authority may approve;
- A-3. “**Appropriate Authority**” means any governmental, statutory, departmental or public body or authority, including Securities and Exchange Board of India, Stock Exchange, Registrar of Companies, Mumbai and/ or the Regional Director, National Company Law Tribunal;
- A-4. “**Board**” or “**Board of Directors**” in relation to each of the Transferor Companies and Transferee Company, as the case may be, means the board of directors of such company and shall include a duly constituted committee or individuals authorized for the purposes of matters pertaining to the merger, this Scheme and/or any other matter relating thereof, if any;
- A-5. “**Effective Date**” means the last of the dates on which the certified or authenticated copies of the orders of the National Company Law Tribunal, Mumbai sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Companies and by the Transferee Company. 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;
- A-6. “**Encumbrance**” means any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of setoff, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same and the term “Encumbered” shall be construed accordingly;
- A-7. “**Government Authority**” shall mean any applicable central, state government 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;

- A-8. “Registrar of Companies”** shall mean the Registrar of Companies, Mumbai;
- A-9. “Scheme” or “the Scheme” or “this Scheme”** shall mean this Scheme of Amalgamation between the Transferor Companies and the Transferee Company and their respective shareholders in its present form as submitted to the National Company Law Tribunal, Mumbai for sanction, with or without any modification(s) approved or imposed or directed by the National Company Law Tribunal, Mumbai;
- A-10. “SEBI”** shall mean the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- A-11. “SEBI Circular”** shall mean the circular issued by the SEBI, being SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March 2017, and SEBI Circular No. CFD/DIL3/CIR/2018/2 dated 3<sup>rd</sup> January 2018 any amendments thereof;
- A-12. “Stock Exchanges”** shall mean BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”);
- A-13. “Tribunal”** shall mean the National Company Law Tribunal, Mumbai Bench as applicable or such other forum or authority as may be vested with any of the powers to sanction the present Scheme under the Act having jurisdiction in relation to the Transferor Companies and Transferee Company as the context may admit;
- A-14. “Undertaking”** shall mean the entire business and all the undertakings of the Transferor Companies and shall include:
- All the assets, properties (whether movable or immovable, tangible or intangible), business and commercial rights or any other assets of the respective Transferor Companies, whether appearing in the Financial Statements or not, as on the Appointed Date (collectively referred to as “**the Assets**”);
  - All the debts (whether in Indian Rupees or in foreign currency), liabilities, duties and obligations of the respective Transferor Companies, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised whether



appearing in the Financial Statements or not along with any charge, Encumbrance, lien or security thereon, as on the Appointed Date;

- c. Without prejudice to the generality of sub-clause (a) above, the undertaking of the respective Transferor Companies shall include without being limited to all the respective Transferor Companies reserves and the authorized, movable or immovable, tangible or intangible properties, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, computers, servers, network equipment, routers, software and other IT equipment, furniture, fixtures, office equipment, vehicles, appliances, accessories, power lines, deposits, all stocks, assets, investments of all kinds etc.,(including shares, scrips, stocks, bonds, debenture stock, mutual funds), Cash & Bank balances, loans, advances, contingent rights or benefits, receivables, actionable claims, advances and book debts (whether in Indian Rupees or in foreign currency), benefit of any deposits, financial assets, leases, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licenses, 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 trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, and balances, loans, 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 respective Transferor Company, including but without being limited to trade and service names and marks, patents, knowhow, copyrights, and other intellectual property rights of any nature whatsoever (including application for registration of the same and right to use such intellectual rights) authorizations, permits, approvals, registrations including but not limited to tax and labour law, rights to use and avail of telephones, telex, facsimile, email, internet, leased line connections and installations, utilities, water, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programs, 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 respective Transferor Company including the receivables from



the Government of Andhra Pradesh with reference to and under the Master Service Agreement dated 9<sup>th</sup> September 2018 between Ruletronics Systems Private Limited (“**Transferor Company 2**”), e-Pragati Authority and Department of Agricultural Marketing of the Government of Andhra Pradesh and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the respective Transferor Company, whether in India or abroad;

- d. All pre-qualifications, right to use the work experience, qualifications, capabilities, legacies and track record with Government/ Non – Government agencies/ bodies, contracts with clients and with vendors (including technical parameters, past performance, track record, financials etc.) of the respective Transferor Company, acquired by reason of the completion of various projects and works, certificates of completion of projects or works issued by the clients and the right to use all these for qualifying for any tender or project that may be issued at any time;
- e. All records, files, papers, engineering and process information, computer programmes, software licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customer credit information, customer pricing information and other customer information and all other records and documents, whether in physical or electronic form, relating to the business activities and operations of the Transferor Companies;
- f. All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the business activities and operations of the Transferor Companies;
- g. Amount claimed by the respective Transferor Company whether or not so recorded in the books of account of the respective Transferor Company from any Government Authority, under any law, act, or rule in force, as refund of any tax, duty, cess or of any excess payment.



- h. Right to any claim, including MAT not preferred or made by the respective Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the respective Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of unabsorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income Tax Act, 1961, 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.
- i. All present and future liabilities including contingent liabilities and shall further include any obligations under any license and/or permit.

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 for the time being in force.

References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.

The headings herein shall not affect the construction of this Scheme.

Unless the context otherwise requires:

- (i) the singular shall include the plural and vice versa, and references to one gender include all genders.
- (ii) references to a person include any individual, firm, body corporate (whether incorporated or not), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality).
- (iii) reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from time to time, be amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.



**PART B - CAPITAL STRUCTURE OF THE TRANSFEROR COMPANIES AND THE  
TRANSFeree COMPANY**

The Authorized, Issued, Subscribed and Paid up share capital of the respective Transferor Companies and Transferee Company as on 28<sup>th</sup> day of September 2020 was as under:

- a. The Authorized, Issued, Subscribed and Paid-up share capital of **Syncordis Software Services India Private Limited**, the Transferor Company 1 as on 28<sup>th</sup> day of September 2020 was as under:

Particulars	Nos.	Amt. (Rs.)								
<b>AUTHORISED SHARE CAPITAL</b>										
Equity Shares of Rs. 10/- each	4,50,000	45,00,000								
<b>Total</b>	<b>4,50,000</b>	<b>45,00,000</b>								
<b>ISSUED CAPITAL</b>										
Equity Shares of Rs. 10/- each	4,50,000	45,00,000								
<b>SUBSCRIBED AND PAID-UP CAPITAL</b>										
Equity shares of Rs. 10/- each fully paid-up as detailed herein below:	4,50,000	45,00,000								
<table border="1"> <thead> <tr> <th align="left">Names of the Shareholders</th> <th align="center">Number of Equity Shares held</th> </tr> </thead> <tbody> <tr> <td>Larsen &amp; Toubro Infotech Limited</td> <td align="center">4,49,999</td> </tr> <tr> <td>Kedar Krishna Gadgil (Holding on behalf of Larsen &amp; Toubro Infotech Limited)</td> <td align="center">1</td> </tr> <tr> <td align="right"><b>Total</b></td> <td align="center"><b>4,50,000</b></td> </tr> </tbody> </table>			Names of the Shareholders	Number of Equity Shares held	Larsen & Toubro Infotech Limited	4,49,999	Kedar Krishna Gadgil (Holding on behalf of Larsen & Toubro Infotech Limited)	1	<b>Total</b>	<b>4,50,000</b>
Names of the Shareholders			Number of Equity Shares held							
Larsen & Toubro Infotech Limited			4,49,999							
Kedar Krishna Gadgil (Holding on behalf of Larsen & Toubro Infotech Limited)			1							
<b>Total</b>	<b>4,50,000</b>									

Subsequent to the approval of this Scheme by the Board of Directors of Transferor Company 1, there has been no change in the stated capital of Transferor Company 1.



- b. The Authorized, Issued, Subscribed and Paid-up share capital of **Ruletronics Systems Private Limited**, the Transferor Company 2 as on 28<sup>th</sup> day of September 2020 was as under:

Particulars	Nos.	Amt. (Rs.)								
<b>AUTHORISED SHARE CAPITAL</b>										
Equity Shares of Rs. 10/- each	10,00,000	1,00,00,000								
<b>Total</b>	<b>10,00,000</b>	<b>1,00,00,000</b>								
<b>ISSUED CAPITAL</b>										
Equity Shares of Rs. 10/- each	5,10,000	51,00,000								
<b>SUBSCRIBED AND PAID-UP CAPITAL</b>										
Equity shares of Rs. 10/- each fully paid-up as detailed herein below:	5,10,000	51,00,000								
<table border="1"> <thead> <tr> <th>Names of the Shareholders</th> <th>Number of Equity Shares held</th> </tr> </thead> <tbody> <tr> <td>Larsen &amp; Toubro Infotech Limited</td> <td>5,09,999</td> </tr> <tr> <td>Kedar Krishna Gadgil (Holding on behalf of Larsen &amp; Toubro Infotech Limited)</td> <td>1</td> </tr> <tr> <td><b>Total</b></td> <td><b>5,10,000</b></td> </tr> </tbody> </table>	Names of the Shareholders	Number of Equity Shares held	Larsen & Toubro Infotech Limited	5,09,999	Kedar Krishna Gadgil (Holding on behalf of Larsen & Toubro Infotech Limited)	1	<b>Total</b>	<b>5,10,000</b>		
Names of the Shareholders	Number of Equity Shares held									
Larsen & Toubro Infotech Limited	5,09,999									
Kedar Krishna Gadgil (Holding on behalf of Larsen & Toubro Infotech Limited)	1									
<b>Total</b>	<b>5,10,000</b>									
	<b>5,10,000</b>	<b>51,00,000</b>								

Subsequent to the date of approval of this Scheme by the Board of Directors of Transferor Company 2, there has been no change in the stated capital of Transferor Company 2.

- c. The Authorized, Issued, Subscribed and Paid-up share capital of **Larsen & Toubro Infotech Limited**, the Transferee Company as on 28th September 2020 was as under:

Particulars	Nos.	Amt. (Rs.)
<b>AUTHORISED SHARE CAPITAL</b>		
Equity Shares of Re. 1/- each	26,00,00,000	26,00,00,000



<b>Total</b>	<b>26,00,00,000</b>	<b>26,00,00,000</b>
<b>ISSUED CAPITAL</b>		
Equity Shares of Re. 1/- each	17,45,43,281	17,45,43,281
<b>SUBSCRIBED AND PAID-UP CAPITAL</b>		
Equity shares of Re. 1/- each fully paid-up as detailed herein	17,45,43,281	17,45,43,281
<b>Total</b>	<b>17,45,43,281</b>	<b>17,45,43,281</b>

The equity shares of the Transferee Company are listed on BSE and NSE. There are no existing commitments, obligations or arrangements by the Transferee Company as on the date of approval of this Scheme by the Board of Directors to issue any further shares or convertible securities except issue of shares on exercise of stock options granted under any of its existing employee stock option schemes.

#### **PART C – DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein in its present form or with any modifications approved or imposed or directed by the Tribunal shall be effective from the Appointed Date but shall be operative from the Effective Date. Any references in the Scheme to ‘upon the Scheme becoming effective’ or ‘upon this Scheme becoming effective’ or ‘effectiveness of the Scheme’ shall mean the Effective Date.

#### **PART D – AMALGAMATION OF THE TRANSFEROR COMPANIES WITH THE TRANSFEREE COMPANY**

##### **Transfer and Vesting of Undertaking**

Upon coming into effect of this Scheme and with effect from the Appointed Date and pursuant to the sanction of this Scheme by the Tribunal or any other competent authority and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, the entire business and whole of the Undertaking of the Transferor Companies shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing 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:

- D-1.** The entire Undertaking (as defined hereinabove, of the respective Transferor Companies including all its respective properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature such as investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, tax credits (including MAT credit), if any and all other estate, rights, title, claims, interest, contracts, consents, authorities including accretions and appurtenances, approvals or powers of every kind, nature and description whatsoever shall under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, shall stand transferred to and be vested in the Transferee Company so as to become the properties and assets of the Transferee Company. Without prejudice to the generality of the above, all benefits, concessions, reliefs including but not limited to the benefit/s under income tax (including tax relief under the Income Tax Act, 1961, such as credit for advance tax, taxes deducted at source, carry forward of Minimum Alternate Tax Credit, carry forward of tax losses including unabsorbed depreciation, continuity of tax holiday/ deduction available, if any, etc.), service tax (including benefits of any unutilized CENVAT/ service tax credits, etc.), credit for Goods and Services Tax, excise, Value Added Tax, Sales Tax (including deferment of sales tax), benefits, etc. accruing for and under the Software Technology Parks of India or under the Special Economic Zones Act, 2005, or any other registrations, etc., to which respective Transferor Company is entitled to in terms of various statutes and/ or schemes of Union, State, and Local Governments/ bodies and/ or otherwise, shall be available to and be vested in the Transferee Company.
- D-2.** In respect of such of the assets of the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same may be so transferred by the Transferor Company, and shall, upon such transfer, become the property of the Transferee Company.
- D-3.** In respect of such of the assets belonging to the Transferor Company other than those referred to in Clause D-2 above, the same shall, as more particularly provided in Clause D-1 above, without any further act, instrument or deed be transferred to and vested in



and/or be deemed to have been and stand transferred to and vested in the Transferee Company with effect from the Appointed Date pursuant to the provisions of Section 232 of the Act.

- D-4.** Where any such debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged by such Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- D-5.** All loans raised and utilized and all liabilities, duties, undertakings, debts and obligations incurred or undertaken by the Transferor Companies on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans, liabilities, duties, undertakings, debts and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- D-6.** Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time from the Appointed Date to the Effective Date become due between the Transferor Companies and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.
- D-7.** All the secured and unsecured debts (whether in Indian Rupees or in foreign currency), liabilities (outstanding and receivables), duties and obligations, of each of the Transferor Companies shall also along with any charge, Encumbrance, lien or security thereon, (hereinafter referred to as the “**said Liabilities**”), without any further act, instrument or deed be transferred or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 230 to 232



of the Act, so as to become the said Liabilities of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which, such liabilities have arisen, in order to give effect to the provisions of this Clause. It is clarified that in so far as the Assets of the Transferor Company are concerned, the security or charge over such Assets or any part thereof, if any, relating to any loans, debentures or borrowing of the Transferor Company, shall, without any further act or deed continue to relate to such Assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company.

- D-8.** All the licenses, permits, quotas, approvals, permissions, incentives, loans, subsidies, concessions, grants, rights, claims, leases, Service Tax, liberties, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued, which may accrue to the respective Transferor Company shall, pursuant to the provisions of Section 232 (3) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date, and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under law
- D-9.** It is clarified that notwithstanding anything to the contrary contained herein, all rights relating to patents, designs and drawings, trademarks, service marks, logos, domain names and utility models, copyrights, inventions and brand names which are possessed and/ or owned by the respective Transferor Company and business names and any similar rights and the benefit of any of the foregoing shall be available to Transferee Company, from the Effective Date.
- D-10.** All assets, estates, rights, title, interest, licenses and authorities acquired by or permits, quotas, approvals, permissions, incentives, loans or benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, and other assets, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and/ or all rights and benefits that have accrued or which may accrue to the respective Transferor Company after the Appointed Date and prior to the Effective Date in



connection or in relation to the operation of the Undertaking shall upon coming into effect of this Scheme, pursuant to the applicable provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested or deemed to have been transferred to and vested in the Transferee Company.

**D-11.** Assets of the Transferee Company shall not relate to or be available as security in relation to the said borrowings of the Transferor Company unless the Transferee Company otherwise agrees.

**D-12.** The work experience, qualifications, pre-qualifications, right to use the work experience, capabilities, legacies and track record with the Government / Non – Government agencies/ bodies, contracts with clients and with vendors, (including technical parameters, past performance, track record, financials etc.) of the Transferor Companies acquired by reason of the completion of various projects and works and certificates of completion of projects or works issued by the clients of the Transferor Companies shall in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to be part of and belonging to the Transferee Company and shall for all purposes be regarded as the work experience and qualification, pre-qualifications, capabilities and legacies (including technical parameters, past performance, track record, financials etc.) and certificates of completion of the Transferee Company.

**D-13. Compliance with Income Tax Act, 1961:**

- a. The provisions of this Scheme as they relate to the amalgamation of the Transferor Companies into the Transferee Company have been drawn up to comply with the conditions relating to “**Amalgamation**” as defined under Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 2 (1B) of the Income Tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(1B) of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961. Such modification will, however, not affect other parts of the Scheme.



- b. The unabsorbed depreciation and losses of the Transferor Company, if any, shall be treated as the unabsorbed depreciation and losses of the Transferee Company as on the Appointed Date and the Transferee Company shall be entitled to set-off/ carry forward the losses and unabsorbed depreciation of the Transferor Company and to revise its tax returns and including any loss, returns, related tax deduction certificates and to claim refund, advance tax credits, etc., accordingly.

**D-14. Legal Proceedings:**

- a. Upon coming into effect of this Scheme, all suits, actions, claims, legal, taxation and proceedings of whatsoever nature including proceedings in respect of registrations of any patent, copyright, trademark, service names or marks, or designs, by or against any of the Transferor Companies pending and/ or arising before any judicial, quasi-judicial authority or tribunal on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been pending and/ or had arisen by or against the Transferee Company.
- b. If any suit, appeal or other proceedings relating to or against the Transferor Companies be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Transferor Companies or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if this Scheme had not been made.

**D-15. Contracts, deeds, bonds and other instruments:**

- a. Upon coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, incentives, licenses, engagements, approvals, registrations (including registrations under Software Technology Parks of India, Special Economic Zones and other registrations) and assurances and other instruments of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which any of the Transferor Companies may be eligible, and which have not lapsed and are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and



effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto. The Transferee Company may, if and wherever necessary, enter into and/ or issue and/ or execute deeds, writings or confirmations at any time, enter into any tripartite arrangements, confirmations or novation prior to the Effective Date to which the Transferor Companies will, if necessary and as applicable, also be a party in order to give formal effect to the provisions of this Clause.

- b. Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novation, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies was a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of Part C of this Scheme, be deemed to be authorized to execute any such writings on behalf of each of the Transferor Companies to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of such of the Transferor Companies, as applicable.
- c. Without prejudice to the generality of the foregoing, upon coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

#### **D-16. Employees**

- a. On the coming into effect of this Scheme, all employees, if any, of the Transferor Companies who are in employment of the Transferor Companies, as on the Effective Date, shall become the employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on the same terms and



conditions as to employment and remuneration on which they are engaged or employed by the Transferor Companies. It is clarified that the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement / settlement, if any, entered into by any of the Transferor Companies with any union / employee. After the Effective Date, the Transferee Company shall be entitled to vary the terms and conditions as to employment and remuneration of the said employees or any of them on the same basis as it may do for the employees of the Transferee Company.

- b. Upon the Scheme becoming effective, any funds such as the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts existing (if any) for the benefit of the employees of the Transferor Companies shall become funds / trusts of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such funds / trusts in relation to the obligation to make contributions to the said funds / trusts in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Companies in relation to such funds / trusts shall become those of the Transferee Company.

**D-17. Directors**

Upon the coming into effect of this Scheme, the directors of the Transferor Company will not be entitled to any directorship in the Transferee Company by virtue of the provisions of this Scheme. It is however clarified that this Scheme will not affect any directorship of a person who is already a director in the Transferee Company as of the Effective Date.

**D-18. Saving of Concluded Transactions:**

The transfer of the Undertaking, the continuance of proceedings and the effectiveness of contracts as mentioned hereinabove, shall not affect any transaction or proceedings already concluded by any of the Transferor Companies on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds



and things done and executed by any of the Transferor Companies in respect thereto, as if done and executed on its behalf.

**D-19. Consideration:**

- a. All the Transferor Companies are wholly owned subsidiaries of the Transferee Company and the entire paid-up share capital of the Transferor Companies is held by the Transferee Company directly and through its nominees.
- b. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the respective Transferor Companies and the paid up share capital of the Transferor Companies shall stand cancelled and extinguished as per the provisions of Section 232 (3) (b) of the Act.
- c. The share certificates issued by each of the Transferor Companies in relation to their respective shares shall, without any further application, act, instrument or deed, be deemed to be stand automatically cancelled as on the Effective Date.

**D-20. Increase in Authorized Share Capital of the Transferee Company:**

- a. Upon the Scheme coming into effect, the Authorized Share Capital of Transferor Companies shall be added to that of the Authorised Share Capital of the Transferee Company and in the Memorandum of Association of the Transferee Company it shall be automatically stand enhanced without any further act, instrument, or deed or procedure or payment of any stamp duty and registration fees on the part of the Transferee Company.
- b. It is clarified that the approval/ consent of shareholders of the Transferee Company to the Scheme shall be deemed to be their consent for the purpose of making alteration in the corresponding capital clause in the Memorandum of Association of the Transferee Company as required under Sections 13, 14, 61, 64 or any other applicable provisions of the Act. For this purpose, the filing fees and stamp duty already paid by the Transferor Companies on the Authorised Share Capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to pay any fees or stamp duty on the Authorised Share Capital so increased. The Transferor Companies





- undertakes not to change its capital structure/ shareholding until the Scheme coming into effect.
- c. The capital clause being Clause V of the Memorandum of Association of the Transferee Company shall on the Effective Date stand substituted to read as follows:

*“The authorized capital of the Company is Rs. 27,45,00,000/- (Rupees Twenty Seven Crores Forty Five Lakhs only) divided into 27,45,00,000 (Twenty Seven Crores Forty Five Lakhs) Equity Shares of Re. 1/- (Rupee One only) each with power to increase or reduce the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.”*

#### **PART E – ACCOUNTING TREATMENT FOR THE AMALGAMATION IN THE BOOKS OF TRANSFEEE COMPANY**

##### **E-1. Accounting Treatment:**

- a. With effect from the Appointed Date and upon coming into effect of this Scheme, the Transferee Company shall account for the merger in its financial statements in accordance with “Pooling of Interest Method” laid down under Appendix C of Ind AS 103 (Business combinations of entities under common control) notified under Section 133 of the Act read with relevant rules issued thereunder and applicable accounting standards prescribed under the Act.
- b. The Transferee Company, upon the Scheme coming into effect, shall record all the assets and liabilities including reserves, if any, of the Transferor Companies vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Companies.
- c. The financial statements of the Transferee Company will reflect the financial position based on consistent accounting policies. In case of any difference in any of the accounting policies between the Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and impact of



the same as on the Appointed Date will be quantified and adjusted in “Surplus in the Profit & Loss” account of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy and in conformity with applicable standards including the Ind AS 103 “Business Combinations” as notified by the Ministry of Corporate Affairs.

- d. If there are any loans, deposits, advances or other obligations (including but not limited to any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) including any interest thereon, that are due between the Transferor Companies and the Transferee Company or between any of the Transferor Companies *inter se*, if any, shall, *ipso facto*, stand discharged and come to end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for reduction of such assets or liabilities, as the case may be.
- e. Investments in shares of the Transferor Companies held by the Transferee Company shall be adjusted against share capital of the Transferor Companies in the books of the Transferee Company and the difference, if any, between cost of investment of the Transferor Companies in the books of the Transferee Company shall be adjusted against balance of reserves and surplus of the Transferee Company post-merger.
- f. The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Companies.
- g. Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in the books of accounts in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, or any other relevant or related requirement under the Act, as applicable on the Appointed Date.
- h. The difference between the net assets (assets less liabilities) and reserves of the Transferor Company transferred to the Transferee Company, after making the



adjustments, if any, as mentioned in this Scheme above shall be transferred to the capital reserve.

- i. In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

## **PART F – GENERAL TERMS & CONDITIONS APPLICABLE TO THE ENTIRE SCHEME**

### **F-1. Conduct of Business as and from the Appointed Date till the Effective Date:**

- a. Between the Appointed Date and Effective Date each of the Transferor Companies shall carry on and be deemed to carry on all its business and activities as hereto and shall stand possessed of its properties and assets for and on account of, and for the benefit of and in trust for, the Transferee Company and all profits or income accruing or arising to each of the Transferor Companies and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Companies shall for all purposes be treated and be deemed to be and accrue as the profits or income or as the case may be expenditure or losses (including taxes) of the Transferee Company.
- b. Each of the Transferor Companies hereby undertakes to carry on its respective business until the Effective Date with reasonable diligence and business prudence and shall not, without the consent of the Transferee Company, alienate, charge or otherwise deal with the Undertaking or any part thereof except in the ordinary course of its business.
- c. Each of the Transferor Companies shall not take, enter into, perform or undertake;
  - (i) any material decision in relation to its business and operations other than decisions already taken prior to approval of the Scheme by the respective Board of Directors;
  - (ii) any agreement or transaction; and
  - (iii) any new business or any substantial expansion of its respective existing business or change the general character or nature of its business except with the concurrence/consent of the Transferee Company.



**F-2. Dividend:**

- a. The equity shareholders of each of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends, prior to the Effective Date.
- b. Subject to the provisions of the Scheme, the profits of each of the Transferor Companies, for the period beginning from the Appointed Date, shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit.
- c. 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 the Transferor Companies and the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of Transferor Companies and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Companies and the Transferee Company, respectively.

**F-3. Dissolution of Transferor Companies:**

- a. Upon coming into effect of this Scheme, each of the Transferor Companies shall stand dissolved without winding up, and the Board of Directors of each of the Transferor Companies shall without any further act, deed or instrument stand dissolved.
- b. On and with effect from the Effective Date, the name of each of the Transferor Companies shall be struck off from the records of the appropriate Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

**F-4. Application to Tribunal and other Authorities:**

Each of the Transferor Companies and the Transferee Company shall with all reasonable care dispatch, make and file all applications, petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act, before the Tribunal or any other Authority as applicable, for sanctioning of this Scheme and for dissolution of each of the Transferor Companies without winding up under the provisions of law and obtain all approvals as may be required under law.



**F-5. Modification or Amendments to the Scheme:**

- a. Subject to the approval of the Tribunal, each of the Transferor Companies and the Transferee Company through their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof (hereinafter referred to as the “**Delegates**”), are hereby empowered and authorized from time to time to make any modifications or amendments to the Scheme, which the Tribunal or any other Government Authority may deem fit to approve or may impose and to settle all doubts or difficulties that may arise in carrying out the Scheme and to do and execute all acts, deeds, matters and things as may be necessary for putting the Scheme into effect, or to review the position relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under law) for bringing this Scheme into effect. In the event that any of the conditions that may be imposed by the Tribunal or other authorities which the Transferor Company or the Transferee Company may find not viable for any reason, then the Transferor Company and the Transferee Company are at liberty to withdraw the Scheme. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by the Delegates of the respective Companies. The power of the Board of Directors of the respective Transferor Company and the Transferee Company shall be subject to the final approval of the Tribunal.
- b. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates of the Transferor Company and Transferee Company may give and are authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

**F-6. Taxes:**

- a. Any tax liabilities under the Income Tax Act, 1961, Customs Act, 1962, The Central Goods And Services Tax Act, 2017, State Sales Tax laws, Central Sales Tax Act, 1956, other Services Tax, applicable State VAT laws, stamp laws if any or other applicable laws/ regulations dealing with taxes/ duties/ levies (hereinafter in this Clause referred to as “**Tax Laws**”) allocable or related to the business of each of the Transferor



Companies to the extent not provided for or covered by the provision for tax made in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and Tax Deducted at Source (“TDS”) as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.

- b. With effect from the Appointed Date and upon the Scheme becoming effective, any tax credits, tax receivables, advance/ prepaid taxes, MAT credit, taxes deducted at source, of each of the Transferor Companies shall be treated as the tax credits, tax receivables, advance/ prepaid taxes, MAT credit, taxes deducted at source, of the Transferee Company as on the Appointed Date and the Transferee Company shall be entitled to claim in its tax return or in the statutorily prescribed manner the tax credits, tax receivables, advance, prepaid taxes, MAT credit, taxes deducted at source, of each of the Transferor Companies and to revise its tax returns and including any loss, related tax deduction certificates and to claim refund, advance tax credits, tax receivables, etc., accordingly.
- c. Any refund under the Tax Laws due to any of the Transferor Companies consequent to the assessment made on the Transferee Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- d. All taxes (including income tax, customs duty, excise duty, sales tax, service tax, VAT, etc.) paid or payable by any of the Transferor Companies in respect of the operations and/ or the profits of the business before the Appointed Date, shall be on account of the respective Transferor Company and, in so far as it relates to the tax payment (including, without limitation, custom duty, income tax, service tax, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the respective Transferor Company in respect of the profits or activities or operation of the business from 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.
- e. The Transferee Company shall be entitled to tax benefits under Section 72A or any other provision of the Income Tax Act, 1961 towards brought forward losses and



unabsorbed depreciation of the Transferor Company, if any from the taxable profits of the Transferee Company with effect from the Appointed Date. The Transferee Company shall continue to enjoy the tax benefits/ concessions provided to the Transferor Company through Notifications/ Circulars issued by the concerned Authorities from time to time.

- f. For the Financial Year 2020-21, the Transferor Companies undertake: (a) to comply with all the applicable tax laws, (b) to prepare the accounts and file their income tax returns as per the said laws, and (c) to pay the taxes due thereunder.

**F-7. Compliance with SEBI regulations**

- a. As the present Scheme solely provides for Amalgamation of wholly owned subsidiaries with its holding company, no formal approval, no objection certificate or vetting is required from Stock Exchange or SEBI for the Scheme, in terms of provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015, SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017, SEBI Circular No. CFD/DIL3/CIR/2018/2 dated 3<sup>rd</sup> January, 2018 and other applicable provisions, if any.
- b. In terms of the SEBI Regulations, the present Scheme of Amalgamation by absorption is only required to be filed with Stock Exchanges for the purpose of disclosure and dissemination on their website.

**F-8. Scheme conditional upon sanctions, etc:**

This Scheme is conditional upon and subject to:

- a. The requisite order/s of the Hon'ble Tribunal referred to in Clause F-4 above being obtained;
- b. Such other sanctions and approvals, including sanctions of any governmental or regulatory authority, creditor, lessor, or contracting party as may be required by law or contract in respect of the Scheme, being obtained; and
- c. The approval by the requisite sanction or approval from the Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, Regional



Director, Official Liquidator as may be applicable or as may be directed by the Tribunal; and

- d. The certified copy/copies of the order/s of the Tribunal under Section 230 to 232 of the Act and other applicable provisions of the Act sanctioning this Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai.
- e. All other sanctions and approvals as may be required under any law with regard to this scheme are obtained.

The respective Boards of Directors of each of the Transferor Companies and the Transferee Company shall, upon the conditions being satisfied, or upon waiver of any condition that is capable of being waived, declare the Scheme as having come into effect.

#### **PART G – OTHER TERMS & CONDITIONS**

- G-1.** In the event of any of the said sanctions and approvals not being obtained or waived and/ or the Scheme not being sanctioned by the Tribunal, the Scheme shall become null and void, and each party shall bear its respective costs, charges and expenses in connection with the Scheme.
- G-2.** In the event of this Scheme failing to take effect finally, including without limitation, due to any of the said sanctions and approvals referred to in Clause F-8 above not being obtained and/ or complied with and /or satisfied and/or waived and/ or this Scheme not being sanctioned by the Tribunal and/ or order or orders not being passed as aforesaid, this Scheme shall stand revoked/ cancelled and be of no effect and become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred *inter se* by the parties or the shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law.
- G-3.** Further, the respective Boards of Directors of each of the Transferor Companies and the Transferee Company, including through or by the respective Delegates shall be entitled to revoke, cancel and declare the Scheme to be of no effect if such respective





Boards of Directors are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have adverse implication on the respective Transferor Companies and/ or the Transferee Company.

- G-4.** If any part or provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of each of the Transferor Companies and the Transferee Company, affect the validity or implementation of the other parts and/ or provisions of this Scheme. Each of the Transferor Companies (by its respective Board of Directors) and the Transferee Company (by its Board of Directors), (either by themselves or through a committee or authorized officers or Delegates appointed by them in this behalf), may, in their full and absolute discretion, modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time.
- G-5.** In the event of non-fulfilment of any or all of the obligations under this Scheme by any party towards any other party *inter se* or to third parties and non-performance of which will place the other party under any obligation, then such defaulting party will indemnify all costs and interest to such other affected party.
- G-6.** All costs, charges, levies and expenses (including any taxes and duties) incurred by the respective Transferor Companies and Transferee Company, in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of each of the Transferor Companies with the Transferee Company including stamp duty on the orders of the Tribunal, if any, shall be borne and paid by the Transferee Company.

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**Certified True Copy**  
Copy Issued "free of cost"  
On 06.09.2021

  
Deputy Registrar  
National Company Law Tribunal Mumbai Bench  
Government of India





**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH**

**C.P. (CAA)/36/MB/2021**

**IN**

**C.A. (CAA)/1137/MB/2020**

In the matter of the Companies Act, 2013;

**AND**

In the matter of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder.

**AND**

In the matter of Scheme of Amalgamation of Syncordis Software Services India Private Limited having CIN U72900MH2015FTC340700 ("Transferor Company 1") and Ruletronics Systems Private Limited having CIN U72200MH2014PTC341550 ("Transferor Company 2") with Larsen & Toubro Infotech Limited having CIN L72900MH1996PLC104693 ("Transferee Company") and their respective shareholders ("Scheme")

**Larsen & Toubro Infotech Limited**

...Third Petitioner Company / Transferee Company

**CERTIFIED COPY OF ORDER DATED 16<sup>th</sup> DAY  
OF JULY, 2021 ALONG WITH COPY OF SCHEME  
ANNEXED TO PETITION**

**Legalogic Consulting**

**Advocates for Petitioner Companies**

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55, Damle Road, Off Law College Road,  
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