

ACCEL LIMITED

(Formerly known as Accel Transmatic Limited)



AL/CS/BSE/076/2020-21

November 24, 2020

Manager – Corporate Relationship
Dept of Corporate Services
The Bombay Stock Exchange Limited
Floor 25, P.J. Towers
Dalal Street, Mumbai 400 001

Dear Sir / Madam,

Sub: Intimation regarding Meeting of Secured Creditors to be held on 11th December 2020 at 11.00 AM

Re: SCRIP Code: 517494

This is to inform you that a Meeting of Secured Creditors of the Company is scheduled to be held on Friday, 11th December 2020 at 11.00 A.M at III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai, Tamil Nadu-600 034 for transacting the items of business as set out in the Notice convening the Meeting of Secured creditors of the Company. A copy of the Notice is attached.

The company has fixed 30th September 2020 as the cut-off date to determine the entitlement of voting rights of creditors.

The company has appointed Mrs. Aishwarya. N, Practicing Company Secretary (COP: 20319) as Scrutinizer to conduct the polling process to be held at the Meeting of Secured Creditors in a fair and transparent manner.

Thanking you,

Yours faithfully,
For **Accel Limited**

Sd/-

Priyam Agarwal
Company Secretary

Regd. Off. / Corp. Off. : 3rd Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai - 600 034. Phone : 044 - 28222262, 044 - 48652262

Factory : No. 34, SIDCO Electronics Complex, Thiru Vi. Ka. Industrial Estate, Guindy, Chennai - 600 032. Phone : 044 - 22500338

Animation Division : Drishya Building, KINFRA Film & Video Park, Sainik School PO, Kazhakkuttam, Thiruvananthapuram - 695 585. Phone : 0471 - 2167859

Website : www.acceltransmatic.com / www.accel-india.com

CIN : L30007TN1986PLC100219



ACCEL LIMITED
CIN: L30007TN1986PLC100219

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

NOTICE TO SECURED CREDITORS

Meeting of the Secured Creditors of Accel Limited

Day	Friday
Date	11 th December 2020
Time	11.00 AM
Venue	III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034

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**FORM NO. CAA. 2
[Pursuant to Section 230 (3) and rule 6 and 7]**

**IN THE MATTER OF
SCHEME OF AMALGAMATION**

**OF
ENSURE SUPPORT SERVICES (INDIA) LIMITED
(TRANSFEROR COMPANY – 1)**

**AND
COMPUTER FACTORY (INDIA) PRIVATE LIMITED
(TRANSFEROR COMPANY – 2)**

**WITH
ACCEL LIMITED
(FORMERLY ACCEL TRANSMATIC LIMITED)
(TRANSFeree COMPANY)**

**AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER**

**SECTION 233 OF THE COMPANIES ACT, 2013 READ WITH RULE 25 OF THE COMPANIES
(COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 AND OTHER APPLICABLE
PROVISIONS**

Notice of Meeting of Secured Creditors

To:
The Secured Creditors of
ACCEL LIMITED

Notice is hereby given that a meeting is to be held of secured creditors of Accel Limited will be held on the 11th day of December 2020 at 11.00 AM III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034 to transact the following business:

Item No. 1: **APPROVAL OF SCHEME OF AMALGAMATION OF ENSURE SUPPORT SERVICES (INDIA) LIMITED AND COMPUTER FACTORY (INDIA) PRIVATE LIMITED WITH ACCEL LIMITED AND RELATED MATTER.**

To consider and if thought fit, to pass with or without modification(s) the following resolutions:

"RESOLVED THAT pursuant to the provisions of Sections 233 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modifications, re-enactment or amendments thereof for the time being in force) read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Regulation 11 and Regulation 37 and any other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and subject to the sanction of the Regional Director (Southern Division) or such other sanctions and approvals, including sanctions of any other competent or statutory or regulatory authority, as may be applicable/required by the law, consent of the Secured Creditors be and is hereby accorded to the proposal for amalgamation of the Company Ensure Support Services India Limited (ESSIL) (Transferor Company - I) along with Computer Factory (India) Private Limited (CFIPL) (Transferor Company - II) both wholly owned subsidiaries of Accel Limited with Accel Limited (Transferee Company) under a Scheme of Amalgamation (the Scheme) with effect from 01st April 2020, being the Appointed date or such other date as may be determined by the Board of Directors of the Transferor Companies and Transferee company."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and for the removal of difficulties or doubts, the Board of Directors of the Company (hereinafter referred to as the "Board") which term shall deem to include any committee or any person(s) which the Board may nominate or constitute or delegate to exercise its powers, including the powers conferred under above resolution), be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper and to settle any questions or difficulties that may arise with regard to the implementation of the above resolution, including passing of such accounting entries and/or making such adjustments in the books or account as considered necessary to give effect to the above resolution or to carry out such modifications/directions as may be ordered by the Regional Director to implement the aforesaid resolutions."

DATE: 12.11.2020
PLACE: CHENNAI

FOR ACCEL LIMITED

Sd/-
Priyam Agarwal
Company Secretary

Notes:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, along with applicable rules there under and provisions of Sections 233 of the Companies Act, 2013 setting out material facts forms part of this Notice.
2. Only Secured Creditors will be entitled to vote in the said meeting either in person or through proxy or by authorized representative.
3. A Creditor entitled to attend and vote at the meeting (the 'Meeting') is entitled to appoint representative to attend and vote instead of himself/herself. Proxies in order to be effective must be deposited at the registered office of the company, duly completed and signed not less than 48 hours before the meeting. All alterations made in the form of Proxy should be initialed. A minor shall not be appointed as the representative.
4. This Notice is being sent to the Secured Creditors of the Company whose names appear in the books of account of the Company as on 30.09.2020 and which is duly authenticated by the statutory auditors of the Company.
5. The representative of a body corporate which is a Secured Creditor of the Company may attend and vote at the Secured Creditors Meeting provided an authorization letter or such other document authorizing such representative to attend and vote at the Secured Creditors meeting is deposited at the registered office of the Company not later than 48 hours before the meeting.
6. The Secured Creditor (in case such Secured Creditor is an individual) or the authorized representative of the Secured Creditor (in case such Secured Creditor is a body corporate) or the proxy should carry their valid and legible identity proof (i.e. a PAN Card/Aadhaar Card/Passport/Driving License/Voter ID Card).
7. A Secured Creditor or his/her Proxy is requested to bring the copy of the Notice to the Meeting and produce the Attendance Slip, duly completed and signed at the entrance of the Meeting venue.
8. The Company has appointed Mrs. Aishwarya, Practicing Company Secretary (COP: 20319) as Scrutinizer to conduct the polling process to be held at the meeting in a fair and transparent manner.
9. Any document referred to in the accompanying Explanatory Statement shall be open for inspection by the creditors at the registered office of the Applicant Company between 11.00 AM and 1.00 PM on all days (except Saturdays, Sundays and public holidays) up to one day prior to the date of the meeting.
10. The route map to the Meeting venue is given herein.

FOR ACCEL LIMITED

DATE: 12.11.2020

PLACE: CHENNAI

Sd/-

Priyam Agarwal
Company Secretary

EXPLANATORY STATEMENT IN TERMS OF SECTION 233 AND SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 25 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

Accel Limited (“Transferee Company”), Ensure Support Services (India) Limited (“Transferor Company – 1”) and Computer Factory (India) Private Limited (“Transferor Company – 2”) intend to file an application with the Hon’ble Regional Director, Southern Region, Chennai seeking approval of the Scheme of Amalgamation (The Scheme) through Fast-track route in accordance with section 233 of the Companies Act, 2013.

The scheme was approved by the board of directors of the Transferee, Transferor – 1 and Transferor – 2 Companies on 03.09.2020, 07.09.2020 and 03.09.2020 respectively.

The Company has also served notices (CAA-9) along with the proposed Scheme with Registrar of Companies, Chennai and Official Liquidator by letter dated 21st September 2020 and 22nd September, 2020 respectively, seeking their objections / suggestions to the said scheme as required under section 233(1)(a) of the Act and rules made thereunder. However, the company has not received any objections and suggestions to the proposed scheme from the said authorities till the date of this notice. The Transferee Company has its shares listed on the BSE Limited and has intimated the Exchange of Scheme of amalgamation with the Transferor Companies on 03.09.2020 through Corporate Announcements and vide E-mail on 21.09.2020. The amalgamation once approved in the meeting will be subject to approval of the Hon’ble Regional Director, Southern Region and Ministry of Corporate Affairs.

This statement is being furnished as required under section 233 and Section 102 of the Companies Act, 2013 (the “Act”) read with Rule 25 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the “Rules”).

I. Details of the Companies

TRANSFEROR COMPANY – 1: ENSURE SUPPORT SERVICES (INDIA) LIMITED

Name	Ensure Support Services (India) Limited
CIN	U72900TN2013PLC091888
PAN	AADCE4435D
Date of Incorporation	27.06.2013
Type of Company	Non-Govt. Company / Unlisted Public Company
Registered Office; E-mail ID	III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam Chennai – 600034. companysecretary@ensureservices.in
Summary of main objects as per Memorandum of Association	1.To carry on the business of providing warranty support and post warranty support services including Call Centre support, importing and re-exporting of spare parts, warehousing, forward and reverse logistics, return to bench and on-site support across the country, back end validation (NTF or NDF) and high level repairs and also providing Pre-sale technical support, Sales partners training, preparing Bill of Material, site preparation, installation support for enterprise products.

	<p>2.To carry on the business of providing Infrastructure Management Services which includes providing Annual Maintenance Contract services, Facility Management Services, Help Desk Support services and also providing forwards and reverse logistics services, CRM and SCM Software Development and Support services.</p> <p>3.To carry on the business of providing end to end support services including, assessment, planning, architectural / solution design and 'best-practices based implementation' and installation & deployment of Servers, Storage, Data, Voice, Video, UC and Security products and implementation of small, medium and large integrated solutions for various brands and technology platforms.</p> <p>4.To provide managed services and call center services including Warranty Validation Guiding customers to nearest Service Center and Sales Office, FAQ – Sales & Service Call Registration & Monitoring and Pre-sale Support, sale of spare parts, accessories and warranty extensions.</p> <p>5.To carry on the business of providing Third Party Logistics (3PL) services, take premises on lease or hire, let premises on lease or sub-lease, and to carry out the work of loading, unloading, handling, forwarding for and behalf of the owners of goods, and to act as transporters, booking agents, forwarding agents, clearing agents, shipping agents, warehousemen, exporters and importers for transport or movement of goods through roadways, ropeways, railways, airways, waterways, or any other mode of transport and to make arrangements with transporters, airlines, shipping agents or other concerns engaged in logistics, luggage parcels, articles, commodities, merchandise and other movables of every description whatsoever.</p>
Main Business carried on by the Company	The Company is engaged in the business of providing after sales services in the nature of warranty fulfilment services, spare parts management, infrastructure management services, break-fix maintenance services in the nature of paid services, managed print services and e-waste management (collectively called as " Business ") independently or on behalf of OEMs.
Details of Change of name, registered office, and objects of the company during the last five years.	Change in name of the company – No change in name for the last five years.

	<p>The Registered office of the company was shifted from SPL Guindy House, 95 Anna Salai, Guindy, Chennai – 600032 to III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai 600 034.</p> <p>Change in Object clause – NIL</p>
Name of the stock exchange(s) where securities of the company are listed	NA
Authorized Capital	Rs. 4,50,00,000 divided into 45,00,000 Equity shares with face value of Rs. 10 each
Issued, subscribed and Paid up capital	Rs. 4,50,00,000 divided into 45,00,000 Equity shares with face value of Rs. 10 each
Names of the promoters and directors along with their addresses	<p>PROMOTERS:</p> <ol style="list-style-type: none"> 1. Accel Limited ADD: III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai 600 034. <p>DIRECTORS:</p> <ol style="list-style-type: none"> 1. Jayanthi Venkata Ramamurthy ADD: 68, Sector-40, Near Sai Mandir Noida, Uttar Pradesh - 201301 2. Chandrasekaran Ramakrishnan Kolumam ADD: 985/1, Lakshmanaswamy Salai, K. K Nagar, Chennai 600078 3. Sunkari Venkateswara Rao ADD: 203 B, Sakthi Srinivasan Salai Thoraipakkam, Chennai - 600097 4. Narayana Pillai Reghoothama Panicker ADD: AI, 109, 4th Street, 9th Main Road, Anna Nagar, Chennai – 600040

TRANSFEROR COMPANY - 2: COMPUTER FACTORY (INDIA) PRIVATE LIMITED

Name	Computer Factory (India) Private Limited
CIN	U51909TN1993PTC026207
PAN	AABCC2500P
Date of Incorporation	15.11.1993
Type of Company	Non-Govt. Company / Private Limited Company
Registered Office; E-mail ID	III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam Chennai – 600034 companysecretary@accel-india.com
Summary of main objects as per Memorandum of Association	<ol style="list-style-type: none"> 1.To Takeover M/s Computer Factory, a Partnership firm as a running concern along with all its assets and liabilities. 2.To manufacture, import, export, assemble, develop, invent and otherwise deal in computers, computer software, floppy diskettes, and other allied materials, computer

	<p>data processing machines, computer peripherals, accessories and components of all description.</p> <p>3.To establish, provide, perform, systems engineering services, related technical and consultancy services, import technical know-how in the field of computers, develop technical expertise for providing technology and technical know-how in the field of computers.</p> <p>4.To establish facilities for imparting technical education and for providing training in all disciplines of Computer assembly, maintenance and other related activities and arranging practical training in Computer related.</p>
Main Business carried on by the Company	The Company is engaged in the business of IT Infrastructure Management and Systems integration.
Details of Change of name, registered office, and objects of the company during the last five years.	<p>Change in name of the Company – No changes in last 5 years.</p> <p>The Registered office of the company was shifted from 705,Continental Plaza, Mount Road, Chennai - 600 006 to III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai 600 034.</p> <p>Change in Object clause – The Board of directors and the Shareholders of the company has approved for the insertion of two clauses (39 and 40) under sub-clause B of Object clause in the Memorandum of Association of the company, which was also approved by the members in the Extraordinary General meeting held on 07/11/2020.</p>
Name of the stock exchange(s) where securities of the company are listed	NA
Authorized Capital	Rs. 3,00,00,000 divided into 30,00,000 Equity shares with face value of Rs. 10 each
Issued, subscribed and Paid up capital	Rs. 1,10,00,000 divided into 11,00,000 Equity shares with face value of Rs. 10 each
Names of the promoters and directors along with their addresses	<p>PROMOTERS:</p> <ol style="list-style-type: none"> Accel Limited ADD: III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai 600 034 <p>DIRECTORS:</p> <ol style="list-style-type: none"> Narayana Pillai Reghoothama Panicker ADD: AI, 109, 4th Street, 9th Main Road, Anna Nagar, Chennai – 600040

2. Padmakumar Shyamala Krishnankutty Nair
ADD: AANANADAM, TC 49/2433(1)
Cheruthanickal Lane, Nemom
Thiruvanathapuram - 695020

TRANSFeree COMPANY: ACCEL LIMITED

Name	Accel Limited
CIN	L30007TN1986PLC100219
PAN	AAACT8542K
Date of Incorporation	19.05.1986
Type of Company	Non-Govt. Company / Listed Public Company
Registered Office; E-mail ID	III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam Chennai – 600034 companysecretary@accel-india.com
Summary of main objects as per Memorandum of Association	<ol style="list-style-type: none"> 1.To venture. undertake and carry on the business of manufacturing, assembling, making, altering, repairing, servicing, ornamenting, developing, supplying, trading, leasing, importing, exporting, designing and consulting or otherwise dealing in electrical, electronic, telecommunication and other equipments, machines, appliances and accessories, computer systems, peripherals, office automation instruments, Un-interrupted Power Supply Systems, Power Conditioning Equipments, software including medical equipment, household appliances, micro chips and all related services. 2.To carry on the business of manufacturing, assembling, processing and designing all types and kinds of valves, electrical and electronic pumps, instrumentation and system machinery. 3.To act as specialized engineers and consultants offering turnkey information technology solutions and specialized facility management services to users, provide specialized technical knowledge and know how on computer site development and conduct training courses, seminars, workshops and the like on software applications programming fourth generation and other languages, tools, client/ server technology, data communication, multimedia, animation, computer telephony interface, voice internet protocol, internet service providers, computer data centre management, cable operation, E- trade, E- commerce in India and abroad. 4.To setup software technology parks and to develop software in all fields and to provide onsite support and services for software development and to execute projects for all types of Indus

tries in India and abroad and undertake onshore and offshore software development to deliver business solution of various IT platforms including client server technology.

5. To undertake installation, repair, servicing and maintenance of the above products and carry out research and development in the manufacture and for uses of the said products and act as experts, consultants, technicians and give specialized knowledge in their field.
6. To conduct all types of training, educational programmes and seminars in the field of Software, Software Development and Testing, Computer Hardware, Networking, VLSI Design, Embedded Systems. Mobile Phones and such other electronic and electric Products and to act as specialized recruitment and placement agents, organize seminars, clubs and the like for providing expert service in these areas.
7. To appoint franchisees and to give them right to use the technologies, Research and development, Plants and Equipments used by the Company for commercial exploitation to other parties/persons and to receive royalties, fees, considerations for the same in India and abroad.
8. To carry on the business as builders, property developers, civil mechanical and labour contractors building and erection engineers, dealers in, importers, exporters, and manufacturers of pre-fabricated and precast houses , materials tools, implements machinery and metal ware in connection therewith or incidental thereto and to carry on any other business that is customarily, usually and conveniently carried on therewith in or outside India dealers, agents, representatives and to undertake installation, maintenance, and to purchase, acquire, take on lease or in exchange or in any other lawful manner any area, land, buildings, structures and to turn the same into account , develop the same dispose off or maintain the same.
9. To acquire by purchase, lease, exchange, hire or otherwise hold, manage work, develop the resources of land and turn to account any estates, land, buildings tenements another property of every description, whether free hold or lease hold or other tenure and where-so-ever situate and any interests thereon and rights connected therewith and in particular to acquire or take-over certain estates situate in India or outside

	<p>and all or any parts thereon and other assets used in therewith.</p> <p>10. To carry on the business as an investment company and for that purpose to acquire and hold either in the name of the Company or in that of any nominee immovable properties, shares, stocks, debentures, debenture-stock, bonds, notes derivative products and to invest or to deposit or to hold funds in such articles (including gold, silver, jewellery, platinum, precious metals and precious stones) and acquire purchase, sell or let on hire the same and materials, articles or things, obligations and securities issued or guaranteed by any company, wherever incorporated or carrying on business and debentures, debenture-stock bonds, notes, obligations and securities issued or guaranteed by any government sovereign ruler, commissioner, public body or authority, supreme independent, municipal local or otherwise in any part of the work either at the Company's office of any other places of safe custody.</p> <p>11. To let out on hire all or any of the property of the company whether immovable or move-able including all and every description of machinery, equipments and appliances, rights and concessions of the company.</p>
Main Business carried on by the Company	The Company is engaged in the business of Animation Services, Engineering Services and Real Estate Development.
Details of Change of name, registered office, and objects of the company during the last five years.	<p>By way of Scheme of Arrangement, its holding company merged with the Company and its name was changed from 'Accel Transmatic Limited' to 'Accel Limited'.</p> <p>The Registered office of the company was shifted from Accel House, 75, Nelson Manickam Road, Aminjikarai, Chennai - 600 029 to III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai 600 034(w.e.f. 28.07.2018)</p> <p>Change in Object clause – Clause 8, 9 and 10 of the Main Object has been inserted pursuant to the sanctioned Scheme of Amalgamation approved by The National Company Law Tribunal, Chennai Bench, vide its order dated 05th March 2018. And Clause 11 of the Main Object has been inserted pursuant to the Special Resolution passed at the</p>

	Extra-Ordinary General Meeting dated 17.05.2018
Name of the stock exchange(s) where securities of the company are listed	BSE Limited (SCRIP Code:517494)
Authorized Capital	Rs. 21,00,00,000/- divided into 10,50,00,000 Equity shares with face value of Rs. 2 each 50,00,000 10% Cumulative Redeemable Preference Shares of Rs. 10/ each
Issued, subscribed and Paid up capital	Rs. 11,40,14,802 divided into 5,70,07,401 Equity shares with face value of Rs. 2 each
Names of the promoters and directors along with their addresses	<p>PROMOTERS:</p> <ol style="list-style-type: none"> 1. Panicker N R ADD: AI, 109, 4th Street, 9th Main Road, Anna Nagar, Chennai – 600040 2. Sreekumari R Panicker ADD: AI, 109, 4th Street, 9th Main Road, Anna Nagar, Chennai - 600040 3. Shruthi Panicker ADD: AI, 109, 4th Street, 9th Main Road, Anna Nagar, Chennai - 600040 4. Harikrishna R ADD: AI, 109, 4th Street, 9th Main Road, Anna Nagar, Chennai - 600040 <p>DIRECTORS:</p> <ol style="list-style-type: none"> 1. Ayyappan Madhavan Nair ADD: SreePrasadam, TC9/2089/1,Thamarakulam Lane, Sasthamangalam PO, Trivandrum – 695 010. 2. Narayana Pillai Reghoothama Panicker ADD: AI, 109, 4th Street, 9th Main Road, Anna Nagar, Chennai - 600040 3. Biju Bijubhavan Gopinath ADD: VNRA A98 Sopanam Thirumala P O, Thiruvananthapuram - 695006 4. Chaniyilparampu Nanappan Ramchand ADD: K-104, 1st street, 16th Street, Anna Nagar East, Chennai-600 102. 5. Shruthi Panicker ADD: AI, 109, 4th Street, 9th Main Road, Anna Nagar, Chennai – 600040 6. Nagarajan Krishnamurthy ADD: Flat F No.5, Luz Avenue 5th Street, Mylapore, Chennai – 600 004.

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

S. No.	Name of the Company	Relationship
1	ENSURE SUPPORT SERVICES (INDIA) LIMITED	Wholly Owned Subsidiary (WOS)/ Transferor Company – 1
2	COMPUTER FACTORY (INDIA) PRIVATE LIMITED	Wholly Owned Subsidiary (WOS)/ Transferor Company – 2
3	ACCEL LIMITED	Holding Company/ Transferee Company

The scheme of amalgamation relates to the amalgamation of wholly owned subsidiaries (Transferor Company – 1 and Transferor Company – 2) with the holding company (Transferee Company).

III. The date of the Board meeting at which the scheme was approved by the Board of directors including the name of the directors who voted in favor of the resolution, who voted against the resolution and who did not vote / participate on such resolution.

The Board of Directors of the Transferor Company - 1, Transferor Company - 2 and the Transferee Company at their board meetings held on 3rd September 2020, 7th September 2020 and 3rd September 2020 respectively unanimously approved and adopted the proposed Scheme of Amalgamation respectively. The details of vote cast by the directors are as under:

ENSURE SUPPORT SERVICES (INDIA) LIMITED: Transferor Company – 1

S. No.	Name of the Director	Voted (In Favor/ Against/ Not Participated)
1	Jayanthi Venkata Ramamurthy	In Favor
2	Chandrasekaran Ramakrishnan Kolumam	In Favor
3	Sunkari Venkateswara Rao	In Favor
4	Narayana Pillai Reghoothama Panicker	In Favor

COMPUTER FACTORY (INDIA) PRIVATE LIMITED: Transferor Company – 2

S. No.	Name of the Director	Voted (In Favor/ Against/ Not Participated)
1	Narayana Pillai Reghoothama Panicker	In Favor
2	Padmakumar Shyamala Krishnankutty Nair	In Favor

ACCEL LIMITED: Transferee Company

S. No.	Name of the Director	Voted (In Favor/ Against/ Not Participated)
1	Ayyappan Madhavan Nair	In Favor
2	Narayana Pillai Reghoothama Panicker	In Favor
3	Biju Bijubhavan Gopinath	In Favor
4	Chaniyilparampu Nanappan Ramchand	In Favor
5	Shruthi Panicker	Not Participated
6	Nagarajan Krishnamurthy	Not Applicable (Appointed w.e.f. 23.10.2020)

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

a) Parties involved in such compromise or arrangement

The Transferor Companies are wholly owned subsidiaries of the Transferee Company. The parties involved in the scheme of amalgamation are the shareholders, creditors of the companies.

b) In case of amalgamation or merger, appointed date, effective date, share exchange ratio (if applicable) and other considerations, if any

“Appointed Date” means April 1, 2020, the date with effect from which this scheme shall come into effect or such other date(s) as may be fixed or approved by the Central Government or Tribunal or any other competent authority.

“Effective Date” means the date on which the certified copy of the order(s) of the Regional Director under Sections 233 of the Act sanctioning the Scheme, is filed with the Registrar of Companies.

“Share Exchange Ratio” - Not applicable, as wholly owned subsidiaries are merging with their holding company.

“Considerations” - Since, the Transferor Companies are wholly owned subsidiaries of the Transferee Company, the shares of the Transferor Companies held by the Transferee Company will stand cancelled and there shall be no issuance of shares or payment of any consideration by Transferee Company to the shareholders of the Transferor Companies.

c) Summary of valuation report (if applicable) including basis of valuation and fairness opinion of the registered valuer, if any and the declaration that the valuation report is available for inspection at the registered office of the company

The Scheme involve Amalgamation of Wholly Owned Subsidiaries with the holding Company.

As per SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, in Annexure – 1, I(A) Para 4 (b) states, Valuation report is not required in cases where there is no change in the shareholding pattern of the listed entity.

Considering the above-mentioned points, Valuation Report is not required.

d) Details of capital/debt restructuring, if any

The shares held by Accel Limited in Ensure Support Services (India) Limited and Computer Factory (India) Private Limited will be cancelled. Ensure Support Services (India) Limited and Computer Factory (India) Private Limited will cease to exist after Amalgamation. All the Assets and Liabilities of the Company being the transferor Company will be transferred to the transferee Company and the Company will be dissolved without the process of winding up as envisaged in the Scheme of Amalgamation.

e) Rationale for the compromise or arrangement and benefits to the company

- The Transferee Company is the Holding company of the Transferor Companies. The Transferee Company has invested substantial amount of funds in the Transferor Companies. The Transferee Company was into similar business earlier and has got vast knowledge and experience in such type of business. The Transferee Company, being a Listed Company wants to tap into the tremendous business potential available presently in India and position itself as one of the main Information Technology (IT) Service Companies in India. Furthermore, the Amalgamation will also result in enriching the shareholders of the Transferee Company and reward them well.

- The Transferee Company will have, post – amalgamation, the ability to leverage on the large combined asset base of both the Transferee and the Transferor Companies. It will also be possible to take advantage of the combined professional and managerial experience and expertise to increase shareholder value. The Amalgamation will also result in the Transferee Company being able to scale up its existing business operations by combining the business interests of both Companies into one corporate entity. This will result in operational synergies, centralization, simplification, streamlining and optimization of the corporate structure of the group, thereby facilitating efficient administration.

- On evaluating the growth of the Transferor Companies, it is considered that the amalgamation will enable pooling of resources of the aforesaid Transferor Companies with the resources of the Transferee

Company to their advantage, resulting in more productive utilization of said resources, and cost and operational efficiencies which would be beneficial to all stakeholders. The consolidated entity will offer a strong and stable financial structure to all stakeholders, facilitate resource mobilization and lead to the achievement of better cash flows and also optimum utilization of assets and resources. This will result in a substantial enhancement of shareholders' value of the Transferee Company.

- The activities of the Transferor Companies and the Transferee Company complement each other, and the combined efforts and resources would lead to a more concentrated approach towards development of the business and the achievement of their objectives.

- The merger of the Transferor Companies with the Transferee Company will help in the creation of a platform for future business activities, and act as a gateway for growth and expanding business operations wherein the business activities of the Transferor Companies can be advantageously combined with the business activities of the Transferee Company.

- Consequent upon merger, the Transferee Company would be able to optimize the resources required for overall general and administrative purpose. The Transferee Company would be able to use its existing resources as well as the resources of the Transferor Companies and this would reduce the cost of maintaining and using separate resources.

- The consolidated entity is likely to achieve higher long-term financial returns than could be achieved individually by the Companies. The merger will enable the Transferee Company to come out of its serious liquidity crunch, which is presently having a significant adverse impact on its business operation.

- The amalgamation will also enable smoother implementation of policy changes at a higher level from a management perspective and shall also help enhance the efficiency and control of the entities. The amalgamation will also help achieve business synergies.

- The consolidation of the business operations, undertakings, assets, liabilities etc. of the Transferor Companies into the Transferee Company, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the Companies. This will also result in the management being enabled to undertake any re-structuring/re-organization of the various business undertakings of the Companies for the purposes of achieving optimum efficiency and/or to attract investments in the individual business undertakings of the Companies. The amalgamation will result in consolidation of market share and increased customer recognition.

- The Banks, creditors and institutions, if any of the Transferor and Transferee companies are not affected by proposed amalgamation as their security is maintained and no compromise or arrangement is made with them. There is no likelihood that the interests of any shareholder or creditor of either the Transferor Companies or the Transferee Company would be prejudiced as a result of the Scheme. The Amalgamation will not impose any additional burden on the members of Transferor Companies or the Transferee Company.

- The Scheme is in the interest of the shareholders, creditors and employees of the Transferor Companies & Transferee Company and their stakeholders and would enable the Transferor Companies and Transferee Company to adopt a focused business approach for the maximization of benefits to their respective stakeholders. The Scheme shall not in any manner be prejudicial to the interests of concerned shareholders, creditors or / and general public at large

f) Benefits of the compromise or arrangement as perceived by the Board of directors to the company, members, creditors and others (as applicable)

Same as (e) above

g) Amount due to unsecured creditors:

Amount due to unsecured creditors by Transferor Company – 1: 15.75 crores

Amount due to unsecured creditors by Transferor Company – 2: 0.34 crores

Amount due to unsecured creditors by Transferee Company : 3.13 crores

V. Disclosure about the effect of the scheme of amalgamation on,

(a)	Key managerial personnel	None of the aforesaid parties are impacted in any way post sanctioning of the Scheme and reference to the same has been made at the respective places in the Scheme of Amalgamation attached herewith.
(b)	Directors	
(c)	Promoters	
(d)	Non-Promoters members	
(e)	Depositors	
(f)	Creditors	
(g)	Debenture Holders	
(h)	Deposit Trustee and Debenture Trustee	
(i)	Employees of the Company	

VI. Disclosure about the effect of the Scheme on the material interests of directors and key managerial personnel and debenture trustee.

The Scheme of amalgamation has no impact on the material interests of directors, Key Managerial Personnel of the Company. There is no Debenture Trustee.

VII. Investigation or proceedings, if any, pending against Accel Ltd. under the Act

The statutory Auditors have in their Report for FY 31.03.2020 has reported as follows.

- i) The company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, duty of customs, cess, Goods & Service Tax, cess and any other statutory dues applicable to it with appropriate authorities during the year except as noted below.

Name of the Statute	Nature	Amount (Rs)
The Income Tax Act,1961	TDS	3,87,373/-
Sales Tax Act, TN	Sales Tax	2,34,773/-

- i. The dues of Income tax, service tax, sales tax, duty of customs, excise duty, value added tax and cess on account of dispute as at 31st March 2020 are as follows:

Nature of Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is Pending
The Income Tax Act , 1961	Income Tax	1.18	AY 2004-05	Commissioner of Income Tax
		8.42	AY 2005-06	Assessing Officer *
		6.37	AY 2006-07	Assessing Officer *
		2.10	AY 2007-08	Assessing Officer *
		65.06	AY 2008-09	Assessing Officer *
		36.06	AY 2009-10	Assessing Officer *
		9.53	AY 2011-12	Assessing Officer *
		100.53	AY 2012-13	Assessing Officer *
		21.31	AY 2013-14	Assessing Officer *
		0.51	AY 2014-15	Assessing Officer *
		206.70	AY 2018-19	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	16.51	FY 2005-06 FY 2006-07	CESTAT, Bangalore
Customs Act, 1962	Customs Duty	33.88	FY 2008-09	CESTAT, Bangalore. Company has deposited Rs. 33.88 lakhs against the demand
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	23.88	AY 2010-11 Onwards	EPF Appellate Tribunal, Company has deposited Rs. 2.35 lakhs against the demand

*The above amount is subject to revision based on the order of the Commissioner of Income Tax (Appeals), where in certain ground relating to the appeal were partly allowed. The effect of the same has yet to be made by the Jurisdictional Assessing Officer.

The above disputed amounts also include the liability of merged company "Accel limited".

VIII. Details of the availability of the following documents for obtaining extract from or for making or obtaining copies of or for inspection by the secured creditors, namely:

The following documents will be open for obtaining extract or for making or obtaining copies of or for inspection at the Registered Office of the Applicant Companies between 10:00 A.M. to 05:00 P.M. on any working day of the Applicant Companies except Saturday and Sunday up to the date of the meeting:

- a) Latest audited financial statements of the company including consolidated financial statements;
- b) Copy of proposed Scheme of Amalgamation;
- c) contracts or agreements material to the compromise or arrangement;
- d) The certificate issued by Auditor for the Companies to the effect that the accounting treatment, if any, proposed in the scheme of Amalgamation is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
- e) Such other information or documents as the Board or Management believes necessary and relevant for making decision for or against the scheme.

IX. Details of approvals, sanctions or no-objection(s), if any, form regulatory or any other government authorities required, received or pending for the purpose scheme of compromise or arrangement.

The Copies of the Scheme of amalgamation has already submitted with the following regulatory and governmental authorities and sought their approval:

1. Registrar of Companies, Chennai
2. Official Liquidator, Chennai

FOR ACCEL LIMITED

DATE: 12.11.2020

PLACE: CHENNAI

Sd/-
Priyam Agarwal
Company Secretary

FORM NO. CAA.10
[Pursuant to section 233(1)(c) and rule 25(2)]

Declaration of solvency

1. (a) Corporate identity number (CIN) of company : **L30007TN1986PLC100219**
2. (a) Name of the company : **ACCEL LIMITED**
(b) Address of the registered office of the company : III Floor SFI Complex, 178,
Valluvarkottam High Road,
Nungambakkam, Chennai– 600034.
(c) E-mail ID of the company : **companysecretary@accel-india.com**
3. (a) Whether the company is listed:
 Yes **No**
(b) If listed, please specify the name(s) of the stock exchange(s) where listed:
BSE LIMITED
4. Date of Board of Directors' resolution approving the scheme: **03rd September 2020**

Declaration of solvency

We, the directors of **M/s ACCEL LIMITED** do solemnly affirm and declare that we have made a full enquiry into the affairs of the company and have formed the opinion that the company is capable of meeting its liabilities as and when they fall due and that the company will not be rendered insolvent within a period of one year from the date of making this declaration.

We append an audited statement of company's assets and liabilities as at 31.03.2020 being the latest date of making this declaration.

We further declare that the company's audited annual accounts including the Balance Sheet have been filed up to date with the Registrar of Companies, Chennai, Tamil Nadu.

(1) Signature: **Sd/-**

Name: Mr. NARAYANA PILLAI REGHOOTHAMA PANICKER

Designation: Managing Director

DIN: 00236198

(2) Signature: **Sd/-**

Name: Dr. AYYAPPAN MADHAVAN NAIR

Designation: Director

DIN: 07148631

(3) Signature: **Sd/-**

Name: Mr. CHANIYILPARAMPU NANAPPAN RAMCHAND

Designation: Director

DIN: 05166709

Verification

We solemnly declare that we have made a full enquiry into the affairs of the company including the assets and liabilities of this company and that having done so and having noted that the scheme of merger or amalgamation of COMPUTER FACTORY (INDIA) PRIVATE LIMITED and ENSURE SUPPORT SERVICES (INDIA) LIMITED with ACCEL LIMITED and is proposed to be placed before the shareholders and creditors of the company for approval as per the provisions of sub-section of (1) of section 233 of the Companies Act, 2013, we make this solemn declaration believing the same to be true.

Verified this day the 16th day of September 2020

(1) Signature: **Sd/-**

Name: Mr. NARAYANA PILLAI REGHOOTHAMA PANICKER

Designation: Managing Director

DIN: 00236198

(2) Signature: **Sd/-**

Name: Dr. AYYAPPAN MADHAVAN NAIR

Designation: Director

DIN: 07148631

(3) Signature: **Sd/-**

Name: Mr. CHANIYILPARAMPU NANAPPAN RAMCHAND

Designation: Director

DIN: 05166709

Solemnly affirmed and declared at Chennai the 16th day of September, 2020 before me.

Attachments:

- a) Copy of board resolution
- b) Statement of assets and liabilities
- c) Auditor's report on the statement of assets and liabilities

ANNEXURE - A

EXTRACT FROM THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF ACCEL LIMITED HELD ON 03RD SEPTEMBER 2020 AT PALATHINKARA, TC 28/1838(1) , TC 28/ 1838, HOUSE NO: TENRA-22, THYCAUD P.O. TRIVANDRUM – 695 014.

APPROVALS OF SCHEME OF AMALGAMATION OF ENSURE SUPPORT SERVICES (INDIA) LIMITED AND COMPUTER FACTORY (INDIA) PRIVATE LIMITED WITH ACCEL LIMITED AND RELATED MATTER.

"**RESOLVED THAT** pursuant to the provisions of Sections 233 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under (including any statutory modifications, re-enactment or amendments thereof for the time being in force) read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Regulation 11 and Regulation 37 and any other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and subject to the sanction of the Regional Director, Southern Division or such other sanctions and approvals, including sanctions of any other competent or statutory or regulatory authority, as may be applicable/required by the law , and in accordance with the recommendation of the Audit Committee , consent of the Board be and is hereby accorded to the proposal for amalgamation of Ensure Support Services (India) Limited (ESSIL) and Computer Factory (India) Private Limited (CFIPL), wholly owned subsidiaries of the company with Accel Limited under a Scheme of Amalgamation between Ensure Support Services India Limited (Transferor Company - I) and Computer Factory (India) Private Limited (Transferor Company - II) with Accel Limited (Transferee Company) (the Scheme) with effect from 01st April 2020, being the Appointed date or such other date as may be determined by the Board of Directors of the Transferor and Transferee Companies."

"**RESOLVED FURTHER THAT** in consideration of the fact that since the Transferor Companies are wholly owned subsidiaries of Accel Limited, no shares shall be required to be issued to the shareholders of the Transferor Companies under the Scheme of Amalgamation and the shares held by the shareholders of the Transferor Companies shall be cancelled entirely. Accordingly, it is deemed that there will be no valuation exercise required to be undertaken to determine the share exchange ratio and thus, no valuation report is required."

"**RESOLVED FURTHER THAT** approval of the Board be and is hereby granted for the making of an Application seeking the order of the Regional Director (Southern Division) for holding the meetings as per the applicable law and/or dispensation from the process laid down under Section 233 of the Companies Act, 2013 for the company, being the holding company and Transferee company based upon Judicial judgement.

"RESOLVED FURTHER THAT Mr. N.R. Panicker, Managing Director or Ms Priyam Agarwal, Company Secretary, Chennai, be and are hereby authorized to take all the necessary steps for-

- a) Doing all such acts as may be required to be complied with under the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016, under Section 233 of the Companies Act, 2013 or applicable provisions under the Companies Act, 2013,
- b) Evolve decide upon or bring into effect the Scheme and make and give effect to any modifications, changes, variations, alterations or revision in the Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority or as the Board of Directors may suo moto decide in its absolute discretion and to do all such acts, deeds, matters and things whatsoever, including settling any questions, doubt or difficulty that may arise with regard to or in relation to the Scheme as it may in 'its absolute discretion consider necessary, expedient, fit and proper:
- c) Filing the Scheme and/or any other information / details with the concerned Stock Exchanges or any other body or regulatory authority or agency or sanction to any of the provisions of the Scheme or for giving effect thereto;
- d) To engage Counsels, Solicitors, Advocates, Consultants, Chartered Accountants and other professionals and to remunerate them and to sign and execute vakalatanamas wherever necessary;
- e) Signing and filing of applications with the Regional Director (Southern Division) or such other appropriate authority and holding meetings of the shareholders / creditors of the Company as may be directed by the Regional Director, Southern Division to give effect to the Scheme or seeking dispensation of the meetings as per the applicable Act and Rules there under and Judicial Judgement;
- f) Signing and filing of petitions for confirmation of the Scheme by the Regional Director (Southern Division) or such other appropriate authority;
- g) Declare and file all pleadings, reports, and sign and issue public advertisements and notices;
- h) Obtain approval/ file notice with such other authorities and parties including the shareholders, creditors, lenders, Registrar of Companies, Regional Director. Income Tax Authorities, Official Liquidator, other Government Authorities and/or any other as may be considered necessary, in connection with matters related to the said scheme;
- i) To settle any question or difficulty that may arise with regard to the implementation of the above Scheme, and to give effect to the above resolution;
- j) To sign all applications, petitions, documents, relating to the Scheme or delegate such authority to another person by a valid power of attorney;
- k) To do all acts and things as may be considered necessary and expedient in relation thereto;
- l) Signing and filing of all documents, deeds, applications, notices, petitions and letters, to finalize and execute all necessary applications/ documents/ papers for and on behalf of the Company and to do all such acts, deeds, matters and things necessary and convenient for all or any of the purposes aforesaid."

"RESOLVED FURTHER THAT Mr. R. Kannan, Practicing Company Secretary, Chennai, be and is hereby authorized to represent the Company before the Regional Director (Southern Division) and other regulatory authorities including Central or State Government, the Ministry of Corporate Affairs, Registrar of Companies, Official Liquidator and before all Courts of law or tribunals for the purpose of the proposed Scheme."

"RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013 and/or other applicable provisions, the Transferee Company as a shareholder and/or creditor of Transferor Companies hereby grant its consent to the respective schemes and the Company does not have any objection in case the Regional Director (Southern Division) dispenses with the requirement of convening the meeting of shareholders and/or creditors of the Transferor Companies and approval is hereby also accorded for providing the necessary consent letter/ consent affidavit, if required by the Regional Director, Southern Division for the approval of Schemes".

"RESOLVED FURTHER THAT in accordance with the SEBI circular no. CFD/DIL3/CIW/2017/21 dated, 10th March 2017 read, with the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, including any amendments thereof, the aforesaid scheme shall be filed with stock exchanges, where the shares of the Company are listed, for the limited purpose of disclosures only."

"RESOLVED FURTHER THAT a copy of the above resolution be furnished to the concerned authorities duly certified by Mr N R Panicker, Managing Director of the company.

//CERTIFIED TRUE COPY//

For ACCEL LIMITED

Sd/-

**N R PANICKER
MANAGING DIRECTOR
DIN NO: 00236198**

Place: Trivandrum

Date : 03.09.2020

ANNEXURE - B

Statement of assets and liabilities as at 31.03.2020

ACCEL LIMITED

(Rs. in Lakhs)

S. No	Assets	Book Value	Estimated Realizable value
1	Balance at Bank	316.40	316.40
2	Cash in hand	000.03	000.03
3	Marketable securities	000.24	000.24
4	Bills receivables	061.29	061.29
5	Trade debtors	-	-
6	Loans & advances	915.83	915.83
7	Unpaid calls	-	-
8	Stock-in-trade	-	-
9	Work in progress	1994.90	1994.90
10	Freehold property	3457.86	3457.86
11	Leasehold property		
12	Plant and machinery	1.12	1.12
13	Furniture, fittings, utensils, etc.	3.59	3.59
14	Patents, trademarks, etc.	134.90	134.90
15	Investments other than marketable securities	995.94	995.94
16	Other property	67.61	67.61
	Total (A)	7949.71	7949.71

(Rs. in Lakhs)

S. No	Liabilities	Estimated to rank for payment
1	Secured on specific assets	1728.45
2	Secured by floating charge(s)	-
3	Estimated cost of liquidation and other expense including interest accruing until payment of debts in full.	-
4	Unsecured creditors (amounts estimated to rank for payment)	
	(a) Trade accounts	-
	(b) Bills payable	107.29
	(c) Accrued Expense	-
	(d) Other liabilities	201.30
	(e) Provision for Taxation	-
	(f) Proposed Dividend	-
	(g) Unsecured Loans	130.00
5	Contingent liabilities	-
	Total (B)	2167.04

	Total Estimated Value of Assets (A)	7949.71
	Total Liabilities (B)	2167.04
	Estimated Surplus after paying debt in full (A-B)	5782.67

Remarks:

Estimated realizable value of assets is based on the book value of assets as at 31st March 2020, which are accounted for in accordance with significant accounting policies stated in note 1 of the audited financial statements and hence , in the opinion of the management, represent the minimum realizable value of these assets.

Place: Chennai

Date: 16/09/2020

(1) Signature: **Sd/-**

Name: Mr. NARAYANA PILLAI REGHOOTHAMA PANICKER

Designation: Managing Director

DIN: 00236198

(2) Signature: **Sd/-**

Name: Dr. AYYAPPAN MADHAVAN NAIR

Designation: Director

DIN: 07148631

(3) Signature: **Sd/-**

Name: Mr. CHANIYILPARAMPU NANAPPAN RAMCHAND

Designation: Director

DIN: 05166709

ANNEXURE – C

To

The Board of Directors,
ACCEL LIMITED,
3rd Floor, SFI Complex, 178,
Valluvarkottam High Road,
Nungambakkam,
Chennai – 600 034,
TAMIL NADU.

Audit Report on the Statement of Assets and Liabilities of Accel Limited as at 31.03.2020.

1. This Report is issued in accordance with the terms of our engagement letter.
2. We, Vijayakumar & Easwaran, Chartered Accountants, are the statutory auditor of Accel Limited ('Company') and have been appointed to audit the annual financial statements for the year ended 31st March, 2020 under the Companies Act, 2013.
3. As informed, the Company has prepared a Draft Scheme of Merger of Computer Factory (India) Private Limited and Ensure Support Services (India) Limited with Accel Limited the Company (hereinafter referred to as "the Draft Scheme") in terms of the provisions of section 233 and other applicable provisions of the Companies Act, 2013 which is to be filed with the Registrar of Companies ('ROC'), Chennai, Tamil Nadu.
4. In pursuance of the said Draft Scheme, the Company is required to submit to the ROC a Declaration of Solvency duly verified by the Directors of the Company along with a Statement of Assets and Liabilities as at 31.03.2020 duly approved and signed by the Directors of the Company in terms of clause (c) of sub-section (1) of section 233 of the Companies Act, 2013, in Form CAA 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

An Auditor' Report on the Statement of Assets and Liabilities as at 31.03.2020 is also required to be submitted by the Company to the ROC.

We have examined the statement of Assets and Liabilities of the Company as at 31.03.2020, as prepared by the Company in Form CAA 10, based on the audited financial books of accounts of the Company as at 31.03.2020, and other relevant records and documents and estimates considered reasonable under the circumstances, as regards the book values of Assets and Liabilities and their estimated realizable value as at 31.03.2020 as stated therein.

Management's responsibility:

5. The responsibility for the preparation of the Statement of Assets and Liabilities of the Company as at 31.03.2020 and its compliance with the relevant laws and regulations, Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind As") and other accounting principles generally accepted in India with regard to the recognition and measurement of the Assets and Liabilities is that of the Board of Directors of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditor's responsibility:

6. Our responsibility is only to examine and report whether the statement of Assets and Liabilities of the Company as at 31.03.2020, prepared by the Company based on the audited financial books of account of the Company as at 31.03.2020, and other relevant records and documents and estimates considered reasonable under the circumstances, reflects the book value of Assets and Liabilities and their estimated realizable values as at 31.03.2020.
7. We carried out our examination in accordance with the Guidance Note on Reports or Reports for Special Purposes, issued by the Institute of Chartered Accountants of India (ICAI) and Standards on Auditing specified under section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this Report. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI
8. We have complied with the relevant applicable requirements of the Standards on Quality Control (SQC) 1, Quality control for firms that perform audits and reviews of Historical Financial Information and other Assurance and related services, engagements. Further, our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid draft Scheme.

Opinion:

9. Based on our examination as above, and according to the information, explanations and management representations given to us and read with Notes stated in the Statement, we are of the opinion that the Statement of Assets and Liabilities of the Company as at 31.03.2020, prepared by the Company based on the financial books of account of the Company as at 31.03.2020, and other relevant records and documents and estimates considered reasonable under the circumstances, reflects the books of Assets and Liabilities and their estimated realizable values as at 31.03.2020 subject to emphasis of matter as specified.

Emphasis of Matter

We draw attention regarding the recoverability of the following amounts:

- a) The Company has an investment and advances totalling to Rs 418 lakhs in Accel OEM Appliances Ltd (AOAL), a subsidiary of the Company. AOAL is yet to start business activities since the joint venture arrangement with a company in Hongkong has been delayed due to political issues in the country. Above amount is shown under loans and advances item 6 & Investment other than marketable securities item 15 of the Annexure I of Declaration of Solvency. According to the company this is fully realizable.
 - b) The Company has to receive a sum of Rs 392 lakhs towards Inter Corporate deposits shown under "other financial assets Non- Current "in the financial statement. The Company is hopeful in recovering this amount hence shown as realizable value under loans and advances item 6 of the Annexure I of Declaration of Solvency.
10. For ease of references, the statement of Assets and Liabilities as on 31.03.2020 duly authenticated on behalf of the Company, is reproduced in Annexure 1 to this Report and is initialed by us only for the purpose of identification.

Restriction on use:

The Report is issued at the request of the Company pursuant to clause (c) of sub-section (1) of section 233 of the Companies Act, 2013, in Form CAA 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, for onwards submission by the Company to the ROC. This Report should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this Report is shown or into whose hands it may come without our prior consent in writing.

FOR M/S. VIJAYAKUMAR & EASWARAN

CHARTERED ACCOUNTANTS

FIRM REG. NO. 004703S

SD/-

S. VIJAYAKUMAR

M. NO. 19256

UDIN: 20019256AAAABH3444

Place: Thiruvananthapuram

Date: 18/09/2020

SCHEME OF AMALGAMATION
OF
ENSURE SUPPORT SERVICES (INDIA) LIMITED
(TRANSFEROR COMPANY – 1)
&
COMPUTER FACTORY (INDIA) PRIVATE LIMITED
(TRANSFEROR COMPANY - 2)
WITH
ACCEL LIMITED
(Formerly ACCEL TRANSMATIC LIMITED)
(TRANSFEREE COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER
SECTION 233 OF THE COMPANIES ACT, 2013 READ WITH RULE 25 OF COMPANIES
(COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 AND OTHER
APPLICABLE PROVISIONS

1. OVERVIEW OF THE SCHEME

1.1 This Scheme of Arrangement is presented under the provisions of Section 233 of the Companies Act, 2013 read with Rule 25 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016 under fast track route for amalgamation of Ensure Support Services (India) Limited ('Transferor Company – 1') & Computer Factory (India) Private Limited ('Transferor Company - 2') with Accel Limited (Formerly Accel Transmatic Limited) ('Transferee Company').

1.2 The Transferor Companies are wholly owned subsidiaries of Transferee Company and there is no consideration and the Transferee Company will not issue any shares under this scheme of Arrangement. The existing shareholding of Transferee Company in Transferor Companies gets cancelled pursuant to the scheme of Arrangement.

1.3 In addition, this Scheme of Arrangement also provides for various other matters consequential or otherwise integrally connected herewith.

2. DESCRIPTION OF THE COMPANIES INVOLVED

2.1 Ensure Support Services (India) Limited or ESSIL or Transferor Company – 1, bearing CIN:U72900TN2013PLC091888 was incorporated on June 27, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Chennai in accordance with the provisions of the Companies Act, 1956. The registered office of the Company is situated at 3rd Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034. The Transferor Company is engaged in the business of providing after sales services in the nature of warranty fulfilment services, spare parts management, infrastructure management services, break-fix maintenance services in the nature of paid services, managed print services and e-waste management (collectively called as “**Business**”) independently or on behalf of OEMs. It is a wholly owned subsidiary of the Transferee Company.

2.2 Computer Factory (India) Private Limited or CF IPL or Transferor Company – 2, bearing CIN:U51909TN1993PTC026207 was incorporated on November 15, 1993 vide Certificate of Incorporation issued by the Registrar of Companies, Chennai in accordance with the provisions of the Companies Act, 1956. The registered office of the Company is situated at 3rd Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034. The Company is engaged in the business of IT Infrastructure Management and Systems integration. It is a wholly owned subsidiary of the Transferee Company.

2.3 Accel Limited or AL or Transferee Company, bearing CIN:L30007TN1986PLC100219 was initially incorporated on May 19, 1985 vide Certificate of Incorporation issued by the Registrar of Companies, Kerala in accordance with the provisions of the Companies Act, 1956 as Transmatic Systems Limited. Subsequently, the name of the Company was changed to Accel Transmatic Limited and a fresh Certificate of Incorporation dated August 11, 2004 was issued by the Registrar of Companies, Kerala. Further, by way of Scheme of Arrangement its holding company merged with the company and its name was changed to Accel Limited. The Registered office of the company was also changed from Trivandrum to Chennai. A fresh Certificate of Incorporation dated July 28, 2018 was issued by Registrar of Companies, Chennai. The Registered Office of Transferee Company is situated at 3rd Floor,

SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034. The Transferee Company is engaged in the business of Animation Services, Engineering Services and Real Estate Development. The Transferee company is a listed entity with BSE Limited with the scrip code 517494. Both the Transferor Companies are wholly owned subsidiaries of this company.

3. RATIONALE OF THE SCHEME

The Transferee Company is holding stake directly in the Transferor Companies, as the Transferor Companies and Transferee Company's business activities are similar and complement each other, and to achieve *inter-alia* economies of scale and efficiency, the merger of the companies is being undertaken. The amalgamation of the Transferor Companies with the Transferee Company would *inter-alia* have the following benefits:

3.1 The Transferee Company is the Holding company of the Transferor Companies. The Transferee Company has invested substantial amount of funds in the Transferor Companies. The Transferee Company was into similar business earlier and has got vast knowledge and experience in such type of business. The Transferee Company, being a Listed Company wants to tap into the tremendous business potential available presently in India and position itself as one of the main Information Technology (IT) Service Companies in India. Furthermore, the Amalgamation will also result in enriching the shareholders of the Transferee Company and reward them well. This Amalgamation will also increase the Transferee Company's financial viability and ability to achieve its objects.

3.2 The Transferee Company will have, post – amalgamation, the ability to leverage on the large combined asset base of both the Transferee and the Transferor Companies. It will also be possible to take advantage of the combined professional and managerial experience and expertise to increase shareholder value. The Amalgamation will also result in the Transferee Company being able to scale up its existing business operations by combining the business interests of all Companies into one corporate entity. This will result in operational synergies, centralization, simplification, streamlining and optimization of the corporate structure of the group, thereby facilitating efficient administration.

3.3 On evaluating the growth of the Transferor Companies, it is considered that the amalgamation will enable pooling of resources of the aforesaid Transferor Companies with the resources of the Transferee Company to their advantage, resulting in more productive utilization of said resources, and cost and operational efficiencies which would be beneficial to all stakeholders. The consolidated entity will offer a strong and stable financial structure to all stakeholders, facilitate resource mobilization and lead to the achievement of better cash

flows and also optimum utilization of assets and resources. This will result in a substantial enhancement of shareholders' value of the Transferee Company.

3.4 The activities of the Transferor Companies and the Transferee Company complement each other, and the combined efforts and resources would lead to a more concentrated approach towards development of the business and the achievement of their objectives.

3.5 The merger of the Transferor Companies with the Transferee Company will help in the creation of a platform for future business activities, and act as a gateway for growth and expanding business operations wherein the business activities of the Transferor Companies can be advantageously combined with the business activities of the Transferee Company.

3.6 Consequent upon merger, the Transferee Company would be able to optimize the resources required for overall general and administrative purpose. The Transferee Company would be able to use its existing resources as well as the resources of the Transferor Companies and this would reduce the cost of maintaining and using separate resources.

3.7 The consolidated entity is likely to achieve higher long-term financial returns than could be achieved individually by the Companies. The merger will enable the Transferee Company to come out of its serious liquidity crunch, which is presently having a significant adverse impact on its business operation.

3.8 The amalgamation will also enable smoother implementation of policy changes at a higher level from a management perspective and shall also help enhance the efficiency and control of the entities. The amalgamation will also help achieve business synergies.

3.9 The consolidation of the business operations, undertakings, assets, liabilities etc. of the Transferor Companies into the Transferee Company, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the Companies. This will also result in the management being enabled to undertake any re-structuring/re-organization of the various business undertakings of the Companies for the purposes of achieving optimum efficiency and/or to attract investments in the individual business undertakings of the Companies. The amalgamation will result in consolidation of market share and increased customer recognition.

3.10 The Banks, creditors and institutions, if any of the Transferor and Transferee companies are not affected by proposed amalgamation as their security is maintained and no compro

mise or arrangement is made with them. There is no likelihood that the interests of any shareholder or creditor of either the Transferor Companies or the Transferee Company would be prejudiced as a result of the Scheme. The Amalgamation will not impose any additional burden on the members of Transferor Companies or the Transferee Company.

3.11 The Scheme is in the interest of the shareholders, creditors and employees of the Transferor Companies & Transferee Company and their stakeholders and would enable the Transferor Companies and Transferee Company to adopt a focused business approach for the maximization of benefits to their respective stakeholders. The Scheme shall not in any manner be prejudicial to the interests of concerned shareholders, creditors or / and general public at large.

In view of the above, it is considered desirable and expedient to amalgamate the Transferor Companies with the Transferee Company in accordance with this Scheme, pursuant to Section 233 and other relevant provisions of the Companies Act, 2013. The Amalgamation of the Transferor Companies with the Transferee Company, pursuant to and in accordance with this Scheme, under Sections 233 and other relevant provisions of the Companies Act, 2013, shall take place with effect from the Appointed Date and shall be in compliance with Section 2(1B) of the Income Tax Act, 1961.

4. PARTS OF THE SCHEME

4.1 Part A - This part of Scheme contains Definitions, Capital Structure of the Transferor Companies and Transferee Company.

4.2 Part B - This part of Scheme deals with Amalgamation of the Transferor Companies with the Transferee Company in accordance with Section 233 of the Companies Act, 2013.

4.3 Part C - This part of Scheme deals with the Accounting Methodology adopted for the Amalgamation.

4.4 Part D - This part of Scheme contains other terms and conditions applicable to the Scheme.

PART-A

GENERAL PROVISIONS

1. DEFINITIONS & INTERPRETATIONS

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

- 1.1. "Accounting Standards" means the Accounting standards as modified under Section 133 of the Companies Act, 2013 read together with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendments Rules, 2016 issued by the Ministry of Corporate Affairs and other Accounting Principles generally accepted in India.
- 1.2. "Act" means the Companies Act, 2013, or the Companies Act, 1956 (to the extent applicable) and will include any statutory modifications, re-enactments or amendments thereof.
- 1.3. "Appointed Date" means April 1, 2020, the date with effect from which this scheme shall come into effect or such other date(s) as may be fixed or approved by the Central Government or Tribunal or any other competent authority.
- 1.4. "Board" or "Board of Directors" in relation to the Transferor Companies and Transferee Company, as the case may be, means the Board of Directors of such company.
- 1.5. "Central Government" means the government of India and vide Notification No. S.O. 4090(E) dated 19th December 2016, Central Government has delegated powers vested in it under Section 233 of the Companies Act, 2013 to the Regional Director, Ministry of Corporate Affairs having jurisdiction.
- 1.6. "Companies" means the Transferor Companies and Transferee Company
- 1.7. "Consent" means any license, permission, approval, Clearance, permit, notice, authorization, waiver, grant, concession, agreement, certificate, exemption, order or registration from any Government Authority or any other person.
- 1.8. "Effective Date" means the date on which the certified copy of the order(s) of the Regional Director under Sections 233 of the Act sanctioning the Scheme, is filed with the Registrar of Companies.
Note: Any references in this Scheme to the words "upon the Scheme becoming effective" or "effectiveness of this Scheme" or "date of coming into effect of the Scheme" or "Scheme coming into effect" shall mean the Effective Date.
- 1.9. "Equity Share(s)" means the equity shares of the Transferor Companies or the Transferee Company, as the case may be.

- 1.10. "IT Act" means the Income Tax Act, 1961 and any other statutory modifications, amendments, restatements or re-enactments thereof, from time to time and to the extent in force.
- 1.11. "Law" or "Applicable Law" includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, Tribunal, Board, Court of India or any other country or jurisdiction as applicable.
- 1.12. "Listing Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- 1.13. The "Official Liquidator" or "OL" means the Official Liquidator having jurisdiction over the Transferor Companies and Transferee Company.
- 1.14. "Regional Director" means the Regional Director (Southern Region), Ministry of Corporate Affairs at Chennai having jurisdiction over the Transferee Company.
- 1.15. "Registrar of Companies" or "RoC" means the Registrar of Companies at Chennai.
- 1.16. "Rules" means the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- 1.17. "Scheme" or "Scheme of Amalgamation" means this Scheme of Amalgamation of Ensure Support Services (India) Limited (Transferor Company – 1) and Computer Factory (India) Private Limited (Transferor Company – 2) (collectively as "Transferor Companies") with Accel Limited ("Transferee Company") under Sections 233 of the Companies Act, 2013 as approved by the Board of Directors of all the Companies in its present form and with any modifications as may be approved by the Regional Director, Southern Region.
- 1.18. "Stock Exchange" means BSE Limited, the exchange where the Transferee Company is listed.
- 1.19. "SEBI" means the Securities and Exchange Board of India.

- 1.20. "SEBI Circular" mean the SEBI Circular on "Scheme of Arrangement" by Listed Companies and relaxation under Sub-rule (7) of Rule 19 of the Securities Contracts Regulation Rules, 1957 dated 10th March 2017, including any amendments or modifications thereto.
- 1.21. "Transferor Company - 1" means M/s. Ensure Support Services (India) Limited, a company incorporated under the Companies Act, 1956, having its registered office at 3rd Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034.
- 1.22. "Transferor Company – 2" means M/s. Computer Factory (India) Private Limited, a company incorporated under the Companies Act, 1956, having its registered office at 3rd Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034.
- 1.23. "Transferor Companies" means the Transferor Company – 1 and Transferor Company – 2 collectively.
- 1.24. "Transferee Company" means M/s. Accel Limited (formerly Accel Transmatic Limited), a company incorporated under the Companies Act, 1956, having its registered office at, 3rd Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034.
- 1.25. "Undertaking" shall mean and include the whole of the undertaking of the Transferor Companies, as a going concern, including its business, all secured and unsecured debts, liabilities, duties and obligations and all the assets, investments in shares, debts and Mutual Funds, properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to goods-in-transit, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions funds, licenses, registrations, copyrights, patents, trade names, trademarks and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trademarks, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipments and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefits and advantage, deposits, reserves, provisions, advances, receivables, deposits, reserves, provisions, advances, receivables, deposits funds, cash, bank balances, accounts and all other rights, benefits of all agreement, subsidies, grants, tax credits (including but not limited to credits in respect of Income Tax, Minimum Alternate Tax, Fringe Benefit Tax, taxes withheld source by or on be

half of the Transferor Companies, wealth tax, sales tax, value added Tax, Turnover Tax, Professional Tax, Goods and Service Tax, Service Tax, research and development cess etc.) GST, Software License, Domain, Websites etc. in connection/relating to the Transferor Companies and other Claims and powers, of whatsoever nature and where so ever situated belonging to or in the possession of or granted in favor if or enjoyed by the Transferor Companies as on the Appointed Date.

1.26. Words denoting the singular shall include the plural and vice versa.

2. DATE OF EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s), if any made as per Clause 2 of Part-D of this Scheme shall be effective from the Appointed Date but shall come into force from the Effective Date.

3. SHARE CAPITAL

The Capital Structure of Transferee Company and Transferor Companies as on appointed date i.e. 1st April 2020 and immediately before implementation of the scheme are as under:

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

PARTICULARS	AMOUNT (in Rs.)
Authorized Share Capital	
10,50,00,000 Equity Shares of Rs.2 each	21,00,00,000
50,00,000 10% Cumulative Redeemable Preference Shares of Rs. 10/ each	5,00,00,000
Total	26,00,00,000
Issued, Subscribed and Paid-up Capital	
5,70,07,401 Equity Shares of Rs. 2 each Fully Paid up	11,40,14,802
Total	11,40,14,802

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

CAPITAL STRUCTURE OF M/S. ENSURE SUPPORT SERVICES (INDIA) LIMITED

(TRANSFEROR COMPANY - 1)

PARTICULARS	AMOUNT (in Rs.)
Authorized Share Capital	
45,00,000 Equity Shares of Rs.10 each	4,50,00,000
Total	4,50,00,000
Issued, Subscribed and Paid-up Capital	
45,00,000 Equity Shares of Rs.10 each Fully Paid up	4,50,00,000
Total	4,50,00,000

There is no change in the capital structure of the Transferor Company - 1 after the Appointed Date.

CAPITAL STRUCTURE OF M/S. COMPUTER FACTORY (INDIA) PRIVATE LIMITED

(TRANSFEROR COMPANY - 2)

PARTICULARS	AMOUNT (in Rs.)
Authorized Share Capital	
30,00,000 Equity Shares of Rs.10 each	3,00,00,000
Total	3,00,00,000
Issued, Subscribed and Paid-up Capital	
11,00,000 Equity Shares of Rs.10 each Fully Paid up	1,10,00,000
Total	1,10,00,000

There is no change in the capital structure of the Transferor Company - 2 after the Appointed Date.

PART-B

1. AMALGAMATION, TRANSFER, VESTING OF UNDERTAKING:

- 1.1 With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and the whole of the undertaking, properties and liabilities of the Transferor Companies shall, in terms of Section 233 and applicable provisions, if any, of the Companies Act 2013, and pursuant to the orders of the Regional Director, Southern Region or other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing, stand transferred and vested in and/ or deemed to be transferred to and vested in Transferee Company as a going concern so as to become the undertaking, properties and liabilities of Transferee Company.
- 1.2 With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and undertaking of Transferor Companies shall stand transferred to and be vested in Transferee Company without any further deed or act, together with all their properties, assets, rights, benefits and interest therein, subject to existing charges thereon in favour of banks and financial institutions, as the case may be, in the following manner:

TRANSFER OF ASSETS

- (a) With effect from the Appointed Date and upon the Scheme becoming effective all memberships, licenses, franchises, rights, privileges, permits, quotas, rights, entitlements, allotments, approvals, consents, concessions, trade mark licenses including application for registration of trade mark, patents, copyrights and their right to use available to Transferor Companies as on appointed date or any which may be taken after the appointed date but till the effective date, shall get transferred to Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.
- (b) With effect from the Appointed Date and upon the Scheme becoming effective all Certificate of Registrations as available with Transferor Companies as on Appointed Date or any which may be taken by Transferor Companies after the Appointed Date but till the Effective Date shall get transferred to Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.
- (c) With effect from the Appointed Date and upon the Scheme becoming effective all the assets of Transferor Companies as are movable in nature including, but not limited to, stock of goods, raw materials available in the market/ depots/ godowns/factories, sundry debtors, investments, plants and equipments, outstanding loans and advances, insurance

claims, advance tax, Minimum Alternate Tax (MAT) set-off rights, pre-paid taxes, levies/liabilities, CENVAT/ VAT credits /GST credits, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons or any other assets otherwise capable of transfer by physical delivery would get transferred by physical delivery only and all others assets would get transferred by endorsement and delivery by vesting and recordable pursuant to this Scheme, shall stand vested in Transferee Company, and shall become the property and an integral part of Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.

- (d) With effect from the Appointed Date and upon the Scheme becoming effective all incorporeal properties of Transferor Companies as on Appointed Date or any which may be taken after the Appointed Date but till the Effective Date, shall get transferred to Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.
- (e) With effect from the Appointed Date and upon the Scheme becoming effective, all immovable properties including but not limited to land and buildings or any other immovable properties of Transferor Companies, whether freehold or leasehold, and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in Transferee Company, without any further instrument, deed or act or payment of any further fee, charge or securities either by the Transferor Companies or Transferee Company.
- (f) With effect from the Appointed Date, Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, taxes and fulfil obligations, in relation to or applicable to such immovable properties. The mutation/substitution of the title to the immovable properties shall be made and duly recorded in the name of Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the Regional Director (Central Government) and the Scheme becoming effective in accordance with the terms hereof.
- (g) With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to Transferor Companies to which the Transferor Companies is the party or to the benefit of which Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favor of Transferee Company and may be enforced as fully and effectually as if, instead of Transferor Companies, Transferee Company had been a party or beneficiary or obligee thereto.

- (h) With effect from the appointed date and upon the Scheme becoming effective, all permits, quotas, rights, entitlements, licenses including those relating to trademarks, tenancies, patents, copyrights, privileges, software, powers, facilities of every kind and description of whatsoever nature in relation to Transferor Companies to which Transferor Companies is the party or to the benefit of which Transferor Companies may be eligible and which are subsisting or having effect immediately before the effective date, shall be enforceable as fully and effectually as if, instead of Transferor Companies, Transferee Company had been a party or beneficiary or obligee thereto.
- (i) With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, no-objection certificates, permissions or approvals or consents required to carry on operations of Transferor Companies or granted to Transferor Companies shall stand vested in or transferred to Transferee Company without further act or deed, and shall be appropriately transferred or assigned by the statutory authorities concerned therewith in favor of Transferee Company upon the vesting of Transferor Companies' Business and Undertaking pursuant to this Scheme. The benefit of all statutory and regulatory permissions, licenses, approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of Transferor Companies shall vest in and become available to Transferee Company pursuant to this scheme.
- (j) With effect from the Appointed Date and upon the Scheme becoming effective, all motor vehicles of any description whatsoever of Transferor Companies shall stand transferred to and be vested in the Transferee Company, and the appropriate Governmental and Registration Authorities shall substitute the name of Transferee Company in place of Transferor Companies, without any further instrument, deed or act or any further payment of fee, charge or securities.

TRANSFER OF LIABILITIES

- (a) With effect from the Appointed Date and upon the Scheme becoming effective, all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts or disclosed in the balance sheets of Transferor Companies, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of Transferee Company.
- (b) Without prejudice to the generality of the provisions contained herein, all loans raised after the Appointed Date but till the Effective Date and liabilities incurred by Transferor Companies after the Appointed Date but till the Effective Date for their operations shall be deemed to be of Transferee Company.

(c) The transfer and vesting of the entire business and undertaking of Transferor Companies as aforesaid, shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of Transferor Companies, as the case may be.

Provided that the securities, charges and mortgages (if any subsisting) over and in respect of the part thereof, of Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of Transferor Companies vested in Transferee Company pursuant to the Scheme.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by Transferor Companies which shall vest in Transferee Company by virtue of the amalgamation of Transferor Companies with Transferee Company and Transferee Company shall not be obliged to create any further or additional security there for after the amalgamation has become operative.

(d) Transferee Company will, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangements in relation to Transferor Companies to which Transferor Companies is party, in order to give formal effect to the above provisions. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of Transferor Companies and to carry out or perform all such formalities or compliances referred to above on part of Transferor Companies.

(e) Loans or other obligations, if any, due either between Transferee Company and Transferor Companies shall stand discharged and there shall be no liability in that behalf. In so far as any securities, debentures or notes issued by the Transferor Companies and held by the Transferee Company and vice versa are concerned, the same shall, unless sold or transferred by holder of such securities, at any time prior to the Effective Date, stand cancelled and shall have no further effect.

2. LEGAL PROCEEDINGS

- 2.1. With effect from the Appointed Date, Transferee Company shall bear the burden and the benefits of any legal or other proceedings initiated by or against Transferor Companies. Provided however all legal, administrative and other proceedings of whatsoever nature by or against Transferor Companies pending in any court or before any authority, judicial, quasi-judicial or administrative, any adjudicating authority and / or arising after the Appointed Date and relating to Transferor Companies or its respective properties, assets, liabilities, duties and obligations shall be continued and/or enforced until the Effective Date by or against Transferor Companies; and from the Effective Date, shall be continued and enforced by or against Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Companies.
- 2.2. If any suit, appeal or other proceedings of whatever nature by or against Transferor Companies be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the transfer of the Transferor Companies' business and undertaking or of anything contained in this scheme but the proceedings may be continued, prosecuted and enforced by or against 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 Transferor Companies as if this Scheme had not been made.

3. STAFF & EMPLOYEES

On occurrence of the Effective Date, all persons that were employed by Transferor Companies immediately before such date shall become employees of Transferee Company with the benefit of continuity of service on same terms and conditions as were applicable to such employees of Transferor Companies immediately prior to such transfer and without any break or interruption of service. Transferee Company undertakes to continue to abide by agreement/settlement, if any, entered into by Transferor Companies with any union/employee thereof. With regard to Provident Fund, Gratuity Fund, Superannuation fund or any other special fund or obligation created or existing for the benefit of such employees of Transferor Companies upon occurrence of the Effective Date, Transferee Company shall stand substituted for Transferor Companies, for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. The existing Provident Fund, Gratuity Fund and Superannuation Fund or obligations, if any, created by Transferor Companies for their employees shall be continued for the benefit of such employees on the same terms and conditions. With effect from the Effective Date, Transferee Company will make the necessary contributions for such transferred employees of Transferor Companies and deposit the same in Provident Fund, Gratuity Fund or

Superannuation Fund or obligations, where applicable. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of Transferor Companies in relation to such schemes or funds shall become those of Transferee Company.

4. TAXATION MATTERS

- 4.1. With effect from the Appointed Date, all the profits or income accruing or arising to Transferor Companies, and all expenditure or losses arising or incurred by Transferor Companies shall, for all purposes, be treated (including all taxes, if any, paid or accruing in respect of any profits and income) and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of Transferee Company. Moreover, Transferee Company shall be entitled to revise its statutory returns relating to indirect taxes like sales tax/ service tax/excise, etc. and to claim refund/credits and/or set off all amounts under the relevant laws towards the transactions entered into by Transferee Company and Transferor Companies which may occur between the Appointed Date and Effective Date. The rights to make such revisions in the sales tax returns and to claim refunds/credits are expressly reserved in favour of Transferee Company.
- 4.2. Upon the Scheme becoming effective, the Transferor Companies and the Transferee Company shall be entitled, wherever necessary and pursuant to the provisions of this Scheme, to file or revise their financial statements, tax returns, tax deduction at source certificates, tax deduction at source returns, and other statutory returns, and shall have the right to claim refunds, advance tax credits, credit for Minimum Alternate Tax, carry forward of losses and unabsorbed depreciation, deductions, tax holiday benefits, deductions or any other credits and / or set off of all amounts paid by the Transferor Companies or the Transferee Company under the relevant laws relating to Income Tax, Value Added Tax, Service Tax, Central Sales Tax, Goods and Service Tax or any other tax, as may be required consequent to the implementation of the Scheme.
- 4.3. Transferee Company shall be entitled to revise its all Statutory returns relating to Direct taxes like Income Tax and Wealth Tax and to claim refunds/advance tax credits and/or set off the tax liabilities of Transferor Companies under the relevant laws and its rights to make such revisions in the statutory returns and to claim refunds, advance tax credits and/or set off the tax liabilities is expressly granted.
- 4.4. It is expressly clarified that with effect from the Appointed Date, all taxes payable by Transferor Companies including all or any refunds of the claims/TDS Certificates shall be treated as the tax liability or refunds/claims/TDS Certificates as the case may be of Transferee Company.

4.5. From the Effective Date and till such time as the name of the Transferee Company would get entered as the account holder in respect of all the bank accounts and demat accounts of Transferor Companies in the relevant bank's/DP's books and records, the Transferee Company shall be entitled to operate the bank/demat accounts of Transferor Companies in their existing names.

4.6. Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of Transferor Companies shall stand transferred by the order of the Regional Director to Transferee Company, Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning Regional Director (Central Government).

5. CONDUCT OF BUSINESS:

5.1. With effect from the Appointed Date and till the Scheme come into effect:

- a. Transferor Companies shall be deemed to carry on all their businesses and activities and stand possessed of their properties and assets for and on account of and in trust for Transferee Company; and all the profits accruing to Transferor Companies and all taxes thereon or gains or losses arising or incurred by them shall, for all purposes, be treated as and deemed to be the profits or losses, as the case may be, of Transferee Company.
- b. Transferor Companies shall carry on their business with reasonable diligence and in the same manner as they had been doing hitherto and Transferor Companies shall not alter or substantially expand their businesses except with the concurrence of Transferee Company.
- c. Transferor Companies shall not, without the written concurrence of Transferee Company, alienate charge or encumber any of their properties except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company, as the case may be.
- d. Transferor Companies shall not vary or alter, except in the ordinary course of their business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of Transferee Company.
- e. With effect from the Appointed Date, all debts, liabilities, duties and obligations of Transferor Companies as on the close of business on the date preceding the Appointed Date, whether or not provided in their books and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of Transferee Company.

- 5.2. Upon the Scheme coming into effect, Transferee Company shall commence and carry on and shall be authorized to carry on the business carried on by Transferor Companies.
- 5.3. For the purpose of giving effect to the vesting order passed under Sections 233 of the Companies Act, 2013 and Rule 25 of the Companies (Compromise, Arrangement and Amalgamation), Rules, 2016 in respect of this Scheme by the Regional Director (Central Government), Transferee Company shall, at any time pursuant to the orders on this Scheme, be entitled to get the record of the change in the legal right(s) upon the vesting of the Transferor Companies' business and undertaking in accordance with the provisions of Section 233 of the Companies Act, 2013. Transferee Company shall be authorized to execute any pleadings, applications, forms, etc. as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

6. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 6.1. Subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements, insurance policies and other instruments of whatsoever nature to which the Transferor Company are party, subsisting or having effect immediately before this arrangement under this Scheme, shall be, in full force and effect, against or in favour of the Transferee Company, and may be enforced as fully and as effectively as if instead of the Transferor Companies, the Transferee Company had been a party thereto. The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmations or enter into any tripartite arrangement, confirmations or novation's to which the Transferor Companies would, if necessary, also be parties in order to give formal effect to the provisions of this clause, if so required or become necessary.
- 6.2. As a consequence of the Amalgamation of the Transferor Companies with the Transferee Company in accordance with this Scheme, the recording of change in name from the Transferor Companies to the Transferee Company, whether for the purposes of any license, permit, approval or any other reason, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.
- 6.3. The Transferee Company may, at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Companies are parties 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 the Scheme be deemed to be authorized to execute any such

writings on behalf of the Transferor Companies, implement or carry out all such formalities or compliances referred to above on the part of the Transferor Companies, as the case may be, to be carried out or performed.

- 6.4. For the removal of doubts, it is expressly made clear that the dissolution of the Transferor Companies without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any instrument or beneficial interest to which the Transferor Companies is a party thereto and shall not affect any right, privilege, obligations or liability, acquired, or deemed to be acquired prior to the Appointed Date and all such references in such agreements, contracts and instruments to the Transferor Companies shall be construed as reference only to the Transferee Company with effect from the Appointed Date.

7. Saving of Concluded Transactions:

The transfer of Undertakings under Clause 1 above, the continuance of legal proceedings by or against the Company under Clause 2 above and the effectiveness of contracts and deeds under Clause 6 above shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Companies on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

8. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANIES TILL EFFECTIVE DATE:

With effect from the Appointed Date and up to and including the Effective Date:

- 8.1. The Transferor Companies shall carry on, and be deemed to have been carrying on, all business activities and shall be deemed to have been held for and on account of, and in trust for, the Transferee Company.
- 8.2. All profits or income or taxes, including but not limited to income tax, minimum alternate tax (including unexpired credit for minimum alternate tax), fringe benefit tax, advance taxes, tax deducted at source by or on behalf of the Transferor Company Goods and Service Tax (GST), customs duty, research and development cess, refund, reliefs, etc. accruing or arising to the Transferor Companies, or losses arising or expenditure incurred by them, on and from Appointed Date up to the Effective Date, shall for all purposes be treated as, and

be deemed to be treated as, the profits or income or losses or expenditure or the said taxes of the Transferee Company.

- 8.3. The Transferor Companies shall carry on their business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose of any of the business undertakings or any part thereof, except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Companies prior to the Appointed Date.
- 8.4. The Transferor Companies shall declare dividend, between the Appointed Date and the Effective Date, only after obtaining the prior written consent of the Transferee Company.
- 8.5. Post the Appointed Date, any further modifications by the Transferor Companies to its capital structure, if any, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or re-organization, declaration of dividend or in any other manner, whatsoever, shall not be made except through mutual consent of the Boards of Directors of the Transferor Company and of the Transferee Company.
- 8.6. The Transferor Companies shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company.

9. ALTERATION TO AUTHORIZED SHARE CAPITAL:

- 9.1. Upon the Scheme becoming fully effective, the authorized share capital of the Transferor Companies shall stand Combined with the authorized share capital of the Transferee Company subject to the provision of the Companies Act, 2013 and that the filing fees, if any, paid by the Transferor Companies on its authorized share capital prior to its merger or amalgamation with the transferee company, shall be set off against the fees payable by the Transferee Company on its authorized share capital enhanced by implementation of the Scheme of Amalgamation.
- 9.2. The authorized share capital of the Transferor Company - 1 is Rs. 4,50,00,000 (Rupees Four Crores and Fifty Lakhs only) consisting of 45,00,000 (Forty-Five Lakhs only) equity shares of Rs.10 (Rupees Ten Only) each. Prior coming into effect of the Scheme, the face value of equity shares of the Transferor Company - 1 shall be reduced from Rs.10 each to Rs.2 each. Accordingly, the revised Authorized Share Capital of Transferor Company - 1 shall be Rs. 4,50,00,000 (Rupees Four Crores and Fifty Lakhs only) divided into 2,25,00,000 (Two Crores and Twenty-Five Lakhs only) equity shares of Rs.2 (Rupees Two only) each.

9.3. The revised Clause V of the Memorandum of Association of the Transferor Company - I would be as under:

"The Authorized share capital of the Company is Rs. 4,50,00,000 (Rupees Four Crores and Fifty Lakhs only) divided into 2,25,00,000 (Two Crores and Twenty-Five Lakhs only) equity shares of Rs.2 (Rupees Two only) each with the right, privileges and condition attached thereto as are provided by the regulations of the Company for the time being in force and operation with power to increase or reclassify or reduce the capital of the Company and to divide the shares in the capital for the time being original or increased into different classes and to consolidate or sub-divide such shares and convert shares into stock and reconvert the Stock into shares and to attach to such shares or Stock such ordinary or deferred rights, privileges and other conditions as may be provided by the regulation of the Company for the time being in force and operation ."

9.4. The authorized share capital of the Transferor Company - 2 is Rs. 3,00,00,000 (Rupees Three Crores only) consisting of 30,00,000 (Thirty Lakhs only) equity shares of Rs.10 (Rupees Ten Only) each. Prior coming into effect of the Scheme, the face value of equity shares of the Transferor Company - 2 shall be reduced from Rs.10 each to Rs.2 each. Accordingly, the revised Authorized Share Capital of Transferor Company – 2 shall be Rs. 3,00,00,000 (Rupees Three Crores only) divided into 1,50,00,000 (One Crore and Fifty Lakhs only) equity shares of Rs.2 (Rupees Two only) each respectively.

9.5. The revised Clause V of the Memorandum of Association of the Transferor Company - II would be as under:

"The Authorized share capital of the Transferor Company - 2 is Rs. 3,00,00,000 (Rupees Three Crores only) divided into 1,50,00,000 (One Crore and Fifty Lakhs only) equity shares of Rs.2 (Rupees Two only) each, with power to increase or reduce the same in accordance with the provisions of the Companies Act, 2013 ."

9.6. The authorized share capital of the Transferee Company is Rs. 26,00,00,000 (Twenty-Six Crores only) consisting of 10,50,00,000 (Ten Crores and Fifty Lakhs only) Equity Shares of Rs.2 (Rupees Two only) each and 10% Cumulative Redeemable Preference Shares of Rs. 5,00,00,000 (Rupees Five Crores only) consisting of 50,00,000 (Fifty Lakhs only) of Rs. 10 (Rupees Ten only) each.

9.7. The members of the Transferor Companies, on approval of the Scheme, shall be deemed to have given their approval u/s 61 of the 2013 Act and all other applicable provisions of the said act for sub-division of the face value of equity shares and for the amendment to the Authorized Capital of the Transferor Companies and no separate resolutions will be re

quired to be passed for sub-division of the face value of equity shares of the Transferor Companies and for the amendment to the Authorized Capital of the Company under section 61 of the 2013 Act and no separate notice will be required to be given to the Registrar of Companies, for intimation of sub-division under section 64 of the 2013 Act.

9.8. Upon approval of this Scheme, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed, by the authorized share capital of the Transferor Companies, amounting in aggregate Rs.7,50,00,000/- (Rupees Seven Crores and Fifty Lacs only) divided into 3,75,00,000 (Three Crores and Seventy Five Lacs) equity shares of Rs.2/- (Rupees Two only) each.

9.9. The Memorandum and Articles of association of the Transferee Company (relating to authorized share capital) shall without any further act, instrument or deed, be and stand altered, modified and amended and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purpose of effecting this amendment, and no further resolution(s) under Section 13, 14, 61, 64 or any other applicable provisions of the 2013 Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Companies shall be utilized and applied to the increased authorized share capital of the Transferee Company. Pursuant to the approval of this Scheme, after giving effect to the above clauses and after the sub-division of the face value of the equity shares of the Transferor Companies, the authorized share capital of the Transferee Company will be as under:

Particulars	Amount (in INR)
14,25,00,000 equity shares of INR 2 each	28,50,00,000
50,00,000 10% Cumulative Redeemable Preference Shares of INR 10 each	5,00,00,000

It is clarified that the approval of the members of the Transferee Companies to the Scheme shall be deemed to be given their consent of approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act and Clause V of the Memorandum of Association shall stand substituted by virtue of the Scheme to be read as follows:

Memorandum of Association:

"The Authorized Share Capital of the Company is Rs. 33,50,00,000 (Rupees Thirty- Three Crores fifty lakhs only) divided into 14,25,00,000 equity shares of Rs.2/- each and 50,00,000 10% Cumulative Redeemable Preference Shares of Rs.10/- each with the rights, privileges and conditions attaching thereto as provided by the requisitions of the Company for the time being with power to increase and reduce the capital of the Company and divide the shares in the Capital for the time being into several classes to attach thereto or in accordance with the Articles of the Company for the time being in force, and to modify, enlarge or abrogate any such right, privilege or conditions in such manner as may be permitted by the said Act or provided by the Articles of Association of the Company for the time being force.

- 9.10. The confirmation of this Scheme under Section 233 of the Act shall be deemed to have the approval under the applicable provisions of the Act and any other consents and approvals required in this regard.

PART-C

CONSIDERATION AND ACCOUNTING TREATMENT

1. CONSIDERATION

- 1.1. Upon the Scheme coming into effect; all equity shares and / or preference shares of the Transferor Companies held by the Transferee Company (either directly or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued, or payment made in cash whatsoever by the Transferee Company in lieu of shares of the Transferor Companies.
- 1.2. Upon coming into effect of this Scheme, the shares or the share certificates of the Transferor Companies in relation to the shares held by the Transferee Company, as the case may be shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and be of no effect without any necessity of them being surrendered.

2. ACCOUNTING TREATMENT FOR AMALGAMATION

- 2.1 Upon approval of this Scheme, with effect from the Appointed Date, since the transaction involves entities which are ultimately controlled by the same parties before and after the transaction, for the purpose of accounting and dealing with the value of assets and liabilities of the Transferor Companies, the Transferee Company shall account for the amalgamation

in accordance with 'Pooling of Interest Method' laid down in Appendix C 'Business Combinations of entities under common control' of Ind AS - 103 'Business Combinations' notified under the provisions of the 2013 Act, read along with relevant rules framed thereunder and other applicable accounting standards.

- 2.2 The Transferee Company shall record the assets, liabilities and reserves relating to the Transferor Company vested in it pursuant to this Scheme, at the amounts at which the same were carried in the consolidated financial statements of the transferee company immediately prior to the appointed date, after adjustments to harmonise accounting policies, if any. If consolidated financial statements were not prepared as at the date immediately prior to the appointed date, then the amounts that would have been carried in the consolidated financial statements prepared with reference to that date would be considered
- 2.3 Subject to the above, all reserves of the Transferor Companies are deemed to be carried forward and shall be recorded in the books of the transferee company in the same form and manner in which they appeared in the books of the Transferor Companies. The adjustments, if any made to harmonise accounting policies will be recognised in the retained earnings.
- 2.4 The investment made in the Share Capital of the Transferor Companies by the Transferee Company shall stand cancelled. The difference, if any, arising between the investments held by the Transferee Company and the amount of share capital of the transferor shall be adjusted against the reserves (including the Capital Reserve) of the combined entity and reflected as appearing in the consolidated financial statements of the transferee company immediately prior to the appointed date.
- 2.5 Inter-company balances and dues, if any, between both the Transferor Companies and the Transferee Company shall stand cancelled and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 2.6 The financial information in the financial statements of the transferee in respect of the prior year would be restated as if the amalgamation had occurred from the beginning of the prior year or from the date the transferor company was consolidated in the prior year (date of accounting for business combination of the transferor companies by the transferee company) in accordance with Appendix C to Ind AS 103 as the amalgamation is considered to be a common control business combination.

3. DISSOLUTION OF TRANSFEROR COMPANIES

Subject to confirmation of the Scheme by the Regional Director, Southern Division, Transferor Companies shall be dissolved without the process of Winding-up, on the Scheme being effective in accordance with the provisions of the Act and the Rules made there under.

PART-D

OTHER PROVISIONS

1. APPLICATION TO REGIONAL DIRECTOR

- 1.1. Transferor Companies and Transferee Company shall, with all reasonable dispatch, make application to the Regional Director (Central Government) of relevant jurisdiction, under Section 233 and other applicable provisions of the Act read with Rule 25 of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016, for sanctioning the Scheme with such modifications as may be approved by the Regional Director.
- 1.2. On the Scheme being agreed to by the requisite majorities of all the classes of the members and/or creditors of Transferor Companies and Transferee Company shall, with all reasonable dispatch, apply to the Regional Director (Central Government), for sanctioning the Scheme under Section 233 and other applicable provisions of the Act read with Rule 25 of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016, and for such other orders, as the said Regional Director (Central Government) may deem fit for carrying this Scheme into effect and for dissolution of Transferor Companies without winding-up.

2. CONDITIONALITY OF SCHEME

The Scheme is conditional upon and subject to:

- 2.1. The observations/objections of Registrar of Companies and Official Liquidator in terms of Section 233.
- 2.2. The Scheme being agreed to by the requisite majority of members and creditors of the Transferor Companies and Transferee Company;
- 2.3. The Scheme being approved by the Regional Director (Central Government) at Chennai / Regional Director (Central Government) of Relevant Jurisdiction;

- 2.4. The Confirmation Order of the Regional Director (Central Government) sanctioning this Scheme being filed with the Registrar of Companies having jurisdiction over the Transferee Company;
- 2.5. All other sanctions and approvals, as may be required by law, in respect of this Scheme being obtained.

3. MODIFICATION, AMENDMENT OR REVOCATION OF THE SCHEME

- 3.1. The Transferee Company, Transferor Companies by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may make and/or consent to any modifications or amendments to the Scheme or to any conditions or limitations that the Regional Director/Registrar/ Official Liquidator and/or other authority may deem fit to direct or impose or which may otherwise be considered necessary or desirable. The Transferee Company and the Transferor Companies, by their respective Board of Directors, or such other person or persons, as the respective Board of Directors may authorize, including any committee or subcommittee thereof, shall be authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions whether by reason of any order(s) of the Regional Director or of any directive or order(s) of any other authority or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.
- 3.2. Transferor Companies and Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Regional Director or any other authority is not on terms acceptable to them.
- 3.3. In the event of any of the said sanctions / approvals / conditions referred hereinabove not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the Regional Director and/or order or orders not being passed as aforesaid and/or the Scheme failing to be made effective, this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Transferor Companies and the Transferee Company or their respective 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 and in such case, each company shall bear its own costs unless otherwise mutually agreed. Further, the Board

of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme to be of no effect if such boards 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 all/any of the companies.

4. COSTS

All costs, charges, fees, taxes including duties (including the stamp duty, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and matters incidental thereto shall be borne and paid by Transferee Company. All such costs, charges, fees, taxes, stamp duty including duties (excluding the stamp duty, if any, paid on this scheme which shall be pro rata added to the value of the immovable properties), levies and all other expenses, shall be debited to the Profit and Loss Account of Transferee Company.

PROXY FORM FOR SECURED CREDITORS

ACCEL LIMITED

CIN: L30007TN1986PLC100219

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

Name of the Secured Creditor	
Registered Address	
E-mail ID	
Amount of Debt (Rs.)	
Value of Debt (%)	

I/We, being the Secured Creditor of Accel Limited, hereby appoint the following as my / our proxy to attend and vote (on a poll) for me / us at the meeting of the Secured Creditors to be held at III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034 on Friday, the 11th day of December, 2020 at 11.00 AM and at any adjournment thereof in respect of the proposal as indicated below:

1. Name: _____
Address: _____
Email – ID: _____ Signature: _____ or failing him

2. Name: _____
Address: _____
Email – ID: _____ Signature: _____ or failing him

3. Name: _____
Address: _____
Email – ID: _____ Signature: _____

I/We direct my/our Proxy to vote on the Resolution in the manner as indicated below:

S. No	Resolution	For	Against
1	(i) To approve the Scheme of Amalgamation of Ensure Support Services (India) Limited ('Transferor Company – 1') and Computer Factory (India) Private Limited ('Transferor Company – 2') with Accel Limited ('Transferee Company')		
	(ii) To authorize the Board of Directors to accept changes and make modifications, if any, if ordered by the Statutory Authorities.		

This is optional. Please put a tick mark (✓) in the appropriate column against the resolution indicated in the box. If a secured creditor leaves the "For" or "Against" column blank against the Resolution, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a secured creditor wishes to abstain from voting on the resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signed this ___ day of _____ 2020

Signature of Secured Creditor:

Signature of the proxy holder(s):

Notes:

1. This form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the meeting.
2. Proxy need not be a secured creditor of Accel Limited.

Affix
Revenue
Stamp here

ATTENDANCE SLIP

Meeting of the Secured Creditors of ACCEL LIMITED

Venue of the Meeting: III Floor, SFI Complex, 178, Valluvarkottam High Road,
Nungambakkam, Chennai – 600034

Day, Date and Time: Friday, December 11th, 2020 at 11.00 AM

Please fill attendance slip and hand it over at the entrance of the Meeting Venue

I/We.....R/o.....hereby record my/our presence at the Meeting of Secured Creditors of Accel Limited on Friday, 11th day of December, 2020 at 11.00 AM at III Floor, SFI Complex, 178, Valluvarkottam High Road, Nungambakkam, Chennai – 600034.

Name of Proxy/Authorized Representative	
Name of the Secured Creditor(s)	
Address	

Signature of secured creditor(s) / proxy

Note:

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

ROUTE MAP

Route Map for the Venue of Meeting of Secured Creditors of Accel Limited to be held on Friday, the 11th Day of December 2020 at 11.00 AM

