

March 11, 2022

To,
The National Stock Exchange of India Limited
Listing Department
Exchange Plaza,
Bandra-Kurla Complex
Bandra East, Mumbai – 400 051
Fax Nos.: 26598237 / 26598238

To,
BSE Limited
Listing Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Fax Nos.: 22723121 / 2037 / 2039

Dear Sir/ Madam,

Ref.: Scrip Code: BSE – 532748 / NSE – PFOCUS

Sub: Disclosure of events or information under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Sanction of Scheme of Amalgamation of PF Digital Media Services Limited (“PF Digital” or “Transferor Company”) with Prime Focus Limited (“PFL” or “Transferee Company” or “the Company”) and their respective shareholders (“Scheme”)

This is in continuation of intimation dated October 22, 2021 sent to you regarding the board approval to the Scheme of Amalgamation of PF Digital Media Services Limited with Prime Focus Limited and their respective shareholders.

We hereby inform that the Hon'ble National Company Law Tribunal, Mumbai Bench has sanctioned the aforesaid Scheme, pursuant to Sections 230-232 and other relevant provisions of the Companies Act, 2013. We enclose herewith the certified copy of the said order along with the Scheme received from the Hon'ble National Company Law Tribunal today i.e. March 11, 2022. The Scheme will be made effective on filing of certified copy of Order with Registrar of Companies.

We request you to take the same on record.

Thanking You,
For Prime Focus Limited

Parina Shah



Parina Shah
Company Secretary & Compliance Officer
Encl.: a/a

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT NO. V, MUMBAI BENCH**

C.P.(CAA)/223/MB/2021

Connected with

C.A.(CAA)/249/MB/2021

In the matter of
Companies Act, 2013

AND

In the matter of
Section 230-232 and other applicable
provisions of the Companies Act, 2013
read with and Rules framed there under as in
force from time to time;

In the matter of
Scheme of Amalgamation of PF Digital
Media Services Limited (“the Transferor
Company” or “PF Digital”) with (“the
Transferee Company” or “PFL”) and their
respective Shareholders

PF Digital Media Services Limited
CIN: U92100MH2011PLC218470

... First Petitioner Company

IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT NO. V, MUMBAI BENCH

C.P.(CAA)/223/MB/2021 Connected with
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Prime Focus Limited

CIN: L92100MH1997PLC108981

... Second Petitioner Company

Order Delivered on: - 17.02.2022

Coram:

Ms. Suchitra Kanuparthi : Hon'ble Member (Judicial)
Ms. Anuradha Sanjay Bhatia : Hon'ble Member (Technical)

Appearances (via videoconferencing):

For the Applicants : Mr Ahmed M Chunawala, i/b
Rajesh Shah & Co, Advocates
For the Regional Director : Ms. Rupa Sutar, Deputy
Registrar, ROC i/b Office of the
Regional Director, WR, MCA

Per: Suchitra Kanuparthi, Member (Judicial)

ORDER

1. The Bench is conveyed by videoconference.
2. Heard the Learned Counsel for the Petitioner Companies. No objector has come before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in the Petitions to the said Scheme.



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT NO. V, MUMBAI BENCH

C.P.(CAA)/223/MB/2021 Connected with
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3. The sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed there under for the Scheme of Amalgamation of PF Digital Media Services Limited (“the Transferor Company” or “PF Digital”) with (“the Transferee Company” or “PFL”) and their respective Shareholders.
4. The Petitioner Companies have approved the said Scheme of Amalgamation by passing the Board Resolutions dated 22nd October 2021 which are annexed to the respective Company Scheme Petitions.
5. The Learned Advocate appearing on behalf of the Petitioners states that the Petition has been filed in consonance with the Order passed in the Company Scheme Application No. 249 of 2021 of the Hon’ble Tribunal.
6. The Learned Advocate appearing on behalf of the Petitioners further states that the Petitioner Companies have complied with all requirements as per directions of the National Company Law Tribunal, Mumbai Bench and they have filed necessary affidavits of compliance in the National Company Law Tribunal, Mumbai Bench.
7. The Learned Counsel for the Petitioner Companies states that the First Petitioner Company is engaged in business of post-production including film distribution through various channel and that the Second Petitioner Company presently is engaged in the business of post-



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production activities including digital intermediate and other technical and creative services to the Media and Entertainment industry.

8. Consideration:-

- (i) The entire issued, subscribed and paid up share capital of Transferor Company is held by the Transferee Company and its nominee(s). Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the holding of shares in Transferor Company and the entire share capital of the Transferor Company shall stand cancelled.
- (ii) Upon the coming into effect of this Scheme, the share certificates, if any, and or the shares in electronic form or physical form as the case may be, representing the shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed.

9. The rationale for the Scheme of Amalgamation of the Petitioner Companies would inter alia have the following benefits:

- a. The Transferor Company is a wholly owned subsidiary of the Transferee Company. With a view of consolidating the post-production business, it is proposed that the Transferor Company be merged with the Transferee Company. A consolidated business would be better placed to take advantage of emerging opportunities in the market.

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- b. The amalgamation of the Transferor Company with the Transferee Company will lead to better business synergies, improved overall operational efficiencies and cost savings.
- c. The amalgamation will also result in reduction in legal and regulatory compliances.
- d. The proposed amalgamation will reduce managerial overlaps.
- e. Rationalization of multiple entities and simplification of the group structure.

10. The Regional Director has filed his Report dated 11th February 2022 *inter-alia* making the following observations in Paragraphs IV (a) to (j) which are reproduced hereunder:

Para	Observation by the Regional Director	Undertaking of the Petitioner Company / Rejoinder
IV(a)	In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5(IND AS-8) etc.	So far as the observation in paragraph IV (a) of the Report of the Regional Director is concerned, the Transferee Company undertakes that in addition to compliance of IND AS-103 for accounting treatment, the Transferee Company shall pass such accounting entries as may be necessary in connection with the Scheme to comply with other applicable accounting standards

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		such as IND AS-8 as applicable.
IV(b)	<p>The Petitioners under provisions of section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Compromise or arrangement. Further, the approval of the scheme by this Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such Authorities is binding on the Petitioner Company(s).</p>	<p>So far as the observation in paragraph IV (b) of the report is concerned, the Transferee Company submits that the Petitioner Companies have served notices under the provisions of section 230(5) of the Companies Act, to all the concerned authorities as directed by the Hon'ble Tribunal which are likely to be affected by the Scheme. Further, the Transferee Company submits that the approval of the Scheme by the Hon'ble Tribunal would not deter such authorities to deal with any of the issues arising after giving effect to the Scheme and the decision of such authorities would be binding on the Petitioner Companies.</p>
IV (c)	<p>The Hon'ble NCLT may kindly direct to the Petitioners to file an undertaking to the extent that the Scheme enclosed to the Company Application and the scheme enclosed to the Company</p>	<p>So far as the observation in paragraph IV (c) of the Report of the Regional Director is concerned, the Transferee Company submits that the Scheme enclosed to the Company Scheme Application and the Scheme enclosed to the</p>

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	<p>Petition are one & same and there is no discrepancy or deviation.</p>	<p>Company Scheme Petition are one & same and there is no discrepancy or deviation.</p>
<p>IV (d)</p>	<p>As per Definition of the Scheme, “Appointed Date” means opening hours of April 1, 2021 or such other date as the Tribunal may direct / fix; “Effective Date” means last of the dates on which the certified copies of the order / confirmation order sanctioning this Scheme of Amalgamation, passed by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, are filed with the Registrar of Companies, by the Transferor Company and the Transferee Company. All references in this Scheme to the date of “coming into effect of this Scheme” or</p>	<p>So far as the observation in paragraph IV (d) of the Report of the Regional Director is concerned, the Transferee Company submits that Scheme complies with the requirements clarified vide circular no. F.No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>



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	<p>“effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date;</p> <p>Further, the Petitioners may be asked to comply with the requirements and clarified vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>	
IV (e)	<p>Petitioner Company have to undertake to comply with section 232(3)(i) of Companies Act, 2013, where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorised capital shall be set-off against any fees payable by the transferee company on its authorised capital subsequent to the amalgamation and therefore, petitioners to affirm that they comply the provisions of the section.</p>	<p>So far as the observation in paragraph IV (e) of the Report of the Regional Director is concerned, the Transferee Company submits that the setting off of fees paid by the Transferor Company on its Authorised Share Capital shall be in accordance with provisions of section 232(3)(i) of the Companies Act, 2013.</p>

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IV (f)	<p>As per Clause 6 of the Scheme,</p> <p>On the Scheme, becoming effective and with effect from the Appointed Date, the amalgamation of the Transferor Company with the Transferee Company shall be accounted for in the books of account of the Transferee Company in accordance with "Pooling of interest method" laid down by Appendix C of Ind AS 103 (Business Combination under common control) notified under the provisions of the Act.</p> <p>All assets & liabilities, of Transferor Company shall be recorded in the books of account of Transferee Company at their existing carrying amounts and in the same form.</p> <p>The identity of all reserves, including retained earnings</p>	<p>So far as the observation in paragraph IV (f) of the Report of the Regional Director is concerned, the Transferee Company submits that it shall pass such accounting entries as may be necessary in connection with the Scheme in compliance to IND AS-103. The Transferee Company further undertakes that reserves, if any, arising out of amalgamation shall not be available for distribution of dividend.</p>
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shall be preserved and shall appear in the financial statements of Transferee Company in the same form in which they appeared in the financial statements of Transferor Company.

All inter-corporate deposits, loans and advances, outstanding balances or other obligations between Transferee Company and Transferor Company shall be cancelled and there shall be no obligation/outstanding in that behalf.

The amount of investments by the Transferee Company in the Transferor Company shall stand cancelled.

The excess or deficit, if any, arising after recording the above entries, shall be recorded in the Capital Reserve Account in the books of the Transferee Company.

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	<p>In case of any differences in the accounting policies between the Transferor Company and Transferee Company, the impact of the same will be quantified and adjusted to the reserves of Transferee Company to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policies.</p> <p>Petitioner Companies have to undertake that the surplus shall be credited to Capital Reserve Account arising out of amalgamation and deficits shall be debited to Goodwill Account.</p> <p>Further Petitioner Companies have to undertake that reserves shall not be available for distribution of dividend.</p>	
IV (h)	ROC, Mumbai Report dated 04.01.2022 has interalia mentioned that there are no	So far as the observation of the Regional Director, as stated in IV (h) (1) to IV (h) (3) of the report is

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<p>prosecution, no technical scrutiny, no inquiry, no inspection and no complaints pending against Petitioner Companies.</p> <p>Further mentioned that :-</p> <ol style="list-style-type: none">1. As per Transferor Company's Balance Sheet as at 31.03.2020 & 31.03.2021, the company is having trade payables due to other than MSME of Rs. 1,33,41,805/- & Rs. 57,50,231/- respectively.2. The Transferor Company is having unsecured long- Term debt & unsecured Inter Corporate Debt of Rs. 100,00,000/- & Rs. 23,00,00,000/- respectively as per balance sheet as at 31.03.2021. there is huge amount of debt,	<p>concerned, the Transferee Company submits that upon Scheme becoming effective, the creditors (including trade payables, unsecured long- Term debt & unsecured inter corporate debt), of the Transferor Company, if any, will be transferred to the Transferee Company and such creditors would be paid off by the Transferee Company in the ordinary course of business. Further, the Transferee Company submits that the (i) present Scheme is an arrangement between the Transferor Company, the Transferee Company and their respective shareholders as contemplated under Section 230(1)(b) and not in accordance with the provisions of Section 230(1)(a) of the Companies Act, 2013; (ii) there is no compromise and/or arrangement with the unsecured creditors as no sacrifice is called for and therefore, the rights of the creditors will not be</p>
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	<p>and the Petitioner may clarify the reasons.</p> <p>3. Interest of the Creditors should be protected</p>	<p>affected & their interest shall be protected.</p>
IV (i)	<p>The Petitioner Company that is Prime Focus Limited is listed Public Company whose equity shares are listed on BSE and NSE. The Hon'ble NCLT May kindly direct the Petitioner Company to obtain the no objection certificate from BSE and NSE.</p>	<p>So far as the observation in paragraph IV (i) of the Report of the Regional Director is concerned, the Transferee Company submits that present Scheme provides for merger of a wholly owned subsidiary (the Transferor Company) with the listed parent (the Transferee Company). In terms of SEBI Master Circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, the Transferee Company is not required to obtain the no objection certificate from BSE and NSE.</p>
IV (j)	<p>The Transferor Company is having the huge amount of debts. It is seen from the consolidated financial statement for the year ended 31st March 2021 that the net loss was rupees 43.40 crores.</p>	<p>So far as the observation in paragraph IV (j) of the Report of the Regional Director is concerned, the Transferee Company submits that net loss in its consolidated financial statement for FY 2020-21 is after considering the non-cash</p>

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<p>The Hon'ble NCLT may kindly direct the Petitioner Company to explain as to how the Petitioner Company is going to pay the Debt amount to its Creditors.</p>	<p>charge on account of depreciation and amortisation to the extent of around Rs.421 crs. Further, as per consolidated financial statement for FY 2020-21, the Transferee Company had cash & cash equivalent & bank balance of more than Rs.370 crs. Therefore, the Transferee Company submits that it would pay off debt amount to its creditors in the ordinary course of business.</p>
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11. The observations made by the Regional Director have been explained by the Petitioner Companies in Para 9 above.
12. The Official Liquidator has filed his report on 9th February 2022 in the Company Scheme Petition No. 223 of 2021, inter alia, stating therein that the affairs of the Transferor Company have been conducted in a proper manner not prejudicial to the interest of the members or the public interest of the Transferor Company and that the Transferor Company may be ordered to be dissolved by this Tribunal.
13. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.



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COURT NO. V, MUMBAI BENCH

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14. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 223 of 2021 is made absolute in terms of the prayer clauses of the said Company Scheme Petition.
15. The First Petitioner Company be dissolved without winding up.
16. Petitioners are directed to file a copy of this Order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically along with E-Form INC-28 within 30 days from the date of receipt of the Order from the Registry.
17. The Petitioner Companies to lodge a copy of this Order and the Scheme duly authenticated by the Deputy Registrar or Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable within 60 days from the date of receipt of the Order, if any.
18. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai.
19. The Appointed Date is 1st April 2021. Ordered Accordingly.

Sd/-
Anuradha Sanjay Bhatia
Member (Technical)

Sd/-
Suchitra Kanuparthi
Member (Judicial)



Certified True Copy _____

Date of Application 17.02.2022

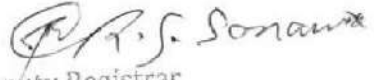
Number of Pages 15

Fee Paid Rs. 75

Applicant called for collection copy on 11.03.2022

Copy prepared on 11.03.2022

Copy Issued on 11.03.2022



Deputy Registrar

National Company Law Tribunal, Mumbai Bench

Exhibit - C

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SCHEME OF AMALGAMATION
OF
PF DIGITAL MEDIA SERVICES LIMITED
(“THE TRANSFEROR COMPANY” OR “PF DIGITAL”)
WITH
PRIME FOCUS LIMITED
(“THE TRANSFEREE COMPANY” OR “PFL”)
AND
THEIR RESPECTIVE SHAREHOLDERS

(A) PREAMBLE

This Scheme of Amalgamation (“Scheme”) is presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Act (as defined hereinafter) read with applicable Rules made thereunder for amalgamation of PF Digital Media Services Limited (“the Transferor Company” or “PF Digital”) with Prime Focus Limited (“the Transferee Company” or “PFL”) and their respective shareholders.

(B) DESCRIPTION OF COMPANIES

1. PF Digital is a company incorporated under the provisions of Companies Act, 1956 having its registered office at 2nd Floor, Building - H, Mainframe IT Park Royal Palms, near Arrey colony, Goregaon (East), Mumbai 400065, in the state of Maharashtra. PF Digital is engaged in the business of post-production including film distribution through various channel. PF Digital is a wholly owned subsidiary of the Transferee Company.



2. PFL is a listed public company whose equity shares are listed on BSE Limited and National Stock Exchange of India Limited. PFL is a company incorporated under the



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business of post-production activities including digital intermediate and other technical and creative services to the Media and Entertainment industry.

(C) RATIONALE

The Proposed Scheme of Amalgamation would inter alia have the following benefits:

- a. The Transferor Company is a wholly owned subsidiary of the Transferee Company. With a view of consolidating the post-production business, it is proposed that the Transferor Company be merged with the Transferee Company. A consolidated business would be better placed to take advantage of emerging opportunities in the market.
- b. The amalgamation of the Transferor Company with the Transferee Company will lead to better business synergies, improved overall operational efficiencies and cost savings.
- c. The amalgamation will also result in reduction in legal and regulatory compliances.
- d. The proposed amalgamation will reduce managerial overlaps.
- e. Rationalization of multiple entities and simplification of the group structure.

PARTS OF THE SCHEME

The Scheme is divided into following parts:

1. **Part A** deals with the Definitions, Interpretation and Share Capital;
2. **Part B** deals with the amalgamation of Transferor Company with Transferee Company.
3. **Part C** deals with the General Terms and Conditions.

This Scheme also provides for various matters consequential or otherwise integrally connected herewith.

PART A

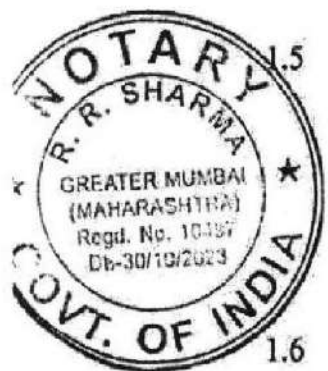


In this Scheme (as defined hereunder), unless inconsistent with the subject or context, the following expression shall have the meanings respectively assigned against them:

- 1.1 **“Act” or “the Act”** means the Companies Act, 2013, the Rules and Regulations made thereunder and will include any statutory modification(s) or re-enactment(s) thereof for the time being in force;
- 1.2 **“Appointed Date”** means opening hours of April 1, 2021 or such other date as the Tribunal may direct / fix;
- 1.3 **“Board”** means the Board of Directors of respective PF Digital and PFL as the case may be, for the purpose of matters pertaining to the Scheme and/or any other consequential or incidental matter in relation thereto;
- 1.4 **“Effective Date”** means last of the dates on which the certified copies of the order / confirmation order sanctioning this Scheme of Amalgamation, passed by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, are filed with the Registrar of Companies, by the Transferor Company and the Transferee Company. All references in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date;

1.5 **“Scheme” or “the Scheme” or “this Scheme” or “Scheme of Amalgamation”** means this Scheme of Amalgamation in its present form or this Scheme with such modification(s), if any made, as per the Scheme;

1.6 **“Transferee Company” or “PFL”** means Prime Focus Limited (CIN: I92100MH1997PLC108981) a company incorporated under the provisions of



1.7 **“Transferor Company” or “PF Digital”** means PF Digital Media Services Limited (CIN: U92100MH2011PLC218470), a company incorporated under the provisions of Companies Act, 1956 and having its registered office at 2nd Floor, Building - H, Mainframe IT Park Royal Palms, near Aarey colony, Goregaon (East), Mumbai 400065, in the state of Maharashtra;

1.8 **“Tribunal” or “NCLT”** means the National Company Law Tribunal (“NCLT”) as constituted and authorized as per the provisions of the Act for approving any Scheme of Amalgamation under Sections 230 to 232 of the Companies Act, 2013 and includes in particular the Mumbai Bench of NCLT.

All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.

2 DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) and amendment(s) made under Clause 16 of the Scheme shall be effective from the Appointed Date for amalgamation of the Transferor Company into the Transferee Company, but shall be operative from the Effective Date.

3 SHARE CAPITAL

3.1 The share capital of the Transferee Company as on date of Board approval of the Scheme i.e. October 22, 2021 is as under:

Particulars	Amount in Rs
Authorized Share Capital	



Particulars	Amount in Rs
<u>Issued, subscribed and paid-up Share Capital</u>	
29,92,48,978 Equity Shares of Re. 1/- each Fully Paid	29,92,48,978
TOTAL	29,92,48,978

3.2 The share capital of the Transferor Company as on date of Board approval of the Scheme i.e. October 22, 2021 is as under:

Particulars	Amount in Rs
<u>Authorized Share Capital</u>	
50,000 Equity shares of Rs. 10 each	5,00,000
TOTAL	5,00,000
<u>Issued, subscribed and paid-up Share Capital</u>	
50,000 Equity Shares of Rs. 10/- each Fully Paid	5,00,000
TOTAL	5,00,000

The entire issued, subscribed and paid up share capital of Transferor Company is held by Transferee Company and its nominees.

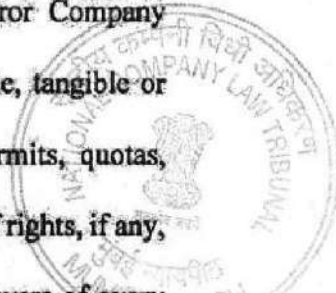
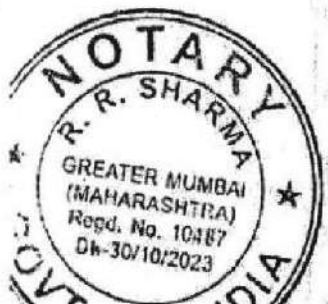
PART B

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

4 TRANSFER AND VESTING OF UNDERTAKING

4.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date, the entire business and whole of the undertaking(s) of the Transferor Company (including all its properties and assets (whether movable or immovable, tangible or

intangible) of whatsoever nature including investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, development of rights, if any, and all other rights, title, interest, contracts, agreements, approvals or permits, fees...



applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

4.2 The amalgamation of the Transferor Company with the Transferee Company will combine the business, activities and operations of the Transferor Company and the Transferee Company into a single company with effect from the Appointed Date and shall be in compliance with the provisions of the Income Tax Act, 1961, including Section 2(1B) thereof or any amendment(s) thereto. If any term of provision of this Scheme is found or interpreted to be inconsistent with the said provisions at a current date or later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said sections of the Income Tax Act, 1961 shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income Tax, 1961. Such modification will however not affect the other parts of the Scheme.

4.3 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

a. In respect of such assets owned and belonging to the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company, and shall become the property of the Transferee Company in pursuance of the provisions of Sections 230 to 232 and other applicable provisions of the Act.

b. In respect of movables other than those dealt with in Clause 4.3 (a) above including



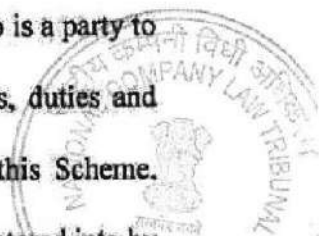
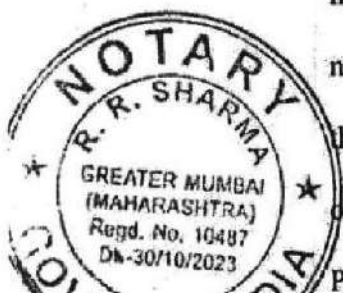
and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).

4.4 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- a. All the liabilities including all secured and unsecured debts, liabilities including contingent liabilities, leases, sundry creditors, duties, obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company without any further act, instrument or deed, along with any charge, lien, encumbrance or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to

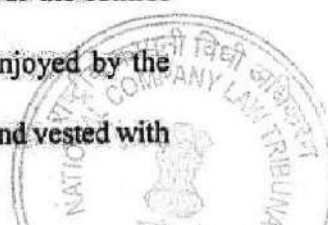
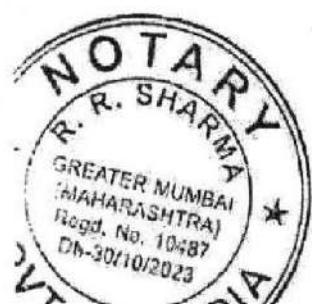
the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme.

Provided that, any reference in the security documents or arrangements entered into by



Transferor Company only as are vested in the Transferee Company by virtue of the Scheme.

4.5 The Transferor Company may be entitled to various benefits under incentive schemes and policies under various laws, regulations and notifications. Pursuant to this Scheme, it is declared that the benefits under all of such schemes and policies shall be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including tax concessions (not limited to income tax, tax deducted at source, tax holiday, special economic zone related benefits, tax losses, fringe benefit tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs, goods and service tax, Minimum Alternate Tax Credit entitlement ("MAT Credit") whether recognized or not, unutilized deposits or credits, benefits under the VAT/Sales Tax Law, VAT/Sales Tax set off, benefits of any unutilized MODVAT/CENVAT/Service Tax credits, input credit balances (including SGST, CGST and IGST credits) under the Goods and Service Tax laws etc. and others) and incentives shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive scheme and policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under the incentive schemes and policies were made available to the Transferor Company. Further, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad shall stand transferred and vested with the Transferee Company.

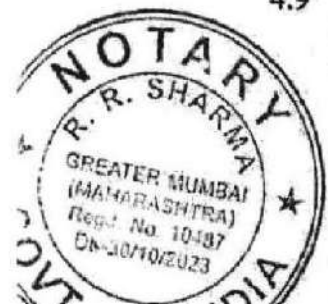


approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), the benefit of all brands, copyrights, trademarks, statutory and regulatory permissions, environmental approvals and consents, goods and service tax registrations, or other licenses and consents, benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company shall stand transferred and vested with the Transferee Company.

4.7 Upon the coming into effect of this Scheme, all intellectual property rights, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Company shall stand transferred and vested with the Transferee Company.

4.8 Upon the coming into effect of this Scheme, amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any security deposits, tax, duty, cess or of any excess payment shall stand transferred and vested with the Transferee Company.

4.9 Upon the coming into effect of this Scheme, right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess, security deposit or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward



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like benefits under the said acts or under and in accordance with any law or act, shall stand transferred and vested with the Transferee Company.

4.10 All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees, or the employees of any of their subsidiaries, with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment shall stand transferred and vested with the Transferee Company.

5 CONSIDERATION FOR AMALGAMATION

5.1 The entire issued, subscribed and paid up share capital of Transferor Company is held by the Transferee Company and its nominee(s). Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the holding of shares in Transferor Company and the entire share capital of the Transferor Company shall stand cancelled.

5.2 Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form or physical form as the case may be, representing the shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed.

6 ACCOUNTING TREATMENT

6.1 On the Scheme, becoming effective and with effect from the Appointed Date, the amalgamation of the Transferor Company with the Transferee Company shall be accounted for in the books of account of the Transferee Company in accordance with "Pooling of interest method" laid down by Appendix C of Ind AS 103 (Business Combination under common control) notified under the provisions of the Act.



- 6.3 The identity of all reserves, including retained earnings shall be preserved and shall appear in the financial statements of Transferee Company in the same form in which they appeared in the financial statements of Transferor Company.
- 6.4 All inter-corporate deposits, loans and advances, outstanding balances or other obligations between Transferee Company and Transferor Company shall be cancelled and there shall be no obligation/outstanding in that behalf.
- 6.5 The amount of investments by the Transferee Company in the Transferor Company shall stand cancelled.
- 6.6 The excess or deficit, if any, arising after recording the above entries, shall be recorded in the Capital Reserve Account in the books of the Transferee Company.
- 6.7 In case of any differences in the accounting policies between the Transferor Company and Transferee Company, the impact of the same will be quantified and adjusted to the reserves of Transferee Company to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policies.

7 CONDUCT OF BUSINESS TILL EFFECTIVE DATE

During the period between the Appointed Date and the Effective Date:

- 7.1 The Transferor Company shall carry on and deemed to have carried on their business and activities and shall stand possessed of their entire business and undertakings, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- 7.2 All the income or profits accruing or arising to the Transferor Company and all taxes



expenses or losses incurred including tax losses and MAT credits earned by the Transferor Company shall for all purposes be treated the income, profits, costs, charges, expenses and losses as the case may be of the Transferee Company.

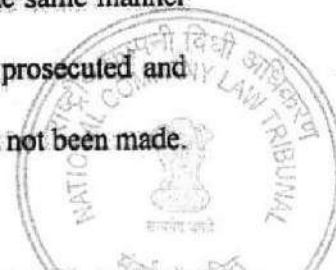
7.3 The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Boards of Directors of the Transferor Company and the Transferee Company.

7.4 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require to carry on the business of the Transferor Company.

8 LEGAL PROCEEDINGS

8.1 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company are pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the amalgamation by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

8.2 On and from the Effective Date, the Transferee Company shall and may, if required,



9 CONTRACTS, DEEDS, ETC.

9.1 Subject to the other provisions contained in this Scheme, all applications with regulatory authorities, contracts, deeds, bonds, agreements and other instruments of whatever nature to which, the Transferor Company are a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of the Transferee Company, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

10 SAVING OF CONCLUDED TRANSACTIONS

10.1 The transfer of Business, assets, properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferee Company under Clause 8 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

11 STAFF, WORKMEN & EMPLOYEES

11.1 On the Scheme becoming operative, all staff and employees of the Transferor Company, if any, in service on the Effective Date shall be deemed to have become staff and employees of the Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date.

11.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or



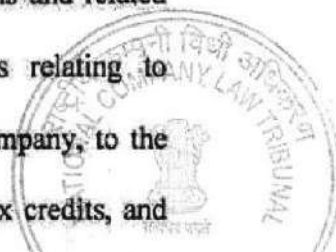
the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company. It is clarified that the services of the staff and employees of the Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.

12 TREATMENT OF TAXES

12.1 All taxes (including income tax, sales tax, service tax, goods and service tax etc.) paid or payable by the Transferor Company before the Appointed Date, shall be on account of the Transferor Company, and insofar as it relates to the tax payment (including, without limitation, sales tax, income tax, service tax, goods and service tax etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

12.2 Without prejudice to the generality of the foregoing on and from the Appointed Date, if any certificate for tax deducted at source or any other tax credit certificate is received in the name of the Transferor Company, it shall be deemed to have been received by and in the name of the Transferee Company which alone shall be entitled to claim credit for such tax deducted or paid.

12.3 Upon the coming into effect of this Scheme, the Transferor Company and the Transferee Company are expressly permitted to revise their tax returns and related withholding tax certificates, including withholding tax certificates relating to transactions between the Transferor Company and the Transferee Company, to the extent required and to claim refunds, advance tax and withholding tax credits, and



12.4 In respect of unutilized input credits of goods and service tax of the Transferor Company, the same shall be transferred to the Transferee Company in accordance with the Applicable Law.

13 WINDING UP

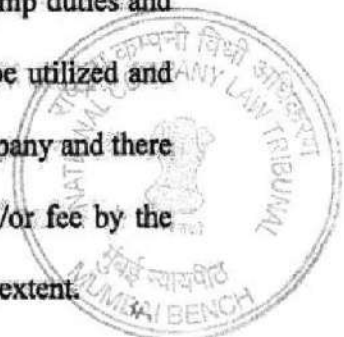
On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and their name shall be struck off from the records of the appropriate Registrar of Companies.

PART C

GENERAL TERMS AND CONDITIONS

14 COMBINATION OF AUTHORIZED SHARE CAPITAL

14.1 Upon sanction of this Scheme, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including without payment of stamp duty and fees payable to Registrar of Companies, Maharashtra at Mumbai by the authorized share capital of the Transferor Company and the Memorandum of Association of the Transferee Company (relating to the 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 purposes of effecting this amendment, and no further resolution(s) under any provisions of the Act would be required to be separately passed and for this purpose the stamp duties and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorized share capital to that extent.



Present authorized share capital of the Transferor Company is as under:

Authorized Capital	Amount in Rs.
<u>Transferor Company</u>	
50,000 Equity shares of Rs. 10 each	5,00,000
Total	5,00,000

14.2 Consequent upon the amalgamation, the authorized share capital of the Transferee Company will be as under:

Authorized Capital	Amount in Rs.
45,05,00,000 Equity shares of Re. 1 each	45,05,00,000
Total Authorized Share Capital of The Transferee Company	45,05,00,000

14.3 The consent / resolution approving the Scheme shall be deemed to be the approval of increase and reclassification in the Authorized Share Capital of the Transferee Company under Section 13, 61, 64 and other applicable provisions of the Act.

14.4 Clause 'V' of the Memorandum of Association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

Clause 'V' of the Memorandum of Association:

V. "The Authorized Share Capital of the Company is ₹45,05,00,000/- (Rupees Forty Five Crores Five Lakhs only) divided into 45,05,00,000 (Forty Five Crores Five Lakhs) Equity Shares of Re. 1/- (Rupee one) each, with power to increase and reduce the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special right, privileges or conditions as may be determined or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or



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15 APPLICATION TO TRIBUNAL

The Transferee Company and the Transferor Company shall, as may be required, make all necessary applications and /or petitions to Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act (as defined hereinafter) read with applicable Rules and all the other matters ancillary or incidental thereto.

16 MODIFICATION OR AMENDMENTS TO THE SCHEME

Subject to approval of Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, the Transferee Company and the Transferor Company with the approval of their Boards of Directors, from time to time, on behalf of all persons concerned, to any modifications/amendments or additions/deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Boards of Directors to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds matters, and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, may deem fit to approve of, to direct and or impose. The aforesaid powers of the Transferee Company and the Transferor Company to give effect to the modification / amendments to the Scheme may be exercised by their Boards of Directors or any person authorized in that behalf by the concerned Board of Directors subject to approval of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable.



17.1 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law or regulations or otherwise may be necessary for the implementation of this Scheme.

17.2 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and / or creditors of the Transferor Company and the Transferee Company, as may be directed by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable.

17.3 The Scheme being sanctioned by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, including Sections 230 to 232 of the Companies Act, 2013.

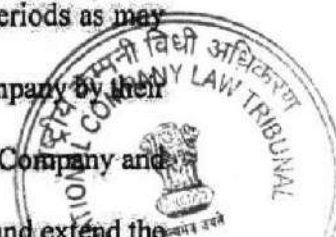
17.4 Certified copies of the Orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, being filed with the Registrar of Companies by the Transferor Company and the Transferee Company.

18 EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and / or the Scheme not being sanctioned by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and / or the Order not being passed as aforesaid before December 31, 2022 or within such further period or periods as may

be agreed upon between the Transferee Company and the Transferor Company by their Board of Directors (and which the Board of Directors of the Transferee Company and

Transferor Company are hereby empowered and authorized to agree to and extend the



19 COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferee Company.

20 MISCELLANEOUS

The Transferee Company and / or the Transferor Company acting through their Boards of Directors shall be at liberty to withdraw this Scheme in case any condition or alteration imposed by any authority / person is unacceptable to them.

For PF DIGITAL MEDIA SERVICES LIMITED



For Prime Focus Ltd.
Paolina Shah
Company Secretary

[Signature]
Director



Certified True Copy _____
Date of Application 17-02-2022
Number of Pages 19
Fee Paid Rs. 95
Applicant called for collection copy on 11-03-2022
Copy prepared on 11-03-2022
Copy issued on 11-03-2022

[Signature]
Deputy Registrar

National Company Law Tribunal, Mumbai Bench

