

18 December, 2020

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street Mumbai – 400 001

To
National Stock Exchange of India Limited
Plot No. C/1, G Block,
Bandra –Kurla Complex Mumbai- 400 051

BSE Scrip Code: 590057

NSE Symbol: PROSEED

Dear Sir/Madam,

Sub: Silent features of the resolution plan approved under Section 31 of the Insolvency and Bankruptcy Code, 2016, as amended ('IBC') in respect of the Corporate Insolvency resolution process of Proseed India Limited ("Company")

Further to our intimation dated December 3, 2020 and pursuant to Regulations 29, 30, 31A, 37, 42, 50 and 51 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") read with SEBI Circular dated 31st May, 2018 bearing No. SEBI/LAD-NRO/GN/2018/21, please find herein below the salient features not involving commercial secrets, of the Resolution Plan as approved by the National Company Law Tribunal ('NCLT'):

Salient Features of the Resolution Plan and other material information (other than commercial secrets):

1. Constitution of Monitoring Committee/Agency

A monitoring Committee ("Monitoring Committee") consisting of the Resolution Professional, and one member each from the COC and Resolution Applicant shall be constituted to manage the affairs of the Company as going concern and supervise the implementation of the Resolution Plan during the Interim Period.

2. Payments proposed to various stakeholders under the Plan:

Pursuant to the Resolution Plan, the settlement of the claims of the financial creditors shall be as follows:

Category	Resolution amount (Rs.)
CRIP Cost	Actuals as approved
Secured Financial Creditor	1,50,28,462

3. Capital infusion into the Company and allotment of equity

The Consortium shall infuse an amount of Rs. 2,00,00,000/- in the manner set out in the Resolution Plan to meet and fund the working capital and capital expenditure requirements of the Company. Equity shall be allotted to the Consortium members against the infusion of funds

4. **The following restructuring Proposal envisaged in the Resolution plan for revival of the Company;**

Deemed to have been given

i. Change of Object clause in the MOA to undertake the new business activity

The Resolution Applicant contemplates to pursue Information Technology and allied business activities post acquisition of the Company pursuant to the orders of the NCLT under IBC.

The Code has defined resolution plan as a plan for insolvency resolution of a corporate debtor as a going concern. Regulation 37 of the CIRP Regulations permits restructuring of the Company operations pursuant to the resolution plan.

Accordingly object clause in the Memorandum of Association ('MOA') of the Company shall be altered to pursue the envisaged new business activities. The alteration in the Object Clause of the MOA, as set out in the resolution plan, is to facilitate Company's foray into new business areas as defined therein.

ii. Change of Name clause in the Memorandum and Articles of Association

The name of the Company is also proposed to be changed suitably to another name to reflect new business activities, subject to the approval of the same by the Registrar of Companies.

iii. Acquisition of Digital platform "Equipp.com" as part of the Resolution Plan and allotment of equity in lieu of cash.

As part of the restructuring the operations, the Consortium contemplate to acquire digital platform namely "www.equipp.com" from Equivas Capital Private Limited. EquiPPP, is an innovative and first-of-its-kind collaborative platform, in the social impact projects including CSR (corporate social responsibility) projects. As per the terms of Plan Equity shares shall be allotted to Equivas Capital Private Limited in lieu of cash as a purchase consideration.

iv. Reduction of Capital

Reduction and extinguishment of existing Promoters and Public shareholding to the extent of and 95% repetitively shall be carried out, as per the terms of the resolution plan.

5. **Reclassification of Promoters**

Upon the credit and listing of the new equity shares issued pursuant to the order and post reduction of the existing equity share capital, the incoming resolution applicants shall be classified as promoters and their shareholding as promoter's shareholding and existing promoters are reclassified as non-promoters of the Company.

This reclassification is according to the Regulation 31A of SEBI LODR Regulations 2015

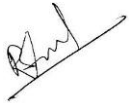
6. Change in the Board of the Directors of the Company after Completion date:

With effect from the Completion Date, the Consortium members will become the promoters and managerial control shall be transferred to the Consortium members and Board will be reconstituted.

The Consortium shall nominate individuals to be appointed as directors and KMPs of the Company and shall take over the management and acquire control of the Company after the Completion date.

This is for your information and records.

Yours faithfully,
For Proseed India Limited



SREENIVASA RAO RAVINUTHALA
RESOLUTION PROFESSIONAL
Reg.No. IBBI/IPA-003/N-00081/2017-18/10704