

July 3, 2018

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G
Bandra Kurla Complex,
Bandra (E),
Mumbai- 400051
Scrip Code: AXISCADES

The Manager
Dptt. of Corporate Services
BSE Limited.
Floor 25, Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai - 400001
Scrip Code: 532395

Sub: Notice to Shareholders, Secured Creditors and Unsecured Creditors – Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

With reference to the captioned subject please find enclosed Notice to the Shareholders, Secured Creditors and Unsecured Creditors being issued as per the directions of the National Company Law Tribunal (NCLT), Bengaluru Bench.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find below details:

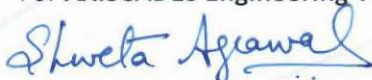
1. Date of Notice – 27 June 2018
2. Resolution to be passed – To approve the arrangement embodied in the Scheme of Amalgamation of Explosoft Tech Solutions Private Limited with AXISCADES Engineering Technologies Limited.
3. Manner of approval – Requisite majority.

The above documents are also available on the website of the Company: www.axiscades.com

Kindly take the above information on records.

Thanking You,

For **AXISCADES Engineering Technologies Limited**



Shweta Agrawal
Company Secretary

AXISCADES Engineering Technologies Limited

CIN No.: L72200KA1990PLC084435

D-30, Sector - 3, Noida - 201 301, Uttar Pradesh INDIA Ph: +91 120 451 8200 / 8300 Fax: +91 120 244 2921

Reg. Office : Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560 024 Karnataka INDIA
Ph: +91 80 4193 9000 Fax: +91 80 4193 9099 | Email: info@axiscades.com | www.axiscades.com

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Registered office: Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024

CIN: L72200KA1990PLC084435

Telephone Number: +91 80 4193 9000 | Fax: +91 80 4193 9099

Website: www.axiscades.com

E-mail: investor.relations@axiscades.com

**MEETING OF THE EQUITY SHAREHOLDERS
OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED**

(To be convened pursuant to Order dated June 15, 2018 passed by the National Company Law Tribunal,
Bengaluru Bench)

NOTICE TO SHAREHOLDERS

Day	: Friday
Date	: August 3, 2018
Time	: 11.00 A.M.
Venue	: Chairman's Club (Chairman's Club & Resort), No 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru – 560 092.

POSTAL BALLOT AND E-VOTING

Commencing on	: Wednesday, July 4, 2018 at 9.00 A.M.
Ending on	: Thursday, August 2, 2018 at 5.00 P.M.

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FORM NO. CAA2

[Pursuant to Section 230(3) and Rule 6]

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENGALURU BENCH AT BENGALURU
ORIGINAL JURISDICTION**

IN THE MATTER OF COMPANIES ACT, 2013

AND

**IN THE MATTER OF SECTIONS 230 AND 232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013**

AND

IN THE MATTER OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED

AND

**IN THE MATTER OF THE SCHEME OF AMALGAMATION OF EXPLOSOFT TECH SOLUTIONS
PRIVATE LIMITED WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED**

AND

THEIR RESPECTIVE SHAREHOLDERS

CA (CAA) NO. 34 OF 2018

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Registered office: Block C, Second Floor,
Kirloskar Business Park,
Bengaluru - 560 024

... APPLICANT COMPANY/ TRANSFEREE COMPANY

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF AXISCADES
ENGINEERING TECHNOLOGIES LIMITED, THE APPLICANT COMPANY PURSUANT TO THE ORDER
DATED JUNE 15, 2018 BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU
BENCH**

To,

The Equity Shareholders of AXISCADES Engineering Technologies Limited,

NOTICE is hereby given that pursuant to the Order dated June 15, 2018, in the above mentioned Company Application, the Hon'ble National Company Law Tribunal, Bengaluru Bench ("**Hon'ble Tribunal**"), has directed separate meetings to be held of Equity Shareholders, Secured Creditors and Unsecured Creditors of AXISCADES Engineering Technologies Limited, for the purpose of considering, and if thought fit, approving with or without modification proposed in the matter of the Scheme of Amalgamation of Explosoft Tech Solutions Private Limited ("**Explosoft**") with AXISCADES Engineering Technologies Limited ("**ACETL**" or "**Company**") and their respective shareholders ("**Scheme**") under Sections 230 to 232 other applicable provisions of the Companies Act, 2013.

TAKE FURTHER NOTICE that in pursuance of the Order and as directed therein, a Meeting of the Equity Shareholders of the Company, will be held at Chairman's Club (Chairman's Club & Resort),

No. 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru - 560 092, on August 3, 2018 at 11.00 A.M., (**'the Meeting'**) at which place, day, date and time you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the Meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your authorized representative, is deposited at the Registered Office of the Company at Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560 024, not later than 48 hours before the scheduled time of the Meeting.

TAKE FURTHER NOTICE that in compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by the Securities and Exchange Board of India, the Company has provided the facility of voting by postal ballot and e-voting so as to enable the equity shareholders, to consider and approve the Scheme by way of a resolution (as mentioned below). The shareholders may refer to the 'Notes' to this Notice for further details on Postal Ballot and remote e-voting.

TAKE FURTHER NOTICE that copy of the Scheme and the Explanatory Statement under Section 230(3) and Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with Form of Proxy, Attendance Slip, Postal Ballot Form and other annexures as stated in the Index are enclosed herewith. Copies of the Scheme and the Explanatory Statement under Section 230 of the Companies Act, 2013 can be obtained free of charge at the registered office of the Company.

The Hon'ble Tribunal has appointed Mr. Joby Chacko, Advocate to be the Chairperson of the Meeting.

The above Scheme, if approved by the Equity Shareholders, will be subject to the subsequent approval of the Hon'ble Tribunal.

The Audit Committee and the Board of Directors of the Company at their respective Meetings, both held on November 6, 2017, have approved the Scheme, subject to approval by the requisite majority of the Shareholders of the Company as may be required, and subject to the sanction of the Hon'ble Tribunal and of such other authorities as may be necessary.

The voting rights of Equity Shareholders shall be in proportion to their Equity Shareholding in the Company as on the close of business on June 29, 2018 ('Cut-off Date').

To consider and if thought fit to pass, with or without modification(s), and with requisite majority, the following resolutions under Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force):

“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013, to the extent applicable, Companies (Compromise, Arrangements and Amalgamation) Rules, 2016, (including any modification/ amendment and re-enactment thereof), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to the sanction of the National Company Law Tribunal, Bengaluru Bench and Mumbai Bench (“NCLTs”), Securities and Exchange Board of India, concerned Stock Exchange(s) and approvals from jurisdictional Registrar of Companies, Regional Director, Official Liquidator, Income-tax department (collectively referred as “Regulatory Authorities”) and subject to all such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the proposed Scheme of Amalgamation Explosoft Tech Solutions Private Limited with AXISCADES Engineering Technologies Limited and their respective shareholders (herein after referred to as “Scheme”, or “this Scheme” or “the Scheme”) placed before this Meeting and initialed by the Chairperson of the Meeting for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT any of the Director and/or Mr. Kaushik Sarkar, CFO and /or Ms. Shweta Agrawal, Company Secretary, be and are hereby jointly and/ or severally authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper.”

Copy of the Scheme and the Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the aforesaid Index can be obtained free of charge at the registered office of the Company at Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024 or at the office of its advocates, M/s SPJ Legal, Advocates, Unit No: 1002, 10th Floor, #30, Prestige Meridian II, M.G Road, Bengaluru - 560 001.

Persons entitled to attend and vote at the meeting, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the registered office of the Company at Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024 not later than 48 (Forty Eight) hours before the meeting.

The Proxy Form can be obtained from the registered office of the Company or can be downloaded from the website www.axiscades.com.

A copy of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the aforesaid Index are enclosed.

**By order of the National Company Law Tribunal
Sd/-
Joby Chacko, Advocate
Chairman appointed for the meeting**

Dated this 27th day of June, 2018

Place: Bengaluru

Registered Office:

AXISCADES Engineering Technologies Limited,

Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024

Website: www.axiscades.com

E-mail: investor.relations@axiscades.com

Notes:

1. All alterations made in the Form of Proxy should be initialed. The form of proxy can be obtained free of charge from the registered office of the Company or can be downloaded from the website of the Company www.axiscades.com.
2. Only registered Equity Shareholders of the Company may attend and vote (either in person or by proxy or by authorized representative under Sections 112 and 113 of the Companies Act, 2013) at the Equity Shareholders' Meeting or through electronic means or through postal ballot. The authorized representative of a body corporate which is a registered Equity Shareholder of the Company may attend and vote at the Equity Shareholders' Meeting provided a certified true copy of the resolution of the Board of Directors under Section 113 of the Companies Act, 2013 or other governing body of the body corporate authorizing such representative to attend and vote at the Equity Shareholders' Meeting is deposited at the Registered Office of the Company not later than 48 hours before the Meeting.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
4. As per Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.
5. It is further clarified that the Proxies can only vote on Poll at the Meeting and not through any other mode.
6. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, an Equity Shareholder would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 (three) days of notice in writing is given to the Company.
7. Foreign Institutional Investors (FIIs) who are registered Equity Shareholder(s) of the Company would be required to deposit certified copies of power of attorney, authorizing the individuals named therein, to attend and vote at the Meeting on its behalf. These documents must be deposited at the Registered Office of the Company not later than 48 hours before the Meeting.
8. A Member 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.

9. Members who hold Shares in dematerialized form are requested to bring their Client ID and DP ID number for easy identification of attendance at the Meeting.
10. Members are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the Register of Members of the Company/list of beneficial owners as received from Karvy Computershare Private Limited, Registrar and Transfer Agent and Depositories in respect of such joint holding will be entitled to vote.
11. The Notice is being sent to all Members, whose names appeared in the Register of Members/Beneficial Owner as per the details furnished by the Registrar and Transfer Agent and Depositories as on June 29, 2018. This Notice of the NCLT Convened Meeting of Members of the Company is also displayed / posted on the website of the Company at www.axiscades.com and on the website of Karvy at <https://evoting.karvy.com>.
12. In compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular") issued by the Securities and Exchange Board of India, the Company has provided the facility of voting by postal ballot and e-voting (through e-voting services provided by Karvy) so as to enable the Equity Shareholders, to consider and approve the Scheme by way of the aforesaid resolution.
13. Member(s) can opt only for one mode of voting. If a Member has opted for e-voting, then he/she should not vote by Postal Ballot and vice-versa. However, in case Members cast their vote both through Postal Ballot and E-voting, then voting through E-voting shall prevail and voting done by Postal Ballot shall be treated as invalid.
14. It is clarified that votes may be cast by Shareholders either by Postal Ballot or e-voting or at the meeting and casting of votes by Postal Ballot or e-voting does not disentitle them from attending the Meeting. Shareholder after exercising his right to vote through Postal Ballot or E-voting shall not be allowed to vote again at the Meeting. The Company shall provide the facility of voting through polling paper at the venue of the Meeting.
15. Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the Equity Shareholders as on the cut-off date, i.e. June 29, 2018.
16. The voting period for Postal Ballot and E-voting shall commence on and from Wednesday, July 4, 2018 at 9.00 A.M and end on Thursday, August 2, 2018 at 5.00 P.M.
17. The SEBI Circular, inter alia, provides that approval of Public Shareholders of the Company to the Scheme shall also be obtained by way of voting through e-voting. Since, the Company is seeking the

approval of its Equity Shareholders (which includes Public Shareholders) to the Scheme by way of voting through postal ballot and e-voting, no separate procedure for voting through e-voting would be required to be carried out by the Company for seeking the approval to the Scheme by its Public Shareholders in terms of SEBI Circular. The aforesaid notice sent to the Equity Shareholders of the Company would be deemed to be the notice sent to the Public Shareholders of the Company. For this purpose, the term "Public" shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term "Public Shareholders" shall be construed accordingly. In terms of SEBI Circular, the Company has provided the facility of voting by e-voting to its Public Shareholders.

18. NCLT, by its Order, has held that the Company is directed to convene a meeting of its Equity Shareholders, which includes Public Shareholders. Further, the voting in respect of the Equity Shareholders, which includes Public Shareholders, is conducted through postal ballot and e-voting and the same is in sufficient compliance of SEBI Circular.
19. Further, in accordance with the SEBI Circular, the Scheme shall be acted upon only if the number of votes cast by the Public Shareholders in favour of the aforesaid resolution for approval of Scheme is more than the number of votes cast by the Public Shareholders against it.
20. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the Equity Shareholders, of the Company, voting in person or by proxy or by postal ballot or e-voting, agree to the Scheme.
21. A postal ballot form along with self-addressed postage pre-paid Business Reply Envelope is also enclosed. Members who have received the postal ballot notice by e-mail and who wish to vote through postal ballot form, can download the postal ballot form from the website of Company at www.axiscades.com.
22. You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed with assent (for) or dissent (against), in the attached Business Reply Envelope, so as to reach the Scrutinizer on or before Thursday August 2, 2018.
23. In case a Member is desirous of obtaining a printed duplicate Postal Ballot Form, he or she may send an e-mail to einward.ris@karvy.com. The Registrar and Transfer Agent shall forward the same along with postage-prepaid self-addressed Business Reply Envelope to the Member.
24. No other form or photocopy of the form is permitted.
25. As directed by Hon'ble Tribunal, Mr. Pattabhi, Chartered Accountant (Membership No. 210278) and in case of inconvenience, Mr. Parimal, Chartered Accountant (Membership No. 209074), both having their office at Unit No. 101, 1st Floor, # 12, JJ Vertical, RV Road Bye Lane, Near South end Circle, Namma Metro Station, Bengaluru – 560 004 shall act as Scrutinizer to scrutinize votes cast either electronically or on Postal Ballot or on Poll at the Meeting and submitting a report on votes cast to the Chairperson

of the Meeting or the person so authorised by him within 48 hours from the conclusion of the Meeting.

26. The scrutinizer will submit his combined report to the Chairperson of the Meeting or to the person so authorised by him after completion of the scrutiny of the votes cast by the Equity Shareholders, which includes Public Shareholders, of the Company. The scrutinizer will also submit a separate report with regard to the result of the postal ballot and e-voting in respect of Public Shareholders. The scrutinizer's decision on the validity of the vote (including e-votes) shall be final.
27. The result of the voting shall be reported to the Hon'ble Tribunal within 3 days from the date of the conclusion of the respective meetings and the results shall be displayed on the notice board, website of the Company at www.axiscades.com and on the website of Karvy <https://evoting.karvy.com> besides being sent to BSE Limited and National Stock Exchange of India Limited on the said date.
28. The notice convening the Meeting will be published through an advertisement in the "Business Standard" in the English language and "Kannada Prabha" in the Kannada language, both having circulation in Bengaluru.
29. In case of Equity Shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution / Authority.
30. All relevant documents referred to in the above Notice and other documents required to be open for inspection are open for inspection by Members of the Company at the Registered Office of the Company at Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024 between 9.00 A.M. to 5.00 P.M. on all working days (except Saturdays, Sundays and Holidays) up to the date of the Meeting.
31. The instructions for Members for e-voting are printed overleaf the postal ballot form accompanying the Notice. Members are requested to please refer the same for detailed instructions.

Encl: As above

FORM NO. CAA2

[Pursuant to Section 230(3) and Rule 6]

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENGALURU BENCH AT BENGALURU
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 2013
AND
IN THE MATTER OF SECTIONS 230 AND 232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013
AND
IN THE MATTER OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED
AND
IN THE MATTER OF THE SCHEME OF AMALGAMATION OF EXPLOSOFT TECH SOLUTIONS
PRIVATE LIMITED WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
CA (CAA) NO. 34 OF 2018**

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Registered office: Block C, Second Floor,
Kirloskar Business Park,
Bengaluru - 560 024

... APPLICANT COMPANY/ TRANSFEREE COMPANY

**EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE
COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES,
ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. This is a statement accompanying the Notice convening the Meeting of the Equity Shareholders of the Company, pursuant to an Order dated June 15, 2018 passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench in the Company Application No. 34 of 2018, to be held at Chairman's Club (Chairman's Club & Resort), No 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru – 560 092 on Friday August 3, 2018 at 11.00 A.M. for the purpose of considering and, if thought fit, approving with or without modification(s), the Scheme of Amalgamation of Explosoft Tech Solutions Private Limited ("**Explosoft**" or "**Transferor Company**") with AXISCADES Engineering Technologies Limited ("**ACETL**" or "**Applicant Company**" or "**Transferee Company**" or "**Company**") and their respective shareholders ("**Scheme**") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.
2. A copy of the Scheme is enclosed herewith as **Annexure A**. The proposed Scheme is envisaged to be effective from the Appointed Date (i.e., December 1, 2017) but shall be made operative from the Effective Date (as defined in the Scheme).

3. Pursuant to the Order made on June 15, 2018 passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench in Company Application No. 34 of 2018, a Meeting of the Equity Shareholders of the Company is being convened and held for the purpose of considering and if thought fit, approving, with or without modification(s), the Scheme. Equity Shareholders would be entitled to vote in the said meeting either in person or through proxy.
4. In addition, the Company is seeking the approval of its Equity Shareholders to the Scheme by way of voting through postal ballot and e-voting. SEBI Circular issued by the Securities and Exchange Board of India ("SEBI"), inter alia, provides that approval of Public Shareholders of the Company to the Scheme shall be obtained by way of voting through e-voting. Since, the Company is seeking the approval of its Equity Shareholders to the Scheme by way of voting through postal ballot and e-voting, no separate procedure for voting through e-voting would be required to be carried out by the Company for seeking the approval to the Scheme by its Public Shareholders in terms of SEBI Circular. The aforesaid notice sent to the Equity Shareholders of the Company would be deemed to be the notice sent to the Public Shareholders of the Company. For this purpose, the term "Public" shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term "Public Shareholders" shall be construed accordingly.
5. NCLT, by its Order, has held that the Company is directed to convene a meeting of its Equity Shareholders, which includes Public Shareholders. Further, the voting in respect of the Equity Shareholders, which includes Public Shareholders, is conducted through postal ballot and e-voting and the same is in sufficient compliance of SEBI Circular.
6. The scrutinizer appointed for conducting the postal ballot and e-voting process will however submit his separate report to the Chairperson of the Meeting or to the person so authorised by him after completion of the scrutiny of the postal ballot including e-voting submitted/cast by the Public Shareholders so as to announce the results of the postal ballot and e-voting exercised by the Public Shareholders of the Company. In terms of the SEBI Circular, the Scheme shall be acted upon only if the votes cast by the Public Shareholders (through postal ballot or e-voting) in favour of the resolution for approval of Scheme are more than the number of votes cast by the Public Shareholders against it.
7. NCLT, by its Order, has also held that if the entries in the records/registers of the Company in relation to the number or value, as the case may be, of the equity shares are disputed, the Chairperson of the Meeting shall determine the number or value, as the case maybe, for the purposes of the said meeting, subject to the orders of NCLT in the petition seeking sanction of the Scheme.
8. The said Order is available for inspection at the Registered Office of the Company at Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024 from 9.00 A.M. to 5.00 P.M., on any working day of the Company up to the date of the Meeting.

9. Background of Companies

9.1 The Company, AXISCADES Engineering Technologies Limited was incorporated on August 24, 1990 under the provisions of the Companies Act, 1956 under the name of "I. T. AND T ENTERPRISES PRIVATE LIMITED" with the Registrar of Companies, NCT of Delhi and Haryana. Subsequently, it was converted to a deemed public company in accordance with Section 43A of the Companies Act, 1956 and the name changed to "I T & T LIMITED" and a fresh Certificate of Incorporation was issued on January 7, 1998, consequent to the change of name. Subsequently on conversion to a public limited company, the name of the company was changed to "AXIS – IT&T LIMITED" and a fresh Certificate of Incorporation was issued on May 12, 2005, consequent to the change of name. The name was further changed to "AXISCADES Engineering Technologies Limited" and a fresh Certificate of Incorporation was issued on August 1, 2014 consequent to the change of name. Further, the registered office of the Applicant Company was shifted from Delhi to State of Karnataka and a Certificate of Registration of Regional Director order for change of State was issued on December 2, 2015. There has been no change in the registered office of the Company since 2015. The PAN and CIN of the Company are AAACI2831G and L72200KA1990PLC084435 respectively. The e-mail address of the Company is investor.relations@axiscades.com. The present registered office of the Company is Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560 024.

9.2 The authorised, issued, subscribed and paid-up share capital of the Applicant Company as on March 31, 2017, was as follows:

Authorised Share Capital	Amount (INR)
20,40,00,000 Equity Shares of INR 5/- each	1,02,00,00,000
1,00,000 Preference Shares of INR 100/- each	1,00,00,000
Total	1,03,00,00,000
Issued Share Capital	Amount (INR)
3,78,10,630 Equity Shares of INR 5/- each fully paid-up	18,90,53,150
Total	18,90,53,150
Subscribed and Paid-up Share Capital	Amount (INR)
3,77,59,530 Equity Shares of INR 5/- each fully paid-up	18,87,97,650
Add: Forfeited Shares (amount originally paid INR 3 per share on 51,100 Equity Shares)	1,53,300
Total	18,89,50,950

Subsequent to March 31, 2017, there has been no change in the authorized, issued, subscribed and paid-up capital of the Applicant Company.

9.3 The Company is a public limited company and its equity shares are listed on the BSE Limited and the National Stock Exchange of India Ltd. The Company is engaged in the business of providing software solutions to the aerospace, heavy engineering, automotive and industrial sectors.

9.4 The details of Directors and Promoters of the Company along with their addresses are mentioned herein below:

Sl. No	Name of Promoter / Director	Capacity	Address
Promoter Details			
1	Indian Aero Ventures Private Limited	Promoter Group	Jupiter Innovision Centre No. 54, Richmond Road, Bangalore – 560 025
2	Jupiter Capital Private Limited	Promoter Group	No.54 Richmond Road, Jupiter Innovation Centre, Bangalore – 560 025
3	Tayana Digital Private Limited	Promoter	1-B, Ground Floor, Gold Coin Premises, Opposite Sobo Central, 35/23A Tardeo Road, Tardeo, Mumbai – 400 034
Director Details			
1	Rohitasava Chand	Director	B-19, Defence Colony, New Delhi -110 024
2	Srinath Batni	Director	884, 11 th Cross, 22 nd Main, J P Nagar, 2 nd Phase, Bengaluru - 560 078
3	Kailash Mohan Rustagi	Director	96, Vardan Apartments, Plot 64 I.P. Extn., Delhi – 110 092
4	Pradeep Dadlani	Director	H 22, Jangpura Extension, New Delhi - 110 014
5	Sudhakar Gande	Vice Chairman & Executive Director	Attur Terrace 802, 8 th Floor, Cuffe Parade, Mumbai – 400 005
6	Mritunjay Kumar Singh	CEO & Executive Director	A1/1, Plot No 164, Harmony Society DP Road, Aundh, Pune – 411 007
7	Vivek Mansingh	Director	# A 7, Epsilon Villas, Yemalur Road Next To CGI Office, Marathahalli Colony, Bengaluru – 560 035
8	Sidhartha Mehra	Director	No. A 1002, Mantri Espana Apartments, Devarabisanahalli, Outer Ring Road, Bengaluru - 560 103
9	Mariam Mathew	Director	Flat 117 118 Villa Heights, Brahmanawadi, 1-10-351 to 356 Begumpet Railway Station, Begumpet, Hyderabad – 500 016

9.5 As on April 30, 2018 the amount due to the secured creditors and unsecured creditors of the Company are INR. 64.79 crores and INR. 48.34 crores respectively.

9.6 The main objects of the Company as set out in the Memorandum of Association are as follows:

III. The objects for which the Applicant Company is established are:

(A) THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:-

1. To carry on anywhere in India or abroad the business as consultants assemblers, job-workers, makers, designers, developers, importers, exporters, agents and dealers in any electronic and electrical items, gadgets, equipment and accessories particularly those pertaining to telecommunications, computers, computer hardware and software, undertake development of markets of any new products, explore new avenues and potentials of existing markets of existing products, develop and explore new marketing techniques for any client concerns, undertake research programs and business surveys, act as data banks offer any business or other marketing or technical consultancy services in any traditional or non-traditional fields and provide such business and other utility services as may be required by any client concerns.

2. To design, set-up, invent, develop, improve, purchase and otherwise deal in any machines intended to be installed and offer any consultancy services for the business as referred to in item number one.

9.7 Explosoft Tech Solutions Private Limited, the Transferor Company was incorporated on November 26, 2014 under the provisions of the Companies Act, 2013 under the name "Explore India Leisure & Hospitality Private Limited". Thereafter, the name was changed to "Explosoft Tech Solutions Private Limited" with effect from November 28, 2017. The PAN and CIN of the Transferor Company are AADCE8274A and U74110MH2014PTC259722 respectively. The present registered office of Explosoft is Office No.1, 1st Floor, Fine Mansion, 203, D.N Road, Fort, Mumbai – 400 001.

9.8 The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on March 31, 2017, was as follows:

Authorized Capital	Amount (INR)
50,000 Equity Shares of INR 10/- each	5,00,000
Issued, Subscribed and Paid-up Capital	Amount (INR)
10,000 Equity Shares of INR 10/- each fully paid-up	1,00,000

Subsequent to March 31, 2017, Explosoft has increased the authorised share capital to INR 25,00,00,000 and has issued/allotted 2,41,81,364 Equity Shares of INR 10/- each, amounting to INR 24,18,13,640. Post this issue the authorized, issued, subscribed and paid-up share capital of Explosoft is as follows:

Authorized Capital	Amount (INR)
2,50,00,000 Equity Shares of INR 10/- each	25,00,00,000
Issued, Subscribed and Paid-up Capital	Amount (INR)
2,41,91,364 Equity Shares of INR 10/- each fully paid-up	24,19,13,640

9.9 Explosoft is a private limited company currently, *inter alia*, engaged in rendering end-to-end services for product design and development in the embedded space.

9.10 The details of Directors and Promoters of Explosoft along with their addresses are mentioned herein below:

Sl. No	Name of Promoter / Director	Capacity	Address
Promoter Details			
1	Anees Ahmed	Promoter	# A-8, Epsilon Villas, Behind HAL Airport, Yemlur, Bengaluru - 560 037
2	Rajeev Ramachandra	Promoter	NO.3373/A, HAL II Stage, Bengaluru - 560 038
Director Details			
1	Anees Ahmed	Director	# A-8, Epsilon Villas, Behind HAL Airport, Yemlur, Bengaluru - 560 037
2	Rajeev Ramachandra	Director	NO.3373/A, HAL II Stage, Bengaluru - 560 038

9.11 As on May 10, 2018 the amount due to the secured creditors and unsecured creditors of Explosoft are NIL and INR. 36.34 crores respectively.

9.12 The main objects of the Transferor Company as set out in the Memorandum of Association are as follows:

III. *The objects for which Explosoft is established are:*

(A) *THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:*

1. *To carry on all or any business of designing and developing, producing, processing, implementing, marketing, buying, selling, importing, exporting, exchanging, altering, granting, license, publishing rights and/or otherwise dealing IT and ITES and Computer Software of all kinds and description including specialised application and dedicated software, computer software techniques, prototype, CD ROMS, System Design analysis and development of programs and software packages for the users of computers in all fields including telecom, networking, datacom, real time systems, defence, R&D, scientific, medical, internet, web based applications, biomedical, research and commercial and to undertake and provide value added services related to any of the aforementioned fields and such other services and to provide system engineering and to acquire and protect intellectual rights, copyright, patents, trademarks, in respect of products/ services of the company.*
2. *To establish, maintain, conduct, provide, procure or make available services of every kind including commercial, financial, engineering, data processing, communication and other services and to set-up institutions for conducting courses on computer education, training, development and usage of Computer software, maintenance of Computer hardware and to impart training in development and usage of Computer Software, maintenance of computer hardware and to impart training in developing and usage of computer software and to undertake studies programs and projects in Human Resource Development in Computer Software, telecommunication and other Engineering Industries.*
3. *To carry on anywhere in India or abroad the business of Computer Software in all its branches and without limiting generality of designing and engineering consultancy services and provide technical know-how and system engineering to operate, run, maintain plants, equipment, systems for designing and development of Computer Software and to establish and carry on the business of manufacturing, buying, selling, importing, exporting, letting on hire and otherwise dealing in all kinds of Computer hardware, telecommunication equipments, data and voice mail systems.*
4. *To carry on all or any of the business of manufacturing, fabricating, processing, repairing, reconditioning, assembling, buying, selling, importing, exporting, exchanging, altering, hiring, letting on hire, improving, stocking, distribution acting as consignees, consignors, indenting agents, mercantile agents and/ or otherwise deal in computers, monitors, printers, keyboards, floppies, microprocessors, computer hard disc, memory systems computer peripherals, attachments to computers, computer hardware, assemblies, sub-assemblies and accessories and other data processing equipment's.*

10. **Rationale of the Scheme**

10.1 The management of the Company proposes to achieve the amalgamation of Explosoft with ACETL pursuant to a Scheme under Sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013, in the manner set out herein.

10.2 The rationale of the Scheme is as follows:

1. To facilitate Transferee Company to acquire and consolidate Mistral Solutions Private Limited.
2. The amalgamation will result in expanding the existing business operations of the Transferee Company by combining the business interests of both companies into one corporate entity. This will lead in operational synergies, centralisation, simplification, streamlining and facilitating efficient administration.
3. Creating value for shareholders by acquiring Mistral Solutions Private Limited – A company with niche capability and ability to spearhead itself into Embedded Product Engineering Services and Electronics and thereby add to the value chain of the Transferee Company.
4. Create strong technical and infrastructural capabilities to effectively meet future challenges in the rigorously competitive Embedded Product Engineering Services and Electronics.
5. The Transferor Company is the Shareholder Company of Mistral Solutions Private Limited. The amalgamation will result in reducing the shareholding layers and facilitate direct control of Mistral Solutions Private Limited.
6. General and administrative cost reduction and productivity gains by pooling of financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Parties.

11. **Relationship subsisting amongst the Company and the Transferor Company**

11.1 The Scheme envisages amalgamation of Explosoft with ACETL. Explosoft is a shareholder company of Mistral Solutions Private Limited ("MSPL"). ACETL proposes to acquire MSPL in a phased manner.

11.2 The Board of the Transferee Company on November 6, 2017 ("Relevant Date") approved the acquisition of MSPL in phased manner and accordingly post the Phase 1 acquisition of 16,32,718 equity shares of face value INR 5/- each of MSPL, the Transferee Company acquired 43.38% of the paid-up capital of MSPL (based on the paid-up capital of MSPL as on the Relevant Date) and the Transferor Company held 44.62% of the paid-up capital of MSPL (based on the paid-up capital of MSPL as on the Relevant Date). Prior to the above acquisition of MSPL, the Transferee Company was not related to the Transferor

Company and they didn't fall under the same group/management. Further, pursuant to the Scheme, the Transferee Company would acquire additional stake in MSPL aggregating to approximately 87.22% of the paid-up capital of MSPL as on December 31, 2017.

12. **Salient features of the Scheme**

The material provisions of the proposed Scheme are detailed hereunder:

"4. AMALGAMATION OF EXPLOSOFT WITH ACETL

4.1 *Upon the Scheme becoming effective but with effect from Appointed Date, the Transferor Company, pursuant to Sections 230 to 232 of the Act and any other relevant provisions of the Act (as may be applicable) and without any further act, instrument, deed, matter, or thing, be transferred to and vested in the Transferee Company by way of amalgamation.*

4.2 *Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire business and undertaking(s) of the Transferor Company including all the debts, liabilities, duties and obligations, including those arising on account of taxation laws and other allied laws of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets (whether tangible or intangible) of the Transferor Company comprising, amongst others, all freehold land, leasehold land, building, plants, motor vehicles, receivables, actionable claims, furniture and fixtures, computers, instruments and equipments, machineries, T.V sets, cameras, software, products, portals, inventories, merchandising rights, websites, office equipment, electrical installations, telephones, telex, facsimile and other communication facilities and business licenses, permits, deposits, authorisations, approvals, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, product licenses, marketing authorisations or other intellectual property rights, proprietary right, title, interest, contracts, consent, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, under the applicable provisions of the Act and pursuant to the order of the Tribunal(s) sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, debts, liabilities, duties and obligations, business and undertaking(s) of the Transferee Company.*

4.3 *With effect from the Appointed Date all debts, liabilities, duties, Explosoft Debentures and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of account of the Transferor Company and all other liabilities which may accrue or*

arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.

- 4.4 *With effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.*
- 4.5 *Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.*
- 4.6 *All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and those created by the Transferor Company after the Appointed Date, over the assets comprised in the business and undertaking(s) or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, encumbrances or liens secure or relate to liabilities of the Transferor Company the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company and such securities, mortgages, charges, encumbrances or liens shall not relate or attach to any of the other assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company.*
- 4.7 *The existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.*
- 4.8 *It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.*

- 4.9 *With effect from the Appointed Date, all statutory licences, registrations, incentives, tax deferrals and benefits, carry-forward of tax losses, tax credits, tax refunds, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, permissions, approvals or consents to carry on the operations of the Transferor Company special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date shall stand vested in or transferred to the Transferee Company, pursuant to the Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the business and undertaking(s) of the Transferor Company pursuant to this Scheme.*
- 4.10 *The amalgamation of the Transferor Company into the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income tax Act, 1961. This Scheme has been drawn up to comply with the conditions relating to “amalgamation” as specified under Section 2(1B) of the Income-tax Act, 1961. At a later date, if any term or provision of the Scheme is found or interpreted to be inconsistent with any provision thereof, including resulting from an amendment of law or for any reason whatsoever, the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will however not affect other parts of the Scheme.*

5. CONSIDERATION

- 5.1 *Upon this Scheme becoming effective and in consideration for the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot equity shares credited as fully paid-up, to the extent indicated below, to the members of the Transferor Company, holding fully paid-up equity shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company, on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of Directors of the Transferor Company in the following proportion:*

“10 (Ten) fully paid-up Equity Shares of INR 5/- each of ACETL shall be issued and allotted for 69 (Sixty Nine) fully paid-up Equity Shares of INR 10/- each held in Explosoft (herein after referred to as “New Equity Shares”).”

- 5.2 *The New Equity Shares to be issued to the members of the Transferor Company pursuant to Clause 5.1 shall be in multiples of 1. Any fractional equity shares shall be rounded-off to the next higher multiple of 1.*

- 5.3 *The New Equity Shares to be issued to the members of the Transferor Company pursuant to Clause 5.1 read with Clause 5.2 shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing equity shares of the Transferee Company in all respects.*
- 5.4 *The Equity Shares of the Transferee Company shall be issued and allotted in dematerialized form to those equity shareholders who hold equity shares in demat form of the Transferor Company. If such details are not provided by the Board of Transferor Company, the New Equity Shares shall be issued in the physical form.*
- 5.5 *New Equity Shares of the Transferee Company to be issued and allotted to the equity shareholders of the Transferor Company pursuant to Clause 5.1 of this Scheme will be listed and admitted to trading on the Stock Exchanges, where the equity shares of the Transferee Company are listed and traded in accordance with the applicable laws. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws, SEBI Listing Regulations for complying with the formalities of the said Stock Exchanges. The new Equity Shares allotted pursuant to Clause 5.1 of this Scheme shall remain frozen in the depositories system until relevant directions in relation to listing and/ or trading are provided by the relevant Stock Exchanges.*
- 5.6 *The Transferee Company shall, prior to the Scheme becoming effective, take necessary actions including but not limited to passing necessary resolutions; making relevant filings with Ministry of Corporate Affairs, Registrar of Companies, Karnataka; and payment of necessary stamp duty and filing related fees as may be payable under applicable law and regulations for increase in the authorized share capital for issuance of equity shares under the Scheme and consequent amendments to the memorandum and articles of association of the Transferee Company.*
- 5.7 *Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be due compliance of the provisions of Sections 42, 62 and the other relevant provisions of the Act, SEBI Listing Regulations and all applicable laws for the issue, allotment and listing of equity shares by the Transferee Company, as provided in this Scheme.*

6. ISSUE AND ALLOTMENT OF DEBENTURES

- 6.1 *Upon this Scheme becoming effective, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot such number of Debentures credited as fully paid-up equivalent to the extent of the principal amount along with accumulated interest recorded by the Transferor Company in its books of accounts upto the Effective Date, to the*

debenture holders of the Transferor Company, holding fully paid-up Explosoft Debentures in the Transferor Company, as per the terms and subject to the conditions set out in Annexure 1 and whose names appear in the Register of Debentures Holders of the Transferor Company, on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of Directors of the Transferor Company.

6.2 *The Debentures of the Transferee Company to be issued and allotted to the Explosoft Debenture holders pursuant to Clause 6.1 of this Scheme will not be listed and hence not be admitted for trading on the Stock Exchanges, where the equity shares of the Transferee Company are listed.*

6.3 *Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be due compliance of the provisions of Sections 42, 62, 71 and the other relevant provisions of the Act.*

7. STAFF, WORKMEN & EMPLOYEES

7.1 *On the Scheme becoming effective, all staff, workmen and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the later of Appointed Date or the actual date of joining, without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company (i.e. cost to company basis, in monetary terms) shall not be less favourable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.*

7.2 *It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff, workmen and employees of the Transferor Company shall become trusts/funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such funds/trusts or in relation to the obligation to make contributions to the said funds/trusts in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such funds/trusts shall become those of the Transferee Company. It is clarified that, for the purpose of the said funds/trusts, the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous with the Transferee Company from the date of employment as reflected in the records 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 is pending, including those arising on account of taxation laws and other allied laws, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of this arrangement or 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.*

9. CONTRACTS, DEEDS, ETC. AND POWER TO GIVE EFFECT TO THIS PART

9.1 *Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, registrations, licenses, permissions, approvals, consents, entitlements, sanctions, permits benefits, rights arising from contracts, deeds, licenses, instruments and agreements, if any, of whatsoever nature to which the Transferor Company is party to and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, 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, notwithstanding the terms contained in such contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments etc.*

9.2 *The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.*

10. TAXATION MATTERS

10.1 *All taxes (including, without limitation, income tax, wealth tax, sales tax, custom duty, service tax, value added tax, central sales tax, GST, etc.) paid or payable by the Transferor Company in respect of the operations or profits and assets of the Transferor Company before the Appointed Date, shall be on account of the Transferee Company and, in so far as it relates to any tax payment (including, without limitation, income tax, minimum alternate tax, dividend distribution tax, wealth tax, sales tax, custom duty, service tax, value added tax, central sales tax, GST, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of its profits or activities or operation or assets with effect from the Appointed Date, the same be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.*

- 10.2 *Any refund under the tax laws due to the Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.*
- 10.3 *The Transferee Company shall be entitled to revise and file income tax returns, sales tax / value added tax return, service tax returns and any other returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme. The Transferee Company shall be entitled to such tax benefits, including but not limited to, minimum alternate tax paid under Section 115JA/115JB of the Income-tax Act, 1961 and the right to claim credit in accordance with Section 115JAA of the Income-tax Act, 1961, including the benefit of brought forward losses or depreciation as admissible under the provisions of the Income tax Act, 1961 to the extent applicable, of the Transferor Company from the taxable profits of the Transferee Company with effect from the Appointed Date. Further, all existing and future benefits/ claim/ relief under the provisions of Income-tax Act, 1961 shall be available to the Transferee Company in the same manner and to the extent as those were available otherwise to the Transferor Company upon fulfilment of the prescribed conditions. The Transferee Company shall continue to enjoy the tax benefits and concessions provided to the Transferor Company by the concerned authorities.*
- 10.4 *Any refund/ credit/ claim benefits/ incentives under any tax laws due to the Transferor Company (including but not limited to advance tax, self-assessment tax, regular assessment tax, service tax, CENVAT, minimum alternative tax, value added tax, central sales tax central sales tax, GST, etc.) shall belong to and be received by the Transferee Company. Without prejudice to the generality of the aforesaid provision, all the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, in relation to its operations, shall upon the Scheme becoming effective and with effect from the Appointed Date be transferred to and vested in the Transferee Company and all the benefits, entitlements and incentives of any nature whatsoever, including minimum alternate tax credit entitlement, 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 incentives schemes and/ or policies.*
- 10.5 *The Transferee Company shall be deemed to be authorized under this Scheme to execute any pleadings, submissions, 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.*

11. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY

- 11.1 *Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for amalgamation of Transferor Company in its books of account in*

accordance with the method prescribed under the Indian Accounting Standard notified under Section 133 of the Act, as amended from time to time.

- 11.2 *The amount of any inter-company balances amongst the Transferor Company and between the Transferor Company and the Transferee Company, if any, shall stand cancelled without any further act or deed, upon the Scheme becoming effective.*
- 11.3 *The Transferee Company shall credit to equity in its books of account, the difference between the fair value and face value of the equity shares issued as per Clause 5.1 by the Transferee Company pursuant to this Scheme.*
- 11.4 *In case of any differences in accounting policies between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the Financial Statements reflect the financial position on the basis of consistent accounting policies.*

12. REORGANISATION OF AUTHORIZED CAPITAL OF THE TRANSFEEE COMPANY

- 12.1 *Upon the Scheme becoming effective, the authorized share capital of the Transferor Company shall stand combined with the authorized share capital of the Transferee Company. Filing fees and stamp duty, if any, paid by the Transferor Company on its authorized share capital, shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital and accordingly, the Transferee Company shall not be required to pay any fee/ stamp duty for its increased authorized share capital.*
- 12.2 *Clause 5 of the Memorandum of Association of the Transferee Company and any other Clause(s) of the Memorandum of Association and Articles of Association as may be applicable shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to the applicable provisions of the Act by deleting the existing Clause and replacing it with the following:*

“The Authorized Share Capital of the Company is INR 128,00,00,000/- (Rupees One Hundred Twenty Eight Crores only) divided into 25,40,00,000/- (Twenty Five Crore Forty Lakh only) Equity Shares of INR 5/- each and 1,00,000 (One Lakh only) Preference Shares of INR 100/- each.”

13. TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

During the period from the Appointed Date to the Effective Date:

- 13.1 *The Transferor Company shall carry on and be deemed to have carried on its businesses and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its entire businesses and undertaking(s) for and on account of and in trust for the Transferee Company.*
- 13.2 *The Transferor Company shall carry on its business and activities in the ordinary course of business with reasonable diligence and business prudence.*
- 13.3 *All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred or arising to the Transferor Company, shall for all purposes be treated and deemed to be and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee Company.*
- 13.4 *The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to Government Authority concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.*

14. SAVING OF CONCLUDED TRANSACTIONS

- 14.1 *Subject to the terms of this Scheme, the transfer and vesting of the assets and liabilities of the Transferor Company under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company before the Appointed Date or concluded 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 made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.*

Note: The members are requested to read the entire text of the Scheme attached herewith to get better acquainted with the provisions thereof. What is stated hereinabove are brief salient features.

13. Disclosure about the effect of the arrangement on:
- (a) key managerial personnel; (b) directors; (c) promoters; (d) non-promoter members; (e) depositors; (f) creditors; (g) debenture holders; (h) deposit trustee and debenture trustee; (i) employees of the company

The Directors of ACETL and Explosoft may be deemed to be concerned and/ or interested in the proposed Scheme to the extent of the shares that may be held by them or by the companies, firms, institutions, trusts of which they are Directors, Partners, Members or Trustees in ACETL and Explosoft. Additionally the Scheme does not have any effect on the Directors/Key Managerial Personnel /Promoters/ Non-promoter Members, if any/ Creditors/ Debenture holders, if any/Debenture Trustee, if any/Employees of the ACETL and Explosoft.

14. Disclosure about effect of Arrangement on material interests of directors, Key Managerial Personnel:

None of the Directors and the Key Managerial Personnel of the Company and Explosoft have any material interest in the Scheme except as shareholders to the extent, which will appear from the Register of Director's Shareholding maintained by ACETL and the Register of Director's shareholding maintained by Explosoft.

15. **Fairness Opinion and Approvals:**

15.1 A Valuation Report dated November 5, 2017 has been prepared by SSPA & Co, recommending the Share Exchange Ratio to the Board of Directors of the Company and the Transferor Company. A copy of the said report is annexed herewith and marked as **Annexure B** and is also available for inspection at the registered office of the Company.

15.2 In terms of the SEBI Circular, Fortress Capital Management Services Private Limited, a Category-I Merchant Banker, vide its letter dated November 5, 2017, has submitted to the Board of Directors of the Company, a fairness opinion, stating that the Valuation Report is fair and reasonable. A copy of the said certificate is annexed herewith and marked as **Annexure C**.

15.3 A certificate has been issued by the statutory auditors of the Company and the Transferor Company stating that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013.

15.4 The Audit Committee of the Company, at its meeting held on November 6, 2017 has reviewed and recommended the Scheme for consideration by the Board of Directors of the Company. The Board of Directors of the Company, at its board meeting held on November 6, 2017, has by resolution approved the Scheme, as detailed below:

Name of the Director	Voted in favor / against / did not participate or vote
Mr. Vivek Mansingh	Favor
Mr. Sudhakar Gande	Favor
Mr. Kailash M. Rustagi	Favor
Mr. Srinath Batni	Favor
Mr. Pradeep Dadlani	Favor

Mr. Sidhartha Mehra	Favor
Mr. Rohitsava Chand	Favor

- 15.5 The Board of Directors of the Transferor Company, at its board meeting held on November 6, 2017, has by resolution approved the Scheme, as detailed below:

Name of the Director	Voted in favor / against / did not participate or vote
Mr. Anees Ahmed	Favor
Mr. Rajeev Ramachandra	Favor

16. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.
17. Pursuant to the SEBI Circular read with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR Regulations"), the Company has applied to BSE Limited and National Stock Exchange India Limited for their "No Objection/Observation Letter" to file the Scheme for sanction. Both BSE Limited and National Stock Exchange India Limited by their respective letter dated April 26, 2018 have given their Observation Letter to file the Scheme. The same are annexed herewith and marked as **Annexures D and Annexure E** respectively.
18. The Scheme along with related documents was hosted on the website of the Company, BSE Limited and National Stock Exchange India Limited and was open for complaints / comments. The Company has not received any complaints from the shareholder. A Complaint Report was filed with BSE Limited and National Stock Exchange India Limited on January 29, 2018 and March 14, 2018 respectively and copy of the same are annexed herewith and marked as **Annexure F and Annexure G** respectively. Further, as on the date of filing the Company Scheme Application, the Company has not received any complaints.
19. In compliance with the provisions of Section 232(2)(c) of the Companies Act, 2013, the Board of Directors of the Company and the Transferor Company, in their respective meetings held on June 26, 2018 and June 22, 2018, have adopted a report, *inter alia*, explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoter and non-promoter shareholders. Copy of the report adopted by the Board of Directors of the Company and the Transferor Company is annexed herewith and marked as **Annexure H and Annexure I** respectively.
20. In terms of the SEBI Circular, the applicable information of the Transferor Company in the format specified for abridged prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 is annexed herewith and marked as **Annexure J**.
21. The unaudited financial statements for the period ended December 31, 2017 of the Company is annexed herewith and marked as **Annexure K**.

22. The Company will make a Petition under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 to the Hon'ble National Company Law Tribunal, Bengaluru Bench, at Bengaluru for sanctioning of the Scheme. The Transferor Company will make a Petition under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 to the Hon'ble National Company Law Tribunal, Mumbai Bench, at Mumbai for sanctioning of the Scheme.
23. No investigation proceedings have been instituted or are pending under the provisions of Chapter XIV of the Companies Act, 2013 against ACETL and Explosoft.
24. Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed Scheme:

The copies of the Scheme are being filed simultaneously along with the dispatch of this notice with the following regulatory and governmental authorities:

1. Registrar of Companies, Karnataka;
2. Central Government through Regional Director, South East Region;
3. Income-tax Department, Government of India; and
4. BSE Limited and National Stock Exchange India Limited.

Approvals, sanctions or no-objection(s), if any, from the aforesaid regulatory or any other governmental authorities shall be obtained within the prescribed period.

25. No winding up petition is pending against the Company and the Transferor Company.
26. Details of capital or debt restructuring, if any:
- 26.1 **ACETL:**

As per Clause 5 of the Scheme, ACETL will allot equity shares as follows:

Sl. No.	Shares to be allotted pursuant to merger	No. of shares
A	Equity shares	
	Equity share to be allotted to equity shareholders of Explosoft	35,05,991

As per Clause 6 of the Scheme, ACETL will allot debentures as follows:

Sl. No.	Debentures to be allotted pursuant to merger	No. of debentures*
A	Debentures	
	Debenture to be allotted to debenture holders of Explosoft	3,50,00,000

* Note: The additional number of Debentures that would be allotted on account of accumulated interest in the books of Explosoft as on the Effective Date cannot be readily quantifiable and accordingly it has not been included in the table above.

26.2 Explosoft:

On the Scheme becoming effective, Explosoft would be amalgamated with ACETL pursuant to which Explosoft would stand dissolved without being wound up.

27. In the event that the Scheme is terminated or withdrawn in the manner set out herein, the Scheme shall stand revoked, cancelled and be of no effect and null and void and in such event each party hereto shall bear and pay respective costs, charges and expenses for and / or in connection with the Scheme.

28. As far as the shareholders of Explosoft are concerned, they shall receive equity shares of the Company as per the share entitlement ratio as detailed in Clause 5 of the Scheme and upon issue of such shares, they shall be classified as 'Public Shareholders' of the Company, other than to the extent held by Promoters of the Company.

29. As far as the debenture holders of Explosoft are concerned, they shall receive debentures of the Company as per the debenture entitlement ratio as detailed in Clause 6 of the Scheme. Further the Company reserves right of conversion of such debentures into its equity shares at a later point of time (refer Annexure 1 of the Scheme for complete details).

30. Pursuant to SEBI Circular and the SEBI LODR Regulations, the pre scheme and post scheme (indicative) capital structure and shareholding pattern of the Company and the Transferor Company are given herein below:

30.1 Pre & Post Scheme Capital Structure as on March 31, 2018

Upon the Scheme becoming effective, the Company shall issue and allot equity shares to the shareholders of Explosoft in the manner as provided in the Scheme and Explosoft would stand dissolved without being wound up.

Pre and Post Amalgamation Capital Structure of Explosoft as on March 31, 2018 would be as under:

Particulars	Pre	Post
Authorized Capital	Amount (INR)	Amount (INR)
2,50,00,000 Equity Shares of INR 10/- each	25,00,00,000	Nil
Issued, Subscribed and Paid-up Capital	Amount (INR)	Amount (INR)
2,41,91,364 Equity Shares of INR 10/- each fully paid-up	24,19,13,640	Nil

On the Scheme becoming effective, Explosoft would be amalgamated with ACETL pursuant to which Explosoft would stand dissolved without being wound up.

Pre Amalgamation Capital Structure of ACETL as on March 31, 2018 is as under:

Particulars	Pre
Authorised Share Capital	Amount (INR)
20,40,00,000 Equity Shares of INR 5/- each	1,02,00,00,000
1,00,000 Preference Shares of INR 100/- each	1,00,00,000
Total	1,03,00,00,000
Issued Share Capital	Amount (INR)
3,78,10,630 Equity Shares of INR 5/- each fully paid-up	18,90,53,150
Total	18,90,53,150
Subscribed and Paid-up Share Capital	Amount (INR)
3,77,59,530 Equity Shares of INR 5/- each fully paid-up	18,87,97,650
Add: Forfeited Shares (amount originally paid INR 3 per share on 51,100 Equity Shares)	1,53,300
Total	18,89,50,950

Post Amalgamation Capital Structure of ACETL as on March 31, 2018 would be as under:

Particulars	Post
Authorised Share Capital**	Amount (INR)
20,40,00,000 Equity Shares of INR 5/- each	1,02,00,00,000
1,00,000 Preference Shares of INR 100/- each	1,00,00,000
Total	1,03,00,00,000
Issued Share Capital	Amount (INR)
4,13,16,621 Equity Shares of INR 5/- each fully paid-up	20,65,83,105
Total	20,65,83,105
Subscribed and Paid-up Share Capital	Amount (INR)
4,12,65,521 Equity Shares of INR 5/- each fully paid-up	20,63,27,605
Add: Forfeited Shares (amount originally paid INR 3 per share on 51,100 Equity Shares)	1,53,300
Total	20,64,80,905

** The treatment prescribed in Clause 12 of the Scheme for increase in Authorised Share Capital of the Transferee Company has not been considered in the above illustrative Capital Structure.

30.2 Pre & Post Scheme Shareholding Pattern as on March 31, 2018

Upon the Scheme becoming effective, the Company shall issue and allot equity shares to the shareholders of Explosoft in the manner as provided in the Scheme and Explosoft would stand dissolved without being wound up. The below shareholding pattern is prepared assuming there is no conversion of Cumulative Optionally Convertible Redeemable Debentures.

Pre and Post Scheme Shareholding Pattern of Explosoft as on March 31, 2018 is as under:

SI No.	Name of the Equity Shareholders	Pre		Post	
		No. of shares	%	No. of shares	%
1	Akhila D S	38,330	0.16	Nil - As the Transferor Company would be wound-up pursuant to the approval of the Scheme	
2	Amanullah Khan	71,275	0.29		
3	Anees Ahmed	1,04,91,333	43.37		
4	Anoop Agarwal	2,81,687	1.16		
5	Arun Kumar M	47,588	0.20		
6	Ashish Singh	2,48,382	1.03		
7	Joanne Ahmed	8,40,498	3.47		
8	Jupiter Capital	10	0.00		
9	Mujahid Alam	13,16,068	5.44		
10	Pawan Vashisht	2,50,542	1.04		
11	Raja Subramanian N	46,796	0.19		
12	Rajeev Ramachandra	75,10,346	31.05		
13	Rajesh Chakkingal	57,596	0.24		
14	Rakhi Chari	17,80,969	7.36		
15	Ramanan J V	1,22,391	0.51		
16	Sachidananda K	68,395	0.28		
17	Selvaraj Kaliyappan	3,87,333	1.60		
18	Sridhar TS	32,397	0.13		
19	Srinivas P R	4,44,929	1.84		
20	Sunil Kottarathil Nair	43,916	0.18		
21	Vijaya Bharat S	31,389	0.13		
22	Zubair Ahmed	79,194	0.33		
	Total	2,41,91,364	100		

Pre and Post Scheme Shareholding Pattern of ACETL as on March 31, 2018 is as under:

Sl No	Description	Name/Category	Pre		Post	
			No. of shares	%	No. of shares	%
(A)	Shareholding of Promoter and Promoter Group					
1	Indian					
(a)	Individuals/ Hindu Undivided Family		-	-	-	-
(b)	Central Government/ State Government(s)					
(c)	Bodies Corporate	Indian Aero Ventures Private Limited	61,54,219	16.30	61,54,219	14.91
		Jupiter Capital Private Limited	66,48,952	17.61	66,48,953	16.11
		Tayana Digital Private Limited	1,21,42,100	32.15	1,21,42,100	29.42
(d)	Financial Institutions/ Banks					
(e)	Any Others					
	Sub Total(A)(1)		2,49,45,271	66.06	2,49,45,272	60.45
2	Foreign					
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)					
(b)	Bodies Corporate					
(c)	Institutions					
(d)	Any Others					
	Sub Total(A)(2)					
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		2,49,45,271	66.06	2,49,45,272	60.45
(B)	Public shareholding					
1	Institutions					
(a)	Mutual Funds/ UTI					
(b)	Financial Institutions / Banks		93,618	0.25	93,618	0.23
(c)	Central Government/ State Government(s)					
(d)	Venture Capital Funds					

(e)	Insurance Companies					
(f)	Foreign Institutional Investors/Foreign Portfolio Investors		58,686	0.16	58,686	0.14
(g)	Foreign Venture Capital Investors					
(h)	Any Other					
	Sub-Total (B)(1)		1,52,304	0.41	1,52,304	0.37
2	Non-institutions					
(a)	Bodies Corporate					
(b)	Individuals					
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh		58,74,018	15.56	59,66,665	14.46
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.		42,66,387	11.30	76,79,730	18.61
(c)	Any Other					
		NBFCs Registered with RBI	15,800	0.04	15,800	0.04
		MGT	5,250	0.01	5,250	0.01
		Trusts	1,500	0.00	1,500	0.00
		Alternative Investment Fund	2,93,009	0.78	2,93,009	0.71
		Non Resident Indians	2,02,435	0.54	2,02,435	0.49
		Clearing Members	76,588	0.20	76,588	0.19
		Non-resident Indian Non-repatriable	1,12,610	0.30	1,12,610	0.27
		Bodies Corporates	18,14,330	4.80	18,14,330	4.40
		Foreign Nationals	28	0.00	28	0.00
	Sub-Total (B)(2)		1,26,61,955	33.53	1,61,67,945	39.18
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)		1,28,14,259	33.94	1,63,20,249	39.55
	TOTAL (A)+(B)		3,77,59,530	100.00	4,12,65,521	100.00
(C)	Shares held by Custodians and against which DRs have been issued					
	GRAND TOTAL (A)+(B)+(C)		3,77,59,530	100.00	4,12,65,521	100.00

31. The following documents are available for obtaining extract from or for making or obtaining copies of or for inspection by the shareholders of the Company at the Registered Office of the Company, between 9.00 A.M. to 5.00 P.M., one day prior to the date of the Meeting on all working days (except Saturdays, Sundays and public holidays):
- a. Copy of the Order of the National Company Law Tribunal, Bengaluru Bench, dated June 15, 2018 passed in Company Application No. 34 of 2018 directing the Company, to convene the Meeting of its Equity Shareholders, Secured Creditors and Unsecured Creditors.
 - b. Memorandum of Association and Articles of Association of the Company and of the Transferor Company.
 - c. Audited Financial Statements of the Transferee Company for the year ended March 31, 2017.
 - d. Audited Financial Statements of the Transferor Company for the year ended March 31, 2017.
 - e. Unaudited Financial Statements of the Transferee Company for the period ended December 31, 2017.
 - f. Unaudited Financial Statements of the Transferor Company for the period ended December 31, 2017.
 - g. Copy of the Scheme of Amalgamation of the Transferor Company with the Company and their respective shareholders.
 - h. Observation letter dated April 26, 2018 issued by BSE Limited and observation letter dated April 26, 2018 issued by National Stock Exchange India Limited.
 - i. Complaints reports dated January 29, 2018 and March 14, 2018 submitted by the Company to BSE Limited and National Stock Exchange India Limited respectively.
 - j. Copies of the resolution passed by the respective Board of Directors of the Company and the Transferor Company dated November 6, 2017 approving the Scheme.
 - k. Certificate issued by the Statutory Auditors of the Company and of the Transferor Company stating that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013.
 - l. Copy of the valuation report dated November 5, 2017 issued by SSPA & Co.
 - m. Copy of the Fairness Opinion dated November 5, 2017 of Fortress Capital Management Services Private Limited, a category -1 Merchant Banker.
 - n. Copy of Audit Committee Report dated November 6, 2017 of the Transferee Company.

- o. Copy of the Reports adopted by the Board of Directors of the Transferor Company and the Transferee Company, respectively pursuant to the provision of Section 230-232 of the Companies Act, 2013
- p. Copy of the Register of Director's shareholding of the Company;
- q. Such other information or documents as the Board or Management believes necessary and relevant for making decision for or against the Scheme.

-

By order of the National Company Law Tribunal
Sd/-
Joby Chacko, Advocate
Chairman appointed for the meeting

Dated this 27th day of June, 2018

Place: Bengaluru

Registered Office:

AXISCADES Engineering Technologies Limited,

Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024

Website: www.axiscades.com

E-mail: investor.relations@axiscades.com

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Registered office: Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024

CIN: L72200KA1990PLC084435

Telephone Number: +91 80 4193 9000 | Fax: +91 80 4193 9099

Website: www.axiscades.com

E-mail: investor.relations@axiscades.com

**MEETING OF THE SECURED CREDITORS
OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED**

(To be convened pursuant to Order dated June 15, 2018 passed by the National Company Law Tribunal,
Bengaluru Bench)

NOTICE TO SECURED CREDITORS

Day	: Friday
Date	: August 3, 2018
Time	: 2.00 P.M.
Venue	: Chairman's Club (Chairman's Club & Resort), No 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru 560092.

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FORM NO. CAA2

[Pursuant to Section 230(3) and Rule 6]

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENGALURU BENCH AT BENGALURU
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 2013
AND
IN THE MATTER OF SECTIONS 230 AND 232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013
AND
IN THE MATTER OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED
AND
IN THE MATTER OF THE SCHEME OF AMALGAMATION OF EXPLOSOFT TECH SOLUTIONS
PRIVATE LIMITED WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
CA (CAA) NO. 34 OF 2018**

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Registered office: Block C, Second Floor,
Kirloskar Business Park,
Bengaluru - 560 024

... APPLICANT COMPANY/ TRANSFEREE COMPANY

NOTICE CONVENING THE MEETING OF THE SECURED CREDITORS OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED, THE APPLICANT COMPANY PURSUANT TO THE ORDER DATED JUNE 15, 2018 BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

To,

The Secured Creditors of AXISCADES Engineering Technologies Limited,

NOTICE is hereby given that pursuant to the Order dated June 15, 2018, in the above mentioned Company Application, the Hon'ble National Company Law Tribunal, Bengaluru Bench ("**Hon'ble Tribunal**"), has directed separate meetings to be held of Equity Shareholders, Secured Creditors and Unsecured Creditors of AXISCADES Engineering Technologies Limited, for the purpose of considering, and if thought fit, approving with or without modification proposed in the matter of the Scheme of Amalgamation of Explosoft Tech Solutions Private Limited ("**Explosoft**") with AXISCADES Engineering Technologies Limited ("**ACETL**" or "**Company**") and their respective shareholders ("**Scheme**") under Sections 230 to 232 other applicable provisions of the Companies Act, 2013.

TAKE FURTHER NOTICE that in pursuance of the Order and as directed therein, a Meeting of the Secured Creditors of the Company, will be held at Chairman's Club (Chairman's Club & Resort), No. 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru - 560 092, on

August 3, 2018 at 2.00 P.M., (**'the Meeting'**) at which place, day, date and time you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the Meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your authorized representative, is deposited at the Registered Office of the Company at Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560 024, not later than 48 hours before the scheduled time of the Meeting.

TAKE FURTHER NOTICE that copy of the Scheme and the Explanatory Statement under Section 230(3) and Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with Form of Proxy, Attendance Slip and other annexures as stated in the Index are enclosed herewith. Copies of the Scheme and the Explanatory Statement under Section 230 of the Companies Act, 2013 can be obtained free of charge at the registered office of the Company.

The Hon'ble Tribunal has appointed Mr. Joby Chacko, Advocate to be the Chairperson of the Meeting.

The above Scheme, if approved by the Secured Creditors, will be subject to the subsequent approval of the Hon'ble Tribunal.

The Audit Committee and the Board of Directors of the Company at their respective Meetings, both held on November 6, 2017, have approved the Scheme, subject to approval by the requisite majority of the Secured Creditors of the Company as may be required, and subject to the sanction of the Hon'ble Tribunal and of such other authorities as may be necessary.

To consider and if thought fit to pass, with or without modification(s), and with requisite majority, the following resolutions under Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force):

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013, to the extent applicable, Companies (Compromise, Arrangements and Amalgamation) Rules, 2016, (including any modification/ amendment and re-enactment thereof), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to the sanction of the National Company Law Tribunal, Bengaluru Bench and Mumbai Bench ("NCLTs"), Securities and Exchange Board of India, concerned Stock Exchange(s) and approvals from jurisdictional Registrar of Companies, Regional Director, Official Liquidator, Income-tax department (collectively referred as "Regulatory Authorities") and subject to all such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as

may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the proposed Scheme of Amalgamation Explosoft Tech Solutions Private Limited with AXISCADES Engineering Technologies Limited and their respective shareholders (herein after referred to as "Scheme", or "this Scheme" or "the Scheme") placed before this Meeting and initialed by the Chairperson of the Meeting for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT any of the Director and/or Mr. Kaushik Sarkar, CFO and /or Ms. Shweta Agrawal, Company Secretary, be and are hereby jointly and/ or severally authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

By order of the National Company Law Tribunal
Sd/-
Joby Chacko, Advocate
Chairman appointed for the meeting

Dated this 27th day of June, 2018

Place: Bengaluru

Registered Office:

AXISCADES Engineering Technologies Limited,

Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024

Website: www.axiscades.com

E-mail: investor.relations@axiscades.com

Notes:

1. All alterations made in the Form of Proxy should be initialed. The form of proxy can be obtained free of charge from the registered office of the Company or can be downloaded from the website of the Company www.axiscades.com.
2. Only Secured Creditors of the Company may attend and vote (either in person or by proxy or by authorized representative under Sections 113 of the Companies Act, 2013) at the Secured Creditors' Meeting of the Company. The authorized representative of a body corporate which is a Secured Creditor of the Company may attend and vote at the Secured Creditors' Meeting provided a certified true copy of the resolution of the Board of Directors under Section 113 of the Companies Act, 2013 or other governing body of the body corporate 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.
3. **A SECURED CREDITOR ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A SECURED CREDITOR OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
4. 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.
5. The Company shall provide the facility of poll paper at the venue of the Meeting.
6. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the Secured Creditors , of the Company, voting in person or by proxy agree to the Scheme.
7. As directed by Hon'ble Tribunal, Mr. Pattabhi, Chartered Accountant (Membership No. 210278) and in case of inconvenience, Mr. Parimal, Chartered Accountant (Membership No. 209074), both having their office at Unit No. 101, 1st Floor, # 12, JJ Vertical, RV Road Bye Lane, Near South end Circle, Namma Metro Station, Bengaluru – 560 004 shall act as Scrutinizer to scrutinize votes cast through Poll at the venue of the Meeting. The scrutinizer's decision on the validity of the vote shall be final. The scrutinizer will submit his report to the Chairperson of the Meeting or to the person so authorised by him after completion of the scrutiny of the votes cast by the Secured Creditors. The result of the voting shall be announced within 3 days from the date of the conclusion of the meeting and same shall be displayed on the notice board and website of the Company at www.axiscades.com besides being sent to BSE Limited and National Stock Exchange of India Limited on the said date.

8. The notice convening the Meeting will be published through an advertisement in the "Business Standard" in the English language and "Kannada Prabha" in the Kannada language, both having circulation in Bengaluru.
9. The voting rights of the Secured Creditors of the Company shall be in proportion to the value of sum outstanding to the Secured Creditor as on the cut-off date i.e. April 30, 2018.
10. All relevant documents referred to in the above Notice and other documents required to be open for inspection are open for inspection by the Secured Creditors of the Company at the Registered Office of the Company at Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024 between 9.00 A.M. to 5.00 P.M. on all working days (except Saturdays, Sundays and Holidays) up to the date of the Meeting.

Encl: As above

FORM NO. CAA2

[Pursuant to Section 230(3) and Rule 6]

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENGALURU BENCH AT BENGALURU
ORIGINAL JURISDICTION**

IN THE MATTER OF COMPANIES ACT, 2013

AND

**IN THE MATTER OF SECTIONS 230 AND 232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013**

AND

IN THE MATTER OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED

AND

**IN THE MATTER OF THE SCHEME OF AMALGAMATION OF EXPLOSOFT TECH SOLUTIONS
PRIVATE LIMITED WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED**

AND

THEIR RESPECTIVE SHAREHOLDERS

CA (CAA) NO. 34 OF 2018

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Registered office: Block C, Second Floor,
Kirloskar Business Park,
Bengaluru - 560 024

... APPLICANT COMPANY/ TRANSFEREE COMPANY

**EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE
COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES,
ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. This is a statement accompanying the Notice convening the Meeting of the Secured Creditors of the Company, pursuant to an Order dated June 15, 2018 passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench in the Company Application No. 34 of 2018, to be held at Chairman's Club (Chairman's Club & Resort), No 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru – 560 092 on Friday August 3, 2018 at 2.00 P.M. for the purpose of considering and, if thought fit, approving with or without modification(s), the Scheme of Amalgamation of Explosoft Tech Solutions Private Limited ("**Explosoft**" or "**Transferor Company**") with AXISCADES Engineering Technologies Limited ("**ACETL**" or "**Applicant Company**" or "**Transferee Company**" or "**Company**") and their respective shareholders ("**Scheme**") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.
2. A copy of the Scheme is enclosed herewith as **Annexure A**. The proposed Scheme is envisaged to be effective from the Appointed Date (i.e., December 1, 2017) but shall be made operative from the Effective Date (as defined in the Scheme).

3. Pursuant to the Order made on June 15, 2018 passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench in Company Application No. 34 of 2018, a Meeting of the Secured Creditors of the Company is being convened and held for the purpose of considering and if thought fit, approving, with or without modification(s), the Scheme. Secured Creditors would be entitled to vote in the said meeting either in person or through proxy.
4. NCLT, by its Order, has not stated any cut-off date, therefore the Company proposes to adopt the value and number of the Secured Creditors of the Company in accordance with the books of account of the Company as on April 30, 2018, this would enable the Company to align the value and number of the Secured Creditors with the list of Secured Creditors presented in Company Application No. 34 of 2018.
5. The said Order is available for inspection at the Registered Office of the Company at Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024 from 9.00 A.M. to 5.00 P.M., on any working day of the Company up to the date of the Meeting.

6. **Background of Companies**

- 6.1 The Company, AXISCADES Engineering Technologies Limited was incorporated on August 24, 1990 under the provisions of the Companies Act, 1956 under the name of "I. T. AND T ENTERPRISES PRIVATE LIMITED" with the Registrar of Companies, NCT of Delhi and Haryana. Subsequently, it was converted to a deemed public company in accordance with Section 43A of the Companies Act, 1956 and the name changed to "I T & T LIMITED" and a fresh Certificate of Incorporation was issued on January 7, 1998, consequent to the change of name. Subsequently on conversion to a public limited company, the name of the company was changed to "AXIS – IT&T LIMITED" and a fresh Certificate of Incorporation was issued on May 12, 2005, consequent to the change of name. The name was further changed to "AXISCADES Engineering Technologies Limited" and a fresh Certificate of Incorporation was issued on August 1, 2014 consequent to the change of name. Further, the registered office of the Applicant Company was shifted from Delhi to State of Karnataka and a Certificate of Registration of Regional Director order for change of State was issued on December 2, 2015. There has been no change in the registered office of the Company since 2015. The PAN and CIN of the Company are AAACI2831G and L72200KA1990PLC084435 respectively. The e-mail address of the Company is investor.relations@axiscades.com. The present registered office of the Company is Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560 024.
- 6.2 The authorised, issued, subscribed and paid-up share capital of the Applicant Company as on March 31, 2017, was as follows:

Authorised Share Capital	Amount (INR)
20,40,00,000 Equity Shares of INR 5/- each	1,02,00,00,000
1,00,000 Preference Shares of INR 100/- each	1,00,00,000
Total	1,03,00,00,000
Issued Share Capital	Amount (INR)
3,78,10,630 Equity Shares of INR 5/- each fully paid-up	18,90,53,150
Total	18,90,53,150
Subscribed and Paid-up Share Capital	Amount (INR)
3,77,59,530 Equity Shares of INR 5/- each fully paid-up	18,87,97,650
Add: Forfeited Shares (amount originally paid INR 3 per share on 51,100 Equity Shares)	1,53,300
Total	18,89,50,950

Subsequent to March 31, 2017, there has been no change in the authorized, issued, subscribed and paid-up capital of the Applicant Company.

6.3 The Company is a public limited company and its equity shares are listed on the BSE Limited and the National Stock Exchange of India Ltd. The Company is engaged in the business of providing software solutions to the aerospace, heavy engineering, automotive and industrial sectors.

6.4 The details of Directors and Promoters of the Company along with their addresses are mentioned herein below:

Sl. No	Name of Promoter / Director	Capacity	Address
Promoter Details			
1	Indian Aero Ventures Private Limited	Promoter Group	Jupiter Innovision Centre No. 54, Richmond Road, Bangalore – 560 025
2	Jupiter Capital Private Limited	Promoter Group	No.54 Richmond Road, Jupiter Innovation Centre, Bangalore – 560 025
3	Tayana Digital Private Limited	Promoter	1-B, Ground Floor, Gold Coin Premises, Opposite Sobo Central, 35/23A Tardeo Road, Tardeo, Mumbai – 400 034
Director Details			
1	Rohitasava Chand	Director	B-19, Defence Colony, New Delhi - 110 024
2	Srinath Batni	Director	884, 11 th Cross, 22 nd Main, J P Nagar, 2 nd Phase, Bengaluru - 560 078

3	Kailash Mohan Rustagi	Director	96, Vardan Apartments, Plot 64 I.P. Extn., Delhi – 110 092
4	Pradeep Dadlani	Director	H 22, Jangpura Extension, New Delhi - 110 014
5	Sudhakar Gande	Vice Chairman & Executive Director	Attur Terrace 802, 8 th Floor, Cuffe Parade, Mumbai – 400 005
6	Mritunjay Kumar Singh	CEO & Executive Director	A1/1, Plot No 164, Harmony Society DP Road, Aundh, Pune – 411 007
7	Vivek Mansingh	Director	# A 7, Epsilon Villas, Yemalur Road Next To CGI Office, Marathahalli Colony, Bengaluru – 560 035
8	Sidhartha Mehra	Director	No. A 1002, Mantri Espana Apartments, Devarabisanahalli, Outer Ring Road, Bengaluru - 560 103
9	Mariam Mathew	Director	Flat 117 118 Villa Heights, Brahmanawadi, 1-10-351 to 356 Begumpet Railway Station, Begumpet, Hyderabad – 500 016

6.5 As on April 30, 2018 the amount due to the secured creditors and unsecured creditors of the Company are INR. 64.79 crores and INR. 48.34 crores respectively.

6.6 The main objects of the Company as set out in the Memorandum of Association are as follows:

III. The objects for which the Applicant Company is established are:

(A) THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:-

- 1. To carry on anywhere in India or abroad the business as consultants assemblers, job-workers, makers, designers, developers, importers, exporters, agents and dealers in any electronic and electrical items, gadgets, equipment and accessories particularly those pertaining to telecommunications, computers, computer hardware and software, undertake development of markets of any new products, explore new avenues and potentials of existing markets of existing products, develop and explore new marketing techniques for any client concerns, undertake research programs and business surveys, act as data banks offer any business or other marketing or technical consultancy services*

in any traditional or non-traditional fields and provide such business and other utility services as may be required by any client concerns.

2. *To design, set-up, invent, develop, improve, purchase and otherwise deal in any machines intended to be installed and offer any consultancy services for the business as referred to in item number one.*

6.7 Explosoft Tech Solutions Private Limited, the Transferor Company was incorporated on November 26, 2014 under the provisions of the Companies Act, 2013 under the name "Explore India Leisure & Hospitality Private Limited". Thereafter, the name was changed to "Explosoft Tech Solutions Private Limited" with effect from November 28, 2017. The PAN and CIN of the Transferor Company are AADCE8274A and U74110MH2014PTC259722 respectively. The present registered office of Explosoft is Office No.1, 1st Floor, Fine Mansion, 203, D.N Road, Fort, Mumbai – 400 001.

6.8 The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on March 31, 2017, was as follows:

Authorized Capital	Amount (INR)
50,000 Equity Shares of INR 10/- each	5,00,000
Issued, Subscribed and Paid-up Capital	Amount (INR)
10,000 Equity Shares of INR 10/- each fully paid-up	1,00,000

Subsequent to March 31, 2017, Explosoft has increased the authorised share capital to INR 25,00,00,000 and has issued/allotted 2,41,81,364 Equity Shares of INR 10/- each, amounting to INR 24,18,13,640. Post this issue the authorized, issued, subscribed and paid-up share capital of Explosoft is as follows:

Authorized Capital	Amount (INR)
2,50,00,000 Equity Shares of INR 10/- each	25,00,00,000
Issued, Subscribed and Paid-up Capital	Amount (INR)
2,41,91,364 Equity Shares of INR 10/- each fully paid-up	24,19,13,640

6.9 Explosoft is a private limited company currently, *inter alia*, engaged in rendering end-to-end services for product design and development in the embedded space.

6.10 The details of Directors and Promoters of Explosoft along with their addresses are mentioned herein below:

Sl. No	Name of Promoter / Director	Capacity	Address
Promoter Details			
1	Anees Ahmed	Promoter	# A-8, Epsilon Villas, Behind HAL Airport, Yemlur, Bengaluru - 560 037
2	Rajeev Ramachandra	Promoter	NO.3373/A, HAL II Stage, Bengaluru - 560 038
Director Details			
1	Anees Ahmed	Director	# A-8, Epsilon Villas, Behind HAL Airport, Yemlur, Bengaluru - 560 037
2	Rajeev Ramachandra	Director	NO.3373/A, HAL II Stage, Bengaluru - 560 038

6.11 As on May 10, 2018 the amount due to the secured creditors and unsecured creditors of Explossoft are NIL and INR. 36.34 crores respectively.

6.12 The main objects of the Transferor Company as set out in the Memorandum of Association are as follows:

III. *The objects for which Explossoft is established are:*

(A) *THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:*

1. *To carry on all or any business of designing and developing, producing, processing, implementing, marketing, buying, selling, importing, exporting, exchanging, altering, granting, license, publishing rights and/or otherwise dealing IT and ITES and Computer Software of all kinds and description including specialised application and dedicated software, computer software techniques, prototype, CD ROMS, System Design analysis and development of programs and software packages for the users of computers in all fields including telecom, networking, datacom, real time systems, defence, R&D, scientific, medical, internet, web based applications, biomedical, research and commercial and to undertake and provide value added services related to any of the aforementioned fields and such other services and to provide system engineering and to acquire and protect intellectual rights, copyright, patents, trademarks, in respect of products/ services of the company.*
2. *To establish, maintain, conduct, provide, procure or make available services of every kind including commercial, financial, engineering, data processing, communication and other services and to set-up institutions for conducting courses on computer education, training, development and usage of Computer software, maintenance of Computer hardware and*

to impart training in development and usage of Computer Software, maintenance of computer hardware and to impart training in developing and usage of computer software and to undertake studies programs and projects in Human Resource Development in Computer Software, telecommunication and other Engineering Industries.

3. *To carry on anywhere in India or abroad the business of Computer Software in all its branches and without limiting generality of designing and engineering consultancy services and provide technical know-how and system engineering to operate, run, maintain plants, equipment, systems for designing and development of Computer Software and to establish and carry on the business of manufacturing, buying, selling, importing, exporting, letting on hire and otherwise dealing in all kinds of Computer hardware, telecommunication equipments, data and voice mail systems.*
4. *To carry on all or any of the business of manufacturing, fabricating, processing, repairing, reconditioning, assembling, buying, selling, importing, exporting, exchanging, altering, hiring, letting on hire, improving, stocking, distribution acting as consignees, consignors, indenting agents, mercantile agents and/ or otherwise deal in computers, monitors, printers, keyboards, floppies, microprocessors, computer hard disc, memory systems computer peripherals, attachments to computers, computer hardware, assemblies, sub-assemblies and accessories and other data processing equipment's.*

7. Rationale of the Scheme

7.1 The management of the Company proposes to achieve the amalgamation of Explosoft with ACETL pursuant to a Scheme under Sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013, in the manner set out herein.

7.2 The rationale of the Scheme is as follows:

1. To facilitate Transferee Company to acquire and consolidate Mistral Solutions Private Limited.
2. The amalgamation will result in expanding the existing business operations of the Transferee Company by combining the business interests of both companies into one corporate entity. This will lead in operational synergies, centralisation, simplification, streamlining and facilitating efficient administration.
3. Creating value for shareholders by acquiring Mistral Solutions Private Limited – A company with niche capability and ability to spearhead itself into Embedded Product Engineering Services and Electronics and thereby add to the value chain of the Transferee Company.

4. Create strong technical and infrastructural capabilities to effectively meet future challenges in the rigorously competitive Embedded Product Engineering Services and Electronics.
5. The Transferor Company is the Shareholder Company of Mistral Solutions Private Limited. The amalgamation will result in reducing the shareholding layers and facilitate direct control of Mistral Solutions Private Limited.
6. General and administrative cost reduction and productivity gains by pooling of financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Parties.

8. **Relationship subsisting amongst the Company and the Transferor Company**

- 8.1 The Scheme envisages amalgamation of Explosoft with ACETL. Explosoft is a shareholder company of Mistral Solutions Private Limited ("MSPL"). ACETL proposes to acquire MSPL in a phased manner.
- 8.2 The Board of the Transferee Company on November 6, 2017 ("Relevant Date") approved the acquisition of MSPL in phased manner and accordingly post the Phase 1 acquisition of 16,32,718 equity shares of face value INR 5/- each of MSPL, the Transferee Company acquired 43.38% of the paid-up capital of MSPL (based on the paid-up capital of MSPL as on the Relevant Date) and the Transferor Company held 44.62% of the paid-up capital of MSPL (based on the paid-up capital of MSPL as on the Relevant Date). Prior to the above acquisition of MSPL, the Transferee Company was not related to the Transferor Company and they didn't fall under the same group/management. Further, pursuant to the Scheme, the Transferee Company would acquire additional stake in MSPL aggregating to approximately 87.22% of the paid-up capital of MSPL as on December 31, 2017.

9. **Salient features of the Scheme**

The material provisions of the proposed Scheme are detailed hereunder:

"4. AMALGAMATION OF EXPLOSOFT WITH ACETL

- 4.1 *Upon the Scheme becoming effective but with effect from Appointed Date, the Transferor Company, pursuant to Sections 230 to 232 of the Act and any other relevant provisions of the Act (as may be applicable) and without any further act, instrument, deed, matter, or thing, be transferred to and vested in the Transferee Company by way of amalgamation.*
- 4.2 *Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire business and undertaking(s) of the Transferor Company including all the debts, liabilities, duties and obligations, including those arising on account of taxation laws and other allied laws of the Transferor Company of every description and also including, without*

limitation, all the movable and immovable properties and assets (whether tangible or intangible) of the Transferor Company comprising, amongst others, all freehold land, leasehold land, building, plants, motor vehicles, receivables, actionable claims, furniture and fixtures, computers, instruments and equipments, machineries, T.V sets, cameras, software, products, portals, inventories, merchandising rights, websites, office equipment, electrical installations, telephones, telex, facsimile and other communication facilities and business licenses, permits, deposits, authorisations, approvals, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, product licenses, marketing authorisations or other intellectual property rights, proprietary right, title, interest, contracts, consent, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, under the applicable provisions of the Act and pursuant to the order of the Tribunal(s) sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, debts, liabilities, duties and obligations, business and undertaking(s) of the Transferee Company.

- 4.3 *With effect from the Appointed Date all debts, liabilities, duties, Explosoft Debentures and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of account of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.*
- 4.4 *With effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.*
- 4.5 *Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.*
- 4.6 *All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the*

Appointed Date and those created by the Transferor Company after the Appointed Date, over the assets comprised in the business and undertaking(s) or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, encumbrances or liens secure or relate to liabilities of the Transferor Company the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company and such securities, mortgages, charges, encumbrances or liens shall not relate or attach to any of the other assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company.

- 4.7 *The existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.*
- 4.8 *It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.*
- 4.9 *With effect from the Appointed Date, all statutory licences, registrations, incentives, tax deferrals and benefits, carry-forward of tax losses, tax credits, tax refunds, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, permissions, approvals or consents to carry on the operations of the Transferor Company special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date shall stand vested in or transferred to the Transferee Company, pursuant to the Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the business and undertaking(s) of the Transferor Company pursuant to this Scheme.*
- 4.10 *The amalgamation of the Transferor Company into the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income tax Act, 1961. This Scheme has been drawn up to comply with the conditions relating to “amalgamation” as specified under Section 2(1B) of the Income-tax Act, 1961. At a later date, if any term or provision of the Scheme is found or interpreted to be inconsistent with any provision thereof, including resulting from an amendment of law or for any reason whatsoever, the Scheme shall stand modified to the extent determined*

necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will however not affect other parts of the Scheme.

5. CONSIDERATION

5.1 Upon this Scheme becoming effective and in consideration for the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot equity shares credited as fully paid-up, to the extent indicated below, to the members of the Transferor Company, holding fully paid-up equity shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company, on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of Directors of the Transferor Company in the following proportion:

“10 (Ten) fully paid-up Equity Shares of INR 5/- each of ACETL shall be issued and allotted for 69 (Sixty Nine) fully paid-up Equity Shares of INR 10/- each held in Explosoft (herein after referred to as “New Equity Shares”).”

5.2 The New Equity Shares to be issued to the members of the Transferor Company pursuant to Clause 5.1 shall be in multiples of 1. Any fractional equity shares shall be rounded-off to the next higher multiple of 1.

5.3 The New Equity Shares to be issued to the members of the Transferor Company pursuant to Clause 5.1 read with Clause 5.2 shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank *pari passu* with the existing equity shares of the Transferee Company in all respects.

5.4 The Equity Shares of the Transferee Company shall be issued and allotted in dematerialized form to those equity shareholders who hold equity shares in demat form of the Transferor Company. If such details are not provided by the Board of Transferor Company, the New Equity Shares shall be issued in the physical form.

5.5 New Equity Shares of the Transferee Company to be issued and allotted to the equity shareholders of the Transferor Company pursuant to Clause 5.1 of this Scheme will be listed and admitted to trading on the Stock Exchanges, where the equity shares of the Transferee Company are listed and traded in accordance with the applicable laws. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws, SEBI Listing Regulations for complying with the formalities of the said Stock Exchanges. The new Equity Shares allotted

pursuant to Clause 5.1 of this Scheme shall remain frozen in the depositories system until relevant directions in relation to listing and/ or trading are provided by the relevant Stock Exchanges.

- 5.6 *The Transferee Company shall, prior to the Scheme becoming effective, take necessary actions including but not limited to passing necessary resolutions; making relevant filings with Ministry of Corporate Affairs, Registrar of Companies, Karnataka; and payment of necessary stamp duty and filing related fees as may be payable under applicable law and regulations for increase in the authorized share capital for issuance of equity shares under the Scheme and consequent amendments to the memorandum and articles of association of the Transferee Company.*
- 5.7 *Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be due compliance of the provisions of Sections 42, 62 and the other relevant provisions of the Act, SEBI Listing Regulations and all applicable laws for the issue, allotment and listing of equity shares by the Transferee Company, as provided in this Scheme.*

6. ISSUE AND ALLOTMENT OF DEBENTURES

- 6.1 *Upon this Scheme becoming effective, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot such number of Debentures credited as fully paid-up equivalent to the extent of the principal amount along with accumulated interest recorded by the Transferor Company in its books of accounts upto the Effective Date, to the debenture holders of the Transferor Company, holding fully paid-up Explosoft Debentures in the Transferor Company, as per the terms and subject to the conditions set out in Annexure 1 and whose names appear in the Register of Debentures Holders of the Transferor Company, on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of Directors of the Transferor Company.*
- 6.2 *The Debentures of the Transferee Company to be issued and allotted to the Explosoft Debenture holders pursuant to Clause 6.1 of this Scheme will -not be listed and hence not be admitted for trading on the Stock Exchanges, where the equity shares of the Transferee Company are listed.*
- 6.3 *Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be due compliance of the provisions of Sections 42, 62, 71 and the other relevant provisions of the Act.*

7. STAFF, WORKMEN & EMPLOYEES

7.1 *On the Scheme becoming effective, all staff, workmen and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the later of Appointed Date or the actual date of joining, without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company (i.e. cost to company basis, in monetary terms) shall not be less favourable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.*

7.2 *It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff, workmen and employees of the Transferor Company shall become trusts/funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such funds/trusts or in relation to the obligation to make contributions to the said funds/trusts in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such funds/trusts shall become those of the Transferee Company. It is clarified that, for the purpose of the said funds/trusts, the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous with the Transferee Company from the date of employment as reflected in the records 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 is pending, including those arising on account of taxation laws and other allied laws, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of this arrangement or 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.*

9. CONTRACTS, DEEDS, ETC. AND POWER TO GIVE EFFECT TO THIS PART

9.1 *Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, registrations, licenses, permissions, approvals, consents, entitlements, sanctions, permits benefits, rights arising from contracts, deeds, licenses, instruments and agreements, if any, of whatsoever nature to which the Transferor Company is party to and subsisting or having effect*

on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, 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, notwithstanding the terms contained in such contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments etc.

9.2 *The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.*

10. TAXATION MATTERS

10.1 *All taxes (including, without limitation, income tax, wealth tax, sales tax, custom duty, service tax, value added tax, central sales tax, GST, etc.) paid or payable by the Transferor Company in respect of the operations or profits and assets of the Transferor Company before the Appointed Date, shall be on account of the Transferee Company and, in so far as it relates to any tax payment (including, without limitation, income tax, minimum alternate tax, dividend distribution tax, wealth tax, sales tax, custom duty, service tax, value added tax, central sales tax, GST, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of its profits or activities or operation or assets with effect from the Appointed Date, the same be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.*

10.2 *Any refund under the tax laws due to the Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.*

10.3 *The Transferee Company shall be entitled to revise and file income tax returns, sales tax / value added tax return, service tax returns and any other returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme. The Transferee Company shall be entitled to such tax benefits, including but not limited to, minimum alternate tax paid under Section 115JA/115JB of the Income-tax Act, 1961 and the right to claim credit in accordance with Section 115JAA of the Income-tax Act, 1961, including the benefit of brought forward losses or depreciation as admissible under the provisions of the Income tax Act, 1961 to the extent applicable, of the Transferor Company from the taxable profits of the Transferee Company with effect from the Appointed Date. Further, all existing and future benefits/ claim/ relief under the provisions of Income-tax Act, 1961 shall be available to the Transferee Company in the same manner and to the extent as those were available otherwise to the Transferor Company upon fulfilment of the*

prescribed conditions. The Transferee Company shall continue to enjoy the tax benefits and concessions provided to the Transferor Company by the concerned authorities.

- 10.4 *Any refund/ credit/ claim benefits/ incentives under any tax laws due to the Transferor Company (including but not limited to advance tax, self-assessment tax, regular assessment tax, service tax, CENVAT, minimum alternative tax, value added tax, central sales tax central sales tax, GST, etc.) shall belong to and be received by the Transferee Company. Without prejudice to the generality of the aforesaid provision, all the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, in relation to its operations, shall upon the Scheme becoming effective and with effect from the Appointed Date be transferred to and vested in the Transferee Company and all the benefits, entitlements and incentives of any nature whatsoever, including minimum alternate tax credit entitlement, 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 incentives schemes and/ or policies.*
- 10.5 *The Transferee Company shall be deemed to be authorized under this Scheme to execute any pleadings, submissions, 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.*

11. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY

- 11.1 *Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for amalgamation of Transferor Company in its books of account in accordance with the method prescribed under the Indian Accounting Standard notified under Section 133 of the Act, as amended from time to time.*
- 11.2 *The amount of any inter-company balances amongst the Transferor Company and between the Transferor Company and the Transferee Company, if any, shall stand cancelled without any further act or deed, upon the Scheme becoming effective.*
- 11.3 *The Transferee Company shall credit to equity in its books of account, the difference between the fair value and face value of the equity shares issued as per Clause 5.1 by the Transferee Company pursuant to this Scheme.*
- 11.4 *In case of any differences in accounting policies between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the Financial Statements reflect the financial position on the basis of consistent accounting policies.*

12. REORGANISATION OF AUTHORIZED CAPITAL OF THE TRANSFEREE COMPANY

12.1 *Upon the Scheme becoming effective, the authorized share capital of the Transferor Company shall stand combined with the authorized share capital of the Transferee Company. Filing fees and stamp duty, if any, paid by the Transferor Company on its authorized share capital, shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital and accordingly, the Transferee Company shall not be required to pay any fee/ stamp duty for its increased authorized share capital.*

12.2 *Clause 5 of the Memorandum of Association of the Transferee Company and any other Clause(s) of the Memorandum of Association and Articles of Association as may be applicable shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to the applicable provisions of the Act by deleting the existing Clause and replacing it with the following:*

“The Authorized Share Capital of the Company is INR 128,00,00,000/- (Rupees One Hundred Twenty Eight Crores only) divided into 25,40,00,000/- (Twenty Five Crore Forty Lakh only) Equity Shares of INR 5/- each and 1,00,000 (One Lakh only) Preference Shares of INR 100/- each.”

13. TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

During the period from the Appointed Date to the Effective Date:

13.1 *The Transferor Company shall carry on and be deemed to have carried on its businesses and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its entire businesses and undertaking(s) for and on account of and in trust for the Transferee Company.*

13.2 *The Transferor Company shall carry on its business and activities in the ordinary course of business with reasonable diligence and business prudence.*

13.3 *All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred or arising to the Transferor Company, shall for all purposes be treated and deemed to be and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee Company.*

13.4 *The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to Government Authority concerned as are necessary under any law for such consents, approvals*

and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

14. SAVING OF CONCLUDED TRANSACTIONS

14.1 *Subject to the terms of this Scheme, the transfer and vesting of the assets and liabilities of the Transferor Company under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company before the Appointed Date or concluded 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 made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.*

Note: The Secured Creditors are requested to read the entire text of the Scheme attached herewith to get better acquainted with the provisions thereof. What is stated hereinabove are brief salient features.

10. Disclosure about the effect of the arrangement on:
- (a) key managerial personnel; (b) directors; (c) promoters; (d) non-promoter members; (e) depositors; (f) creditors; (g) debenture holders; (h) deposit trustee and debenture trustee; (i) employees of the company

The Directors of ACETL and Explosoft may be deemed to be concerned and/ or interested in the proposed Scheme to the extent of the shares that may be held by them or by the companies, firms, institutions, trusts of which they are Directors, Partners, Members or Trustees in ACETL and Explosoft. Additionally the Scheme does not have any effect on the Directors/Key Managerial Personnel /Promoters/ Non-promoter Members, if any/ Creditors/ Debenture holders, if any/Debenture Trustee, if any/Employees of the ACETL and Explosoft.

11. Disclosure about effect of Arrangement on material interests of directors, Key Managerial Personnel:

None of the Directors and the Key Managerial Personnel of the Company and Explosoft have any material interest in the Scheme except as shareholders to the extent, which will appear from the Register of Director's Shareholding maintained by ACETL and the Register of Director's shareholding maintained by Explosoft.

12. **Fairness Opinion and Approvals:**

- 12.1 A Valuation Report dated November 5, 2017 has been prepared by SSPA & Co, recommending the Share Exchange Ratio to the Board of Directors of the Company and the Transferor Company. A copy of the said report is annexed herewith and marked as **Annexure B** and is also available for inspection

at the registered office of the Company.

- 12.2 In terms of the SEBI Circular, Fortress Capital Management Services Private Limited, a Category-I Merchant Banker, vide its letter dated November 5, 2017, has submitted to the Board of Directors of the Company, a fairness opinion, stating that the Valuation Report is fair and reasonable. A copy of the said certificate is annexed herewith and marked as **Annexure C**.
- 12.3 A certificate has been issued by the statutory auditors of the Company and the Transferor Company stating that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013.
- 12.4 The Audit Committee of the Company, at its meeting held on November 6, 2017 has reviewed and recommended the Scheme for consideration by the Board of Directors of the Company. The Board of Directors of the Company, at its board meeting held on November 6, 2017, has by resolution approved the Scheme, as detailed below:

Name of the Director	Voted in favor / against / did not participate or vote
Mr. Vivek Mansingh	Favor
Mr. Sudhakhar Gande	Favor
Mr. Kailash M. Rustagi	Favor
Mr. Srinath Batni	Favor
Mr. Pradeep Dadlani	Favor
Mr. Sidhartha Mehra	Favor
Mr. Rohitsava Chand	Favor

- 12.5 The Board of Directors of the Transferor Company, at its board meeting held on November 6, 2017, has by resolution approved the Scheme, as detailed below:

Name of the Director	Voted in favor / against / did not participate or vote
Mr. Anees Ahmed	Favor
Mr. Rajeev Ramachandra	Favor

13. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.
14. Pursuant to the SEBI Circular read with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR Regulations"), the Company has applied to BSE Limited and National Stock Exchange India Limited for their "No Objection/Observation Letter" to file the Scheme for sanction. Both BSE Limited and National Stock Exchange India Limited by their respective letter dated April 26, 2018 have given their Observation Letter to file the Scheme. The same are annexed herewith and marked as **Annexures D and Annexure E** respectively.

15. The Scheme along with related documents was hosted on the website of the Company, BSE Limited and National Stock Exchange India Limited and was open for complaints / comments. The Company has not received any complaints from the shareholder. A Complaint Report was filed with BSE Limited and National Stock Exchange India Limited on January 29, 2018 and March 14, 2018 respectively and copy of the same are annexed herewith and marked as **Annexure F and Annexure G** respectively. Further, as on the date of filing the Company Scheme Application, the Company has not received any complaints.
16. In compliance with the provisions of Section 232(2)(c) of the Companies Act, 2013, the Board of Directors of the Company and the Transferor Company, in their respective meetings held on June 26, 2018 and June 22, 2018, have adopted a report, *inter alia*, explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoter and non-promoter shareholders. Copy of the report adopted by the Board of Directors of the Company and the Transferor Company is annexed herewith and marked as **Annexure H and Annexure I** respectively.
17. In terms of the SEBI Circular, the applicable information of the Transferor Company in the format specified for abridged prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 is annexed herewith and marked as **Annexure J**.
18. The unaudited financial statements for the period ended December 31, 2017 of the Company is annexed herewith and marked as **Annexure K**.
19. The Company will make a Petition under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 to the Hon'ble National Company Law Tribunal, Bengaluru Bench, at Bengaluru for sanctioning of the Scheme. The Transferor Company will make a Petition under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 to the Hon'ble National Company Law Tribunal, Mumbai Bench, at Mumbai for sanctioning of the Scheme.
20. No investigation proceedings have been instituted or are pending under the provisions of Chapter XIV of the Companies Act, 2013 against ACETL and Explosoft.
21. Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed Scheme:

The copies of the Scheme are being filed simultaneously along with the dispatch of this notice with the following regulatory and governmental authorities:

1. Registrar of Companies, Karnataka;
2. Central Government through Regional Director, South East Region;

3. Income-tax Department, Government of India; and
4. BSE Limited and National Stock Exchange India Limited.

Approvals, sanctions or no-objection(s), if any, from the aforesaid regulatory or any other governmental authorities shall be obtained within the prescribed period.

22. No winding up petition is pending against the Company and the Transferor Company.
23. Details of capital or debt restructuring, if any:

23.1 **ACETL:**

As per Clause 5 of the Scheme, ACETL will allot equity shares as follows:

Sl. No.	Shares to be allotted pursuant to merger	No. of shares
A	Equity shares	
	Equity share to be allotted to equity shareholders of Explosoft	35,05,991

As per Clause 6 of the Scheme, ACETL will allot debentures as follows:

Sl. No.	Debentures to be allotted pursuant to merger	No. of debentures*
A	Debentures	
	Debenture to be allotted to debenture holders of Explosoft	3,50,00,000

* Note: The additional number of Debentures that would be allotted on account of accumulated interest in the books of Explosoft as on the Effective Date cannot be readily quantifiable and accordingly it has not been included in the table above.

23.2 **Explosoft:**

On the Scheme becoming effective, Explosoft would be amalgamated with ACETL pursuant to which Explosoft would stand dissolved without being wound up.

24. In the event that the Scheme is terminated or withdrawn in the manner set out herein, the Scheme shall stand revoked, cancelled and be of no effect and null and void and in such event each party hereto shall bear and pay respective costs, charges and expenses for and / or in connection with the Scheme.

25. As far as the shareholders of Explosoft are concerned, they shall receive equity shares of the Company as per the share entitlement ratio as detailed in Clause 5 of the Scheme and upon issue of such shares, they shall be classified as 'Public Shareholders' of the Company, other than to the extent held by Promoters of the Company.
26. As far as the debenture holders of Explosoft are concerned, they shall receive debentures of the Company as per the debenture entitlement ratio as detailed in Clause 6 of the Scheme. Further the Company reserves right of conversion of such debentures into its equity shares at a later point of time (refer Annexure 1 of the Scheme for complete details).
27. Pursuant to SEBI Circular and the SEBI LODR Regulations, the pre scheme and post scheme (indicative) capital structure and shareholding pattern of the Company and the Transferor Company are given herein below:

27.1 Pre & Post Scheme Capital Structure as on March 31, 2018

Upon the Scheme becoming effective, the Company shall issue and allot equity shares to the shareholders of Explosoft in the manner as provided in the Scheme and Explosoft would stand dissolved without being wound up.

Pre and Post Amalgamation Capital Structure of Explosoft as on March 31, 2018 would be as under:

Particulars	Pre	Post
Authorized Capital	Amount (INR)	Amount (INR)
2,50,00,000 Equity Shares of INR 10/- each	25,00,00,000	Nil
Issued, Subscribed and Paid-up Capital	Amount (INR)	Amount (INR)
2,41,91,364 Equity Shares of INR 10/- each fully paid-up	24,19,13,640	Nil

On the Scheme becoming effective, Explosoft would be amalgamated with ACETL pursuant to which Explosoft would stand dissolved without being wound up.

Pre Amalgamation Capital Structure of ACETL as on March 31, 2018 is as under:

Particulars	Pre
Authorised Share Capital	Amount (INR)
20,40,00,000 Equity Shares of INR 5/- each	1,02,00,00,000
1,00,000 Preference Shares of INR 100/- each	1,00,00,000
Total	1,03,00,00,000
Issued Share Capital	Amount (INR)
3,78,10,630 Equity Shares of INR 5/- each fully paid-up	18,90,53,150
Total	18,90,53,150
Subscribed and Paid-up Share Capital	Amount (INR)
3,77,59,530 Equity Shares of INR 5/- each fully paid-up	18,87,97,650
Add: Forfeited Shares (amount originally paid INR 3 per share on 51,100 Equity Shares)	1,53,300
Total	18,89,50,950

Post Amalgamation Capital Structure of ACETL as on March 31, 2018 would be as under:

Particulars	Post
Authorised Share Capital**	Amount (INR)
20,40,00,000 Equity Shares of INR 5/- each	1,02,00,00,000
1,00,000 Preference Shares of INR 100/- each	1,00,00,000
Total	1,03,00,00,000
Issued Share Capital	Amount (INR)
4,13,16,621 Equity Shares of INR 5/- each fully paid-up	20,65,83,105
Total	20,65,83,105
Subscribed and Paid-up Share Capital	Amount (INR)
4,12,65,521 Equity Shares of INR 5/- each fully paid-up	20,63,27,605
Add: Forfeited Shares (amount originally paid INR 3 per share on 51,100 Equity Shares)	1,53,300
Total	20,64,80,905

** The treatment prescribed in Clause 12 of the Scheme for increase in Authorised Share Capital of the Transferee Company has not been considered in the above illustrative Capital Structure.

27.2 **Pre & Post Scheme Shareholding Pattern as on March 31, 2018**

Upon the Scheme becoming effective, the Company shall issue and allot equity shares to the shareholders of Explosoft in the manner as provided in the Scheme and Explosoft would stand dissolved without being wound up. The below shareholding pattern is prepared assuming there is no conversion of Cumulative Optionally Convertible Redeemable Debentures.

Pre and Post Scheme Shareholding Pattern of Explosoft as on March 31, 2018 is as under:

SI No.	Name of the Equity Shareholders	Pre		Post	
		No. of shares	%	No. of shares	%
1	Akhila D S	38,330	0.16	Nil - As the Transferor Company would be wound-up pursuant to the approval of the Scheme	
2	Amanullah Khan	71,275	0.29		
3	Anees Ahmed	1,04,91,333	43.37		
4	Anoop Agarwal	2,81,687	1.16		
5	Arun Kumar M	47,588	0.20		
6	Ashish Singh	2,48,382	1.03		
7	Joanne Ahmed	8,40,498	3.47		
8	Jupiter Capital	10	0.00		
9	Mujahid Alam	13,16,068	5.44		
10	Pawan Vashisht	2,50,542	1.04		
11	Raja Subramanian N	46,796	0.19		
12	Rajeev Ramachandra	75,10,346	31.05		
13	Rajesh Chakkingal	57,596	0.24		
14	Rakhi Chari	17,80,969	7.36		
15	Ramanan J V	1,22,391	0.51		
16	Sachidananda K	68,395	0.28		
17	Selvaraj Kaliyappan	3,87,333	1.60		
18	Sridhar TS	32,397	0.13		
19	Srinivas P R	4,44,929	1.84		
20	Sunil Kottarathil Nair	43,916	0.18		
21	Vijaya Bharat S	31,389	0.13		
22	Zubair Ahmed	79,194	0.33		
	Total	2,41,91,364	100		

Pre and Post Scheme Shareholding Pattern of ACETL as on March 31, 2018 is as under:

Sl No	Description	Name/Category	Pre		Post	
			No. of shares	%	No. of shares	%
(A)	Shareholding of Promoter and Promoter Group					
1	Indian					
(a)	Individuals/ Hindu Undivided Family		-	-	-	-
(b)	Central Government/ State Government(s)					
(c)	Bodies Corporate	Indian Aero Ventures Private Limited	61,54,219	16.30	61,54,219	14.91
		Jupiter Capital Private Limited	66,48,952	17.61	66,48,953	16.11
		Tayana Digital Private Limited	1,21,42,100	32.15	1,21,42,100	29.42
(d)	Financial Institutions/ Banks					
(e)	Any Others					
	Sub Total(A)(1)		2,49,45,271	66.06	2,49,45,272	60.45
2	Foreign					
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)					
(b)	Bodies Corporate					
(c)	Institutions					
(d)	Any Others					
	Sub Total(A)(2)					
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		2,49,45,271	66.06	2,49,45,272	60.45
(B)	Public shareholding					
1	Institutions					
(a)	Mutual Funds/ UTI					
(b)	Financial Institutions / Banks		93,618	0.25	93,618	0.23
(c)	Central Government/ State Government(s)					
(d)	Venture Capital Funds					

(e)	Insurance Companies					
(f)	Foreign Institutional Investors/Foreign Portfolio Investors		58,686	0.16	58,686	0.14
(g)	Foreign Venture Capital Investors					
(h)	Any Other					
	Sub-Total (B)(1)		1,52,304	0.41	1,52,304	0.37
2	Non-institutions					
(a)	Bodies Corporate					
(b)	Individuals					
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh		58,74,018	15.56	59,66,665	14.46
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.		42,66,387	11.30	76,79,730	18.61
(c)	Any Other					
		NBFCs Registered with RBI	15,800	0.04	15,800	0.04
		MGT	5,250	0.01	5,250	0.01
		Trusts	1,500	0.00	1,500	0.00
		Alternative Investment Fund	2,93,009	0.78	2,93,009	0.71
		Non Resident Indians	2,02,435	0.54	2,02,435	0.49
		Clearing Members	76,588	0.20	76,588	0.19
		Non-resident Indian Non-repatriable	1,12,610	0.30	1,12,610	0.27
		Bodies Corporates	18,14,330	4.80	18,14,330	4.40
		Foreign Nationals	28	0.00	28	0.00
	Sub-Total (B)(2)		1,26,61,955	33.53	1,61,67,945	39.18
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)		1,28,14,259	33.94	1,63,20,249	39.55
	TOTAL (A)+(B)		3,77,59,530	100.00	4,12,65,521	100.00
(C)	Shares held by Custodians and against which DRs have been issued					
	GRAND TOTAL (A)+(B)+(C)		3,77,59,530	100.00	4,12,65,521	100.00

28. The following documents are available for obtaining extract from or for making or obtaining copies of or for inspection by the Secured Creditors of the Company at the Registered Office of the Company, between 9.00 A.M. to 5.00 P.M., one day prior to the date of the Meeting on all working days (except Saturdays, Sundays and public holidays):
- a. Copy of the Order of the National Company Law Tribunal, Bengaluru Bench, dated June 15, 2018 passed in Company Application No. 34 of 2018 directing the Company, to convene the Meeting of its Equity Shareholders, Secured Creditors and Unsecured Creditors.
 - b. Memorandum of Association and Articles of Association of the Company and of the Transferor Company.
 - c. Audited Financial Statements of the Transferee Company for the year ended March 31, 2017.
 - d. Audited Financial Statements of the Transferor Company for the year ended March 31, 2017.
 - e. Unaudited Financial Statements of the Transferee Company for the period ended December 31, 2017.
 - f. Unaudited Financial Statements of the Transferor Company for the period ended December 31, 2017.
 - g. Copy of the Scheme of Amalgamation of the Transferor Company with the Company and their respective shareholders.
 - h. Observation letter dated April 26, 2018 issued by BSE Limited and observation letter dated April 26, 2018 issued by National Stock Exchange India Limited.
 - i. Complaints reports dated January 29, 2018 and March 14, 2018 submitted by the Company to BSE Limited and National Stock Exchange India Limited respectively.
 - j. Copies of the resolution passed by the respective Board of Directors of the Company and the Transferor Company dated November 6, 2017 approving the Scheme.
 - k. Certificate issued by the Statutory Auditors of the Company and of the Transferor Company stating that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013.
 - l. Copy of the valuation report dated November 5, 2017 issued by SSPA & Co.
 - m. Copy of the Fairness Opinion dated November 5, 2017 of Fortress Capital Management Services Private Limited, a category -1 Merchant Banker.
 - n. Copy of Audit Committee Report dated November 6, 2017 of the Transferee Company.

- o. Copy of the Reports adopted by the Board of Directors of the Transferor Company and the Transferee Company, respectively pursuant to the provision of Section 230-232 of the Companies Act, 2013
- p. Copy of the Register of Director's shareholding of the Company;
- q. Such other information or documents as the Board or Management believes necessary and relevant for making decision for or against the Scheme.

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By order of the National Company Law Tribunal
Sd/-
Joby Chacko, Advocate
Chairman appointed for the meeting

Dated this 27th day of June, 2018

Place: Bengaluru

Registered Office:

AXISCADES Engineering Technologies Limited,

Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024

Website: www.axiscades.com

E-mail: investor.relations@axiscades.com

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Registered office: Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024

CIN: L72200KA1990PLC084435

Telephone Number: +91 80 4193 9000 | Fax: +91 80 4193 9099

Website: www.axiscades.com

E-mail: investor.relations@axiscades.com

**MEETING OF THE UNSECURED CREDITORS
OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED**

(To be convened pursuant to Order dated June 15, 2018 passed by the National Company Law Tribunal,
Bengaluru Bench)

NOTICE TO UNSECURED CREDITORS

Day	: Friday
Date	: August 3, 2018
Time	: 3.00 P.M.
Venue	: Chairman's Club (Chairman's Club & Resort), No 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru 560092.

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FORM NO. CAA2

[Pursuant to Section 230(3) and Rule 6]

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENGALURU BENCH AT BENGALURU
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 2013
AND
IN THE MATTER OF SECTIONS 230 AND 232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013
AND
IN THE MATTER OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED
AND
IN THE MATTER OF THE SCHEME OF AMALGAMATION OF EXPLOSOFT TECH SOLUTIONS
PRIVATE LIMITED WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
CA (CAA) NO. 34 OF 2018**

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Registered office: Block C, Second Floor,
Kirloskar Business Park,
Bengaluru - 560 024

... APPLICANT COMPANY/ TRANSFEREE COMPANY

NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED, THE APPLICANT COMPANY PURSUANT TO THE ORDER DATED JUNE 15, 2018 BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

To,

The Unsecured Creditors of AXISCADES Engineering Technologies Limited,

NOTICE is hereby given that pursuant to the Order dated June 15, 2018, in the above mentioned Company Application, the Hon'ble National Company Law Tribunal, Bengaluru Bench ("**Hon'ble Tribunal**"), has directed separate meetings to be held of Equity Shareholders, Secured Creditors and Unsecured Creditors of AXISCADES Engineering Technologies Limited, for the purpose of considering, and if thought fit, approving with or without modification proposed in the matter of the Scheme of Amalgamation of Explosoft Tech Solutions Private Limited ("**Explosoft**") with AXISCADES Engineering Technologies Limited ("**ACETL**" or "**Company**") and their respective shareholders ("**Scheme**") under Sections 230 to 232 other applicable provisions of the Companies Act, 2013.

TAKE FURTHER NOTICE that in pursuance of the Order and as directed therein, a Meeting of the Unsecured Creditors of the Company, will be held at Chairman's Club (Chairman's Club & Resort),

No. 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru - 560 092, on August 3, 2018 at 3.00 P.M., (**‘the Meeting’**) at which place, day, date and time you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the Meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your authorized representative, is deposited at the Registered Office of the Company at Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560 024, not later than 48 hours before the scheduled time of the Meeting.

TAKE FURTHER NOTICE that copy of the Scheme and the Explanatory Statement under Section 230(3) and Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with Form of Proxy, Attendance Slip and other annexures as stated in the Index are enclosed herewith. Copies of the Scheme and the Explanatory Statement under Section 230 of the Companies Act, 2013 can be obtained free of charge at the registered office of the Company.

The Hon'ble Tribunal has appointed Mr. Joby Chacko, Advocate to be the Chairperson of the Meeting.

The above Scheme, if approved by the Unsecured Creditors, will be subject to the subsequent approval of the Hon'ble Tribunal.

The Audit Committee and the Board of Directors of the Company at their respective Meetings, both held on November 6, 2017, have approved the Scheme, subject to approval by the requisite majority of the Unsecured Creditors of the Company as may be required, and subject to the sanction of the Hon'ble Tribunal and of such other authorities as may be necessary.

To consider and if thought fit to pass, with or without modification(s), and with requisite majority, the following resolutions under Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force):

“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013, to the extent applicable, Companies (Compromise, Arrangements and Amalgamation) Rules, 2016, (including any modification/ amendment and re-enactment thereof), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to the sanction of the National Company Law Tribunal, Bengaluru Bench and Mumbai Bench (“NCLTs”), Securities and Exchange Board of India, concerned Stock Exchange(s) and approvals from jurisdictional Registrar of Companies, Regional Director, Official Liquidator, Income-tax department (collectively referred as “Regulatory Authorities”) and subject to all such other approvals,

permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the proposed Scheme of Amalgamation Explosoft Tech Solutions Private Limited with AXISCADES Engineering Technologies Limited and their respective shareholders (herein after referred to as "Scheme", or "this Scheme" or "the Scheme") placed before this Meeting and initialed by the Chairperson of the Meeting for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT any of the Director and/or Mr. Kaushik Sarkar, CFO and /or Ms. Shweta Agrawal, Company Secretary, be and are hereby jointly and/ or severally authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

By order of the National Company Law Tribunal

Sd/-

Joby Chacko, Advocate

Chairman appointed for the meeting

Dated this 27th day of June, 2018

Place: Bengaluru

Registered Office:

AXISCADES Engineering Technologies Limited,

Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024

Website: www.axiscades.com

E-mail: investor.relations@axiscades.com

Notes:

1. All alterations made in the Form of Proxy should be initialed. The form of proxy can be obtained free of charge from the registered office of the Company or can be downloaded from the website of the Company www.axiscades.com.
2. Only Unsecured Creditors of the Company may attend and vote (either in person or by proxy or by authorized representative under Sections 113 of the Companies Act, 2013) at the Unsecured Creditors' Meeting of the Company. The authorized representative of a body corporate which is a Unsecured Creditor of the Company may attend and vote at the Unsecured Creditors' Meeting provided a certified true copy of the resolution of the Board of Directors under Section 113 of the Companies Act, 2013 or other governing body of the body corporate authorizing such representative to attend and vote at the Unsecured Creditors' Meeting is deposited at the Registered Office of the Company not later than 48 hours before the Meeting.
3. **AN UNSECURED CREDITOR ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE AN UNSECURED CREDITOR OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
4. An Unsecured 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.
5. The Company shall provide the facility of poll paper at the venue of the Meeting.
6. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the Unsecured Creditors , of the Company, voting in person or by proxy agree to the Scheme.
7. As directed by Hon'ble Tribunal, Mr. Pattabhi, Chartered Accountant (Membership No. 210278) and in case of inconvenience, Mr. Parimal, Chartered Accountant (Membership No. 209074), both having their office at Unit No. 101, 1st Floor, # 12, JJ Vertical, RV Road Bye Lane, Near South end Circle, Namma Metro Station, Bengaluru – 560 004 shall act as Scrutinizer to scrutinize votes cast through Poll at the venue of the Meeting. The scrutinizer's decision on the validity of the vote shall be final. The scrutinizer will submit his report to the Chairperson of the Meeting or to the person so authorised by him after completion of the scrutiny of the votes cast by the Unsecured Creditors. The result of the voting shall be announced within 3 days from the date of the conclusion of the meeting and same shall be displayed on the notice board and website of the Company at www.axiscades.com besides being sent to BSE Limited and National Stock Exchange of India Limited on the said date.

8. The notice convening the Meeting will be published through an advertisement in the "Business Standard" in the English language and "Kannada Prabha" in the Kannada language, both having circulation in Bengaluru.
9. The voting rights of the Unsecured Creditors of the Company shall be in proportion to the value of sum outstanding to the Unsecured Creditor as on the cut-off date i.e. April 30, 2018.
10. All relevant documents referred to in the above Notice and other documents required to be open for inspection are open for inspection by the Unsecured Creditors of the Company at the Registered Office of the Company at Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024 between 9.00 A.M. to 05.00 P.M. on all working days (except Saturdays, Sundays and Holidays) up to the date of the Meeting.

Encl: As above

FORM NO. CAA2

[Pursuant to Section 230(3) and Rule 6]

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENGALURU BENCH AT BENGALURU
ORIGINAL JURISDICTION**

IN THE MATTER OF COMPANIES ACT, 2013

AND

**IN THE MATTER OF SECTIONS 230 AND 232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013**

AND

IN THE MATTER OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED

AND

**IN THE MATTER OF THE SCHEME OF AMALGAMATION OF EXPLOSOFT TECH SOLUTIONS
PRIVATE LIMITED WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED**

AND

THEIR RESPECTIVE SHAREHOLDERS

CA (CAA) NO. 34 OF 2018

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Registered office: Block C, Second Floor,
Kirloskar Business Park,
Bengaluru - 560 024

... APPLICANT COMPANY/ TRANSFEREE COMPANY

**EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE
COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES,
ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. This is a statement accompanying the Notice convening the Meeting of the Unsecured Creditors of the Company, pursuant to an Order dated June 15, 2018 passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench in the Company Application No. 34 of 2018, to be held at Chairman's Club (Chairman's Club & Resort), No 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru – 560 092 on Friday August 3, 2018 at 3.00 P.M. for the purpose of considering and, if thought fit, approving with or without modification(s), the Scheme of Amalgamation of Explosoft Tech Solutions Private Limited ("**Explosoft**" or "**Transferor Company**") with AXISCADES Engineering Technologies Limited ("**ACETL**" or "**Applicant Company**" or "**Transferee Company**" or "**Company**") and their respective shareholders ("**Scheme**") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.
2. A copy of the Scheme is enclosed herewith as **Annexure A**. The proposed Scheme is envisaged to be effective from the Appointed Date (i.e., December 1, 2017) but shall be made operative from the Effective Date (as defined in the Scheme).

3. Pursuant to the Order made on June 15, 2018 passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench in Company Application No. 34 of 2018, a Meeting of the Unsecured Creditors of the Company is being convened and held for the purpose of considering and if thought fit, approving, with or without modification(s), the Scheme. Unsecured Creditors would be entitled to vote in the said meeting either in person or through proxy.
4. NCLT, by its Order, has not stated any cut-off date, therefore the Company proposes to adopt the value and number of the Unsecured Creditors of the Company in accordance with the books of account of the Company as on April 30, 2018, this would enable the Company to align the value and number of the Unsecured Creditors with the list of Unsecured Creditors presented in Company Application No. 34 of 2018.
5. The said Order is available for inspection at the Registered Office of the Company at Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024 from 9.00 A.M. to 5.00 P.M., on any working day of the Company up to the date of the Meeting.

6. **Background of Companies**

- 6.1 The Company, AXISCADES Engineering Technologies Limited was incorporated on August 24, 1990 under the provisions of the Companies Act, 1956 under the name of "I. T. AND T ENTERPRISES PRIVATE LIMITED" with the Registrar of Companies, NCT of Delhi and Haryana. Subsequently, it was converted to a deemed public company in accordance with Section 43A of the Companies Act, 1956 and the name changed to "I T & T LIMITED" and a fresh Certificate of Incorporation was issued on January 7, 1998, consequent to the change of name. Subsequently on conversion to a public limited company, the name of the company was changed to "AXIS – IT&T LIMITED" and a fresh Certificate of Incorporation was issued on May 12, 2005, consequent to the change of name. The name was further changed to "AXISCADES Engineering Technologies Limited" and a fresh Certificate of Incorporation was issued on August 1, 2014 consequent to the change of name. Further, the registered office of the Applicant Company was shifted from Delhi to State of Karnataka and a Certificate of Registration of Regional Director order for change of State was issued on December 2, 2015. There has been no change in the registered office of the Company since 2015. The PAN and CIN of the Company are AAACI2831G and L72200KA1990PLC084435 respectively. The e-mail address of the Company is investor.relations@axiscades.com. The present registered office of the Company is Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560 024.
- 6.2 The authorised, issued, subscribed and paid-up share capital of the Applicant Company as on March 31, 2017, was as follows:

Authorised Share Capital	Amount (INR)
20,40,00,000 Equity Shares of INR 5/- each	1,02,00,00,000
1,00,000 Preference Shares of INR 100/- each	1,00,00,000
Total	1,03,00,00,000
Issued Share Capital	Amount (INR)
3,78,10,630 Equity Shares of INR 5/- each fully paid-up	18,90,53,150
Total	18,90,53,150
Subscribed and Paid-up Share Capital	Amount (INR)
3,77,59,530 Equity Shares of INR 5/- each fully paid-up	18,87,97,650
Add: Forfeited Shares (amount originally paid INR 3 per share on 51,100 Equity Shares)	1,53,300
Total	18,89,50,950

Subsequent to March 31, 2017, there has been no change in the authorized, issued, subscribed and paid-up capital of the Applicant Company.

6.3 The Company is a public limited company and its equity shares are listed on the BSE Limited and the National Stock Exchange of India Ltd. The Company is engaged in the business of providing software solutions to the aerospace, heavy engineering, automotive and industrial sectors.

6.4 The details of Directors and Promoters of the Company along with their addresses are mentioned herein below:

Sl. No	Name of Promoter / Director	Capacity	Address
Promoter Details			
1	Indian Aero Ventures Private Limited	Promoter Group	Jupiter Innovision Centre No. 54, Richmond Road, Bangalore – 560 025
2	Jupiter Capital Private Limited	Promoter Group	No.54 Richmond Road, Jupiter Innovation Centre, Bangalore – 560 025
3	Tayana Digital Private Limited	Promoter	1-B, Ground Floor, Gold Coin Premises, Opposite Sobo Central, 35/23A Tardeo Road, Tardeo, Mumbai – 400 034
Director Details			
1	Rohitasava Chand	Director	B-19, Defence Colony, New Delhi - 110 024
2	Srinath Batni	Director	884, 11 th Cross, 22 nd Main, J P Nagar, 2 nd Phase, Bengaluru - 560 078

3	Kailash Mohan Rustagi	Director	96, Vardan Apartments, Plot 64 I.P. Extn., Delhi – 110 092
4	Pradeep Dadlani	Director	H 22, Jangpura Extension, New Delhi - 110 014
5	Sudhakar Gande	Vice Chairman & Executive Director	Attur Terrace 802, 8 th Floor, Cuffe Parade, Mumbai – 400 005
6	Mritunjay Kumar Singh	CEO & Executive Director	A1/1, Plot No 164, Harmony Society DP Road, Aundh, Pune – 411 007
7	Vivek Mansingh	Director	# A 7, Epsilon Villas, Yemalur Road Next To CGI Office, Marathahalli Colony, Bengaluru – 560 035
8	Sidhartha Mehra	Director	No. A 1002, Mantri Espana Apartments, Devarabisanahalli, Outer Ring Road, Bengaluru - 560 103
9	Mariam Mathew	Director	Flat 117 118 Villa Heights, Brahmanawadi, 1-10-351 to 356 Begumpet Railway Station, Begumpet, Hyderabad – 500 016

6.5 As on April 30, 2018 the amount due to the secured creditors and unsecured creditors of the Company are INR. 64.79 crores and INR. 48.34 crores respectively.

6.6 The main objects of the Company as set out in the Memorandum of Association are as follows:

III. The objects for which the Applicant Company is established are:

(A) THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:-

- 1. To carry on anywhere in India or abroad the business as consultants assemblers, job-workers, makers, designers, developers, importers, exporters, agents and dealers in any electronic and electrical items, gadgets, equipment and accessories particularly those pertaining to telecommunications, computers, computer hardware and software, undertake development of markets of any new products, explore new avenues and potentials of existing markets of existing products, develop and explore new marketing techniques for any client concerns, undertake research programs and business surveys, act as data banks offer any business or other marketing or technical consultancy services*

in any traditional or non-traditional fields and provide such business and other utility services as may be required by any client concerns.

2. *To design, set-up, invent, develop, improve, purchase and otherwise deal in any machines intended to be installed and offer any consultancy services for the business as referred to in item number one.*

6.7 Explosoft Tech Solutions Private Limited, the Transferor Company was incorporated on November 26, 2014 under the provisions of the Companies Act, 2013 under the name "Explore India Leisure & Hospitality Private Limited". Thereafter, the name was changed to "Explosoft Tech Solutions Private Limited" with effect from November 28, 2017. The PAN and CIN of the Transferor Company are AADCE8274A and U74110MH2014PTC259722 respectively. The present registered office of Explosoft is Office No.1, 1st Floor, Fine Mansion, 203, D.N Road, Fort, Mumbai – 400 001.

6.8 The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on March 31, 2017, was as follows:

Authorized Capital	Amount (INR)
50,000 Equity Shares of INR 10/- each	5,00,000
Issued, Subscribed and Paid-up Capital	Amount (INR)
10,000 Equity Shares of INR 10/- each fully paid-up	1,00,000

Subsequent to March 31, 2017, Explosoft has increased the authorised share capital to INR 25,00,00,000 and has issued/allotted 2,41,81,364 Equity Shares of INR 10/- each, amounting to INR 24,18,13,640. Post this issue the authorized, issued, subscribed and paid-up share capital of Explosoft is as follows:

Authorized Capital	Amount (INR)
2,50,00,000 Equity Shares of INR 10/- each	25,00,00,000
Issued, Subscribed and Paid-up Capital	Amount (INR)
2,41,91,364 Equity Shares of INR 10/- each fully paid-up	24,19,13,640

6.9 Explosoft is a private limited company currently, *inter alia*, engaged in rendering end-to-end services for product design and development in the embedded space.

6.10 The details of Directors and Promoters of Explosoft along with their addresses are mentioned herein below:

Sl. No	Name of Promoter / Director	Capacity	Address
Promoter Details			

1	Anees Ahmed	Promoter	# A-8, Epsilon Villas, Behind HAL Airport, Yemlur, Bengaluru - 560 037
2	Rajeev Ramachandra	Promoter	NO.3373/A, HAL II Stage, Bengaluru - 560 038
Director Details			
1	Anees Ahmed	Director	# A-8, Epsilon Villas, Behind HAL Airport, Yemlur, Bengaluru - 560 037
2	Rajeev Ramachandra	Director	NO.3373/A, HAL II Stage, Bengaluru - 560 038

6.11 As on May 10, 2018 the amount due to the secured creditors and unsecured creditors of Explosoft are NIL and INR. 36.34 crores respectively.

6.12 The main objects of the Transferor Company as set out in the Memorandum of Association are as follows:

III. *The objects for which Explosoft is established are:*

(A) *THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:*

1. *To carry on all or any business of designing and developing, producing, processing, implementing, marketing, buying, selling, importing, exporting, exchanging, altering, granting, license, publishing rights and/or otherwise dealing IT and ITES and Computer Software of all kinds and description including specialised application and dedicated software, computer software techniques, prototype, CD ROMS, System Design analysis and development of programs and software packages for the users of computers in all fields including telecom, networking, datacom, real time systems, defence, R&D, scientific, medical, internet, web based applications, biomedical, research and commercial and to undertake and provide value added services related to any of the aforementioned fields and such other services and to provide system engineering and to acquire and protect intellectual rights, copyright, patents, trademarks, in respect of products/ services of the company.*
2. *To establish, maintain, conduct, provide, procure or make available services of every kind including commercial, financial, engineering, data processing, communication and other services and to set-up institutions for conducting courses on computer education, training, development and usage of Computer software, maintenance of Computer hardware and to impart training in development and usage of Computer Software, maintenance of computer hardware and to impart training in developing and usage of computer software*

and to undertake studies programs and projects in Human Resource Development in Computer Software, telecommunication and other Engineering Industries.

3. *To carry on anywhere in India or abroad the business of Computer Software in all its branches and without limiting generality of designing and engineering consultancy services and provide technical know-how and system engineering to operate, run, maintain plants, equipment, systems for designing and development of Computer Software and to establish and carry on the business of manufacturing, buying, selling, importing, exporting, letting on hire and otherwise dealing in all kinds of Computer hardware, telecommunication equipments, data and voice mail systems.*
4. *To carry on all or any of the business of manufacturing, fabricating, processing, repairing, reconditioning, assembling, buying, selling, importing, exporting, exchanging, altering, hiring, letting on hire, improving, stocking, distribution acting as consignees, consignors, indenting agents, mercantile agents and/ or otherwise deal in computers, monitors, printers, keyboards, floppies, microprocessors, computer hard disc, memory systems computer peripherals, attachments to computers, computer hardware, assemblies, sub-assemblies and accessories and other data processing equipment's.*

7. Rationale of the Scheme

7.1 The management of the Company proposes to achieve the amalgamation of Explosoft with ACETL pursuant to a Scheme under Sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013, in the manner set out herein.

7.2 The rationale of the Scheme is as follows:

1. To facilitate Transferee Company to acquire and consolidate Mistral Solutions Private Limited.
2. The amalgamation will result in expanding the existing business operations of the Transferee Company by combining the business interests of both companies into one corporate entity. This will lead in operational synergies, centralisation, simplification, streamlining and facilitating efficient administration.
3. Creating value for shareholders by acquiring Mistral Solutions Private Limited – A company with niche capability and ability to spearhead itself into Embedded Product Engineering Services and Electronics and thereby add to the value chain of the Transferee Company.
4. Create strong technical and infrastructural capabilities to effectively meet future challenges in the rigorously competitive Embedded Product Engineering Services and Electronics.

5. The Transferor Company is the Shareholder Company of Mistral Solutions Private Limited. The amalgamation will result in reducing the shareholding layers and facilitate direct control of Mistral Solutions Private Limited.
6. General and administrative cost reduction and productivity gains by pooling of financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Parties.
8. **Relationship subsisting amongst the Company and the Transferor Company**
 - 8.1 The Scheme envisages amalgamation of Explosoft with ACETL. Explosoft is a shareholder company of Mistral Solutions Private Limited ("MSPL"). ACETL proposes to acquire MSPL in a phased manner.
 - 8.2 The Board of the Transferee Company on November 6, 2017 ("Relevant Date") approved the acquisition of MSPL in phased manner and accordingly post the Phase 1 acquisition of 16,32,718 equity shares of face value INR 5/- each of MSPL, the Transferee Company acquired 43.38% of the paid-up capital of MSPL (based on the paid-up capital of MSPL as on the Relevant Date) and the Transferor Company held 44.62% of the paid-up capital of MSPL (based on the paid-up capital of MSPL as on the Relevant Date). Prior to the above acquisition of MSPL, the Transferee Company was not related to the Transferor Company and they didn't fall under the same group/management. Further, pursuant to the Scheme, the Transferee Company would acquire additional stake in MSPL aggregating to approximately 87.22% of the paid-up capital of MSPL as on December 31, 2017.
9. **Salient features of the Scheme**

The material provisions of the proposed Scheme are detailed hereunder:

"4. AMALGAMATION OF EXPLOSOFT WITH ACETL

- 4.1 *Upon the Scheme becoming effective but with effect from Appointed Date, the Transferor Company, pursuant to Sections 230 to 232 of the Act and any other relevant provisions of the Act (as may be applicable) and without any further act, instrument, deed, matter, or thing, be transferred to and vested in the Transferee Company by way of amalgamation.*
- 4.2 *Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire business and undertaking(s) of the Transferor Company including all the debts, liabilities, duties and obligations, including those arising on account of taxation laws and other allied laws of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets (whether tangible or intangible) of the Transferor Company comprising, amongst others, all freehold land, leasehold land,*

building, plants, motor vehicles, receivables, actionable claims, furniture and fixtures, computers, instruments and equipments, machineries, T.V sets, cameras, software, products, portals, inventories, merchandising rights, websites, office equipment, electrical installations, telephones, telex, facsimile and other communication facilities and business licenses, permits, deposits, authorisations, approvals, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, product licenses, marketing authorisations or other intellectual property rights, proprietary right, title, interest, contracts, consent, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, under the applicable provisions of the Act and pursuant to the order of the Tribunal(s) sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, debts, liabilities, duties and obligations, business and undertaking(s) of the Transferee Company.

- 4.3 *With effect from the Appointed Date all debts, liabilities, duties, Explosoft Debentures and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of account of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.*
- 4.4 *With effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.*
- 4.5 *Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.*
- 4.6 *All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and those created by the Transferor Company after the Appointed Date, over the assets comprised in the business and undertaking(s) or any part thereof transferred to the*

Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, encumbrances or liens secure or relate to liabilities of the Transferor Company the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company and such securities, mortgages, charges, encumbrances or liens shall not relate or attach to any of the other assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company.

- 4.7 *The existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.*
- 4.8 *It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.*
- 4.9 *With effect from the Appointed Date, all statutory licences, registrations, incentives, tax deferrals and benefits, carry-forward of tax losses, tax credits, tax refunds, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, permissions, approvals or consents to carry on the operations of the Transferor Company special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date shall stand vested in or transferred to the Transferee Company, pursuant to the Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the business and undertaking(s) of the Transferor Company pursuant to this Scheme.*
- 4.10 *The amalgamation of the Transferor Company into the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income tax Act, 1961. This Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. At a later date, if any term or provision of the Scheme is found or interpreted to be inconsistent with any provision thereof, including resulting from an amendment of law or for any reason whatsoever, the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will however not affect other parts of the Scheme.*

5. CONSIDERATION

5.1 *Upon this Scheme becoming effective and in consideration for the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot equity shares credited as fully paid-up, to the extent indicated below, to the members of the Transferor Company, holding fully paid-up equity shares in the Transferor Company and whose names appear in the Register of Members of the Transferor Company, on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of Directors of the Transferor Company in the following proportion:*

“10 (Ten) fully paid-up Equity Shares of INR 5/- each of ACETL shall be issued and allotted for 69 (Sixty Nine) fully paid-up Equity Shares of INR 10/- each held in Explosoft (herein after referred to as “New Equity Shares”).”

5.2 *The New Equity Shares to be issued to the members of the Transferor Company pursuant to Clause 5.1 shall be in multiples of 1. Any fractional equity shares shall be rounded-off to the next higher multiple of 1.*

5.3 *The New Equity Shares to be issued to the members of the Transferor Company pursuant to Clause 5.1 read with Clause 5.2 shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing equity shares of the Transferee Company in all respects.*

5.4 *The Equity Shares of the Transferee Company shall be issued and allotted in dematerialized form to those equity shareholders who hold equity shares in demat form of the Transferor Company. If such details are not provided by the Board of Transferor Company, the New Equity Shares shall be issued in the physical form.*

5.5 *New Equity Shares of the Transferee Company to be issued and allotted to the equity shareholders of the Transferor Company pursuant to Clause 5.1 of this Scheme will be listed and admitted to trading on the Stock Exchanges, where the equity shares of the Transferee Company are listed and traded in accordance with the applicable laws. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws, SEBI Listing Regulations for complying with the formalities of the said Stock Exchanges. The new Equity Shares allotted pursuant to Clause 5.1 of this Scheme shall remain frozen in the depositories system until relevant directions in relation to listing and/ or trading are provided by the relevant Stock*

Exchanges.

- 5.6 *The Transferee Company shall, prior to the Scheme becoming effective, take necessary actions including but not limited to passing necessary resolutions; making relevant filings with Ministry of Corporate Affairs, Registrar of Companies, Karnataka; and payment of necessary stamp duty and filing related fees as may be payable under applicable law and regulations for increase in the authorized share capital for issuance of equity shares under the Scheme and consequent amendments to the memorandum and articles of association of the Transferee Company.*
- 5.7 *Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be due compliance of the provisions of Sections 42, 62 and the other relevant provisions of the Act, SEBI Listing Regulations and all applicable laws for the issue, allotment and listing of equity shares by the Transferee Company, as provided in this Scheme.*

6. ISSUE AND ALLOTMENT OF DEBENTURES

- 6.1 *Upon this Scheme becoming effective, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot such number of Debentures credited as fully paid-up equivalent to the extent of the principal amount along with accumulated interest recorded by the Transferor Company in its books of accounts upto the Effective Date, to the debenture holders of the Transferor Company, holding fully paid-up Explosoft Debentures in the Transferor Company, as per the terms and subject to the conditions set out in Annexure 1 and whose names appear in the Register of Debentures Holders of the Transferor Company, on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of Directors of the Transferor Company.*
- 6.2 *The Debentures of the Transferee Company to be issued and allotted to the Explosoft Debenture holders pursuant to Clause 6.1 of this Scheme will not be listed and hence not be admitted for trading on the Stock Exchanges, where the equity shares of the Transferee Company are listed.*
- 6.3 *Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be due compliance of the provisions of Sections 42, 62, 71 and the other relevant provisions of the Act.*

7. STAFF, WORKMEN & EMPLOYEES

- 7.1 *On the Scheme becoming effective, all staff, workmen and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and*

employees of the Transferee Company with effect from the later of Appointed Date or the actual date of joining, without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company (i.e. cost to company basis, in monetary terms) shall not be less favourable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.

7.2 *It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff, workmen and employees of the Transferor Company shall become trusts/funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such funds/trusts or in relation to the obligation to make contributions to the said funds/trusts in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such funds/trusts shall become those of the Transferee Company. It is clarified that, for the purpose of the said funds/trusts, the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous with the Transferee Company from the date of employment as reflected in the records 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 is pending, including those arising on account of taxation laws and other allied laws, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of this arrangement or 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.*

9. CONTRACTS, DEEDS, ETC. AND POWER TO GIVE EFFECT TO THIS PART

9.1 *Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, registrations, licenses, permissions, approvals, consents, entitlements, sanctions, permits benefits, rights arising from contracts, deeds, licenses, instruments and agreements, if any, of whatsoever nature to which the Transferor Company is party to and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, 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, notwithstanding the terms contained in such contracts, deeds, bonds,*

agreements, licences, permits, registrations, approvals and other instruments etc.

9.2 *The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.*

10. TAXATION MATTERS

10.1 *All taxes (including, without limitation, income tax, wealth tax, sales tax, custom duty, service tax, value added tax, central sales tax, GST, etc.) paid or payable by the Transferor Company in respect of the operations or profits and assets of the Transferor Company before the Appointed Date, shall be on account of the Transferee Company and, in so far as it relates to any tax payment (including, without limitation, income tax, minimum alternate tax, dividend distribution tax, wealth tax, sales tax, custom duty, service tax, value added tax, central sales tax, GST, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of its profits or activities or operation or assets with effect from the Appointed Date, the same be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.*

10.2 *Any refund under the tax laws due to the Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.*

10.3 *The Transferee Company shall be entitled to revise and file income tax returns, sales tax / value added tax return, service tax returns and any other returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme. The Transferee Company shall be entitled to such tax benefits, including but not limited to, minimum alternate tax paid under Section 115JA/115JB of the Income-tax Act, 1961 and the right to claim credit in accordance with Section 115JAA of the Income-tax Act, 1961, including the benefit of brought forward losses or depreciation as admissible under the provisions of the Income tax Act, 1961 to the extent applicable, of the Transferor Company from the taxable profits of the Transferee Company with effect from the Appointed Date. Further, all existing and future benefits/ claim/ relief under the provisions of Income-tax Act, 1961 shall be available to the Transferee Company in the same manner and to the extent as those were available otherwise to the Transferor Company upon fulfilment of the prescribed conditions. The Transferee Company shall continue to enjoy the tax benefits and concessions provided to the Transferor Company by the concerned authorities.*

10.4 *Any refund/ credit/ claim benefits/ incentives under any tax laws due to the Transferor Company*

(including but not limited to advance tax, self-assessment tax, regular assessment tax, service tax, CENVAT, minimum alternative tax, value added tax, central sales tax central sales tax, GST, etc.) shall belong to and be received by the Transferee Company. Without prejudice to the generality of the aforesaid provision, all the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, in relation to its operations, shall upon the Scheme becoming effective and with effect from the Appointed Date be transferred to and vested in the Transferee Company and all the benefits, entitlements and incentives of any nature whatsoever, including minimum alternate tax credit entitlement, 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 incentives schemes and/ or policies.

10.5 *The Transferee Company shall be deemed to be authorized under this Scheme to execute any pleadings, submissions, 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.*

11. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

11.1 *Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for amalgamation of Transferor Company in its books of account in accordance with the method prescribed under the Indian Accounting Standard notified under Section 133 of the Act, as amended from time to time.*

11.2 *The amount of any inter-company balances amongst the Transferor Company and between the Transferor Company and the Transferee Company, if any, shall stand cancelled without any further act or deed, upon the Scheme becoming effective.*

11.3 *The Transferee Company shall credit to equity in its books of account, the difference between the fair value and face value of the equity shares issued as per Clause 5.1 by the Transferee Company pursuant to this Scheme.*

11.4 *In case of any differences in accounting policies between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the Financial Statements reflect the financial position on the basis of consistent accounting policies.*

12. REORGANISATION OF AUTHORIZED CAPITAL OF THE TRANSFEREE COMPANY

12.1 *Upon the Scheme becoming effective, the authorized share capital of the Transferor Company shall stand combined with the authorized share capital of the Transferee Company. Filing fees and stamp duty, if any, paid by the Transferor Company on its authorized share capital, shall*

be deemed to have been so paid by the Transferee Company on the combined authorized share capital and accordingly, the Transferee Company shall not be required to pay any fee/ stamp duty for its increased authorized share capital.

- 12.2 *Clause 5 of the Memorandum of Association of the Transferee Company and any other Clause(s) of the Memorandum of Association and Articles of Association as may be applicable shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to the applicable provisions of the Act by deleting the existing Clause and replacing it with the following:*

“The Authorized Share Capital of the Company is INR 128,00,00,000/- (Rupees One Hundred Twenty Eight Crores only) divided into 25,40,00,000/- (Twenty Five Crore Forty Lakh only) Equity Shares of INR 5/- each and 1,00,000 (One Lakh only) Preference Shares of INR 100/- each.”

13. TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

During the period from the Appointed Date to the Effective Date:

- 13.1 *The Transferor Company shall carry on and be deemed to have carried on its businesses and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its entire businesses and undertaking(s) for and on account of and in trust for the Transferee Company.*
- 13.2 *The Transferor Company shall carry on its business and activities in the ordinary course of business with reasonable diligence and business prudence.*
- 13.3 *All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred or arising to the Transferor Company, shall for all purposes be treated and deemed to be and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee Company.*
- 13.4 *The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to Government Authority concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.*

14. SAVING OF CONCLUDED TRANSACTIONS

- 14.1 *Subject to the terms of this Scheme, the transfer and vesting of the assets and liabilities of the*

Transferor Company under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company before the Appointed Date or concluded 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 made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

Note: The Unsecured Creditors are requested to read the entire text of the Scheme attached herewith to get better acquainted with the provisions thereof. What is stated hereinabove are brief salient features.

10. Disclosure about the effect of the arrangement on:
(a) key managerial personnel; (b) directors; (c) promoters; (d) non-promoter members; (e) depositors; (f) creditors; (g) debenture holders; (h) deposit trustee and debenture trustee; (i) employees of the company

The Directors of ACETL and Explosoft may be deemed to be concerned and/ or interested in the proposed Scheme to the extent of the shares that may be held by them or by the companies, firms, institutions, trusts of which they are Directors, Partners, Members or Trustees in ACETL and Explosoft. Additionally the Scheme does not have any effect on the Directors/Key Managerial Personnel /Promoters/ Non-promoter Members, if any/ Creditors/ Debenture holders, if any/Debenture Trustee, if any/Employees of the ACETL and Explosoft.

11. Disclosure about effect of Arrangement on material interests of directors, Key Managerial Personnel:

None of the Directors and the Key Managerial Personnel of the Company and Explosoft have any material interest in the Scheme except as shareholders to the extent, which will appear from the Register of Director's Shareholding maintained by ACETL and the Register of Director's shareholding maintained by Explosoft.

12. **Fairness Opinion and Approvals:**

- 12.1 A Valuation Report dated November 5, 2017 has been prepared by SSPA & Co, recommending the Share Exchange Ratio to the Board of Directors of the Company and the Transferor Company. A copy of the said report is annexed herewith and marked as **Annexure B** and is also available for inspection at the registered office of the Company.

- 12.2 In terms of the SEBI Circular, Fortress Capital Management Services Private Limited, a Category-I Merchant Banker, vide its letter dated November 5, 2017, has submitted to the Board of Directors of the Company, a fairness opinion, stating that the Valuation Report is fair and reasonable. A copy of the said certificate is annexed herewith and marked as **Annexure C**.

12.3 A certificate has been issued by the statutory auditors of the Company and the Transferor Company stating that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013.

12.4 The Audit Committee of the Company, at its meeting held on November 6, 2017 has reviewed and recommended the Scheme for consideration by the Board of Directors of the Company. The Board of Directors of the Company, at its board meeting held on November 6, 2017, has by resolution approved the Scheme, as detailed below:

Name of the Director	Voted in favor / against / did not participate or vote
Mr. Vivek Mansingh	Favor
Mr. Sudhakar Gande	Favor
Mr. Kailash M. Rustagi	Favor
Mr. Srinath Batni	Favor
Mr. Pradeep Dadlani	Favor
Mr. Sidhartha Mehra	Favor
Mr. Rohitsava Chand	Favor

12.5 The Board of Directors of the Transferor Company, at its board meeting held on November 6, 2017, has by resolution approved the Scheme, as detailed below:

Name of the Director	Voted in favor / against / did not participate or vote
Mr. Anees Ahmed	Favor
Mr. Rajeev Ramachandra	Favor

13. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.

14. Pursuant to the SEBI Circular read with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR Regulations"), the Company has applied to BSE Limited and National Stock Exchange India Limited for their "No Objection/Observation Letter" to file the Scheme for sanction. Both BSE Limited and National Stock Exchange India Limited by their respective letter dated April 26, 2018 have given their Observation Letter to file the Scheme. The same are annexed herewith and marked as **Annexures D and Annexure E** respectively.

15. The Scheme along with related documents was hosted on the website of the Company, BSE Limited and National Stock Exchange India Limited and was open for complaints / comments. The Company has not received any complaints from the shareholder. A Complaint Report was filed with BSE Limited and National Stock Exchange India Limited on January 29, 2018 and March 14, 2018 respectively and copy of the same are annexed herewith and marked as **Annexure F and Annexure G** respectively. Further, as on the date of filing the Company Scheme Application, the Company has not received any complaints.

16. In compliance with the provisions of Section 232(2)(c) of the Companies Act, 2013, the Board of Directors of the Company and the Transferor Company, in their respective meetings held on June 26, 2018 and June 22, 2018, have adopted a report, *inter alia*, explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoter and non-promoter shareholders. Copy of the report adopted by the Board of Directors of the Company and the Transferor Company is annexed herewith and marked as **Annexure H and Annexure I** respectively.
17. In terms of the SEBI Circular, the applicable information of the Transferor Company in the format specified for abridged prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 is annexed herewith and marked as **Annexure J**.
18. The unaudited financial statements for the period ended December 31, 2017 of the Company is annexed herewith and marked as **Annexure K**.
19. The Company will make a Petition under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 to the Hon'ble National Company Law Tribunal, Bengaluru Bench, at Bengaluru for sanctioning of the Scheme. The Transferor Company will make a Petition under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 to the Hon'ble National Company Law Tribunal, Mumbai Bench, at Mumbai for sanctioning of the Scheme.
20. No investigation proceedings have been instituted or are pending under the provisions of Chapter XIV of the Companies Act, 2013 against ACETL and Explosoft.
21. Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed Scheme:

The copies of the Scheme are being filed simultaneously along with the dispatch of this notice with the following regulatory and governmental authorities:

1. Registrar of Companies, Karnataka;
2. Central Government through Regional Director, South East Region;
3. Income-tax Department, Government of India; and
4. BSE Limited and National Stock Exchange India Limited.

Approvals, sanctions or no-objection(s), if any, from the aforesaid regulatory or any other governmental authorities shall be obtained within the prescribed period.

22. No winding up petition is pending against the Company and the Transferor Company.

23. Details of capital or debt restructuring, if any:

23.1 **ACETL:**

As per Clause 5 of the Scheme, ACETL will allot equity shares as follows:

Sl. No.	Shares to be allotted pursuant to merger	No. of shares
A	Equity shares	
	Equity share to be allotted to equity shareholders of Explosoft	35,05,991

As per Clause 6 of the Scheme, ACETL will allot debentures as follows:

Sl. No.	Debentures to be allotted pursuant to merger	No. of debentures*
A	Debentures	
	Debenture to be allotted to debenture holders of Explosoft	3,50,00,000

* Note: The additional number of Debentures that would be allotted on account of accumulated interest in the books of Explosoft as on the Effective Date cannot be readily quantifiable and accordingly it has not been included in the table above.

23.2 **Explosoft:**

On the Scheme becoming effective, Explosoft would be amalgamated with ACETL pursuant to which Explosoft would stand dissolved without being wound up.

24. In the event that the Scheme is terminated or withdrawn in the manner set out herein, the Scheme shall stand revoked, cancelled and be of no effect and null and void and in such event each party hereto shall bear and pay respective costs, charges and expenses for and / or in connection with the Scheme.

25. As far as the shareholders of Explosoft are concerned, they shall receive equity shares of the Company as per the share entitlement ratio as detailed in Clause 5 of the Scheme and upon issue of such shares, they shall be classified as 'Public Shareholders' of the Company, other than to the extent held by Promoters of the Company.

26. As far as the debenture holders of Explosoft are concerned, they shall receive debentures of the

Company as per the debenture entitlement ratio as detailed in Clause 6 of the Scheme. Further the Company reserves right of conversion of such debentures into its equity shares at a later point of time (refer Annexure 1 of the Scheme for complete details).

27. Pursuant to SEBI Circular and the SEBI LODR Regulations, the pre scheme and post scheme (indicative) capital structure and shareholding pattern of the Company and the Transferor Company are given herein below:

27.1 **Pre & Post Scheme Capital Structure as on March 31, 2018**

Upon the Scheme becoming effective, the Company shall issue and allot equity shares to the shareholders of Explosoft in the manner as provided in the Scheme and Explosoft would stand dissolved without being wound up.

Pre and Post Amalgamation Capital Structure of Explosoft as on March 31, 2018 would be as under:

Particulars	Pre	Post
Authorized Capital	Amount (INR)	Amount (INR)
2,50,00,000 Equity Shares of INR 10/- each	25,00,00,000	Nil
Issued, Subscribed and Paid-up Capital	Amount (INR)	Amount (INR)
2,41,91,364 Equity Shares of INR 10/- each fully paid-up	24,19,13,640	Nil

On the Scheme becoming effective, Explosoft would be amalgamated with ACETL pursuant to which Explosoft would stand dissolved without being wound up.

Pre Amalgamation Capital Structure of ACETL as on March 31, 2018 is as under:

Particulars	Pre
Authorised Share Capital	Amount (INR)
20,40,00,000 Equity Shares of INR 5/- each	1,02,00,00,000
1,00,000 Preference Shares of INR 100/- each	1,00,00,000
Total	1,03,00,00,000
Issued Share Capital	Amount (INR)
3,78,10,630 Equity Shares of INR 5/- each fully paid-up	18,90,53,150
Total	18,90,53,150
Subscribed and Paid-up Share Capital	Amount (INR)
3,77,59,530 Equity Shares of INR 5/- each fully paid-up	18,87,97,650
Add: Forfeited Shares (amount originally paid INR 3 per share on 51,100 Equity Shares)	1,53,300
Total	18,89,50,950

Post Amalgamation Capital Structure of ACETL as on March 31, 2018 would be as under:

Particulars	Post
Authorised Share Capital**	Amount (INR)
20,40,00,000 Equity Shares of INR 5/- each	1,02,00,00,000
1,00,000 Preference Shares of INR 100/- each	1,00,00,000
Total	1,03,00,00,000
Issued Share Capital	Amount (INR)
4,13,16,621 Equity Shares of INR 5/- each fully paid-up	20,65,83,105
Total	20,65,83,105
Subscribed and Paid-up Share Capital	Amount (INR)
4,12,65,521 Equity Shares of INR 5/- each fully paid-up	20,63,27,605
Add: Forfeited Shares (amount originally paid INR 3 per share on 51,100 Equity Shares)	1,53,300
Total	20,64,80,905

** The treatment prescribed in Clause 12 of the Scheme for increase in Authorised Share Capital of the Transferee Company has not been considered in the above illustrative Capital Structure.

27.2 **Pre & Post Scheme Shareholding Pattern as on March 31, 2018**

Upon the Scheme becoming effective, the Company shall issue and allot equity shares to the shareholders of Explosoft in the manner as provided in the Scheme and Explosoft would stand dissolved without being wound up. The below shareholding pattern is prepared assuming there is no conversion of Cumulative Optionally Convertible Redeemable Debentures.

Pre and Post Scheme Shareholding Pattern of Explosoft as on March 31, 2018 is as under:

SI No.	Name of the Equity Shareholders	Pre		Post	
		No. of shares	%	No. of shares	%
1	Akhila D S	38,330	0.16	Nil - As the Transferor Company would be wound-up pursuant to the approval of the Scheme	
2	Amanullah Khan	71,275	0.29		
3	Anees Ahmed	1,04,91,333	43.37		
4	Anoop Agarwal	2,81,687	1.16		
5	Arun Kumar M	47,588	0.20		
6	Ashish Singh	2,48,382	1.03		
7	Joanne Ahmed	8,40,498	3.47		
8	Jupiter Capital	10	0.00		
9	Mujahid Alam	13,16,068	5.44		
10	Pawan Vashisht	2,50,542	1.04		
11	Raja Subramanian N	46,796	0.19		
12	Rajeev Ramachandra	75,10,346	31.05		
13	Rajesh Chakkingal	57,596	0.24		
14	Rakhi Chari	17,80,969	7.36		
15	Ramanan J V	1,22,391	0.51		
16	Sachidananda K	68,395	0.28		
17	Selvaraj Kaliyappan	3,87,333	1.60		
18	Sridhar TS	32,397	0.13		
19	Srinivas P R	4,44,929	1.84		
20	Sunil Kottarathil Nair	43,916	0.18		
21	Vijaya Bharat S	31,389	0.13		
22	Zubair Ahmed	79,194	0.33		
	Total	2,41,91,364	100		

Pre and Post Scheme Shareholding Pattern of ACETL as on March 31, 2018 is as under:

Sl No	Description	Name/Category	Pre		Post	
			No. of shares	%	No. of shares	%
(A)	Shareholding of Promoter and Promoter Group					
1	Indian					
(a)	Individuals/ Hindu Undivided Family		-	-	-	-
(b)	Central Government/ State Government(s)					
(c)	Bodies Corporate	Indian Aero Ventures Private Limited	61,54,219	16.30	61,54,219	14.91
		Jupiter Capital Private Limited	66,48,952	17.61	66,48,953	16.11
		Tayana Digital Private Limited	1,21,42,100	32.15	1,21,42,100	29.42
(d)	Financial Institutions/ Banks					
(e)	Any Others					
	Sub Total(A)(1)		2,49,45,271	66.06	2,49,45,272	60.45
2	Foreign					
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)					
(b)	Bodies Corporate					
(c)	Institutions					
(d)	Any Others					
	Sub Total(A)(2)					
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		2,49,45,271	66.06	2,49,45,272	60.45
(B)	Public shareholding					
1	Institutions					
(a)	Mutual Funds/ UTI					
(b)	Financial Institutions / Banks		93,618	0.25	93,618	0.23
(c)	Central Government/ State Government(s)					
(d)	Venture Capital Funds					

(e)	Insurance Companies					
(f)	Foreign Institutional Investors/Foreign Portfolio Investors		58,686	0.16	58,686	0.14
(g)	Foreign Venture Capital Investors					
(h)	Any Other					
	Sub-Total (B)(1)		1,52,304	0.41	1,52,304	0.37
2	Non-institutions					
(a)	Bodies Corporate					
(b)	Individuals					
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh		58,74,018	15.56	59,66,665	14.46
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.		42,66,387	11.30	76,79,730	18.61
(c)	Any Other					
		NBFCs Registered with RBI	15,800	0.04	15,800	0.04
		MGT	5,250	0.01	5,250	0.01
		Trusts	1,500	0.00	1,500	0.00
		Alternative Investment Fund	2,93,009	0.78	2,93,009	0.71
		Non Resident Indians	2,02,435	0.54	2,02,435	0.49
		Clearing Members	76,588	0.20	76,588	0.19
		Non-resident Indian Non-repatriable	1,12,610	0.30	1,12,610	0.27
		Bodies Corporates	18,14,330	4.80	18,14,330	4.40
		Foreign Nationals	28	0.00	28	0.00
	Sub-Total (B)(2)		1,26,61,955	33.53	1,61,67,945	39.18
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)		1,28,14,259	33.94	1,63,20,249	39.55
	TOTAL (A)+(B)		3,77,59,530	100.00	4,12,65,521	100.00
(C)	Shares held by Custodians and against which DRs have been issued					
	GRAND TOTAL (A)+(B)+(C)		3,77,59,530	100.00	4,12,65,521	100.00

28. The following documents are available for obtaining extract from or for making or obtaining copies of or for inspection by the Unsecured Creditors of the Company at the Registered Office of the Company, between 9.00 A.M. to 5.00 P.M., one day prior to the date of the Meeting on all working days (except Saturdays, Sundays and public holidays):
- a. Copy of the Order of the National Company Law Tribunal, Bengaluru Bench, dated June 15, 2018 passed in Company Application No. 34 of 2018 directing the Company, to convene the Meeting of its Equity Shareholders, Secured Creditors and Unsecured Creditors.
 - b. Memorandum of Association and Articles of Association of the Company and of the Transferor Company.
 - c. Audited Financial Statements of the Transferee Company for the year ended March 31, 2017.
 - d. Audited Financial Statements of the Transferor Company for the year ended March 31, 2017.
 - e. Unaudited Financial Statements of the Transferee Company for the period ended December 31, 2017.
 - f. Unaudited Financial Statements of the Transferor Company for the period ended December 31, 2017.
 - g. Copy of the Scheme of Amalgamation of the Transferor Company with the Company and their respective shareholders.
 - h. Observation letter dated April 26, 2018 issued by BSE Limited and observation letter dated April 26, 2018 issued by National Stock Exchange India Limited.
 - i. Complaints reports dated January 29, 2018 and March 14, 2018 submitted by the Company to BSE Limited and National Stock Exchange India Limited respectively.
 - j. Copies of the resolution passed by the respective Board of Directors of the Company and the Transferor Company dated November 6, 2017 approving the Scheme.
 - k. Certificate issued by the Statutory Auditors of the Company and of the Transferor Company stating that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013.
 - l. Copy of the valuation report dated November 5, 2017 issued by SSPA & Co.
 - m. Copy of the Fairness Opinion dated November 5, 2017 of Fortress Capital Management Services Private Limited, a category -1 Merchant Banker.
 - n. Copy of Audit Committee Report dated November 6, 2017 of the Transferee Company.

- o. Copy of the Reports adopted by the Board of Directors of the Transferor Company and the Transferee Company, respectively pursuant to the provision of Section 230-232 of the Companies Act, 2013
- p. Copy of the Register of Director's shareholding of the Company;
- q. Such other information or documents as the Board or Management believes necessary and relevant for making decision for or against the Scheme.

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By order of the National Company Law Tribunal
Sd/-
Joby Chacko, Advocate
Chairman appointed for the meeting

Dated this 27th day of June, 2018

Place: Bengaluru

Registered Office:

AXISCADES Engineering Technologies Limited,

Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024

Website: www.axiscades.com

E-mail: investor.relations@axiscades.com