

SCHEME OF AMALGAMATION

OF

INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED

AND

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956)

Certified True Copy

AXISCADES Engineering Technologies Ltd.

Shweta Agrawal

SHWETA AGRAWAL
Company Secretary

GENERAL

I. Purpose of Scheme

This Scheme of Amalgamation is presented under Sections 391 to 394 and other relevant applicable provisions of the Companies Act, 1956, for Amalgamation of India Aviation Training Institute Private Limited into AXISCADES Engineering Technologies Limited.

II. Rationale for the Scheme

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

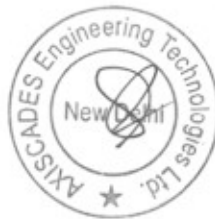
1. Greater integration, financial strength and flexibility for the amalgamated entity, would result in maximizing overall shareholder value, and will improve the competitive position of the combined entity.
2. Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
3. Improved organizational capability and leadership, arising from the pooling of human capital that has the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
4. Cost savings are expected to flow from more focused operational efforts, rationalization, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.



III. Parts of the Scheme

The Scheme is divided into following parts:

1. **Part A** - dealing with definitions of the terms used in this Scheme of Amalgamation and sets out the share capital of the Transferor Company and Transferee Company as defined in this Scheme;
2. **Part B** - dealing with the amalgamation of India Aviation Training Institute Private Limited into AXISCADES Engineering Technologies Limited;
3. **Part C** - dealing with the accounting treatment for the amalgamation in the books of the Transferee Company ; and
4. **Part D** - dealing with the dissolution of the Transferor Company without winding up and the general terms and other conditions applicable to this Scheme and other matters consequential and integrally connected thereto.

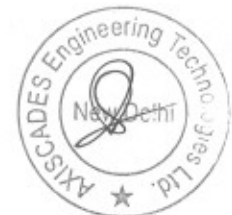


PART A

1. DEFINITIONS

In this Scheme of Amalgamation, unless repugnant to the context, the following expressions shall have the following meaning:

- 1.1 "Act" means the Companies Act, 1956, ordinances, rules and regulations made there under and the relevant provisions of Companies Act, 2013 to the extent applicable and shall include any statutory modifications, re-enactment or amendment thereof.
- 1.2 "Appointed Date" means the 1st day of April, 2016, or such other date as the Hon'ble High Court or such other authorities may direct/ fix.
- 1.3 "ACETL" or "Transferee Company" means AXISCADES Engineering Technologies Limited, a company incorporated under the Companies Act, 1956, and having its registered office at A-264, Second Floor, Defence Colony, New Delhi - 110024. ACETL is in the process of shifting its registered office to Bengaluru in the state of Karnataka.
- 1.4 "Board of Directors" or "Board" means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof.
- 1.5 "IAT" or "Transferor Company" means India Aviation Training Institute Private Limited, a company incorporated under the Companies Act, 1956, and having its registered office at Jupiter Innovision Centre, No.54, Richmond Road, Bangalore - 560025.



- 1.6 "Effective Date" means the last of the date on which the certified copy of the order of the High Court sanctioning the Scheme is filed with the Registrar of Companies, Karnataka at Bangalore by Transferee Company and Transferor Company respectively.
- 1.7 "High Court" or "Court" means the Hon'ble High Court of Karnataka at Bangalore, having jurisdiction in relation to the Transferee Company and the Transferor Company and as the context may require and shall include National Company Law Tribunal, if applicable.
- 1.8 "Income-tax Act" means the Income-tax Act, 1961, and shall include any statutory modifications, re-enactment or amendment thereof.
- 1.9 "Record Date" means the date to be fixed by the Board of Directors of ACETL for the purpose of issue of new equity shares (defined later) to the shareholders of IAT under the Scheme.
- 1.10 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form or with any modification(s) made there under, as approved or directed by the High Court or any other appropriate authority.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, and other applicable laws, rules, regulations, by-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.



2. SHARE CAPITAL

2.1. The share capital of the Transferor Company as at March 31, 2015, was as under:

Authorised Capital	Amount in INR
10,00,000 Equity shares of Re. 10/- each	1,00,00,000
Issued, Subscribed and Paid-Up Capital	Amount in INR
10,000 Equity shares of Re. 10/- each fully paid-up	1,00,000

Subsequent to March 31, 2015, the Transferor Company has increased its authorised and paid-up share capital pursuant to which the share capital is as under:

Authorised Capital	Amount in INR
4,80,00,000 Equity Shares of Rs.10/- each	48,00,00,000
Issued, Subscribed and Paid-up Capital	Amount in INR
4,75,64,716 Equity Shares of Rs.10/- each fully Paid-up	47,56,47,160

Post the above, there is no change in the equity share capital of the Transferor Company.

2.2. The share capital of the Transferee Company as at March 31, 2015, was as under:

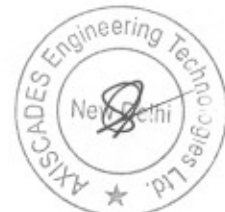


Authorised Capital	Amount in INR
10,80,00,000 Equity Shares of Re. 5/- each	54,00,00,000
1,00,00,000 Preference Shares of Re. 100/- each	1,00,00,000
Total	55,00,00,000
Issued Share Capital	Amount in INR
2,72,40,693 Equity Shares of Re. 5/- each	13,62,03,465
Total	13,62,03,465
Subscribed and Paid-Up Capital	Amount in INR
2,71,89,593 Equity Shares of Re. 5/- each	13,59,47,965
Add: Forfeited shares (amount originally paid Re. 3 per share on 51,100 equity shares)	1,53,300
Total	13,61,01,265

Subsequent to the above date there has been no change in the share capital of the Transferee Company.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or any other appropriate authority shall be effective from the Appointed Date mentioned herein, but shall be operative from the Effective Date.



PART B

AMALGAMATION OF INDIA AVIATION TRAINING INSTITUTE PRIVATE
LIMITED INTO AXISCADES ENGINEERING TECHNOLOGIES LIMITED

4. AMALGAMATION

- 4.1 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, 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 provisions of Sections 391 to 394 of the Act, and pursuant to the order of the High Court 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, business and undertaking(s) of the Transferee Company .

- 4.2 With effect from the Appointed Date all debts, liabilities, duties 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.
- 4.3 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.
- 4.4 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.
- 4.5 All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date or created by the Transferor Company after the Appointed Date, over the assets comprised in the undertaking 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.

- 4.6 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.
- 4.7 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.
- 4.8 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



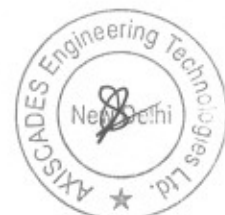
to the Transferor Company, whether before or after the Appointed Date shall stand vested in or transferred to the Transferee Company, pursuant to the Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the undertakings of the Transferor Company pursuant to this Scheme.

- 4.9 The amalgamation of the Transferor Company with 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.

5. CONSIDERATION

- 5.1 Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company, whose names are registered in the Register of Members and/ or on records of the Depositories as the case may be, of the Transferor Company on the Record Date (to be fixed by the Board of Directors of the Transferee Company) or his /her/its legal heirs, executors or administrators or, as the case may be, successors -in-title, as the case may be, fully paid up equity shares in the following proportion viz.:

“10 (“Ten”) fully paid up equity share of Rs 5/- each of the Transferee Company shall be issued and allotted for every 45 (“Forty Five”) fully paid up equity share of Rs 10/- each held in Transferor Company (hereinafter referred to as “New Equity Shares”)”



5.2 The equity shares to be issued and allotted by Transferee Company as per Clause 5.1 would be with rights attached hereto as under:

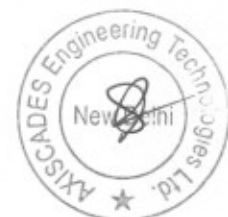
- (a) The New Equity Shares to be issued and allotted by the Transferee Company in terms hereof will be subject to Memorandum and Articles of Association and shall rank pari passu with the existing equity shares of the Transferee Company in all respects including dividend.
- (b) The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of New Equity Shares to the members of the Transferor Company, as the case may be, under the Scheme.
- (c) The Transferee Company shall, to the extent required, have Authorised Share Capital in order to issue New Equity Shares under this Scheme.

5.3 The Equity Shares to be issued to the members of the Transferor Company under Clause 5.1 shall be in multiples of 1. Any issue of fractional shares as per Clause 5.1, shall be rounded-off to the nearest whole number.

5.4 The issue and allotment of New Equity Shares by the Transferee Company to the shareholders of the Transferor Company as the case may be, as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 62(1) and any other applicable provisions of the Act were duly complied with.



- 5.5 The New equity shares of the Transferee Company issued in terms of Clause 5.1 of this Scheme will be listed and/or admitted to trading on BSE Limited and National Stock Exchange of India Limited where the shares of the Transferee Company are listed and/or admitted to trading. 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 or regulations for complying with the formalities of the said stock exchanges.
- 5.6 For the purpose of issue of New equity shares to the shareholders of the Transferor Company, the Transferee Company shall, if and to the extent required, apply for and obtain the required statutory approvals and approvals of other concerned regulatory authorities for the issue and allotment by the Transferee Company of such equity shares.
- 5.7 In the event of there being any pending share transfers with respect to any application lodged for transfer by any shareholder of the Transferor Company, the Board of Directors or any committee thereof of the Transferor Company, if in existence, or failing which, the Board of Directors or any committee thereof of the Transferee Company shall be empowered in appropriate cases, even subsequent to the Record Date, to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or the transferee of the share(s) in the Transferor Company and in relation to the New Equity Shares after the Scheme becomes effective.



6. STAFF, WORKMEN & EMPLOYEES

- 6.1 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 Appointed Date, 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.
- 6.2 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 or funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds 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 fund or funds shall become that of the Transferee Company. It is clarified that, for the purpose of the said fund or funds, 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.



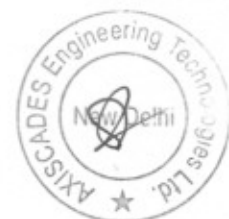
7. **LEGAL PROCEEDINGS**

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 the arrangement by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

8. **CONTRACTS, DEEDS, ETC. & POWER TO GIVE EFFECT TO THIS PART**

8.1 Subject to the other provisions of this scheme, all contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments, if any, of whatsoever nature to which the Transferor Company are a party 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.

8.2 The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be



deemed to be authorised 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.

9. TAXATION MATTERS

9.1 Upon the Scheme coming into effect, the Transferee Company through its Board of Directors, or any person(s) or committee authorised/ appointed by them, may carry out or assent to any modifications/ amendments to the returns and other documents filed by the Transferor Company for periods falling prior to the Appointed Date, in relation to taxation and other allied laws, desirable or appropriate by them (i.e., the Board of Directors or the person(s)/ committee).

9.2 Any tax liabilities under the Income-tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, any other state Sales Tax/ Value Added Tax laws, Service Tax, stamp laws or other applicable laws/ regulations in India or any overseas jurisdiction (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the books of accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

9.3 Upon coming into effect of the Scheme, all taxes (including income tax, tax deducted at source (TDS), advance tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid by the Transferor Company from the Appointed Date regardless of the period to which they relate shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company and the Transferee Company shall be entitled to take



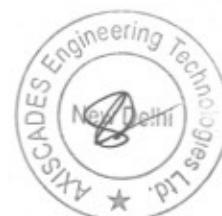
credit for such taxes notwithstanding that certificates/ challans for the said taxes are in the name of the Transferor Company and not in the name of the Transferee Company. Likewise all taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) payable by the Transferor Company in respect of the operations and/ or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, the same shall be deemed to be the corresponding tax paid by the Transferee Company and, shall, in all proceedings, be dealt with accordingly. The Transferee Company shall, upon the coming into effect of the Scheme, be entitled to revise the income tax returns, wealth tax return or any other relevant tax returns, if any, filed by it or the Transferor Company for any year, if so necessary pursuant or consequent to the Scheme to the extent such revision is permissible under applicable law(s) or suitably incorporate such transactions in its annual returns with necessary intimation to tax offices.

- 9.4 Without prejudice to generality of the aforesaid, any concession or statutory forms under the Tax Laws or local levies issued or received by the Transferor Company in respect of period commencing from the Appointed Date shall be deemed to be issued or received in the name of the Transferee Company and benefit of such forms shall be allowable to the Transferee Company in the same manner and to the same extent as would have been available to the Transferor Company. Without prejudice to generality of the aforesaid, any concessional or statutory declaration forms under the state VAT Laws or Central Sales Tax Laws or local levies issued or received by the Transferor Company in respect of period commencing from the Appointed Date and till the Effective Date shall be deemed to be issued or



received in the name of the Transferor Company and such forms shall be used by Transferor Company in good faith and bonafide business operations subject however that unutilised forms as on the Effective Date shall be surrendered to Commercial tax department for fresh issuance of corresponding forms in favor of the Transferee Company.

- 9.5 Any refund under the Tax Laws due to Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 9.6 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, service-tax exemptions, incentives, concessions and other authorizations of the Transferor Company shall stand transferred by the order of the High Court to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning High Court.
- 9.7 Pursuant to this Scheme, it is declared that the various benefits which the Transferor Company is entitled to under incentive schemes including export related incentive schemes and policies under various laws, regulations and notifications, shall be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including service-tax concessions, and incentives shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the



benefits under the incentive schemes and policies were made available to Transferor Company.

10. REORGANISATION & RECLASSIFICATION OF THE SHARE CAPITAL OF THE TRANSFEEE COMPANY

- 10.1 Upon the Scheme coming into effect, the authorised share capital of the Transferee Company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies, by an amount of Rs. 48,00,00,000/- (Rupees Forty Eight Crores Only), and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the Authorized Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14, 15, 61 and 64 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on its respective authorised share capitals shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased.

Accordingly, in terms of this Scheme, the authorised share capital of the Transferee Company shall stand enhanced to an amount of Rs. 1,03,00,00,000/- (Rupees One Hundred Three Crores Only) and the face value of Equity shares will be classified into and be divided into 20,40,00,000



(Twenty Crores Forty Lakhs) equity shares of Rs. 5/- each and 1,00,000 (One Lakh) Preference shares of Rs. 100/- each and the capital clause being Clause V of the Memorandum of Association of the Transferee Company shall stand substituted to read as follows:

"The Authorized Share Capital of the Company is Rs. 1,03,00,00,000/- (Rupees One Hundred Three Crores Only) divided into 20,40,00,000 (Twenty Crores Forty Lakhs) equity shares of Rs. 5/- each and 1,00,000 (One Lakh) Preference shares of Rs. 100/- each."



PART C

11 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFeree COMPANY

On the Scheme becoming effective the Transferee Company shall account for the amalgamation of the Transferor Company in its books as given below:

- 11.1 All the assets, including but not limited to the fixed assets, existing investments in India or outside India, intangibles and any other assets recorded in the books of the Transferor Company, subject to clause 11.5, be recorded by the Transferee Company at its respective book values.
- 11.2 All the liabilities recorded in the books of the Transferor Company, subject to clause 11.5, be recorded by the Transferee Company at its respective book values.
- 11.3 The face value of the New Equity shares of the Transferee Company issued pursuant to this Scheme shall be credited to the Equity Share Capital account in the books of the Transferee Company.
- 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.
- 11.5 The amount of any inter-company balances, amounts or investments between the Transferor Company and the Transferee Company, appearing



in the books of account of the Transferee Company and the Transferor Company shall stand cancelled without any further act or deed, upon the Scheme coming into effect.

- 11.6 The surplus arising out of the value of assets as recorded in clause 11.1 over the value of liabilities as recorded in clause 11.2 including the face value of New Equity Shares issued as mentioned in clause 11.3 and after making adjustments as mentioned in clauses 11.4 and 11.5 will be in accordance with the Pooling of Interest method as prescribed under Accounting Standards 14 -- Accounting for Amalgamations issued by Institute of Chartered Accountants of India.

12 TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

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

- 12.1 The Transferor Company shall carry on and be deemed to have carried on their respective business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of their entire businesses and undertakings for and on account of and in trust for the Transferee Company.
- 12.2 The Transferor Company shall carry on its respective business activities in the ordinary course of business with reasonable diligence and business prudence.
- 12.3 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.

- 12.4 The Transferee Company shall be entitled pending the sanction of the Scheme to apply to the Central Government and all other Government Authorities/Agencies 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.

13 SAVING OF CONCLUDED TRANSACTIONS

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 on or 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.



PART D

DISSOLUTION OF THE TRANSFEROR COMPANY AND THE GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME OF AMALGAMATION AND OTHER MATTERS CONSEQUENTIAL AND INTEGRALLY CONNECTED THERETO

14 WINDING UP

On the Scheme becoming effective the Transferor Company shall stand dissolved without being wound-up.

15 CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- i. The requisite consent, approval or permission of the Central Government, Securities and Exchange Board of India ("SEBI") or any Government Authorities, which by law may be necessary for the implementation of this Scheme;
- ii. The Scheme being approved by shareholders of Transferee Company through special resolution passed by way of postal ballot and e-voting in terms of para 5.16 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;
- iii. The certified copies of the orders of the High Court sanctioning the Scheme are filed with the Registrar of Companies, Karnataka; and



iv. Compliance with such other conditions as may be imposed by the High Court.

16 APPLICATION TO HIGH COURT

The Transferee Company and the Transferor Company shall, with all reasonable despatch, make and file applications to the High Court, within whose jurisdiction the registered offices of the Transferee Company and the Transferor Company are situated for sanctioning the Scheme and for dissolution of the Transferor Company without being wound-up.

17 MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferee Company and the Transferor Company by their respective Board of Directors, or any person(s) or committee authorised/ appointed by them may carry out or assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the High Court and/ or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e., the Board of Directors or the person(s)/ committee). The Transferee Company and the Transferor Company by their respective Board of Directors, or any person(s) or committee authorised/ appointed by them shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.



18 EFFECT OF NON-RECEIPT OF APPROVALS

In the event any of the approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of the Transferee Company and the Transferor Company shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme is not sanctioned by the High Courts, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

19 COSTS, CHARGES AND EXPENSES

In the event of the Scheme being sanctioned by the High Court, the Transferee Company shall bear and pay all costs, charges, expenses, taxes including duties, levies in connection with the Scheme.

Certified True Copy

AXISCADES Engineering Technologies Ltd


SHWETA AGRAWAL
Company Secretary