

COMPOSITE SCHEME OF ARRANGEMENT

UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013

BETWEEN

NIIT LIMITED: TRANSFEROR COMPANY

AND

NIIT LEARNING SYSTEMS LIMITED: TRANSFEREE COMPANY

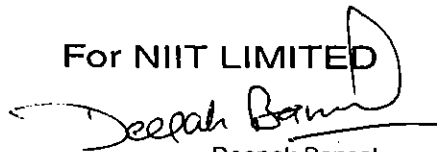
AND

THEIR RESPECTIVE SHAREHOLDERS

AND

THEIR RESPECTIVE CREDITORS

For NIIT LIMITED



Deepak Bansal
Company Secretary



PART I

INTRODUCTION, DEFINITIONS AND INTERPRETATION

1. INTRODUCTION, DEFINITIONS AND INTERPRETATION

1.1 Introduction

1.1.1 NIIT LIMITED

- (i) NIIT Limited (hereinafter referred to as "NIIT" or "Transferor Company") is a public company incorporated under the Companies Act, 1956 on December 2, 1981. The registered office of the Transferor Company is situated at Plot No.85, Sector-32, Institutional Area, Gurugram 122001 (Haryana).
- (ii) The shares of the Transferor Company are, at present, listed on National Stock Exchange of India Limited and BSE Limited.
- (iii) The main objects of the Transferor Company as per its memorandum of association are as follows:
- 1) *To carry on the business of rendering management services like staff and management recruitment, skill development, training and placements, technical analysis of data, electronic data processing and to establish and render all consultancy and other professional services of professional and technical nature.*
 - 2) *To run and conduct bureau for computer services and in particular to develop, design, programme, conduct feasibility studies and also to acquire and agency for computers, their repair, maintenance and installation.*
 - 3) *To print, publish, distribute, import, export, sell, buy or otherwise deal in research reports, newsletters, books, pamphlets and other related publications relating to computers and electronics in general.*
 - 4) *To carry on the business of providing and supply of end-to-end Information Technology Solutions, including turnkey solutions, including systems integration of software, computers, peripherals, networking and communication components, cabling, power supply equipment, appropriate fixtures, metering and monitoring devices, conventional and broad-band wireless, wireline and optical communications equipment and to undertake all other related activities.*
 - 5) *To carry on the business of providing solutions and services related to Web-technologies, the Internet and e-Commerce, including but not limited to hosting and application services.*
- (iv) The Transferor Company is a leading global talent development corporation that is engaged in building skilled human capital and enhancing workforce talent worldwide. The Transferor Company which helped the nascent IT industry overcome its human resource



challenges, today ranks among the world's leading training companies. With a footprint in over 30 countries, the Transferor Company offers training and development solutions to enterprises and individuals through its two businesses- Corporate Learning Group ("CLG") and Skills & Careers Group ("SNC"). A brief on the activities being carried out by the two businesses is provided hereunder:

- (a) **CLG**: This business offers Managed Training Services ("MTS") which includes outsourcing of Learning & Development ("L&D") and Talent Transformation Services to market-leading companies and institutions in North America, Europe, Asia, and Oceania. The comprehensive suite of MTS includes custom curriculum design and content development, learning administration, learning delivery, strategic sourcing, learning technology, and advisory services. L&D Transformation Services include augmented reality/ virtual reality based learning solutions, curriculum transformation, and portfolio optimization. With a team of some of the world's finest learning professionals, CLG helps customers run training like a business by improving the efficiency and effectiveness of their L&D and Talent Management functions.
- (b) **SNC**: This business offers a diverse range of training programs, certifications and solutions to career seekers and working professionals. Its offerings include software and product engineering, data sciences & analytics, cloud computing, cybersecurity, banking, insurance & finance, digital marketing, content design, UI/UX, project/product/program management, sales & service excellence, professional life skills, business process excellence, and multi-sectoral vocational & professional skills. SNC offers these programs predominantly in India and emerging economies. The programs are delivered through robust digital and hybrid learning models which connect corporate and individual learners seamlessly. With its comprehensive set of offerings, SNC helps in building multi-skilled full stack professionals at scale.

1.1.2 NIIT LEARNING SYSTEMS LIMITED

- (i) NIIT Learning Systems Limited (formerly known as Mindchampion Learning Systems Limited) (hereinafter referred to as "Transferee Company") is a public company incorporated under the Companies Act, 1956 on July 16, 2001. The registered office of the Transferee Company is situated at Plot No.85, Sector-32, Institutional Area, Gurugram - 122001 (Haryana).
- (ii) The shares of the Transferee Company are not listed on Stock Exchanges.
- (iii) The main objects of the Transferee Company as per its memorandum of association are as follows:
 - 1) *To involve in the research and development activities for the purpose of discovering the extent to which poor children in rural and slum areas in India can (a) access and (b) learn from web-based curricula using a purpose built 'Internet kiosk'; the minimal level of intervention required to assist children to master a curriculum - and the extent to which this intervention can be software based; the extent to which the 'Internet kiosk' concept is commercially viable, thus enabling the project to become sustainable in the medium to long term.*



- 2) *To engage into the business of providing education, training and skill development in the field of education including but not limited to computer hardware, software, networking, web technology and e-commerce.*
 - 3) *To engage into the provide consultancy services to Government, Semi Government and private agencies engaged in research and development in computer education, software development, internet and e-commerce.*
 - 4) *To carry on the business of providing solutions and services related to Web-technologies, the Internet and e-commerce, including but not limited to hosting and application services.*
 - 5) *To carry on the business of providing and supply of systems integration of software, computer hardware, computer peripherals, networking and communication components, cabling, power supply equipment, appropriate fixtures, metering and monitoring devices, conventional and broad-band wireless, wireline and optical communications equipment and to undertake all other related activities.*
- (iv) The Transferee Company is a wholly owned subsidiary of the Transferor Company.
- (v) The Transferee Company is engaged in providing managed training solutions which predominantly include technology-based solutions for learning and education management to improve efficiency and effectiveness to customers in the education sector in India and international markets. The Transferee Company also offers a comprehensive suite of solutions including content, learning delivery, assessments and technology for students and teachers, as well as solutions for institution administration and management.

1.1.3 OVERVIEW OF THE SCHEME

This composite scheme of arrangement amongst the Transferor Company and the Transferee Company and their respective shareholders and creditors is presented under Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*) for transfer and vesting of the CLG Business Undertaking from the Transferor Company to the Transferee Company, reduction of the equity share capital and securities premium of the Transferee Company and other related matters. This Scheme provides for, simultaneously, the following:

- (a) reduction of the existing paid up share capital and the securities premium against the accumulated losses of the Transferee Company without any further act and deed, with the approval of the NCLT in terms of Section 66 of the Act as elaborated in Part III of the Scheme;
- (b) the transfer and vesting of the CLG Business Undertaking of the Transferor Company to the Transferee Company and the consequent issue of equity shares by the Transferee Company to the shareholders of the Transferor Company pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of IT Act as elaborated in Part IV of the Scheme;
- (c) re-organization of the authorized share capital of the Transferee Company as elaborated in Part V of the Scheme; and



- (d) listing of the share capital of the Transferee Company, consisting of the fully paid-up equity shares of the Transferee Company issued as consideration in terms of Clause 7 of this Scheme to the shareholders of the Transferor Company, on the National Stock Exchange of India Limited and the BSE Limited (Stock Exchanges) after the Scheme becomes effective in accordance with the provisions of the SEBI Circular, as elaborated in Part VI of the Scheme; and
- (e) various other matters consequential or otherwise integrally connected therewith.

1.1.4 RATIONALE OF THE SCHEME

- (a) The transfer and vesting of the CLG Business Undertaking into the Transferee Company pursuant to this Scheme shall be in the interest of all concerned stakeholders including shareholders, customers, creditors, employees and general public, in the following ways:
 - (i) The CLG Business and the Residual Business (*defined hereinafter*) address different market segments with unique opportunities and dynamics in terms of business strategy, customer set, geographic focus, competition, capabilities set, talent needs and distinct capital requirements. The transfer of the CLG Business Undertaking into the Transferee Company will enable each business to sharpen their focus and organize their activities and resources to improve their offerings to their respective customers. This would help to improve their competitiveness, operational efficiency, agility and strengthen their position in relevant markets resulting in more sustainable growth and competitive advantage.
 - (ii) Both businesses have attained a significant size, scale and have a large headroom for growth in their respective markets. As both these businesses are entering the next phase of growth, the transfer and vesting of the CLG Business Undertaking into the Transferee Company pursuant to this Scheme would result in focused management attention and efficient administration to maximize their respective potential.
 - (iii) Further, as the two businesses have separate growth trajectories, risk profile and capital requirement, the segregation of the CLG Business Undertaking and the Residual Business will enable independent value discovery and lead to unlocking of value for each business.
 - (iv) The Transferee Company is the existing wholly owned subsidiary of Transferor Company that provides managed training solutions which predominantly include technology-based solutions to customers. Housing the CLG Business Undertaking in the Transferee Company is expected to be synergistic and will leverage the experience and expertise available in the Transferee Company of providing IP driven solutions including content, tools and platforms to customers in the education sector.
- (b) As on January 28, 2022, the Transferee Company has an existing paid up equity share capital of INR. 115,56,40,720 (Rupees One hundred and Fifteen Crore Fifty Six Lakh Forty Thousand Seven Hundred and Twenty only). However, ongoing and accumulated losses have substantially wiped off the value represented by the paid up equity share capital. Accordingly, the restructuring of the equity share capital and securities premium of the Transferee Company by way of reduction of paid up equity share capital and securities premium will rationalise its capital structure.



- 1.1.5 The Scheme is divided into seven parts:
- (a) **Part I** sets-forth the Introduction, Definitions and Interpretation;
 - (b) **Part II** sets-forth the capital structure of the Transferee Company and the Transferor Company;
 - (c) **Part III** deals with the reduction of the share capital and securities premium to be undertaken by the Transferee Company;
 - (d) **Part IV** deals with the transfer and vesting of the CLG Business Undertaking into the Transferee Company, in accordance with Sections 230 to 232 of the Act;
 - (e) **Part V** deals with reorganization of capital of the Transferee Company pursuant to and in terms of this Scheme;
 - (f) **Part VI** deals with consideration, accounting and tax treatments in the Financial Statements of the Transferor Company and the Transferee Company pursuant to the transfer and vesting of the CLG Business Undertaking into the Transferee Company in terms of this Scheme; and
 - (g) **Part VII** deals with general/residuary terms and conditions.

1.2 DEFINITIONS

- 1.2.1 “**Act**” means the Companies Act, 2013 and the rules made thereunder, and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;
- 1.2.2 “**Applicable Law(s)**” means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Governmental Authority resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question;
- 1.2.3 “**Appointed Date**” means April 1, 2022 or such other date as may be approved by NCLT;
- 1.2.4 “**Board of Directors**”/ “**Board**” in relation to the Transferor Company and/or the Transferee Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee as may be constituted by the board of directors;
- 1.2.5 “**Clause**” and “**sub-Clause**” means the relevant clauses and sub-clauses set out in this Scheme;
- 1.2.6 “**CLG Business**” means the business of the Transferor Company as defined in Clause 1.1.1 (iv)(a);
- 1.2.7 “**CLG Business Undertaking**” means the Transferor Company’s business, activities and operations pertaining to the CLG Business, and comprising of all the assets and liabilities, as described hereunder, as on the Appointed Date relating thereto:
- (i) all assets (movable or immovable), title, properties, interests, investments, loans, deposits, receivables, advances and rights, including rights arising under contracts, wherever located in India or outside India (including in the possession of vendors, third parties or elsewhere),



whether real, personal or mixed, tangible, intangible or contingent, exclusively used or held, by the Transferor Company in, or otherwise identified for use in, the Transferor Company's undertaking, business, activities and operations pertaining to the CLG Business including *inter alia* the Subsidiaries as set out in the Subsidiary Company Schedule and investments made by the Subsidiaries as set out in Step-Down Subsidiary Company Schedule (collectively, "Assets");

- (ii) all debts, liabilities, guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any statute, contract or tort based on negligence or strict liability), pertaining to the Transferor Company's undertaking, business, activities and operations pertaining to the CLG Business (collectively, "Liabilities");
- (iii) all existing and future contracts, agreements, request for proposal, bids, responses to invitation for expression of interest, leases, leave and licences, memoranda of undertakings, memoranda of agreements, arrangements, undertakings, whether written or otherwise, deeds, bonds, insurance policies, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature to which the Transferor Company is either a party or it may enter, exclusively relating to the Transferor Company's undertaking, business, activities and operations pertaining to the CLG Business (collectively, "Contracts");
- (iv) all registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names, including any derivatives and enhancements thereof, exclusively used by or held for use by the Transferor Company in the Transferor Company's undertaking, business, activities and operations pertaining to the CLG Business including *inter alia* the copyrights and trademarks set out in Schedule III (collectively, "Intellectual Property");
- (v) all permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights and any waiver of the foregoing issued by any legislative, executive or judicial unit of any Governmental Authority or semi-Governmental entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority exclusively used or held for use by the Transferor Company in the Transferor Company's undertaking, business, activities and operations pertaining to the CLG Business (collectively, "Licenses");
- (vi) all such permanent employees of the Transferor Company and employees/personnel engaged on contract basis, as are primarily engaged in or in relation to the Transferor Company's undertaking, business, activities and operations pertaining to the CLG Business, at its respective offices or otherwise, and any other employees/personnel hired by the Transferor Company after the date hereof who are primarily engaged in or in relation to the Transferor Company's undertaking, business, activities and operations pertaining to the CLG Business (collectively, "Employees");
- (vii) all taxes, tax deferrals and benefits, subsidies, concessions, refund of any tax, duty, cess or of any excess payment, tax credits (including, without limitation, all amounts claimed as

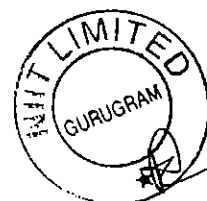


refund, whether or not so recorded in the books of accounts and credits in respect of income tax, such as carry forward tax losses comprising of unabsorbed depreciation), tax deducted at source and goods and services tax, of the CLG Business;

- (viii) all rights to any claim not preferred or made by the Transferor Company pertaining to the CLG Business Undertaking in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company pertaining to the CLG Business Undertaking and any interest thereon, under Applicable Law, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortisation benefit, etc. under any Applicable Law, or any other or like benefits under and in accordance with any Applicable Law or act, whether in India or anywhere outside India;
- (ix) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings, suits, appeals, applications or proceedings of whatsoever nature, initiated by or against the Transferor Company pertaining to the CLG Business;
- (x) all insurance policies relating to the CLG Business;
- (xi) all necessary books, records, files, papers, list of present and former customers, suppliers, customer pricing information and other records whether in physical or electronic form in connection with or relating to CLG Business.

Any question or doubts that may arise as to whether a specified asset or liability pertains to or does not pertain to the CLG Business or whether it arises out of the activities or operations or is to be included in the CLG Business shall be decided by mutual agreement between the Board of Directors of the Transferor Company and the Transferee Company.

- 1.2.8 “**Compensation Committee**” means the Nomination & Remuneration Committee (or any other committee by whatever name called) constituted by the board of directors of a company for administration and superintendence of its employee stock option schemes in accordance with the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- 1.2.9 “**Effective Date**” means the date on which the Scheme shall become effective pursuant to Clause 12 of this Scheme. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” or “after this Scheme becomes effective” means and refers to the Effective Date;
- 1.2.10 “**Existing ESOP Scheme**” means the NIIT Employee Stock Option Plan 2005 established by the Transferor Company under Applicable Laws and as per the approval granted by the shareholders by special resolutions through postal ballot on May 18, 2005, as amended from time to time;
- 1.2.11 “**Financial Statements**” would include standalone and consolidated accounts, as applicable;
- 1.2.12 “**Governmental Authority**” means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof;
- 1.2.13 “**IT Act**” means the Income Tax Act, 1961;



- 1.2.14 “**New ESOP Scheme**” shall have the meaning ascribed to it under Clause 4.5.5(a);
- 1.2.15 “**Record Date**” means, the date to be fixed by the respective Board of the Transferor Company and the Transferee Company for the purpose of determining the shareholders of the Transferor Company to whom shares will be allotted pursuant to Clause 7 of this Scheme;
- 1.2.16 “**Residual Business**” means all the undertakings, businesses, activities and operations of the Transferor Company other than the CLG Business Undertaking, including but not limited to the SNC Business;
- 1.2.17 “**SEBI**” means the Securities and Exchange Board of India;
- 1.2.18 “**SEBI Circular**” means Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Rule 19(7) of the Securities Contracts (Regulation) Rules, 1957, as amended from time to time or any other circular issued by SEBI applicable to schemes of arrangement, from time to time;
- 1.2.19 “**SEBI LODR**” means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;
- 1.2.20 “**SNC Business**” means the business of the Transferor Company as defined in Clause 1.1.1(iv)(b);
- 1.2.21 “**Scheme**” or “**the Scheme**” or “**this Scheme**” means this Composite Scheme of Arrangement in its present form (along with any annexures, schedules, etc., annexed/attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities, as may be required under the Act, as applicable, and under all other Applicable Laws;
- 1.2.22 “**Step-Down Subsidiaries**” means such step-down subsidiaries (including their respective branch offices) of the Transferor Company as set out in Schedule II;
- 1.2.23 “**Stock Exchanges**” means National Stock Exchange of India Limited and BSE Limited;
- 1.2.24 “**Subsidiaries**” means such subsidiaries (including their respective branch offices) of the Transferor Company as set out in Schedule I;
- 1.2.25 “**Subsidiary Company Schedule**” means Schedule I of this Scheme;
- 1.2.26 “**Step-Down Subsidiary Company Schedule**” means Schedule II of this Scheme;
- 1.2.27 “**Transferee Company**” means NIIT Learning Systems Limited, as defined in Clause 1.1.2 above;
- 1.2.28 “**Transferor Company**” means NIIT Limited, as defined in Clause 1.1.1 above, and
- 1.2.29 “**Valuation Report**” means the valuer report on the share entitlement ratio dated January 28, 2022, issued by Ms. Drushti R. Desai, Banshi S. Mehta & Co.

1.3 INTERPRETATION

- 1.3.1 The terms “hereof”, “herein”, “hereby”, “hereto” and derivative or similar words used in this Scheme refers to this entire Scheme.



1.3.2 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, guidelines, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

1.4 **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 NCLT shall be deemed to be effective from the Appointed Date but shall be operative only from the Effective Date.



SHARE CAPITAL STRUCTURE

2. CAPITAL STRUCTURE

2.1 The share capital of the Transferor Company as on March 31, 2021 was as under:

Share Capital	Amount in Indian Rupees
Authorized Capital	
41,10,00,000 equity shares of INR. 2/- each	82,20,00,000
25,00,00,000 redeemable preference shares of INR. 100/- each	25,00,00,000
35,00,00,000, 8.5% cumulative redeemable preference shares of INR. 1/- each	35,00,00,000
Total	1,42,20,00,000
Issued share capital	
14,23,50,984* equity shares of INR. 2/- each	28,47,01,968
Subscribed and paid-up share capital	
14,23,44,984 equity shares of INR. 2 each	28,46,89,968

*includes 6000 equity shares forfeited amounting to INR.12,000

2.2 As on May 6, 2021, the Transferor Company has bought back 98,75,000 equity shares by way of tender offer through the stock exchange mechanism in accordance with the provisions of Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, the Act and rules made thereunder. Further, since April 1, 2021, the Transferor Company has issued 12,69,397 equity shares of INR. 2/- each which were allotted against stock options exercised by employees of the Transferor Company under the Existing ESOP Scheme.

2.3 The share capital of the Transferor Company as on January 28, 2022, pursuant to the aforementioned transactions is as follows:

Share Capital	Amount in Indian Rupees
Authorized Capital	
41,10,00,000 equity shares of INR. 2/- each	82,20,00,000



25,00,000 redeemable preference shares of INR. 100/- each	25,00,00,000
35,00,00,000, 8.5% cumulative redeemable preference shares of INR. 1/- each	35,00,00,000
Total	1,42,20,00,000
Issued share capital	
13,37,45,381* equity shares of INR. 2/- each	26,74,90,762
Subscribed and paid-up share capital	
13,37,39,381 equity shares of INR. 2/- each	26,74,78,762

*includes 6000 equity shares forfeited amounting to INR. 12,000

2.4 The share capital of the Transferee Company as on March 31, 2021 was as under:

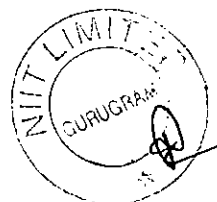
Share Capital	Amount in Indian Rupees
Authorized Capital	
12,00,00,000 equity shares of INR. 10/-	120,00,00,000
Total	120,00,00,000
Issued, Subscribed and paid-up	
11,55,64,072 equity shares of INR. 10/-	115,56,40,720
Total	115,56,40,720

2.5 There has been no change in the capital structure of the Transferee Company since March 31, 2021.



3. Reduction of share capital of the Transferee Company

- 3.1 Upon the Scheme becoming effective, the existing paid up equity share capital of the Transferee Company comprising of 11,55,64, 072 equity shares of INR. 10/- each aggregating to INR. 115,56,40,720 (Indian Rupees One Hundred Fifteen Crores Fifty Six Lakh Forty Thousand Seven Hundred and Twenty) and securities premium amounting to INR. 2,00,00,000 (Indian Rupees Two Crores) shall stand reduced and cancelled pursuant to Section 66 and other applicable provisions of the Act.
- 3.2 The aforesaid capital reduction of the paid up equity share capital and the securities premium of the Transferee Company shall have no effect on the authorised share capital of the Transferee Company.
- 3.3 Upon the Scheme becoming effective, the capital reduction as herein above, shall be effected as an integral part of this Scheme itself, without having to separately follow the provisions of Section 66 read with other applicable provisions of the Act and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act confirming the said capital reduction and cancellation.
- 3.4 The capital reduction as envisaged under this clause shall be effected by suitably adjusting the negative balance of the reserves of the Transferee Company. Pursuant to the capital reduction, there shall be no outflow of or payout of any funds from the Transferee Company and hence, the interest of the shareholders/ creditors shall not be affected. Further this capital reduction shall not, in any way, result into extinguishment of any liability or diminution of any liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital.
- 3.5 The said capital reduction shall not have any adverse impact on the operations of the Transferee Company or the ability of the Transferee Company to honour its commitment or to pay its debts in the ordinary course of business. Further the said capital reduction does not in any manner alter, vary or affect the payment of any dues or outstanding amounts including all or any of the statutory dues payable or outstanding.
- 3.6 Notwithstanding the capital reduction in pursuance to this Scheme and subject to the orders of the NCLT, the Transferee Company shall not be required to add the words "And Reduced" as a suffix.



PART IV
TRANSFER AND VESTING OF THE CLG BUSINESS UNDERTAKING OF THE
TRANSFEROR COMPANY TO AND IN THE TRANSFeree COMPANY

4. TRANSFER AND VESTING

4.1 Upon this Scheme becoming effective, and with effect from the Appointed Date, the CLG Business Undertaking, together with all its rights, benefits, interests and obligations therein, shall, in accordance with Section 2(19AA) of the IT Act and Sections 230 to 232 and other applicable provisions of the Act without any further act, instrument or deed, stand transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company, as a going concern, and shall become the property of and an integral part of the Transferee Company.

4.2 TRANSFER OF ASSETS

4.2.1 Upon this Scheme becoming effective, and with effect from the Appointed Date:

- (i) All the Assets of the CLG Business Undertaking that are movable, in nature or incorporeal property or are otherwise capable of transfer by manual or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, shall stand vested in the Transferee Company and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual or constructive delivery or by endorsement and delivery or by vesting and recordal, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly.
- (ii) All the Assets of the CLG Business Undertaking that are movable properties other than those described under sub-clause (i) above, including but not limited to trade investment, investments in companies, associate companies, fellow subsidiaries, joint ventures and non-current investments, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Governmental Authority, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Transferee Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is clarified that upon the Scheme becoming effective, the Subsidiaries set out in Subsidiary Company Schedule and Step-Down Subsidiary Company Schedule shall cease to be Subsidiaries of the Transferor Company and shall become subsidiaries (including step-down subsidiaries) of the Transferee Company.
- (iii) All the Assets of the CLG Business Undertaking that are immovable properties, if any, including land together with the buildings and structures standing thereon, whether freehold, leasehold, licensed or otherwise held by the Transferor Company, and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to and shall exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation



or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities, pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof.

- (iv) Without prejudice to the generality of the foregoing, all estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Transferor Company for or in relation to the CLG Business Undertaking shall be deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon this Scheme becoming effective, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Transferee Company.
- (v) All the Intellectual Property currently being used, primarily or solely, by the CLG Business Undertaking as set out in Schedule III, shall stand transferred to and be vested in the Transferee Company. The Transferor Company agrees to execute and deliver, at the request of the Transferee Company, all relevant documents and instruments required in respect of the Intellectual Property set out in Schedule III, to vest such rights, title and interest in the name of the Transferee Company and in order to update the records of the concerned registries, wherever applicable, to reflect the name and address of the Transferee Company as the current owner of the Intellectual Property. As part of this Scheme, the Transferor Company shall have the royalty free economic right to use, as a licensee, the Intellectual Property set out in Schedule III, in perpetuity from the Appointed Date, in accordance with such terms and conditions as may be mutually agreed.
- (vi) All the intellectual property other than those set out in sub-clause (v) above, shall continue to be owned by the Transferor Company. As part of this Scheme, the Transferee Company shall have the royalty free economic right to use, as a licensee, the intellectual property other than those set out in sub-clause (v) above, in perpetuity from the Appointed Date, in accordance with such terms and conditions as may be mutually agreed. Notwithstanding anything contained in this clause, it is hereby clarified that the 'NIIT' and 'Stackroute' brands shall continue to be owned by the Transferor Company. As part of the Scheme, the Transferee Company shall have the right to use the 'NIIT' and 'Stackroute' brands, in perpetuity from the Appointed Date, without payment of any royalty to the Transferor Company. The Transferor Company and the Transferee Company may enter into agreements in relation to the aforementioned arrangements for the 'NIIT' and 'Stackroute' brands.
- (vii) Notwithstanding anything contained herein, it is hereby clarified that the Transferor Company and the Transferee Company shall be free to undertake further developments and enhancements to the intellectual property owned by them or licensed to them by the Transferor Company or Transferee Company (as the case may be) ("**Derivative Intellectual Property**"). In the event the Transferor Company or Transferee Company (as the case may be) is desirous of obtaining a license to use any Derivative Intellectual Property which it was not involved in developing (fully or partially), the charges for such Derivative Intellectual Property shall be decided between the Transferor Company and the Transferee Company on such terms and conditions as may be mutually agreed, in accordance with Applicable Laws.

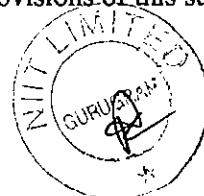


- (viii) The Transferee Company shall, at any time after the Effective Date and as the successor entity of the Transferor Company, in relation to the CLG Business Undertaking, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the CLG Business Undertaking, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of the Transferor Company in relation to the CLG Business Undertaking and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company, *inter alia*, in its capacity as the successor-in-interest of the Transferor Company in relation to the CLG Business Undertaking.
- (ix) The past track record of the Transferor Company relating to the CLG Business Undertaking, including without limitation, the profitability, production volumes, experience, credentials and market share, shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes including for the purpose of eligibility, standing, evaluation and participation of the Transferee Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.
- (x) All the Licenses of the CLG Business Undertaking shall stand transferred to and vested in the Transferee Company. Any other permits, licenses, consents, approvals, authorisations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, as are held at present by the Transferor Company, but relate to or benefitting at present the Residual Business and the CLG Business Undertaking, shall be deemed to constitute separate permits, licenses, consents, approvals, authorisations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, and the necessary substitution/endorsement shall be made and duly recorded in the name of the Transferor Company and the Transferee Company by the relevant authorities pursuant to the sanction of this Scheme by the NCLT. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this sub-clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to sanction of this Scheme by the NCLT. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

4.3 TRANSFER OF LIABILITIES

Upon this Scheme becoming effective, and with effect from the Appointed Date:

- (i) All the Liabilities of the CLG Business Undertaking shall without any further act, instrument or deed, become the liability of the Transferee Company and shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company, as the case may be, and the Transferee Company shall be liable to meet, discharge and satisfy the same in accordance with its terms. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities duties and obligations have arisen in order to give effect to the provisions of this sub-clause.



- (ii) The existing security (including guarantee) or charge, if any, in favor of the secured creditors shall remain unaffected and shall continue to remain valid and in full force and effect even after the transfer of the CLG Business Undertaking from the Transferor Company to the Transferee Company. Restructuring of all such security or charge and reallocation of existing credit facilities granted by the secured creditors shall be given effect to only with the mutual consent of the concerned secured creditors and the Board of Directors of the Transferor Company and the Transferee Company.

It is hereby clarified that if any existing security in respect of any part of the abovementioned Liabilities extends wholly or in part over the assets of the Residual Business, then the Transferee Company shall create adequate security in respect of such part of the abovementioned Liabilities over the assets of the CLG Business Undertaking to the satisfaction of the lenders and upon creation of such security, the assets of the Residual Business shall be released and discharged from such encumbrance. Further, if any security or charge exists on the assets comprising the CLG Business Undertaking in respect of the loans and liabilities which have not been transferred to the Transferee Company pursuant to this Scheme, the Transferor Company shall create adequate security over the assets of the Residual Business to the satisfaction of the lenders and upon creation of such security, the assets of the CLG Business Undertaking shall be released and discharged from such encumbrance.

It is further clarified that all guarantees provided by the Transferor Company for its activities (including for and on behalf of the Subsidiaries and the Step-Down Subsidiaries) forming a part of the CLG Business Undertaking shall stand transferred to the Transferee Company. The Transferor Company and the Transferee Company shall undertake all necessary compliances prescribed under the relevant contracts, deed or other documents under which such guarantee obligations have arisen and/or Applicable Law, to effectuate such transfers/assignment.

- (iii) All cheques and other negotiable instruments, payment orders, and electronic fund transfers (like NEFT, RTGS, etc.) received in the name of the Transferor Company pertaining to the CLG Business Undertaking after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company.

4.4 TRANSFER OF CONTRACTS

4.4.1 Upon this Scheme becoming effective, and with effect from the Appointed Date:

- (i) All the Contracts of the CLG Business Undertaking, including but not limited to contracts/ purchase orders with customers and vendors, and all contracts (including contracts pending for renewal or for fresh allocation of capacity), deeds, bonds, lease deeds, agreements entered into with various persons including independent consultants, Subsidiaries/ Step-Down Subsidiaries, associate/ joint venture companies and other shareholders of such Subsidiaries/ Step-Down Subsidiaries, associate/ joint venture companies, arrangements and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.



- (ii) Any contract of the Transferor Company relating to or benefiting at present the Residual Business and the CLG Business Undertaking, shall be deemed to constitute separate contracts, thereby relating to and/or benefiting the Transferor Company and the Transferee Company.
- (iii) It is hereby clarified that if any Contracts in relation to the CLG Business Undertaking to which the Transferor Company is a party to, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Transferee Company insofar as it is permissible so to do, till such time the transfer is effected.
- 4.4.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds, confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Transferor Company will, if reasonably necessary, also be a party to the above. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- 4.5 TRANSFER OF EMPLOYEES**
- 4.5.1 Upon this Scheme becoming effective, all the Employees shall be deemed to be transferred to and engaged by the Transferee Company with effect from the Appointed Date or their respective joining date, whichever is later, without any interruption of service and on the basis of continuity of service, and on such terms and conditions as are no less favorable than those on which they are currently engaged by the Transferor Company. The services of such Employees with the Transferor Company up to the Effective Date shall be taken into account for the purposes of all benefits and continuity to which, if any, such Employees may be eligible under Applicable Law.
- 4.5.2 Upon this Scheme becoming effective and with effect from Appointed Date, all contributions including any provisions created therefor, to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, or any other special scheme or, to tax benefits (including medical, pension and leave travel allowance) or any other benefits created or existing exclusively for the benefit of the Employees, if any, upon this Scheme becoming effective, shall be made by the Transferee Company in accordance with the provisions of such schemes or funds and Applicable Law. In relation to the Employees, for whom the Transferor Company is making contributions to the employee state insurance corporation, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with provisions of such fund, bye laws, etc. in respect to such Employees.
- 4.5.3 In relation to the provident fund contributions being made for the Employees by the Transferor Company to 'NIIT Limited Employees' Provident Fund Trust' upon this Scheme becoming effective, the Transferee Company shall make contributions for such Employees on the same terms and conditions to the employee provident fund maintained with the Regional Provident Fund Office in terms of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The existing accumulations in the 'NIIT Limited Employees' Provident Fund Trust' pertaining to the Employees shall be continued on the same terms and conditions and shall be transferred to the employee



provident fund maintained with the Regional Provident Fund Office in accordance with Applicable Law.

4.5.4 The existing accumulations under employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme or benefits of the Transferor Company pertaining to the Employees shall be continued on the same terms and conditions and shall be transferred to, the employees' state insurance corporation, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company or as may be created by the Transferee Company for such purpose, in accordance with Applicable Law. Pending such transfer, the contributions required to be made in respect of the Employees shall continue to be made by the Transferee Company to the existing funds maintained by the Transferor Company.

4.5.5 Employee Stock Options

Upon the coming into effect of the Scheme, the treatment of the options granted by the Transferor Company prior to the Effective Date, shall be as under:

- (a) The Transferee Company shall adopt the Existing ESOP Scheme of the Transferor Company, as amended in accordance with the variations mentioned in sub-clauses (e) and (f) below (the Existing ESOP Scheme as amended in terms of sub-clauses (e) and (f) as may be adopted by the Transferee Company is hereinafter referred to as the "New ESOP Scheme").
- (b) The stock options granted by the Transferor Company prior to the Effective Date to its employees or that of its subsidiaries (irrespective of whether they are employees of the Transferor Company or its subsidiaries or shall become employees of the Transferee Company or its subsidiaries pursuant to this Scheme) would continue to be held by such option grantees.
- (c) With respect to the stock options granted already by the Transferor Company prior to the Effective Date to its employees or that of its subsidiaries (irrespective of whether they are employees of the Transferor Company or its subsidiaries or become employees of the Transferee Company or its subsidiaries pursuant to this Scheme) under the Existing ESOP Scheme, and upon the Scheme becoming effective, all such option holders (whether the options granted to such option holders are vested or not) shall also be issued the stock options by the Transferee Company under the New ESOP Scheme, in accordance with the share entitlement ratio as mentioned under Clause 7.1 of this Scheme.
- (d) The Transferor Company shall be solely responsible for issuance of its shares upon exercise of the stock options granted by it prior to the Effective Date under the Existing ESOP Scheme to the option holders (irrespective of whether they are employees of the Transferor Company or its subsidiaries or become employees of the Transferee Company or its subsidiaries pursuant to this Scheme). Similarly, the Transferee Company shall also be solely responsible for issuance of its shares upon exercise of the stock options granted by it to the option holders, holding stock options prior to the Effective Date in the Transferor Company, (irrespective of whether they are employees of the Transferor Company or its subsidiaries or become employees of the Transferee Company or its subsidiaries pursuant to this Scheme) after the Effective Date, under the New ESOP Scheme.



- (e) The Transferor Company shall take steps to amend the Existing ESOP Scheme in a manner as may be considered appropriate, to enable the continuance of the existing options in the hands of the employees who become employees of the Transferee Company or its subsidiaries. Further, the existing exercise price of the stock options for the option holders in the Transferor Company shall be determined by the Compensation Committee and/or Board of the Transferor Company, consequent to which the exercise price of the stock options of the Transferor Company shall stand adjusted and the balance of the exercise price shall become the exercise price of the stock options to be issued by the Transferee Company for all the existing option holders in both the Transferor Company and the Transferee Company. Such adjustment to the exercise price of stock options shall be the responsibility of the Transferor Company and shall not be less favourable than existing terms of the stock options granted under Existing ESOP Scheme.
- (f) While granting stock options to the existing option holders in the Transferor Company and the Transferee Company, it shall be the responsibility of the Transferee Company to take into account the period during which the employees held stock options granted by the Transferor Company prior to the issuance of the stock options by the Transferee Company, for determining the vesting dates and exercise dates for stock options granted by the Transferee Company.
- (g) Approval granted to the Scheme by the shareholders of the Transferor Company shall also deemed to be approval granted for (i) any amendments made to the Existing ESOP Scheme required to give effect to the provisions of the Scheme; and (ii) the New ESOP Scheme as adopted by the Transferee Company.

4.6 CONTINUATION OF LEGAL PROCEEDINGS

- 4.6.1 Upon this Scheme becoming effective, and with effect from the Appointed Date, the Transferee Company shall be entitled to the benefits and shall bear the burdens of any legal or other proceedings to the extent specifically relating to the CLG Business Undertaking, initiated by or against the Transferor Company. If any suit, appeal or other proceedings to the extent specifically relating to the CLG Business Undertaking initiated by or against the Transferor Company is pending, the same shall not be abated, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company, if this Scheme had not been effected.
- 4.6.2 All costs and expenses incurred, and payments made, by the Transferor Company in respect of any proceedings initiated by or against the Transferor Company after the Appointed Date to the extent relating to the CLG Business Undertaking shall be reimbursed by the Transferee Company upon submission by the Transferor Company to the Transferee Company of documents evidencing that the Transferor Company has, incurred such costs and expenses or made such payments. The Transferee Company shall file necessary application for transfer of all pending suit/appeal or other proceedings of whatsoever nature relating to the CLG Business Undertaking.

4.7 TAXATION MATTERS

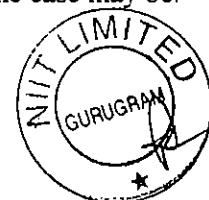
- 4.7.1 Upon this Scheme becoming effective, and with effect from the Appointed Date all rights, obligations, benefits available under any direct and indirect taxes, including tax incentives, advantages, privileges, exemptions, entitlements, credits (including, but not limited to, credits in



respect of income tax, including carry forward tax losses, unabsorbed depreciation, closing balance of input tax credit, value added tax, turnover tax, central sales tax, excise duty, goods and services tax, security transaction tax, minimum alternate tax and duty entitlement credit certificates), holidays, remissions, reductions, etc., sales tax benefits/exemptions, service tax credit, stamp duty benefits and exemptions which may be obtained by the Transferor Company or which the Transferor Company is entitled to or which are or may be available to the Transferor Company in respect of the CLG Business Undertaking shall, pursuant to the sanction of this Scheme, be available to the Transferee Company on and as is where is/going concern basis. The Transferor Company shall undertake all necessary compliances prescribed under Applicable Laws to effectuate transfer of credits of goods and services tax in relation to the CLG Business Undertaking to the Transferee Company. It is hereby clarified that any tax related liabilities/benefits, arising out of or in connection with an event occurring prior to the Appointed Date, even when the same may arise and/or accrue subsequent to the Appointed Date, shall, subject to and in accordance with applicable direct and indirect tax laws, continue to be liabilities/benefits of the Transferor Company.

4.8 **BENEFIT OF STATUTORY/CORPORATE APPROVALS**

- 4.8.1 Without prejudice to the generality of the above and upon the Scheme becoming effective, the benefits of any and all corporate approvals, statutory approvals as may have already been taken by the Transferor Company:
- (a) in relation to the CLG Business Undertaking, whether being in the nature of compliances or otherwise and any other approvals as obtained under the Act or SEBI LODR Regulations including but not limited to approvals under Sections 180, 185, 186, 188, 196 and 197 of the Act, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken / complied with by the Transferee Company, by virtue of approval of this Scheme.
 - (b) in relation to appointment and payment of remuneration to the directors, key managerial personnel or for the purpose of such related party transactions; which are being transferred to the Transferee Company as a part of CLG Business Undertaking, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken / complied with by the Transferee Company, by virtue of approval of this Scheme.
- 4.8.2 Upon the Scheme becoming effective, all the fresh appointments of directors, key managerial personnel (those not covered under this Scheme) and new transaction(s) contemplated to be entered into by the Transferee Company with its related parties shall be done in accordance with the applicable provisions of the Act and other Applicable Laws.
- 4.8.3 The financial commitments of the Transferor Company outside India (including investments in overseas subsidiaries/ joint ventures) which form part of the CLG Business Undertaking, as more particularly set out in Subsidiary Company Schedule and Step-Down Subsidiary Company Schedule (“Financial Commitment”) was made by the Transferor Company from time to time, in due compliance with the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004, as in force at the relevant time. Upon the Scheme becoming effective, the Financial Commitment shall stand transferred to and vested in the Transferee Company, and shall become an integral part of the Transferee Company, in accordance with Part IV of the Scheme, and the necessary filings, compliances and/or approvals (if any) in this regard will be made/ sought by the Transferor Company and/or the Transferee Company, as the case may be.



4.8.4 Upon the Scheme becoming effective, all the expenditure incurred from the Appointed Date until the Effective Date, in terms of Section 135 of the Act by the Transferor Company, shall stand transferred to the Transferee Company in the proportion to the net profit of the Transferor Company, as may be transferred to the Transferee Company as part of the CLG Business Undertaking.

4.8.5 Upon the Scheme becoming effective, all the incentives, subsidies, special status, and other benefits or privileges enjoyed, granted by any Governmental Authority, local authority, or by any other person, or availed by the Transferor Company, in relation to the CLG Business Undertaking, shall vest with and be available to the Transferee Company on the same terms and conditions.

4.9 CONDUCT OF BUSINESS

With effect from the Appointed Date and until occurrence of the Effective Date:

- (i) the Transferor Company undertakes to carry on and shall be deemed to have carried on all its business activities of the CLG Business Undertaking and stand possessed of the properties and assets of the CLG Business Undertaking, for and on account of and in trust for the Transferee Company; and
- (ii) all profits or income accruing to or received by the Transferor Company, out of the CLG Business Undertaking and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, etc.) or losses arising in or incurred by the Transferor Company with respect to the CLG Business Undertaking shall, for all purposes, be treated as and deemed to be the profits, losses, income or taxes, as the case may be, of the Transferee Company; and
- (iii) the Transferor Company shall carry on the business of the CLG Business Undertaking with reasonable diligence and business prudence and in a manner consistent with its past practices; and
- (iv) the Transferor Company shall carry on the business of the CLG Business Undertaking, in its ordinary course of business. All the actions taken by the Transferor Company for the CLG Business Undertaking, *inter-alia*, including any income, advances, payments made/collections received, funds or resources deployed or cost incurred, shall be suitably accounted for and recorded by the Transferor Company and the Transferee Company on such terms and conditions as the Board of Directors of the Transferor Company and the Transferee Company may agree upon. Notwithstanding anything contained herein above, it is hereby clarified that no separate corporate approvals, *inter-alia*, under the Act, shall be required to be taken by the Transferor Company for undertaking any of the foregoing actions/transactions pertaining to the CLG Business Undertaking and such actions/transactions shall be deemed to be in compliance with the Act as applicable, by virtue of approval of the Scheme; and
- (v) the Transferor Company shall not, in relation to the CLG Business Undertaking, vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of the Transferor Company, the terms and conditions of employment of any of its Employees, nor shall it conclude settlement with any union or its Employees except with the written concurrence of the Transferee Company; and



- (vi) the Transferor Company shall not undertake any actions in relation to the CLG Business Undertaking which are not in the ordinary course of business of the CLG Business Undertaking (including undertaking any acquisitions or disposal of Assets which are not in the ordinary course of business), except with the written concurrence of the Board of the Transferor Company and the Transferee Company in compliance with Applicable Laws.

4.10 SAVING OF CONCLUDED TRANSACTIONS

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

- 4.11 Without prejudice to the other provisions of this Scheme, the Transferor Company and/or the Transferee Company, as the case may be, shall, at any time after this Scheme becomes effective in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Company in relation to the CLG Business Undertaking. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/ endorsement in the name of the Transferee Company upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

4.12 ARRANGEMENTS BETWEEN THE TRANSFEROR COMPANY AND THE TRANSFEE COMPANY, ETC.

- (i) Currently, the CLG Business Undertaking is being carried on as a part of the business of the Transferor Company and will continue to be carried on by the Transferor Company till the Effective Date. The CLG Business Undertaking and Residual Business of the Transferor Company would have certain inter-dependencies and, therefore, to ensure continuity of the operations, the Transferor Company and Transferee Company propose to undertake various business relationships with each other to provide transition and continual support to give full effect to the Scheme, on an arms' length basis, for which appropriate contracts will be entered into between the Transferor Company and the Transferee Company prior to the Effective Date. In relation to the aforementioned, some of the key business relationships proposed between the Transferor Company and the Transferee Company, which may continue beyond Effective Date, pertain to (a) functional support services (including costs allocated *inter alia*) such as logistics, procurement, finance, human resource, legal, IT services (including SAP and other software licensed from third parties), marketing, etc.; (b) corporate and management services; (c) licensing of certain intellectual properties; and (d) infrastructure leasing and/or licensing.



- (ii) The agreements executed prior to the Effective Date between the Transferor Company and the Transferee Company, shall be subject to the necessary approvals of the Transferor Company and the Transferee Company (as applicable) in accordance with the Act, SEBI LODR and all other applicable provisions of Applicable Law, and such agreements shall be binding on the parties thereto.
- (iii) It is clarified that all guarantees provided by the Transferor Company (including for and on behalf of the Subsidiaries and the Step-Down Subsidiaries) in respect of the CLG Business Undertaking and the Transferor Company shall be valid and subsisting till adequate arrangements/ guarantees have been provided in respect of the same by the Transferee Company.

4.13 RESIDUAL BUSINESS

- (i) The Residual Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company.
- (ii) All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company which relate to the Residual Business under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Residual Business (including those relating to any property, right, power, liability, obligation or duties of the Transferor Company in respect of the Residual Business) shall be continued and enforced by or against the Transferor Company after the Effective Date. The Transferee Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceeding against the Transferor Company, which relate to the Residual Business.
- (iii) With effect from the Appointed Date and beyond the Effective Date, the Transferor Company:
 - (a) shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Residual Business for and on its own behalf; and
 - (b) all profits accruing to the Transferor Company thereon or losses arising or incurred by it relating to the Residual Business, shall, for all purposes be treated as the profits or losses, as the case may be, of the Transferor Company.
- (iv) If in relation to any liabilities pertaining to the Residual Business, any lender/ creditor requires any assistance/ support (including provision of any guarantees) from the Transferee Company, the Board of Directors of the Transferor Company and the Transferee Company may mutually discuss and agree upon the assistance, support and cooperation as requested for by such lenders/ creditors of the Transferor Company.



5. REORGANISATION OF SHARE CAPITAL

- 5.1 Upon this Scheme becoming effective, as an integral part of the Scheme, but prior to issuance and allotment of shares of the Transferee Company under Clause 7, the authorised share capital of the Transferee Company shall be reclassified/reorganised by reducing the face value of equity shares to INR. 2 (Indian Rupees Two, only) divided into 60,00,00,000 equity shares of INR. 2 (Indian Rupees Two, only) each aggregating to INR. 120,00,00,000 (Rupees One Hundred Twenty Crores), without any further act or deed.
- 5.2 The above reorganization of capital would be carried out by reducing appropriately the face value of each equity share of INR. 10/- each and reorganising the same into 60,00,00,000 equity shares of INR. 2 (Indian Rupees Two only) each aggregating to INR. 120,00,00,000 (Rupees One Hundred Twenty Crores), without any further act or deed.
- 5.3 It is hereby clarified that for the purposes of effecting the aforementioned amendments, the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient and that no further resolution under Section 13, Section 61 or any other applicable provisions of the Act, would be required to be separately passed.
- 5.4 Upon this Scheme becoming effective, the Transferee Company shall, as required under any Applicable Law or otherwise, undertake appropriate filings with the regulatory authorities or any other action or deed, in order to give formal effect to the above provisions.

6. ALTERATION OF MEMORANDUM OF ASSOCIATION

- 6.1 Pursuant to reorganization of the share capital of the Transferee Company in accordance with Clause 5 above, the memorandum of association of the Transferee Company, shall, without any further act or deed, be and stand altered, modified and amended such that Clause V in the memorandum of association shall stand substituted to read as follows:
- “V. The Authorized Share Capital of the Company is Rs. 120,00,00,000 (Rupees One Hundred Twenty Crores) divided into 60,00,00,000 equity shares of Rs. 2 (Rupees Two) each.”*
- 6.2 The stamp duty or filing fees paid on the authorized share capital of the Transferee Company are permitted to be utilized and applied towards the changes in the authorized share capital of the Transferee Company in accordance with this Clause 6.1 above, and no further demand of additional stamp duty or fee shall be raised or made upon the Transferee Company by any regulatory authorities in relation to such increase in the authorized share capital of the Transferee Company, including by the Registrar of Companies, National Capital Territory of Delhi and Haryana.
- 6.3 It is hereby clarified that for the purposes of effecting the aforementioned amendments, the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under Section 13, Section 61 or any other applicable provisions of the Act, would be required to be separately passed.



PART IV

CONSIDERATION, ACCOUNTING TREATMENT AND TAX TREATMENT OF THE
TRANSFEROR COMPANY AND THE TRANSFeree COMPANY

7. CONSIDERATION

- 7.1 Upon the coming into effect of the Scheme, and in consideration of the transfer and vesting of the CLG Business Undertaking from the Transferor Company into the Transferee Company pursuant to Part IV of this Scheme, the Transferee Company shall, without any further act or deed and without any further payment, on the basis of the Valuation Report, issue and allot to the shareholders of the Transferor Company (whose name is recorded in the register of members of the Transferor Company as holding equity shares on the Record Date) in the following manner:
- “For every 1 (one) equity share of the Transferor Company of face value of INR. 2 each held in the Transferor Company, every equity shareholder of the Transferor Company, shall without any application, act or deed, be entitled to receive 1 (one) equity share of face value INR. 2 each of the Transferee Company, credited as fully paid up on the same terms and conditions of issue as prevalent in the Transferor Company”.*
- 7.2 The equity shares to be issued by the Transferee Company shall be issued in dematerialized form to those shareholders who hold shares of the Transferor Company in dematerialized form, into the account in which shares of the Transferor Company are held or such other account as is intimated in writing by the shareholders to the Transferor Company and/ or its registrar provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. All those shareholders who hold shares of the Transferor Company in physical form shall also receive the equity shares to be issued by the Transferee Company, in dematerialized form provided the details of their account with the depository participant are intimated in writing to the Transferor Company and/ or its registrar provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. If no such intimation is received from any shareholder who holds shares of the Transferor Company in physical form 7 (seven) days before the Record Date, or if the details furnished by any shareholder do not permit electronic credit of the shares of the Transferee Company, then the Transferee Company may allot physical shares or shares in such other form, to such shareholder, as may be permitted under the Applicable Law.
- 7.3 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on Record Date, in order to remove any difficulties, after the effectiveness of this Scheme.
- 7.4 The equity shares to be issued by the Transferee Company, pursuant to Clause 7.1 above, in respect of any equity shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of any court or otherwise, be held in abeyance by the Transferee Company.
- 7.5 Without prejudice to the generality of Clause 7.1 above, the Board of the Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned appropriate



authorities and undertake necessary compliance for the issue and allotment of equity shares to the members of the Transferor Company pursuant to Clause 7.1 of the Scheme.

- 7.6 Approval of this Scheme by the equity shareholders of the Transferee Company shall be deemed to be the due compliance of the provisions of Section 13, Section 14, Section 42, Section 62 and other relevant and applicable provisions of the Act and rules made thereunder for the issue and allotment of the equity shares by the Transferee Company to the equity shareholders of the Transferor Company as on the Record Date, as provided in this Scheme.
- 7.7 The equity shares of the Transferee Company issued in terms of Clause 7.1 of this Scheme will be listed and/ or admitted to trading on the Stock Exchanges where the shares of the Transferor Company are listed on the Effective Date. The Transferee Company shall apply to all the Stock Exchanges (where the shares of the Transferor Company are listed) and SEBI for listing and admission to trading of all the equity shares issued to the shareholders of the Transferor Company pursuant to this Scheme in terms of the SEBI Circular read with any other Applicable Laws.
- 7.8 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 the Transferee Company to comply with the formalities and requirements of the said Stock Exchanges. The equity shares of the Transferee Company allotted pursuant to the Scheme shall remain frozen in the depositories system until listing and trading permission is given by the Stock Exchanges as mentioned above. There shall be no change in the shareholding pattern or control in the Transferee Company between the Record Date in terms of the Scheme and the listing which may affect the status of approvals received from the Stock Exchanges.
- 7.9 Corporate Professionals Capital Private Limited, an independent SEBI registered merchant banker, pursuant to SEBI Circular, under its fairness opinion dated January 28, 2022, has certified that the Valuation Report in reference to the Scheme, is fair and reasonable.

8. ACCOUNTING TREATMENT

8.1 Accounting Treatment in the Financial Statements of the Transferor Company

- (a) The transfer of the CLG Business Undertaking shall be accounted for in the books of the Transferor Company in accordance with applicable accounting standards prescribed under Section 133 of the Act and generally accepted accounting principles in India.
- (b) Upon the Scheme becoming effective:
- (i) The respective carrying values, of the assets, liabilities and identified reserves of the CLG Business Undertaking, shall be reduced from the books of account of the Transferor Company.
- (ii) Pursuant to Part III of the Scheme, the investment of the Transferor Company in the Transferee Company as appearing in its books of accounts shall be written off.
- (c) The difference of the above, shall be reduced from Other Equity in the books of the Transferor Company.

8.2 Accounting Treatment in the Financial Statements of the Transferee Company

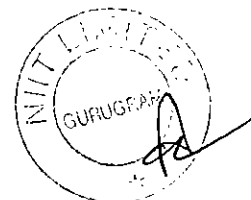


- (a) The transfer of the CLG Business Undertaking shall be accounted for in the books of the Transferee Company using the pooling of interest method in accordance with Appendix C “Business Combinations of entities under common control” of the Indian Accounting Standard (IND- AS) 103- Business Combinations.
- (b) Upon the Scheme becoming effective:
- (i) The transferred assets, liabilities and identified reserves relating to the CLG Business Undertaking would be recorded at their respective carrying amounts as appearing in Financial Statements of the Transferor Company.
 - (ii) The Transferee Company shall credit its share capital account with the aggregate face value of the equity shares issued to the shareholders of the Transferor Company.
 - (iii) The difference of the above shall be recorded within Other Equity of the Transferee Company.
 - (iv) The Transferee Company shall comply with presentation and disclosure requirements as per IND -AS -103.
- (c) The reserves so recorded under Other Equity shall be available for distribution of dividend to the shareholders and shall be considered as free reserves from the Act perspective.
- (d) With respect to reduction of capital under Part III, the amount of equity share capital and the securities premium shall stand reduced and cancelled and correspondingly adjusted to the retained earnings to the extent available and balance equity share capital shall be transferred to capital reserve.

9. TAX

Upon the Scheme becoming effective and with effect from the Appointed Date:

- 9.1 This Scheme complies with the conditions relating to “demerger” as defined under Section 2(19AA), Section 47 and other relevant sections and provisions of the IT Act.
- 9.2 It is clarified that all the taxes and duties payable by the Transferor Company, relating to the CLG Business Undertaking from the Appointed Date, including all advance tax payments, tax deducted at source, tax liabilities or any refund and claims shall, for all purposes be treated as advance tax payments, tax deducted at source, tax liabilities or refunds and claims of the Transferee Company, notwithstanding that the certificates, challans or other documents for payments of such taxes are in the name of the Transferor Company.
- 9.3 Without prejudice to the generality of Clause 9.2 above, any input tax credits which are unutilized as on the date of filing of prescribed returns/form for transfer of credit to the Transferee Company under Central Goods and Services Tax Act read with Central Goods and Services Tax rules therein shall be apportioned in accordance with relevant regulation, circulars, guidance provided for the same.
- 9.4 In addition, all deduction otherwise admissible to the Transferor Company in relation to the CLG Business Undertaking including payment admissible on actual payment or on deduction of



appropriate taxes or on payment of tax deducted at source shall be eligible for deduction to the Transferee Company upon fulfilment of the applicable conditions under the Applicable Law.

- 9.5 Tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company relating to the CLG Business Undertaking, if any, pending and/or arising at the Appointed Date, shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against the Transferee Company relating to the CLG Business Undertaking in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the transfer and vesting of the CLG Business Undertaking into the Transferee Company or anything contained in the Scheme.
- 9.6 With effect from the Appointed Date, Transferor Company and the Transferee Company are expressly permitted to prepare and/or revise, as the case may be, their Financial Statements and returns along with the prescribed forms, filings and annexure and related tax payment certificates under the Income Tax Act, 1961, Goods and Services Tax and other tax laws, if required, to give effect to provisions of the Scheme, and to claim refunds and advance tax credits in relation to the CLG Business Undertaking as may be required consequent to the implementation of the Scheme, and all tax compliances under Applicable Laws by the Transferor Company in relation to the CLG Business Undertaking shall be deemed to have been undertaken by the Transferee Company.



10. DIVIDENDS

- 10.1 The Transferor Company and the Transferee Company shall be entitled to declare and make a distribution/ pay dividends, whether interim or final and/or issue bonus shares to their respective shareholders prior to the Effective Date, in accordance with Applicable Law. Any declaration of dividend or other distribution of capital or income by the Transferor Company and the Transferee Company shall be consistent with their respective dividend policies and past practices.
- 10.2 It is clarified that the aforesaid provisions in respect of the declaration of dividends (whether interim or final) are enabling provisions and shall not be deemed to confer any right on any shareholder of the Transferor Company and the Transferee Company, as the case may be, to demand or claim or be entitled to any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of the Transferor Company and the Transferee Company, as the case may be, and subject to approval, if required, of the shareholders of the relevant company.

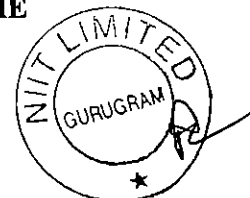
11. APPLICATION TO NCLT

- 11.1 The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make respective applications to the NCLT and or applicable authority, under Sections 230 to 232 of the Act, seeking order for dispensing with or for convening, holding and/or conducting of the meetings of the classes of their respective members and creditors (secured and unsecured) as per the requirements of the Act.
- 11.2 The Transferor Company and the Transferee Company, as the case may be, shall be entitled, pending the sanction of this Scheme, to apply to the appropriate authorities, as required, under any Applicable Law for such consents and approvals which may be required to own/ transfer the assets and/or liabilities of the CLG Business Undertaking.

12. CONDITIONALITY OF THE SCHEME

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

- (a) The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Transferor Company and the Transferee Company as may be directed by the NCLT under Sections 230- 232 of the Act;
- (b) The sanctioning of this Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise;
- (c) The filing of the certified copies of the orders of the NCLT with the Registrar of Companies, National Capital Territory of Delhi and Haryana, by the Transferor Company and the Transferee Company, as the case may be; and
- (d) Any other sanctions and orders as may be directed by the NCLT in respect of the Scheme.
- 13. MODIFICATION OR AMENDMENTS TO THE SCHEME**



- 13.1 Each of the Transferor Company and the Transferee Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the NCLT and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. Each of the Transferor Company and the Transferee Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the NCLT or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.
- 13.2 If any part or clause of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to the Transferor Company and/or the Transferee Company, in which case the Transferor Company and the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and the Transferee Company, the benefits and obligations of the Scheme, including but not limited to such part.

14. **WITHDRAWAL OF THE SCHEME**

Subject to the approval of the NCLT or any other competent authority, if required, the Board of Directors of the Transferee Company and the Transferor Company shall be entitled to revoke, cancel, withdraw and declare this Scheme of no effect at any stage if, (a) any of the conditions that may be imposed by the NCLT or other authorities which the Transferor Company and the Transferee Company may find unacceptable for any reason; or (b) they are of view that the coming into effect of the Scheme could have adverse implications on the Transferee Company and/or the Transferor Company.

15. **EFFECT OF NON-RECEIPT OF APPROVALS**

- 15.1 In the event that, (a) the Scheme is not sanctioned by the NCLT; (b) subject to Clause 15.2 below, any consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with; (c) the Scheme is revoked, canceled or withdrawn in accordance with Clause 14 above; or (d) for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void, and the Transferor Company shall bear the costs, charges and expenses in connection with the Scheme unless otherwise mutually agreed between the Transferor Company and Transferee Company.
- 15.2 The non – receipt of any sanctions or approvals for a particular asset or liability forming part of the CLG Business Undertaking getting transferred pursuant to this Scheme, shall not affect the effectiveness of the respective section of the Scheme, if the Boards of Directors of the Transferor Company and/or the Transferee Company so decide. In the event of non – receipt of approval of any lender / creditor for the transfer of any liability, then at the option of the Boards of Directors of the Transferor Company, it may issue a security / recognize a liability in favour of the Transferee Company on the same terms. The transfer of such asset or liability shall become effective from the Appointed Date as and when the said requisite approvals are received or aforesaid liability being recognized / security being issued and the provisions of the Scheme shall apply appropriately to the said transfer / issue / recognition.



16. **COSTS, CHARGES & EXPENSES**

16.1 Except as otherwise expressly provided in the Scheme:

- (a) all the costs, charges and expenses in connection with the Scheme till the Appointed Date, shall be borne by the Transferor Company; and
- (b) all the costs, charges and expenses in connection with the Scheme from the Appointed Date and until the Effective Date, shall be borne equally by the Transferor Company and Transferee Company.

16.2 Upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall bear their own costs, charges and expenses in connection with the Scheme after the Effective Date. The stamp duty, if any, in relation to the Scheme shall be borne by the Transferee Company.

16.3 Upon the Scheme becoming effective, all taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company pertaining to the CLG Business Undertaking and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

17. **COMPLIANCE WITH APPLICABLE LAWS**

17.1 The Transferor Company and the Transferee Company undertake to comply with all the Applicable Laws (including all applicable compliances required by SEBI and the Stock Exchanges), including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the appropriate authorities or any other statutory or regulatory authority (including without limitation, and if required, the Central Government, the Reserve Bank of India, SEBI, Stock Exchanges), which by Applicable Law may be required for the implementation of this Scheme or which by Applicable Law may be required in relation to any matters connected with this Scheme.

17.2 Since the Transferor Company is a listed company, this Scheme is subject to the compliances of the applicable requirements under the SEBI LODR, as amended from time to time, SEBI Circular and all other statutory directives of SEBI, as applicable.



SCHEDULE I

List of Subsidiaries outside India

S. No.	Subsidiary	Jurisdiction	Number of shares/Percentage of shareholding
1.	NIIT (USA) Inc., USA	U.S.A.	10,662,113 (100%)
2.	NIIT Limited, U.K.	U.K.	155,000 (100%)
3.	NIIT (Ireland) Limited	Ireland	4,150,000 (100%)
4.	NIIT Malaysia Sdn. Bhd.	Malaysia	5,541,000 (100%)
5.	NIIT West Africa Limited	Nigeria	10,000,000 (100%)



SCHEDULE II

List of Step-Down Subsidiaries

S.No.	Name of subsidiary	Jurisdiction	Number of shares/Percentage of shareholding
1.	Eagle Training Spain, S.L.	USA	3,630 (100%)
2.	Stackroute Learning Inc.	USA	1,500,000 (100%)
3.	NIIT Learning Solutions (Canada) Limited	Canada	9,197,260 (100%)

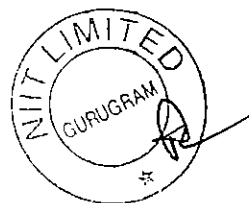


SCHEDULE III

List of Intellectual Property being transferred to the Transferee Company as part of the CLG Business Undertaking

A. COPYRIGHTS

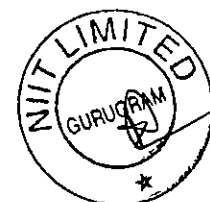
S.No.	Title	Course Code	Application Date	Diary No.	Acknowledgement Date	Certificate No.	Date of Certificate	Status
1	WORKFLOW AUTOMATION	M970576		F31-216/98CO		L-17339/98	15-May-1998	Registered
2	WIDE AREA NETWORK AND INTERNET WORKING	Software	29-Aug-2003	284/2003-CO/SW	29-Aug-2003	SW-1567/2004	15-Apr-2004	Registered
3	COMPUTER AIDED DRAFTING FOR ARCHITECTURE	Software	29-Aug-2003	285/2003-CO/SW	29-Aug-2003	SW-1568/2004	15-Apr-2004	Registered
4	VISUALIZATION	Software	29-Aug-2003	286/2003-CO/SW	29-Aug-2003	SW-1569/2004	15-Apr-2004	Registered
5	FOUNDATIONS OF MODELING FOR ENGINEERING GRAPHICS	Software	29-Aug-2003	287/2003-CO/SW	29-Aug-2003	SW-1570/2004	15-Apr-2004	Registered
6	INTRODUCTION TO DIFFERENTIAL AND INTEGRAL CALCULUS	Software	29-Aug-2003	288/2003-CO/SW	29-Aug-2003	SW-1571/2004	15-Apr-2004	Registered
7	ELECTRONIC DEVICES	Software	29-Aug-2003	289/2003-CO/SW	29-Aug-2003	SW-1572/2004	15-Apr-2004	Registered
8	DIGITAL ELECTRONICS	Software	29-Aug-2003	290/2003-CO/SW	29-Aug-2003	SW-1573/2004	15-Apr-2004	Registered
9	ELECTRONIC COMMUNICATIONS	Software	29-Aug-2003	291/2003-CO/SW	29-Aug-2003	SW-1574/2004	15-Apr-2004	Registered
10	PROGRAMMING AND GUI APPLICATIONS	Software	29-Aug-2003	292/2003-CO/SW	29-Aug-2003	SW-1575/2004	15-Apr-2004	Registered
11	USER AUTHENTICATION SYSTEMS & ROLE-BASED SECURITY	Software	29-Aug-2003	293/2003-CO/SW	29-Aug-2003	SW-1576/2004	15-Apr-2004	Registered
12	ADVANCED SWITCHING AND MANAGEMENT	Software	29-Aug-2003	294/2003-CO/SW	29-Aug-2003	SW-1577/2004	15-Apr-2004	Registered
13	MODERN WIRELESS COMMUNICATION	Software	29-Aug-2003	295/2003-CO/SW	29-Aug-2003	SW-1578/2004	15-Apr-2004	Registered
14	PHYSICAL AND COMPUTER-AIDED 3CD MODELING	Software	29-Aug-2003	296/2003-CO/SW	29-Aug-2003	SW-1579/2004	15-Apr-2004	Registered
15	AC ELECTRONICS	Software	29-Aug-2003	297/2003-CO/SW	29-Aug-2003	SW-1580/2004	15-Apr-2004	Registered
16	NETWORKING CONCEPTS	Software	29-Aug-2003	298/2003-CO/SW	29-Aug-2003	SW-1581/2004	15-Apr-2004	Registered
17	AUDITING E-COMMERCE SYSTEMS & IT INFRASTRUCTURE	Software	29-Aug-2003	299/2003-CO/SW	29-Aug-2003	SW-1582/2004	15-Apr-2004	Registered
18	INTRODUCTORY DIGITAL COMMUNICATION SYSTEMS	Software	3-Sep-2003	304/2003-CO/SW	3-Sep-2003	SW-1587/2004	21-Apr-2004	Registered
19	INTRODUCTORY ELECTRONIC CIRCUIT DESIGN	Software	3-Sep-2003	305/2003-CO/SW	3-Sep-2003	SW-1588/2004	21-Apr-2004	Registered
20	OPERATING SYSTEMS	Software	3-Sep-2003	306/2003-CO/SW	3-Sep-2003	SW-1589/2004	21-Apr-2004	Registered
21	LINUX OPERATING SYSTEM	Software	3-Sep-2003	307/2003-CO/SW	3-Sep-2003	SW-1590/2004	21-Apr-2004	Registered
22	DC ELECTRONICS	Software	3-Sep-2003	308/2003-CO/SW	3-Sep-2003	SW-1591/2004	21-Apr-2004	Registered
23	COMPUTER NUMERICAL CONTROL	Software	3-Sep-2003	309/2003-CO/SW	3-Sep-2003	SW-1592/2004	21-Apr-2004	Registered
24	NUMERICAL METHODS	Software	3-Sep-2003	310/2003-CO/SW	3-Sep-2003	SW-1593/2004	21-Apr-2004	Registered
25	APPLIED DATABASE DEVELOPMENT	Software	3-Sep-2003	311/2003-CO/SW	3-Sep-2003	SW-1594/2004	21-Apr-2004	Registered
26	INTRODUCTION TO GAMING TECHNOLOGY	Software	3-Sep-2003	312/2003-CO/SW	3-Sep-2003	SW-1596/2004	21-Apr-2004	Registered
27	MANAGING GAME DEVELOPMENT	Software	3-Sep-2003	313/2003-CO/SW	3-Sep-2003	SW-1597/2004	21-Apr-2004	Registered



S.No.	Title	Course Code	Application Date	Diary No.	Acknowledgement Date	Certificate No.	Date of Certificate	Status
28	CARRY ON WRITING	Software	3-Sep-2003	314/2003-CO/SW	3-Sep-2003	SW-1595/2004	21-Apr-2004	Registered
29	ADVANCED CIRCUIT ANALYSIS I	Software	3-Sep-2003	315/2003-CO/SW	3-Sep-2003	SW-1598/2004	21-Apr-2004	Registered
30	ADVANCED CIRCUIT ANALYSIS II	Software	2-Feb-2005	22/2005-CO/SW	7-Feb-2005	SW-2220/2005	12-May-2005	Registered
31	ADVANCED JAVA I	Software	2-Feb-2005	23/2005-CO/SW	7-Feb-2005	SW-2221/2005	12-May-2005	Registered
32	ADVANCED JAVA II	Software	2-Feb-2005	24/2005-CO/SW	7-Feb-2005	SW-2222/2005	12-May-2005	Registered
33	ALGORITHM ANALYSIS & DESIGN	Software	2-Feb-2005	25/2005-CO/SW	7-Feb-2005	SW-2223/2005	12-May-2005	Registered
34	BROADCAST GRAPHICS	Software	2-Feb-2005	26/2005-CO/SW	7-Feb-2005	SW-2224/2005	12-May-2005	Registered
35	BUSINESS DATABASE ADMINISTRATION	Software	2-Feb-2005	27/2005-CO/SW	7-Feb-2005	SW-2225/2005	12-May-2005	Registered
36	COMPUTER MODELING FOR ARCHITECTURE	Software	2-Feb-2005	28/2005-CO/SW	7-Feb-2005	SW-2226/2005	12-May-2005	Registered
37	COMPUTER ORGANISATION & ASSEMBLY LANGUAGE	Software	31-Jan-2005	29/2005-CO/SW	7-Feb-2005			Applied for
38	CREATIVE WRITING AND STORYBOARDING FOR GAMES	Software	31-Jan-2005	30/2005-CO/SW	7-Feb-2005			Applied for
39	DATABASE DESIGN & DEVELOPMENT	Software	31-Jan-2005	31/2005-CO/SW	7-Feb-2005			Applied for
40	DIGITAL COMMUNICATION SYSTEMS II	Software	31-Jan-2005	32/2005-CO/SW	7-Feb-2005			Applied for
41	ELECTRONIC CIRCUIT DESIGN II	Software	31-Jan-2005	33/2005-CO/SW	7-Feb-2005			Applied for
42	GAME DESIGN PROCESS	Software	31-Jan-2005	34/2005-CO/SW	7-Feb-2005			Applied for
43	GAME DESIGN STRATEGIES	Software	31-Jan-2005	35/2005-CO/SW	7-Feb-2005			Applied for
44	INTRODUCTION TO ANIMATION	Software	31-Jan-2005	36/2005-CO/SW	7-Feb-2005			Applied for
45	INTRODUCTION TO C# PROGRAMMING	Software	2-Feb-2005	37/2005-CO/SW	7-Feb-2005	SW-2210/2005	12-May-2005	Registered
46	INTRODUCTION TO VB.NET	Software	2-Feb-2005	38/2005-CO/SW	7-Feb-2005	SW-2211/2005	12-May-2005	Registered
47	LEADERSHIP IN DYNAMIC INFORMATION AGE	Software	2-Feb-2005	39/2005-CO/SW	7-Feb-2005	SW-2212/2005	12-May-2005	Registered
48	LEARNING DATA STRUCTURES USING C++	Software	2-Feb-2005	40/2005-CO/SW	7-Feb-2005	SW-2213/2005	12-May-2005	Registered
49	LINUX SYSTEM ADMINISTRATION	Software	2-Feb-2005	41/2005-CO/SW	7-Feb-2005	SW-2214/2005	12-May-2005	Registered
50	MANAGERIAL ECONOMICS	Software	2-Feb-2005	42/2005-CO/SW	7-Feb-2005	SW-2215/2005	12-May-2005	Registered
51	MANAGING BUSINESS INFORMATION SYSTEMS	Software	2-Feb-2005	43/2005-CO/SW	7-Feb-2005	SW-2216/2005	12-May-2005	Registered
52	MODELING FOR ENGINEERING GRAPHICS	Software	2-Feb-2005	44/2005-CO/SW	7-Feb-2005	SW-2217/2005	12-May-2005	Registered
53	PHYSICS	Software	2-Feb-2005	45/2005-CO/SW	7-Feb-2005	SW-2218/2005	12-May-2005	Registered
54	PHYSICS OF ANIMATION	Software	2-Feb-2005	46/2005-CO/SW	7-Feb-2005	SW-2219/2005	12-May-2005	Registered
55	PROCESS CONTROL CIRCUITS	Software	31-Jan-2005	47/2005-CO/SW	7-Feb-2005			Applied for
56	PROFESSIONAL PROCEDURES AND PORTFOLIO DEVELOPMENT	Software	31-Jan-2005	48/2005-CO/SW	7-Feb-2005			Applied for
57	PROGRAMMING IN ASP.NET	Software	31-Jan-2005	50/2005-CO/SW	7-Feb-2005			Applied for
58	PROGRAMMING.NET FRAMEWORK WITH VB.NET AND C#	Software	31-Jan-2005	51/2005-CO/SW	7-Feb-2005			Applied for
59	SECURING LINUX PLATFORMS AND APPLICATIONS	Software	31-Jan-2005	52/2005-CO/SW	7-Feb-2005			Applied for
60	SECURING WINDOWS PLATFORMS & APPLICATIONS	Software	31-Jan-2005	53/2005-CO/SW	7-Feb-2005			Applied for
61	SOFTWARE REQUIREMENTS ANALYSIS & DESIGN	Software	31-Jan-2005	54/2005-CO/SW	7-Feb-2005			Applied for



S.No.	Title	Course Code	Application Date	Diary No.	Acknowledgement Date	Certificate No.	Date of Certificate	Status
62	STRATEGIES FOR TECHNICAL PROFESSIONALS	Software	31-Jan-2005	55/2005-CO/SW	7-Feb-2005			Applied for
63	STRUCTURED PROGRAMMING	Software	31-Jan-2005	56/2005-CO/SW	7-Feb-2005			Applied for
64	SYSTEM ANALYSIS	Software	31-Jan-2005	57/2005-CO/SW	7-Feb-2005			Applied for
65	SYSTEM ANALYSIS FOR SOFTWARE ENGINEERS	Software	2-Feb-2005	58/2005-CO/SW	7-Feb-2005	SW-2200/2005	12-May-2005	Registered
66	SYSTEM FORENSIC INVESTIGATION & RESPONSE	Software	2-Feb-2005	59/2005-CO/SW	7-Feb-2005	SW-2201/2005	12-May-2005	Registered
67	TEAM PRODUCT DEVELOPMENT	Software	2-Feb-2005	60/2005-CO/SW	7-Feb-2005	SW-2202/2005	12-May-2005	Registered
68	UNIX OPERATING SYSTEMS	Software	2-Feb-2005	61/2005-CO/SW	7-Feb-2005	SW-2203/2005	12-May-2005	Registered
69	VOICE AND DATA INTEGRATION	Software	2-Feb-2005	62/2005-CO/SW	7-Feb-2005	SW-2204/2005	12-May-2005	Registered
70	WEB TECHNOLOGY	Software	2-Feb-2005	63/2005-CO/SW	7-Feb-2005	SW-2205/2005	12-May-2005	Registered
71	ATLAS	Literary	25-May-2009	4525/09-CO/L	1-Jun-2009	L-35624/2010	22-Mar-2010	Registered
72	ACCELARATE	Literary	25-May-2009	4526/09-CO/L	1-Jun-2009	L-35625/2010	22-Mar-2010	Registered
73	LITMUS RECRUITMENT PORTAL	Literary	25-May-2009	4527/09-CO/L	1-Jun-2009	L-35626/2010	22-Mar-2010	Registered
74	PROPEL-TRAINING MANAGEMENT TOOL	Literary	25-May-2009	4528/09-CO/L	1-Jun-2009	L-35627/2010	22-Mar-2010	Registered
75	TRAINING ADMINISTRATION ENHANCEMENT TOOL	Literary	25-May-2009	4529/09-CO/L	1-Jun-2009	L-35628/2010	22-Mar-2010	Registered
76	FINANCIAL AUTOMATION TOOL	Literary	25-May-2009	4530/09-CO/L	1-Jun-2009	L-35629/2010	22-Mar-2010	Registered
77	FLASH PLAYBOOK TEMPLATS	Literary	25-May-2009	4531/09-CO/L	1-Jun-2009	L-35630/2010	22-Mar-2010	Registered
78	PRAMATI 5.0	Literary	25-May-2009	4532/09-CO/L	1-Jun-2009	L-35631/2010	22-Mar-2010	Registered
79	CLICKS UI TOOL UPGRADE	Literary	25-May-2009	4533/09-CO/L	1-Jun-2009	L-35632/2010	22-Mar-2010	Registered
80	INDIVIDUAL AS A BATCH - TRAINING PLATFORM - MODULE I	Literary	25-May-2009	4534/09-CO/L	1-Jun-2009	L-35633/2010	22-Mar-2010	Registered
81	INDIVIDUAL AS A BATCH - TRAINING PLATFORM - MODULE II	Literary	25-May-2009	4535/09-CO/L	1-Jun-2009	L-35634/2010	22-Mar-2010	Registered
82	RELATIONAL DATABASE DESIGN	Literary	25-May-2009	4536/09-CO/L	1-Jun-2009	L-35635/2010	22-Mar-2010	Registered
83	UNIX & LINUX FUNDAMENTALS	Literary	25-May-2009	4537/09-CO/L	1-Jun-2009	L-35636/2010	22-Mar-2010	Registered
84	PERL CGI	Literary	25-May-2009	4538/09-CO/L	1-Jun-2009	L-35637/2010	22-Mar-2010	Registered
85	UNIX ADVANCED	Literary	25-May-2009	4539/09-CO/L	1-Jun-2009	L-35638/2010	22-Mar-2010	Registered
86	AGILE PROJECT MANAGEMENT	Literary	25-May-2009	4540/09-CO/L	1-Jun-2009	L-35601/2010	22-Mar-2010	Registered
87	SHELL SCRIPTING IN UNIX	Literary	25-May-2009	4541/09-CO/L	1-Jun-2009	L-35602/2010	22-Mar-2010	Registered
88	FLASH AND DREAMWEAVER	Literary	26-May-2009	4462/09-CO/L	28-May-2009	L-36000/2010	23-Aug-2010	Registered
89	HOSTING INTERNAP	Literary	22-Apr-2010	4900/10/C O/L	29-Apr-2010	L-39077/2011	20-Sep-2011	Registered
90	RICH MEDIA	Literary	22-Apr-2010	4899/10/C O/L	29-Apr-2010	L-39076/2011	20-Sep-2011	Registered
91	PROJECT PRACTICE PROGRAM	Literary	30-Apr-2010	5715/10-CO/L	7-May-2010	L-39151/2011	13-Oct-2011	Registered
92	STQA(SOFTWARE TESTING AND QUALITY ASSURANCE)	Literary	30-Apr-2010	5752/10-CO/L	7-May-2010	L-39458/2011	24-Nov-2011	Registered
93	CONTENT ENGINE OPTIMIZATION	Literary	20-Oct-2010	12017/10-COL	2-Nov-2010	L-45572/2013	11-Jan-2013	Registered
94	ONLINE WORK AND HOSTING MANAGEMENT	Literary	20-Oct-2010	12018/10-COL	2-Nov-2010	L-45581/2013	11-Jan-2013	Registered
95	MTS	Literary	26-Aug-2011	10294/2011/COL	1-Sep-2011			Applied for



S.No.	Title	Course Code	Application Date	Diary No.	Acknowledgement Date	Certificate No.	Date of Certificate	Status
96	TOOLKIT SOURCE	Literary	22-Sep-2011	11577/2011/CO/L	28-Sep-2011	L-48219/2013	9-Apr-2013	Registered
97	Training Admin Product Development	Literary	16-Jul-2012	9100/2012-CO/L	18-Jul-2012			Applied for
98	Creating, Querying & Managing Database using MySQL - SEZ	Literary	8-Mar-13	3044/2013-CO/L	14-Mar-13	L-54543/2013	26-Sep-2013	Registered
99	Data Centric Application Development Using ADO.NET - SEZ	Literary	8-Mar-13	3048/2013-CO/L	14-Mar-13	L-54537/2013	26-Sep-2013	Registered
100	WEB Page Authoring (WPA) - SEZ	Literary	8-Mar-13	3049/2013-CO/L	14-Mar-13	L-54536/2013	26-Sep-2013	Registered
101	Symphony - Program and Project Management Software	Literary	31-Mar-17	5534/2017-CO/SW	31-Mar-17	SW-9350/2017	28-Aug-2017	Registered
102	QA Automation Tool	Literary	31-Mar-17	5536/2017-CO/SW	31-Mar-17	SW-9349/2017	28-Aug-2017	Registered
103	LT Tool	Literary	11-May-17	7555/2017-CO/L	11-May-17			Applied for
104	IDC Tool	Literary	12-May-17	7576/2017-CO/L	12-May-17			Applied for
105	MS Tool	Literary	12-May-17	7574/2017-CO/L	12-May-17			Applied for
106	EASE	Literary	12-Jul-17	10525/2017-CO/SW	12-Jul-17	SW-9459/2017	22-Sep-2017	Registered
107	Onboarding Platform	Software	14-Dec-18	17370/2018-CO/SW	14-Dec-18	SW-12139/2019	25-Jan-2019	Registered
108	Learning experience Transformation Platform	Software	9-Jul-19	10898/2019-CO/SW	15-Jul-19	SW-12816/2019	2-Sep-2019	Registered
109	Customer experience Transformation Platform	Software	1-Feb-20	2004/2020-CO/SW	1-Feb-20	SW-13366/2020	18-Mar-2020	Registered
110	F2H : Platform and Automation	Literary	20-Mar-20	7362/2020-CO/SW	4-Jun-20	SW-13629/2020	24-Aug-2020	Registered
111	Sales Enablement Platform	Software	12-Nov-20	18335/2020-CO/SW	12-Nov-20	SW-14221/2021	23-Feb-2021	Registered

B. TRADEMARKS

S. No.	Particular	Class	Filing Date	Trademark No.	Valid From	Valid To	Status
1.	NIIT LITMUS	41	9-Oct-2006	1494851	9-Oct-2006	8-Oct-2026	Registered
2.	NIIT LITMUS	42	9-Oct-2006	1494852	9-Oct-2006	8-Oct-2026	Registered

