

**COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION**  
**BETWEEN**  
**UFO MOVIEZ INDIA LIMITED**  
**AND**  
**QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED**  
**AND**  
**QUBE DIGITAL CINEMA PRIVATE LIMITED**  
**AND**  
**MOVIEBUFF PRIVATE LIMITED**  
**AND**  
**PJSA TECHNOSOFT PRIVATE LIMITED**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**  
**(UNDER SECTIONS 230 TO 232 AND OTHER RELEVANT PROVISIONS OF**  
**THE COMPANIES ACT, 2013)**

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## PREAMBLE

This Composite Scheme of Arrangement and Amalgamation (“**Scheme**”) is presented pursuant to the provisions of Section 230 to 232 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Sections 2(19AA), 2(1B), Section 2(42C) and other relevant provisions of the Income-Tax Act, 1961, as applicable for the:

- (i) Demerger of the Demerged Undertaking (*more particularly defined hereinafter*) of Qube Cinema Technologies Private Limited (“**QCTPL**” or “**Demerged Company**”) into Qube Digital Cinema Private Limited (“**QDCPL**” or “**Resulting Company**”) on a going concern basis;
- (ii) Amalgamation of Moviebuff Private Limited (“**MPL**” or “**Transferor Company 1**”) into QDCPL (“**Transferee Company 1**”) and consequent dissolution of MPL without winding up;
- (iii) Amalgamation of QDCPL (“**Transferor Company 2**”) into UFO Moviez India Limited (“**UFO**” or “**Transferee Company 2**”) and consequent dissolution of QDCPL without winding up; and
- (iv) Slump Sale of the Transferred Undertaking (*more particularly defined hereinafter*) of UFO (“**Transferor Company 3**”) into PJSA Technosoft Private Limited (“**PJSA**” or “**Transferee Company 3**”).

### (A) DESCRIPTION OF THE COMPANIES

1. QCTPL is a private limited company incorporated on January 1, 1986 under the Companies Act, 1956 and its registered office is situated at 42, Dr. Ranga Road, Mylapore, Chennai 600 004. QCTPL is engaged in the business of providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.
2. QDCPL is a private limited company incorporated on October 11, 2017 under the Companies Act, 2013 and its registered office is situated at 42, Dr. Ranga

Road, Mylapore, Chennai 600 004. QDCPL will be engaged in the same business as that of QCTPL i.e. providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.

3. MPL is a private limited company incorporated on November 4, 1996 under the Companies Act, 1956 and its registered office is situated at 42, Dr. Ranga Road, Mylapore, Chennai 600 004. MPL is engaged in the business of operating a backend platform for dynamically creating and playing back customised content at scheduled times.
4. UFO is a public limited company incorporated on June 14, 2004 under the Companies Act, 1956 and its registered office is situated at Valuable Techno Park, Plot No 53/1, Road No 7, Marol MIDC, Andheri East, Mumbai – 400 093. The equity shares of UFO are listed on BSE Limited and National Stock Exchange of India Limited. UFO is engaged in the business of digital cinema distribution, in-cinema advertising and electronic ticketing.
5. PJSA is a private limited company incorporated on October 17, 2017 under the Companies Act, 2013 and its registered office is situated at 2602, Wing C, Oberoi Splendor, Opp. Majas Depot, JVLR, Andheri East, Mumbai – 400 060. PJSA will be engaged in the business of providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.

**(B) RATIONALE AND PURPOSE OF THE SCHEME**

1. QCTPL and UFO are engaged in similar business. Considering the existing entertainment and advertising market dynamics in India and global markets and growth opportunities thereof, QCTPL and UFO believe that the proposed consolidation of the QCTPL Business (*more particularly defined hereinafter*) with UFO will lead to robust growth opportunities in India and globally.
2. UFO has developed an efficient satellite delivery mechanism for delivery of content into theatres using MPEG4 technology. QCTPL, on the other hand, uses MPEG2 technology and has also developed its own DCI compliant servers. The resultant entity will thus have all the complementary technologies

at its disposal and will be in a position to offer its clients a comprehensive bouquet of services. Additionally, based on evaluation of technologies, the resultant entity will be able to use best features of these technologies for growth of its business in a competitive manner.

3. Neither QCTPL nor UFO is currently able to provide a comprehensive advertising solution to its clients across the length and breadth of the country.
4. While QCTPL has a very strong presence in southern regions of India, UFO has a higher number of its screens in northern regions with reasonable presence in southern regions of India. Thus, the proposed restructuring will ensure an all India presence for the combined entity thereby facilitating provision of a wholesome offering across the country to its advertising clients. This will help in substantial growth of the advertising business for the resultant entity.
5. Further, this Scheme would bring about synergy of operations and benefit of scale since duplication of administrative efforts and legal and regulatory compliances will be unified.
6. This Scheme will facilitate exit of private equity investors from the QCTPL Business who have stayed invested in QCTPL for a long time. The private equity investors will continue to remain invested in the Studio DPS Business (*more particularly defined hereinafter*) of QCTPL.
7. This Scheme will provide an opportunity to employees and shareholders of QCTPL to become part of a listed entity.
8. The resultant entity will be able to provide better and more efficient and comprehensive services to all the stakeholders of the industry such as exhibitors, distributors, advertisers etc.
9. As part of this Scheme, all businesses of QCTPL which are synergic with UFO will be demerged into QDCPL, a company owned by QCTPL Promoter 1 and his relative, leaving behind businesses in QCTPL that are not synergic or have limited growth potential. Further, it is also proposed to merge MPL, a

company controlled by QCTPL Promoters and which holds various intellectual properties, into QDCPL, thereby consolidating and combining the businesses of QCTPL and MPL in QDCPL. QDCPL will then be merged with UFO.

10. QCTPL has developed certain new software, technologies and processes (“**QCTPL Products**”) which are currently in the process of commercialization. UFO, in addition to its screen network in India, also has a network of screens overseas. QCTPL Products have global application and the combined network post amalgamation will allow faster monetization of QCTPL Products not only in India but overseas as well. Post merger of QDCPL into UFO, the business relating to the QCTPL Products i.e. IP Business (*more particularly defined hereinafter*) will be hived off into PJSA, a wholly subsidiary of UFO, thereby creating a pure technology play. The IP Business derives value significantly from the technical expertise and talent of the QCTPL Promoters. Further, synergies will be derived from such talent acquisitions pursuant to the Scheme. Accordingly, the continual support of the QCTPL Promoters would be required upon implementation of the Scheme for the technology aspects. This will also facilitate hiring of relevant technical talent which is a challenge currently for both QCTPL and UFO.

Thus, with the aforesaid objectives, it is proposed to demerge the QCTPL Business of QCTPL into QDCPL, merge MPL into QDCPL, undertake the purchase of the QDCPL Sale Shares (*more particularly defined hereinafter*) of the Sellers (*more particularly defined hereinafter*) who no longer wish to participate in the QCTPL Business, amalgamate QDCPL with UFO and thereafter slump sale the IP Business from UFO into PJSA pursuant to this composite Scheme. For the avoidance of any doubt, it is stated that each of the aforesaid transactions form an integral and indivisible part of this composite Scheme and the said transactions shall be deemed to occur in the sequence set out in Para (D) herein below and none of the said transactions shall be considered to be consummated, unless each of the other transactions are also consummated and this Scheme is approved by the SEBI, the Stock Exchanges and the NCLTs, as the case may be.

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

**(C) OVERVIEW OF THIS SCHEME**

For the sake of convenience, the Scheme is divided into the following parts –

**PART I** – Definitions and Share Capital;

**PART II** – Demerger of QCTPL Business from QCTPL into QDCPL;

**PART III** – Amalgamation of MPL into QDCPL;

**PART IV** – Amalgamation of QDCPL into UFO;

**PART V** – Slump Sale of IP Business from UFO to PJSA;

**PART VI** - General Terms and Conditions.

Part II, III, IV and V of the Scheme are interdependent and not severable. Each part shall be deemed to have taken effect as per the chronology specifically provided for in the Scheme.

**(D) EFFECTIVENESS OF THE SCHEME**

The various parts of the Scheme set out herein in its present form or with any modification(s) approved or directed by the NCLTs, Stock Exchanges, SEBI or any other Governmental Authorities shall be deemed to have given effect to as per the following chronology and sequence:

- i) With effect from the Appointed Date 1, Part II (relating to demerger of the QCTPL Undertaking of QCTPL into QDCPL) and Part III of the Scheme (relating to amalgamation of MPL into QDCPL) shall be deemed to have been operative from the Effective Date 1;
- ii) With effect from the Appointed Date 2, Part IV of the Scheme (relating to amalgamation of QDCPL into UFO) shall be deemed to have been operative from the Effective Date 2; and

- iii) With effect from the Appointed Date 3, Part V of the Scheme (relating to slump sale of the Transferred Undertaking of UFO into PJSA) shall be deemed to have been operative from the Effective Date 3.

Notwithstanding any other provisions of this Scheme, it is specified that none of the transactions contemplated under this Scheme i.e., demerger of the QCTPL Undertaking of QCTPL into QDCPL, amalgamation of MPL into QDCPL, purchase of the QDCPL Sale Shares of the Sellers who no longer wish to participate in the QCTPL Business, amalgamation of QDCPL with UFO and slump sale of Transferred Undertaking of UFO into PJSA, shall be considered to be consummated, unless each of the other transactions are also consummated and this Scheme is approved by the SEBI, the Stock Exchanges and the NCLTs, as the case may be. It is expressly clarified that it is the intention of QCTPL, QDCPL, MPL, PJSA and UFO that each of the transactions contemplated under Part II, Part III, Part IV and Part V of the Scheme constitute a single transaction and the Scheme shall be implemented only if the Scheme is approved in its entirety.

**(E) TREATMENT OF THE SCHEME FOR THE PURPOSES OF INCOME-TAX ACT, 1961**

1. The provisions of Part II of this Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the Income-Tax Act, 1961. If any of the terms or provisions of Part II of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income-Tax Act, 1961. Such modifications will however not affect other parts of the Scheme.
2. Part III and IV of the Scheme have been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-Tax Act 1961. If any of the terms or provisions of Part III and/ or IV of the Scheme is/are found or interpreted to be inconsistent with the provisions

of Section 2(1B) of the Income-Tax Act 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(1B) of the Income-Tax Act 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with the provisions of Section 2(1B) of the Income-Tax Act 1961. Such modification will however not affect other parts of the Scheme.

3. Part V of the Scheme has been drawn up to comply with the conditions relating to "Slump Sale" as specified under Section 2(42C) of the Income-Tax Act 1961. If any of the terms or provisions of Part VI of the Scheme is/are found or interpreted to be inconsistent with the provisions of Section 2(42C) of the Income-Tax Act 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(42C) of the Income-Tax Act 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with the provisions of Section 2(42C) of the Income-Tax Act 1961. Such modification will however not affect other parts of the Scheme.

## **PART I: DEFINITIONS, INTERPRETATION AND SHARE CAPITAL**

### **1 DEFINITIONS**

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

- 1.1 **“Act”** means the Companies Act, 2013 and any rules, regulations, circulars or guidelines issued thereunder and shall, if the context so requires and as may be applicable, mean the Companies Act, 1956 and any rules, regulations, circulars or guidelines issued thereunder, as amended from time to time and shall include any statutory replacement or re-enactment thereof.
- 1.2 **“Applicable Law”** includes all statutes, enactments, acts of legislature or parliament, ordinances, rules, bye-laws, Governmental Approvals regulations thereof, notifications, guidelines required to be followed, directions, directives and orders of any Governmental Authority as may be applicable to the relevant Party.

- 1.3 **“Appointed Date 1”** means Effective Date 1, being the date with effect from which Part II and Part III of this Scheme shall be deemed to be effective, in the manner described in Para (D) of this Scheme.
- 1.4 **“Appointed Date 2”** means Effective Date 2, being the date with effect from which Part IV of this Scheme shall be deemed to be effective, in the manner described in Para (D) of this Scheme.
- 1.5 **“Appointed Date 3”** means Effective Date 3, being the date with effect from which Part V of this Scheme shall be deemed to be effective, in the manner described in Para (D) of this Scheme.
- 1.6 **“Board of Directors”** means the Board of Directors of QCTPL, QDCPL, MPL, PJSA and/or UFO, as the context may require, and includes committees of the Board (if any) constituted for the implementation of this Scheme.
- 1.7 **“Business”** means the QCTPL Business and Studio DPS Business.
- 1.8 **“Business Day”** means any day other than a Saturday, Sunday or any day on which banks in Mumbai, Chennai, Singapore, Mauritius or Delaware are permitted to be closed.
- 1.9 **“Consent”** means any notice, consent, approval, authorization, waiver, permit, permission, clearance, license, exemption, no objection certificate, registration, with, of, from or to any Person.
- 1.10 **“Demerged Company”** means QCTPL.
- 1.11 **“Demerger Record Date”** means the date to be mutually fixed by the Board of Directors of QDCPL and QCTPL, for the purpose of determining the shareholders of QCTPL to whom shares of QDCPL shall be issued in consideration for the demerger of the QCTPL Undertaking into QDCPL pursuant to and as contemplated under Part II of this Scheme.

- 1.12 “**Demerger Share Entitlement Ratio**” means the ratio in which the QDCPL Demerger Shares shall be issued to the shareholders of QCTPL as on the Demerger Record Date as specified under Clause 5.1.
- 1.13 “**Effective Date 1**” means the date which is the later of (i) the date on which the certified copies of the last of the NCLT Order(s) is filed with the relevant RoC; and (ii) 2 (two) Business Days from the date on which the final approval to the Scheme from the Stock Exchanges and SEBI is obtained. Reference in this Scheme to ‘upon Part II of the Scheme becoming effective’ or “upon Part III of the Scheme becoming effective” shall mean the Effective Date 1.
- 1.14 “**Effective Date 2**” means 1 (one) calendar day after the completion of the sale and purchase of the QDCPL Sale Shares in the manner as mutually agreed between the Sellers, UFO and New Investor. Reference in this Scheme to ‘upon Part IV of the Scheme becoming effective’ shall mean the Effective Date 2.
- 1.15 “**Effective Date 3**” means 1 (one) calendar day after the Effective Date 2. Reference in this Scheme to “upon Part V of the Scheme becoming effective” shall mean the Effective Date 3.
- 1.16 “**Encumbrance**” means any mortgage, pledge, hypothecation, non-disposal undertaking, escrow, charge, lien or other security interest or encumbrance of any kind securing any obligation of any Person, any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law), option, pre-emptive right, proxy, voting agreement, right of first offer, first last or other refusal right, or transfer restriction in favor of any Person, beneficial ownership, adverse claim, title retention agreement, conditional sale agreement, any provisional, conditional or executory attachment, trust (other title exception of whatsoever nature), or any agreement to create any of the foregoing and the term “Encumber” shall be construed accordingly.
- 1.17 “**Governmental Approvals**” means any Consent of any Governmental Authority.

- 1.18 **“Governmental Authority”** means any government authority, statutory authority, regulatory authority, agency, government department, board, commission, administrative authority, tribunal or court or any authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, having or purporting to have jurisdiction on behalf of the Republic of India or any state or province or other political subdivision thereof or any municipality, district or other subdivision thereof or in any other nation over QCTPL, QDCPL, MPL, PJSA and/ or UFO, as the context may require.
- 1.19 **“IP Business”** means the divisions, undertakings, businesses, activities and operations of UFO relating to the development and commercial exploitation of the intellectual property rights underlying the QCTPL Products set out in **Schedule I** (as transferred to UFO pursuant to the merger of QDCPL into UFO under Part IV of this Scheme).
- 1.20 **“IT Act”** means the Indian Income-Tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force.
- 1.21 **“NCLT”** means, collectively, the National Company Law Tribunal, Mumbai Bench having jurisdiction in relation to UFO and PJSA and National Company Law Tribunal, Chennai Bench, having jurisdiction in relation to QCTPL, QDCPL and MPL as applicable or such other forum or authority as may be vested with any of the powers for approving any scheme of arrangement, compromise or reconstruction of a company under Section 230 to 234 of the Act of the above mentioned tribunals under the Act.
- 1.22 **“NCLT Order(s)”** means all orders passed by the NCLT sanctioning the Scheme and includes any orders passed by NCLT or any other Governmental Authority’s order(s) for extension of time or condonation of delay in filing of the requisite forms with the relevant Registrar of Companies in relation to this Scheme, if applicable.
- 1.23 **“New Investor”** shall have the meaning ascribed to such term in Clause 24.1 of this Scheme.

- 1.24 “**Person**” means any individual or other entity, whether a corporation, firm, company, joint venture, trust, association, organization, partnership or proprietorship, including any governmental agency or regulatory body.
- 1.25 “**MPL Business**” means the divisions, undertakings, businesses, activities and operations of MPL relating to operation of a backend platform for curating and playing back customised template messages as per viewer choices based on customer chosen schedules on chosen front-end playback devices and marketing the offering directly to end customers or through chosen channels and platforms.
- 1.26 “**MPL Merger Record Date**” means the date to be mutually fixed by the Board of Directors of QDCPL and MPL, for the purpose of determining the shareholders of MPL to whom shares shall be issued in consideration for the merger of MPL into QDCPL pursuant to and as contemplated under Part III of this Scheme.
- 1.27 “**MPL Merger Share Entitlement Ratio**” means the ratio in which the QDCPL Merger Shares shall be issued to the shareholders of MPL as on the MPL Merger Record Date as specified under Clause 20.1.
- 1.28 “**MPL Undertaking**” means MPL and includes all the undertaking and the entire MPL Business as a going concern as of the Appointed Date 1, including all its assets, investments, rights, approvals, licenses and powers, and all its debts, outstandings, liabilities, duties, obligations and employees including, but not in any way limited to, the following:
- a) all assets, as are movable in nature whether present or future or contingent, tangible or intangible, in possession or reversion, including electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory and tools and plants, actionable claims, current assets, earnest monies and sundry debtors, financial assets, capital advances, rental deposits, telephone deposits, investment (including in subsidiaries, associates, joint venture, whether in India or abroad), prepaid expenses, staff advances, rebates, outstanding loans

and advances recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other Persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to service tax input credits, GST credits or set-offs, advance tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds.

- b) all permits, licences, permissions, approvals, clearances, Consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto.
- c) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/licence agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder.
- d) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies,

technical knowhow, confidential information and all such rights of whatsoever description and nature (including but not limited to “QUIPS”, the intellectual property underlying the operation of a backend platform for dynamically creating and playing back customised content at scheduled times).

- e) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by MPL and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by MPL.
- f) all the credits for taxes such as income tax, sales tax, service tax, CENVAT, Good and Service Tax (GST) including but not limited to tax deduction at source, MAT credit and advance tax of MPL.
- g) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form.
- h) all debts, secured and unsecured, liabilities including contingent liabilities, duties, taxes and obligations of MPL of whatsoever kind, nature and description and howsoever arising, raised, incurred or

utilized; provided that: (1) any reference in the security documents or arrangements entered into by MPL and under which, the assets of MPL stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that MPL Undertaking of MPL only as are vested in QDCPL by virtue of the Scheme, and (2) the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by MPL which shall vest in QDCPL by virtue of the amalgamation and QDCPL shall not be obliged to create any further or additional security therefor after the Effective Date 1 or otherwise.

- i) all employees of MPL employed as on the Effective Date 1.
- j) all legal or other proceedings of whatsoever nature relating to MPL.

1.29 **“QCTPL Business”** means the divisions, undertakings, businesses, activities and operations of QCTPL relating to (i) manufacturing, sale and deployment of digital cinema equipment and providing support, content mastering, content delivery and key management services in connection therewith; (ii) operating platforms to enable digital rights management and dissemination of digital cinema content; (iii) acquisition and marketing of cinema advertising rights and providing content mastering, dissemination, scheduling and management services in connection therewith; (iv) sale and distribution of software and hardware for audio/video post-production and broadcast and providing associated services; and (v) exploiting all commercial opportunities that may be available based on the deployment and use of the intellectual properties set out in **Schedule I**. The QCTPL Business does not include the Studio DPS Business.

1.30 **“QCTPL Eligible Employees”** shall have the meaning ascribed to such term in Clause 12.2 of this Scheme.

1.31 **“QCTPL ESOPs”** means the employee stock options issued to the employees of QCTPL employed/engaged in the QCTPL Undertaking as on the Effective Date 1, pursuant to the QCTPL ESOP Scheme.

1.32 “**QCTPL ESOP Scheme**” means the (i) ESOP 2006 Scheme of QCTPL consisting of 300,000 QCTPL ESOPs granted and vested with an exercise price of Rs.10/- per QCTPL ESOP; and (ii) ESOP 2012 Scheme of QCTPL consisting of net 75,000 QCTPL ESOPs (after extinguishing 225,000 QCTPL ESOPs which have not been granted) with an exercise price of Rs.130/- per QCTPL ESOP of which 50,000 QCTPL ESOPs have been granted and vested, and 25,000 ESOPs have been granted and vesting is pending.

1.33 “**QCTPL Undertaking**” or “**Demerged Undertaking**” means the whole of the undertaking and the entire QCTPL Business, including all its assets, investments, rights, approvals, licenses and powers, leasehold rights and all its debts, outstandings, liabilities, duties, obligations and employees pertaining to the QCTPL Business on a going concern basis as of the Appointed Date 1 including, but not in any way limited to, the following:

a) all immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including offices, structures, workshop, benefits of any rental agreement for use of premises, marketing offices, share of any joint assets, etc., which immovable properties are currently being used for the purpose of and in relation to the QCTPL Business and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties (including, without limitation, the immovable properties of QCTPL, a list of which has been specifically set out in **Schedule II**).

b) all assets, as are movable in nature pertaining to and in relation to the QCTPL Business, whether present or future or contingent, tangible or intangible, in possession or reversion, including electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory and tools and plants, actionable claims, current assets, earnest monies and sundry debtors, financial assets, investment

(including in QCTPL Subsidiaries, associates, joint venture, whether in India or abroad), outstanding loans and advances recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other Persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to service tax input credits, GST credits or set-offs, advance tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds.

- c) all permits, licenses, permissions, approvals, clearances, Consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively to the QCTPL Business.
- d) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the QCTPL Business.
- e) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names,

service marks, trademarks, copyrights, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature that pertain exclusively to the QCTPL Business (including but not limited to the intellectual properties set out in **Schedule I**).

- f) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by QCTPL pertaining to or in connection with the QCTPL Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by QCTPL and pertaining to the QCTPL Business.
- g) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the QCTPL Business; and
- h) all debts, liabilities, duties, taxes and obligations of QCTPL pertaining to the QCTPL Business, namely:

1. The debts of QCTPL which arises out of the activities or operations of the QCTPL Business;
  2. Specific loans and borrowings raised, incurred and utilized for the activities or operations of or pertaining to QCTPL Business; and
  3. General and multipurpose borrowings of QCTPL shall be allocated to QCTPL Business in same proportion which the value of assets transferred under this Scheme bears to the total value of assets of QCTPL.
- i) all employees of QCTPL employed/engaged in the QCTPL Business as on the Effective Date 1.
- j) all legal or other proceedings of whatsoever nature relating to the QCTPL Business.

*Explanation:*

In case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the QCTPL Business or whether it arises out of the activities or operations of the QCTPL Business, the same shall be decided by mutual agreement between the Board of Directors of QCTPL, QDCPL and UFO.

- 1.34 “**QCTPL Promoters**” means QCTPL Promoter 1 and QCTPL Promoter 2.
- 1.35 “**QCTPL Promoter 1**” means V Senthil Kumar.
- 1.36 “**QCTPL Promoter 2**” means Jayendra Panchapakesan.
- 1.37 “**QCTPL Subsidiaries**” means the subsidiaries of QCTPL including Justickets Private Limited and Qube Cinema Inc., USA.
- 1.38 “**QDCPL Demerger Shares**” means the equity shares to be issued by QDCPL to the shareholders of QCTPL (as on the Demerger Record Date) in

accordance with the Demerger Share Entitlement Ratio in consideration for the demerger of the QCTPL Undertaking pursuant to and as contemplated under Part II of this Scheme.

- 1.39 “**QDCPL Eligible Employees**” shall have the meaning ascribed to such term in Clause 29.1 of this Scheme.
- 1.40 “**QDCPL ESOPs**” shall have the meaning ascribed to such term in Clause 12.2 of this Scheme.
- 1.41 “**QDCPL ESOP Scheme**” shall have the meaning ascribed to such term in Clause 12.2 of this Scheme.
- 1.42 “**QDCPL Merger Record Date**” means the date to be mutually fixed by the Board of Directors of UFO and QDCPL , being any day after the Effective Date 2, for the purpose of determining the shareholders of QDCPL to whom shares shall be issued in consideration for the merger of QDCPL into UFO pursuant to and as contemplated under Part IV of this Scheme.
- 1.43 “**QDCPL Merger Shares**” means the equity shares to be issued by QDCPL to the shareholders of MPL (as on the MPL Merger Record Date) in accordance with the MPL Merger Share Entitlement Ratio in consideration for the merger of MPL into QDCPL pursuant to and as contemplated under Part III of this Scheme.
- 1.44 “**QDCPL Merger Share Entitlement Ratio**” means the ratio in which the UFO Merger Shares shall be issued to the shareholders of QDCPL as on the QDCPL Merger Record Date as specified under Clause 31.2.
- 1.45 “**QDCPL Sale Shares**” means 1,09,79,515 equity shares of QDCPL representing 53.20% of the total issued and paid up share capital of QDCPL on a fully diluted basis, after giving effect to Part II and Part III of this Scheme.
- 1.46 “**QDCPL Undertaking**” means QDCPL and includes all the undertaking and entire business of QDCPL as a going concern as of the Appointed Date 2

(including the QCTPL Undertaking and MPL Undertaking as transferred to QDCPL under Part II and Part III of this Scheme respectively), all its assets, investments, rights, approvals, licenses and powers, leasehold rights and all its debts, outstandings, liabilities, duties, obligations and employees including, but not in any way limited to, the following:

- a) all immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including leasehold improvements, offices, structures, workshop, benefits of any rental agreement for use of premises, marketing offices, share of any joint assets, etc., which immovable properties are currently being used and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties (including, without limitation, the immovable properties of QDCPL, a list of which has been specifically set out in **Schedule II**).
- b) all assets, as are movable in nature whether present or future or contingent, tangible or intangible, in possession or reversion, including electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory and tools and plants, actionable claims, current assets, earnest monies and sundry debtors, financial assets, capital advances, rental deposits, telephone deposits, investment (including in subsidiaries, associates, joint venture, whether in India or abroad), prepaid expenses, staff advances, rebates, outstanding loans and advances recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other Persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to service tax input credits, GST credits or set-offs, advance

tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds.

- c) all permits, licences, permissions, approvals, clearances, Consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto.
- d) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/licence agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder.
- e) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature (including but not limited to the intellectual properties set out in **Schedule I** and “QUIPS”, the intellectual property underlying operation of a backend platform for dynamically creating and playing back customised content at scheduled times).

- f) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by QDCPL and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by QDCPL.
- g) all the credits for taxes such as income tax, sales tax, service tax, CENVAT, Good and Service Tax (GST) including but not limited to tax deduction at source, MAT credit and advance tax of QDCPL.
- h) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form.
- i) all debts, secured and unsecured, liabilities including contingent liabilities, duties, taxes and obligations of QDCPL of whatsoever kind, nature and description and howsoever arising, raised, incurred or utilized; provided that: (1) any reference in the security documents or arrangements entered into by QDCPL and under which, the assets of QDCPL stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that QDCPL Undertaking of QDCPL only as are vested in UFO by virtue of the Scheme, and (2) the Scheme shall not

operate to enlarge the security for any loan, deposit or facility created by QDCPL which shall vest in UFO by virtue of the amalgamation and UFO shall not be obliged to create any further or additional security therefor after the Effective Date 2 or otherwise.

- j) all employees of QDCPL employed as on the Effective Date 2.
- k) all legal or other proceedings of whatsoever nature relating to QDCPL.

1.47 “**Registrar of Companies**” means the relevant Registrar of Companies, having jurisdiction over QCTPL, QDCPL, MPL, PJSA and UFO, as the case may be.

1.48 “**Resulting Company**” means QDCPL for the purposes of Part II of this Scheme.

1.49 “**Rupees**” or “**Rs.**” or “**INR**” means the lawful currency of India.

1.50 “**Scheme**” or “**the Scheme**” or “**this Scheme**” means this composite Scheme of Arrangement and Amalgamation in its present form or with any modification(s) approved or imposed or directed by the NCLT, Stock Exchanges, SEBI or any other Governmental Authorities.

1.51 “**SEBI**” means Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.

1.52 “**SEBI Circular**” means circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time.

1.53 “**SEBI ICDR Regulations**” means SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI including any amendments thereof from time to time.

1.54 “**Sellers**” means the collective reference to: (i) Nomura Asia Investment (MB) Pte. Ltd., (ii) CSI BD (Mauritius); (iii) Intel Capital Corporation; and (iv) Streetedge Capital LP, who are existing shareholders of QCTPL, and who will

own and hold the QDCPL Sale Shares, pursuant to and as contemplated under Part II of this Scheme.

- 1.55 “**Stock Exchanges**” shall mean BSE Limited and National Stock Exchange of India Limited collectively.
- 1.56 “**Studio DPS Business**” means business of QCTPL relating exclusively to the contracts as set out in **Schedule III** including all rights, interests and benefits, and all liabilities, debts, duties, taxes and obligations in relation to the same.
- 1.57 “**Transferred Undertaking**” means the whole of the undertaking and the entire IP Business, including all its assets, investments, rights, approvals, licenses and powers, and all its debts, outstandings, liabilities, duties, obligations and employees pertaining to the IP Business as of the Appointed Date 3 including, but not in any way limited to, the following:
- a) all assets, as are movable in nature pertaining to and in relation to the IP Business, whether present or future or contingent, tangible or intangible, in possession or reversion, including electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory and tools and plants, actionable claims, current assets, earnest monies and sundry debtors, financial assets, outstanding loans and advances recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other Persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to service tax input credits, GST credits or set-offs, advance tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds.
  - b) all permits, licenses, permissions, approvals, clearances, Consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions,

concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively to the IP Business.

- c) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the IP Business.
- d) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature that pertain exclusively to the IP Business (including but not limited to the intellectual properties set out in **Schedule I**).
- e) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated

belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by UFO pertaining to or in connection with the IP Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by UFO and pertaining to the IP Business.

- k) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the IP Business; and
- l) all debts, liabilities, duties, taxes and obligations of UFO pertaining to the IP Business, namely:
  - 1. The debts of UFO which arises out of the activities or operations of the IP Business;
  - 2. Specific loans and borrowings raised, incurred and utilized for the activities or operations of or pertaining to IP Business; and
  - 3. General and multipurpose borrowings of UFO shall be allocated to IP Business in same proportion which the value of assets transferred under this Scheme bears to the total value of assets of UFO.
- m) all employees of UFO employed/engaged in the IP Business as on the Effective Date 3.

- n) all legal or other proceedings of whatsoever nature relating to the IP Business.

*Explanation:*

In case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the IP Business or whether it arises out of the activities or operations of the IP Business, the same shall be decided by the Board of Directors of UFO.

- 1.58 **“Transferor Company 1”** means MPL for the purposes of Part III of this Scheme.
- 1.59 **“Transferor Company 2”** means QDCPL for the purposes of Part IV of this Scheme.
- 1.60 **“Transferor Company 3”** means UFO for the purposes of Part V of this Scheme.
- 1.61 **“Transferee Company 1”** means QDCPL for the purposes of Part III of this Scheme.
- 1.62 **“Transferee Company 2”** means UFO for the purposes of Part IV of this Scheme.
- 1.63 **“Transferee Company 3”** means PJSA for the purposes of Part V of this Scheme.
- 1.64 **“UFO Business”** with respect to UFO means all the undertakings, businesses, divisions, activities and operations including their respective assets, properties and liabilities of UFO other than the Transferred Undertaking, for the purposes of Part V of this Scheme.
- 1.65 **“UFO ESOPs”** shall have the meaning ascribed to such term in Clause 29.1 of this Scheme.

1.66 “**UFO ESOP Scheme**” shall have the meaning ascribed to such term in Clause 29.1 of this Scheme.

1.67 “**UFO Merger Shares**” means the equity shares to be issued by UFO to the shareholders of QDCPL as on the QDCPL Merger Record Date in accordance with the QDCPL Merger Share Entitlement Ratio in consideration for the amalgamation of QDCPL into UFO pursuant to and as contemplated under Part V of this Scheme.

## **2 INTERPRETATION**

2.1 In addition to the above terms, certain terms may be defined elsewhere in this Scheme and wherever such terms are used in this Scheme, they shall have the meaning so assigned to them.

2.1.1 The terms referred to in this Scheme shall, unless defined otherwise in this Scheme or inconsistent with the context or meaning thereof, bear the meaning ascribed to them under the relevant statute/legislation.

2.1.2 All references in this Scheme to statutory provisions shall be construed as meaning and including references to:

(a) any statutory modification, consolidation or re-enactment made after the date of approval this Scheme by the Boards of QCTPL, QDCPL, MPL, PJSA and UFO and for the time being in force;

(b) all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated);

(c) all statutory instruments or orders made pursuant to a statutory provision; and

(d) any statutory provisions of which these statutory provisions are a consolidation, re-enactment or modification.

2.1.3 Words denoting the singular shall include the plural and words denoting any gender shall include all genders.

- 2.1.4 Headings, subheadings, titles, subtitles to clauses, sub-clauses, sections and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the schedules hereto and shall be ignored in construing the same.
- 2.1.5 References to clauses, and schedules are, unless the context otherwise requires, references to clauses, and schedules to this Scheme.
- 2.1.6 Reference to days, months and years are to calendar days, calendar months and calendar years, respectively.
- 2.1.7 Any reference to “writing” shall include printing, typing, lithography and other means of reproducing words in visible form.
- 2.1.8 The words “include” and “including” are to be construed without limitation.
- 2.1.9 Where a wider construction is possible, the words “other” and “otherwise” shall not be construed ejusdem generis with any foregoing words.

### **3 SHARE CAPITAL**

- 3.1 The share capital of QCTPL as on September 30, 2017 is as follows:

<b>Particulars</b>	<b>Amount in INR</b>
Authorised:	
16,500,000 Equity Shares of Rs. 10 each	165,000,000
7,500,000 Compulsorily Convertible Preference Shares	75,000,000
<b>Total</b>	<b>240,000,000</b>
Issued, Subscribed and Paid-up:	
9,940,858 Equity Shares of Rs. 10 each fully paid up	99,408,580

<b>Particulars</b>	<b>Amount in INR</b>
7,443,611 Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up	74,436,110
<i>25,71,006 Series A Preference Shares (which shall be converted to 25,71,006 equity shares)</i>	
<i>15,79,882 Series B Preference Shares (which shall be converted to 15,79,882 equity shares)</i>	
<i>32,92,723 Series C Preference Shares (which shall be converted to 53,95,519 equity shares)</i>	
<b>Total</b>	<b>173,844,690</b>

3.2 Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of QCTPL, there has been no change in the authorized, issued, subscribed and paid-up capital of QCTPL.

3.3 The share capital of QDCPL as on October 23, 2017 is as follows:

<b>Particulars</b>	<b>Amount in INR</b>
<b>Authorised:</b>	
10,000 Equity Shares of Rs. 10 each	100,000
<b>Total</b>	<b>100,000</b>
<b>Issued, Subscribed and Paid-up:</b>	
10,000 Equity Shares of Rs. 10 each fully paid up	100,000
<b>Total</b>	<b>100,000</b>

3.4 The entire issued, subscribed and paid up share capital of QDCPL is presently held by the QCTPL Promoter 1 and his relative.

3.5 Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of QDCPL, there has been no change in the authorized, issued, subscribed and paid-up capital of QDCPL.

3.6 The share capital of MPL as on October 25, 2017 is as follows:

<b>Particulars</b>	<b>Amount in INR</b>
<b>Authorised:</b>	
850,000 Equity Shares of Rs. 10 each	8,500,000
<b>Total</b>	<b>8,500,000</b>
<b>Issued, Subscribed and Paid-up:</b>	
10,212 Equity Shares of Rs. 10 each	1,02,120
<b>Total</b>	<b>1,02,120</b>

3.7 The QCTPL Promoters presently hold 66.66% of the issued, subscribed and paid up share capital of MPL.

3.8 Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of MPL, there has been no change in the authorized, issued, subscribed and paid-up capital of MPL.

3.9 The share capital of UFO as on September 30, 2017 is as follows:

<b>Particulars</b>	<b>Amount in INR</b>
<b>Authorised:</b>	
45,000,000 Equity Shares of Rs. 10 each	450,000,000
1,385,000 Preference shares of Rs 1,000 each	1,385,000,000
<b>Total</b>	<b>1,835,000,000</b>
<b>Issued, Subscribed and Paid-up:</b>	
27,600,801 Equity Shares of Rs. 10 each	276,008,010

<b>Total</b>	<b>276,008,010</b>
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3.10 Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of UFO, there has been no change in the authorized, issued, subscribed and paid-up capital of UFO.

3.11 The share capital of PJSA as on the date of incorporation i.e. October 17, 2017 is as follows:

<b>Particulars</b>	<b>Amount in INR</b>
<b>Authorised:</b>	
10,000 Equity Shares of Rs. 10 each	100,000
<b>Total</b>	<b>100,000</b>
<b>Issued, Subscribed and Paid-up:</b>	
10,000 Equity Shares of Rs. 10 each	100,000
<b>Total</b>	<b>100,000</b>

3.12 The entire issued, subscribed and paid up share capital of PJSA is presently held by UFO and its nominees.

3.13 Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of PJSA, there has been no change in the authorized, issued, subscribed and paid-up capital of PJSA.

3.14 The unaudited financial position of QCTPL (standalone basis) as at September 30, 2017 is as under:

<b>Particulars</b>	<b>Amount in Rs (Mn)</b>
Net worth	2655.35
Turnover (Gross Sales)	1807.39

Current Assets	1728.00
Non-Current Assets	3525.74
Current Liabilities	1647.56
Non-Current Liabilities	950.84

3.15 The unaudited financial position of MPL as at June 30, 2017 is as under:

<b>Particulars</b>	<b>Amount in Rs</b>
Net worth	61859
Turnover (Gross Sales)	0
Current Assets	64719
Non-Current Assets	0
Current Liabilities	2860
Non-Current Liabilities	0

3.16 The unaudited financial position of UFO (consolidated basis) as at June 30, 2017 is as under:

<b>Particulars</b>	<b>Amount in Rs Lacs</b>
Net worth	41,912
Turnover (Gross Sales)	15,440
Current Assets	35,912
Non-Current Assets	37,587
Current Liabilities	22,511
Non-Current Liabilities	8449

<p style="text-align: center;"><b>PART II: DEMERGER OF QCTPL UNDERTAKING FROM QCTPL INTO QDCPL</b></p>
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**4 TRANSFER AND VESTING OF DEMERGED UNDERTAKING OF DEMERGED COMPANY**

4.1 For the purpose of this Part II, a reference to coming into effect of the Scheme or effectiveness of the Scheme shall mean the coming into effect of Part II of the Scheme or effectiveness of Part II of the Scheme. This Part II of the Scheme shall come into operation from Effective Date 1.

4.2 Upon the coming into effect of this Scheme (prior to Part IV and Part V of this Scheme having taken effect) and with effect from the Appointed Date 1, the Demerged Undertaking shall stand transferred to and vested in and/ or deemed to be transferred to and vested in the Resulting Company, as the case may be, as a going concern in the following manner:

4.2.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date 1, subject to the provisions of this Scheme, the Demerged Undertaking shall, under the provisions of Sections 230 to 232 of the Act and also in accordance with Section 2(19AA) of the IT Act and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred on a going concern basis to and vested in and / or deemed to be transferred to and vested in the Resulting Company, so as to vest in the Resulting Company all the rights, title and interest pertaining to the Demerged Undertaking.

4.2.2 In respect of such of the assets of the Demerged Undertaking as are movable in nature and/or otherwise capable of transfer by manual or constructive delivery of possession and/or by endorsement and delivery, the same shall be so transferred by the Demerged Company to the Resulting Company, upon the coming into effect of this Scheme, without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Resulting Company, absolutely and forever.

4.2.3 In respect of the movable assets other than those dealt with in Clause 4.2.2 above, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with any Governmental Authority and any other authorities and bodies and/or customers, if any, whether recoverable in cash or in kind or for value to be received, bank balances, etc. the same shall stand transferred to and vested in the Resulting Company without any notice or other intimation to any Person so that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company. Resulting Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Resulting Company and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.

4.2.4 All immovable properties of the Demerged Undertaking, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of QCTPL Undertaking, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in the Resulting Company, by operation of law pursuant to the sanctioning of the Scheme and upon the Scheme becoming effective. Such assets shall stand vested in the Resulting Company and shall be deemed to be and become the property as an integral part of the Resulting Company by operation of law. The Resulting Company shall upon the NCLT Orders sanctioning the Scheme and upon this Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfill all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of the Resulting Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Government Authority shall suffice as record of continuing titles with the Resulting Company and shall be constituted as a deemed mutation and substitution thereof. The Resulting Company shall subsequent to Scheme

becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of the Demerged Undertaking in any leasehold properties shall without any further act, instrument or deed, be vested in or be deemed to have been vested in the Resulting Company.

4.2.5 All the other assets, rights, title, interests and investments of the Demerged Company in relation to the Demerged Undertaking shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company upon the coming into effect of this Scheme.

4.2.6 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits, licenses, permissions, right of way, Governmental Approvals, clearances, Consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of the Demerged Company pertaining to the Demerged Undertaking, shall be transferred to and vested in the Resulting Company.

4.2.7 In so far as various incentives, subsidies, exemptions, special status, service tax benefits, GST input credits, income tax holiday/benefit/losses and other benefits or exemptions or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by the Demerged Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Demerged Undertaking, vest with and be available to the Resulting Company on the same terms and conditions, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Resulting Company.

4.2.8 Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Orders sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of Resulting Company as successor in interest with

respect to the Demerged Undertaking, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, Resulting Company shall file certified copies of such NCLT Order(s) and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences (including the licences granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature with respect to the Demerged Undertaking.

- 4.2.9 Upon the coming into effect of this Scheme, all debts, duties, obligations and liabilities of the Demerged Company pertaining to the Demerged Undertaking shall without any further act, instrument or deed be and stand transferred to the Resulting Company and shall thereupon become the debts, duties, obligations and liabilities of the Resulting Company and 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, obligations, duties and liabilities have arisen in order to give effect to the provisions of this Clause.
- 4.2.10 The transfer and vesting of the Demerged Undertaking, as aforesaid shall be subject to the existing securities, charges, mortgages and other Encumbrances, if any, subsisting over in respect of the property and assets or any part thereof relating to the Demerged Undertaking.
- 4.2.11 Resulting Company shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, 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 pertaining to the Demerged Undertaking in relation to which Demerged Company have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions.

## 5 CONSIDERATION

5.1 Upon the coming into effect of this Scheme, and in consideration of the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to all the shareholders of the Demerged Company, whose names appear in the register of members as on the Demerger Record Date, fully paid up equity shares of the Resulting Company in the following share entitlement ratio (collectively the “**Demerger Share Entitlement Ratio**”):

*(i) 1 (one) equity share of the Resulting Company of INR 10/- each for every 1(one) equity shares held in the Demerged Company of INR 10/- each, and (ii) 1 (one) equity share of the Resulting Company of INR 10/- each for every 1 (one) Series A Preferred Shares (as defined in the articles of association of the Demerged Company) held in the Demerged Company of INR 10/- each; (iii) 1 (one) equity share of the Resulting Company of INR 10/- each for every 1 (one) Series B Preferred Shares (as defined in the articles of association of the Demerged Company) held in the Demerged Company of INR 10/- each; and (iv) 1.6386 (one point six thousand three hundred eighty six) equity shares of the Resulting Company of INR 10/- each for every 1 (one) Series C Preferred Shares (as defined in the articles of association of the Demerged Company) held in the Demerged Company of INR 10/- each (“**QDCPL Demerger Shares**”).*

5.2 VSS & Co., Chartered Accountant has issued the report on the Demerger Share Entitlement Ratio adopted under the Scheme. The aforesaid report on the Demerger Share Entitlement Ratio has been duly considered by the Board of Directors of the Demerged Company and the Resulting Company.

5.3 The QDCPL Demerger Shares issued pursuant to Clause 5.1 above, shall be issued to the shareholders of the Demerged Company in demat form, that is, dematerialized shares.

5.4 The QDCPL Demerger Shares to be issued by the Resulting Company pursuant to Clause 5.1 above in respect of such equity shares of the Demerged

Company which are held in abeyance under the provisions of Section 126 of the Act (erstwhile Section 206A of the Companies Act, 1956) or otherwise shall, pending allotment or settlement of the dispute by order of a court or otherwise, also shall be kept in abeyance by the Resulting Company.

- 5.5 In case any shareholder's holding in Demerged Company is such that such shareholder becomes entitled to a fraction of an QDCPL Demerger Share, the Resulting Company shall not issue fractional share certificates to such shareholders. Any fraction equal to or more than 0.5 arising out of such allotment shall be rounded off to the next higher integer and fraction less than 0.5 shall be rounded off to the earlier lower integer.
- 5.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Demerged Company, the Board of Directors of the Demerged Company, shall be empowered prior to or even subsequent to the Demerger Record Date, to effectuate such transfers in the Demerged Company as if such changes in registered holders were operative as on the Demerger Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the QDCPL Demerger Shares issued by the Resulting Company after the Scheme is effected. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Resulting Company on account of difficulties faced in the transition period.
- 5.7 The QDCPL Demerger Shares issued and allotted by the Resulting Company, in terms of Clause 5.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank pari passu in all respects with the then existing equity shares of the Resulting Company. Further, the Resulting Company shall, if required, take all necessary steps for increase of authorized share capital for issue of QDCPL Demerger Shares pursuant to Clause 5.1 above.
- 5.8 It is clarified that upon the approval of this Scheme by the shareholders of the Demerged Company and Resulting Company under Sections 230 and 232 of

the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 42, 62, 180(1)(c), 186, 188 and any other applicable provisions under the Act and that no separate approval from the shareholders to that extent shall be required to be sought for the matters specified in this Scheme.

## **6 CANCELLATION OF EXISTING EQUITY SHARE CAPITAL OF QDCPL AND EQUITY SHARES HELD BY CERTAIN SHAREHOLDERS OF QCTPL**

- 6.1 Upon the Scheme becoming effective, the 2571, 790 and 790 equity shares of INR 10/- each held by Intel Capital Corporation, CSI BD (Mauritius) and Payone Enterprises Private Limited respectively in the Demerged Company shall stand cancelled and reduced without any consideration.
- 6.2 Upon the Scheme becoming effective and upon issuance of QDCPL Demerger Shares by the Resulting Company QDCPL to the shareholders of the Demerged Company pursuant to Clause 5.1 above, the existing 10,000 equity shares of INR 10/- each held by the shareholders of the Resulting Company (as mentioned in Clause 3.3 above) shall stand cancelled and reduced without any consideration.
- 6.3 Such reduction of equity share capital of the Resulting Company and the Demerged Company as provided in Clauses 6.1 and 6.2 above respectively shall be effected as a part of the Scheme, upon which the share capital of the Resulting Company and the Demerged Company shall be deemed to be reduced respectively. The said reduction shall be in accordance with the provisions of Section 230 of the Act and without having to follow the procedure under Section 66 of the Act and the NCLT Order(s) sanctioning the Scheme shall be deemed to be an order under the relevant provisions of the Act confirming such reduction of share capital of the Resulting Company and the Demerged Company.

## **7 ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY**

- 7.1 Upon the Scheme coming into effect and with effect from Appointed Date 1, since the transaction involves entities which are ultimately controlled by the same party before and after the transaction, the Demerged Company shall account for the Demerged Undertaking in its books of account in accordance with Appendix C 'Business Combinations of entities under common control' of Indian Accounting Standard ('IND AS') 103 for Business Combination prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounted principles, as may be amended from time to time.

## **8 ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANY**

- 8.1 Upon the Scheme coming into effect and with effect from Appointed Date 1, since the transaction involves entities which are ultimately controlled by the same party before and after the transaction, the Resulting Company shall account for the Demerged Undertaking in its books of account in accordance with Appendix C 'Business Combinations of entities under common control' of IND AS 103 for Business Combination prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounted principles, as may be amended from time to time

## **9 CONTRACTS, DEEDS, AND OTHER INSTRUMENTS**

- 9.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature, in relation to the Demerged Undertaking, to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible and which are subsisting or having effect on the Appointed Date 1, without any further act, instrument or deed, shall be in full force and effect against or in favour of the Resulting Company, as the case may be, and may be enforced by or against

the Resulting Company as fully and effectively as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.

- 9.2 Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Resulting 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 of confirmation in favour of any party to any contract or arrangement to which the Demerged Company is a party as may be necessary to be executed in order to give formal effect to the above provisions. Resulting Company shall be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of the Demerged Company.

## **10 LEGAL PROCEEDINGS**

- 10.1 Upon the coming into effect of this Scheme, if any suit, appeal or other proceeding of whatsoever nature by or against Demerged Company be pending in each case relating to the Demerged Undertaking, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the Demerged Undertaking or anything contained in this Scheme, but the said suit, appeal or other legal proceedings shall be continued, prosecuted and enforced, as the case may be, by or against the Resulting Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Demerged Company, if this Scheme had not been made.

## **11 STAFF, EMPLOYEES & WORKMEN**

- 11.1 Upon the coming into effect of this Scheme, all the employees of the Demerged Company engaged in or in relation to the Demerged Undertaking shall become the employees of Resulting Company without any break or interruption of service and with the benefit of continuity of service on terms

and conditions which are not less favourable than the terms and conditions as were applicable.

- 11.2 Resulting Company agrees that the service of all employees engaged in or in relation to the Demerged Undertaking immediately prior to the Effective Date 1 shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Demerged Company immediately prior to the Effective Date 1. Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with the Demerged Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable.
- 11.3 Upon the coming into effect of this Scheme, Resulting Company shall make all the necessary contributions for such transferred employees engaged in or in relation to the Demerged Undertaking and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Resulting Company will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of Resulting Company for Demerged Company.
- 11.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Demerged Company for employees engaged in or in relation to the Demerged Undertaking, shall be transferred to the necessary funds, schemes or trusts of Resulting Company and till the time such necessary funds, schemes or trusts are created by Resulting Company, all contribution shall continue to be made to the existing funds, schemes or trusts of Demerged Company.

## **12 EMPLOYEE STOCK OPTIONS**

- 12.1 Upon the Scheme coming into effect, all QCTPL ESOPs which have not been granted as of the Effective Date 1, shall lapse automatically without any further act, instrument or deed by the Demerged Company, the employee or

the Resulting Company and without any approval or acknowledgement of any third party.

- 12.2 Upon the Scheme coming into effect, in respect of the QCTPL ESOPs granted by the Demerged Company under the QCTPL ESOP Scheme to employees engaged in the Demerged Undertaking who are proposed to be transferred as part of this Scheme to the Resulting Company, which have been granted (whether vested or not) but have not been exercised as on the Demerger Record Date (“**QCTPL Eligible Employees**”), the Resulting Company shall grant 1 (one) employee stock options of QDCPL (“**QDCPL ESOPs**”) under a new employee stock option scheme created by QDCPL (“**QDCPL ESOP Scheme**”) in lieu of every 1 (one) QCTPL ESOP held by such QCTPL Eligible Employees under the QCTPL ESOP Scheme in accordance with the Demerger Share Entitlement Ratio as mentioned under Clause 5.1 of this Scheme and the existing QCTPL ESOPs held by them under the QCTPL ESOP Scheme shall stand cancelled. The terms and conditions of the QDCPL ESOP Scheme shall not be less favourable than those provided under the QCTPL ESOP Scheme.
- 12.3 The exercise price payable for the QDCPL ESOPs by the QCTPL Eligible Employees shall be such as may be determined by the committee constituted by QDCPL to deal with matters pertaining to employee stock option schemes.
- 12.4 Subject to Applicable Laws, the entitlement of the QCTPL Eligible Employees to the QDCPL ESOPs and the adjustments to be made in the exercise price of QDCPL ESOPs shall be appropriately reflected in the accounts of the Resulting Company.
- 12.5 The aforesaid grant of QDCPL ESOPs to the QCTPL Eligible Employees shall be effected as an integral part of this Scheme and the consent of the shareholders of the Demerged Company and Resulting Company to this Scheme shall be deemed to be their consent in relation to all matters pertaining to the QCTPL ESOP Scheme and the QDCPL ESOP Scheme and all related matters. No further approval of the shareholders of the Demerged Company or Resulting Company or resolution, action or compliance would be required in

this connection under any applicable provisions of the Act and/ or other Applicable Laws.

- 12.6 In relation to the QDCPL ESOPs granted by the Resulting Company to the QCTPL Eligible Employees under the QDCPL ESOP Scheme, the period during which the QCTPL ESOPs granted by the Demerged Company under the QCTPL ESOP Scheme were held by or deemed to have been held by the QCTPL Eligible Employees shall be taken into account for determining the minimum vesting period required under the Applicable Laws, the QCTPL ESOP Scheme and the QDCPL ESOP Scheme.
- 12.7 The Board of Directors of the Demerged Company and Resulting Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause of the Scheme.

### **13 SAVING OF CONCLUDED TRANSACTIONS**

- 13.1 Subject to the terms of the Scheme, the transfer and vesting of the Demerged Undertaking and continuance of proceedings by or against the Resulting Company, as provided herein, shall not affect any transactions or proceedings already concluded by the Demerged Company before the Effective Date 1, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company in relation to the Demerged Undertaking as acts, deeds and things done and executed by and on behalf of the Resulting Company.

### **14 STUDIO DPS BUSINESS**

- 14.1 The Studio DPS Business and all liabilities and obligations relating or pertaining thereto shall continue to belong solely to and continue to be vested solely in and be managed by the Demerged Company.
- 14.2 All legal, tax and other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date 1 or which may be instituted at any time thereafter, whether or not in respect of any matter arising

before the Effective Date 1, which does not specifically pertain or relate to the Demerged Undertaking (including those relating to any right, power, liability, obligation or duty, of the Demerged Company in respect of the Studio DPS Business) shall be continued and enforced solely by or against the Demerged Company only, without any liability arising on the Resulting Company or its shareholders.

- 14.3 The Demerged Company shall carry on all business and activities pertaining or relating to the Studio DPS Business in its own name and on its own account and its own behalf in all respects, without any liability arising on the Resulting Company or its shareholders.

## **PART III: AMALGAMATION OF MPL INTO QDCPL**

### **15 TRANSFER AND VESTING OF THE MPL UNDERTAKING**

15.1 For the purpose of this Part III, a reference to coming into effect of the Scheme or effectiveness of the Scheme shall mean the coming into effect of Part III of the Scheme or effectiveness of Part III of the Scheme. This Part III of the Scheme shall come into operation from Effective Date 1.

15.2 Upon the coming into effect of this Scheme (prior to Part IV and Part V of this Scheme having taken effect) and with effect from the Appointed Date 1, the entire MPL Undertaking of Transferor Company 1 shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in Transferee Company 1 so as to become the undertaking of Transferee Company 1 by virtue of and in the following manner:

15.2.1 All assets of Transferor Company 1 that are movable in nature or are otherwise capable of transfer by physical or constructive delivery, novation and/ or endorsement and delivery or by operation of law, pursuant to the NCLT Order(s), shall be vested in Transferee Company 1. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of Transferee Company 1, absolutely and forever.

15.2.2 In respect of such of the assets of Transferor Company 1 other than those referred to in Clause 15.2.1 above, outstanding loans and advances, if any, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or in kind or for value to be received, deposits, if any, with Governmental Authorities and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in Transferee Company 1 and/or be deemed to be transferred to and vested in Transferee Company 1 on the Appointed Date 1 upon effectiveness of the Scheme. Transferee Company 1 shall upon sanction

of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.

15.2.3 All the other assets, rights, title, interests and investments of the Transferor Company 1 shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company 1 upon the coming into effect of this Scheme.

15.2.4 Upon the Scheme coming into effect, all debts (secured and unsecured), liabilities, bonds, debentures (including contingent liabilities), duties and obligations of every kind, nature and description of Transferor Company 1 shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, Transferee Company 1, so as to become on and from the Appointed Date 1, the debts, liabilities, bonds, debentures (including contingent liabilities), duties and obligations of Transferee Company 1 on the same terms and conditions as were applicable to Transferor Company 1, and further that it shall not be necessary to obtain the Consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by Transferor Company 1.

15.2.5 Any statutory licences, registrations, authorizations, statutory rights, permissions, Governmental Approvals, tax registrations, service tax, GST registrations, provident fund, employees' state insurance (ESI), or other registrations whether statutory or otherwise, no objection certificates, or any Consents to carry on the operations of Transferor Company 1 shall stand transferred to and vested in Transferee Company 1 without any further act or deed and shall be appropriately mutated / facilitated by the statutory authorities concerned therewith in favour of Transferee Company 1 so as to empower and facilitate the continuation of the operations of Transferee Company 1. In so far as the various incentives, service tax benefits, subsidies (including applications for subsidies), rehabilitation schemes, grants, special

status, rights, and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by Transferor Company 1 are concerned, the same shall, without any further act or deed, vest with and be available to Transferee Company 1 on the same terms and conditions as are available to Transferor Company 1.

15.2.6 All registrations, licences, trademarks, copyrights, domain names, applications for copyrights, trade-names and trademarks, etc. pertaining to Transferor Company 1, if any, shall stand vested in Transferee Company 1 without any further act, instrument or deed (unless filed only for statistical record with any appropriate Governmental Authority or registrar), upon the sanction of the Scheme and upon this Scheme becoming effective.

15.2.7 All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, value added tax, sales tax, service tax, GST etc.) payable by or refundable to Transferor Company 1 with effect from the Appointed Date 1, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc. as the case may be, of Transferor Company 1, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, service tax input credits, Good and Service Tax input credits etc., as would have been available to Transferor Company 1, shall pursuant to this Scheme becoming effective, be available to Transferee Company 1.

15.2.8 Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Orders sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of Transferee Company 1 as successor in interest, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, Transferee Company 1 shall file certified copies of such NCLT Order(s) and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions,

registrations, no-objection certificates, permits, quotas, rights, entitlements, licences (including the licences granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

15.2.9 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all Consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in favour of Transferor Company 1 shall stand transferred to Transferee Company 1, as if the same were originally given by, issued to or executed in favour of Transferee Company 1, and Transferee Company 1 shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to Transferee Company 1.

15.2.10 Transferee Company 1 shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, 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 which Transferor Company 1 have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. Transferee Company 1 shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of Transferor Company 1 and to carry out or perform all such formalities or compliances referred to above on the part of Transferee Company 1.

## **16 LEGAL PROCEEDINGS**

16.1 Upon the coming into effect of this Scheme, if any suit, appeal or other proceeding of whatsoever nature by or against Transferor Company 1 be pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the MPL Undertaking or anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced, as the case may be, by or against Transferee Company 1 in the same manner and to the same

extent as it would be or might have been continued, prosecuted and enforced by or against Transferor Company 1, if this Scheme had not been made.

## **17 CONTRACTS, DEEDS, AND OTHER INSTRUMENTS**

17.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature to which Transferor Company 1 is a party or to the benefit of which Transferor Company 1 may be eligible and which are subsisting or having effect on the Appointed Date 1, without any further act, instrument or deed, shall be in full force and effect against or in favour of Transferee Company 1, as the case may be, and may be enforced by or against Transferee Company 1 as fully and effectively as if, instead of Transferor Company 1, Transferee Company 1 had been a party or beneficiary or obligee thereto.

17.2 Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the MPL Undertaking occurs by virtue of this Scheme itself, Transferee Company 1 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 of confirmation in favour of any party to any contract or arrangement to which Transferor Company 1 is a party as may be necessary to be executed in order to give formal effect to the above provisions. Transferee Company 1 shall be deemed to be authorised to execute any such writings on behalf of Transferor Company 1 and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of Transferor Company 1.

## **18 STAFF, EMPLOYEES & WORKMEN**

18.1 Upon the coming into effect of this Scheme, all the employees of Transferor Company 1 shall become the employees of Transferee Company 1 without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable.

- 18.2 Transferee Company 1 agrees that the service of all employees of Transferee Company 1 immediately prior to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Transferor Company 1 immediately prior to the Effective Date 1. Transferee Company 1 further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with Transferor Company 1, shall also be taken into account and agrees and undertakes to pay the same as and when payable.
- 18.3 Upon the coming into effect of this Scheme, Transferee Company 1 shall make all the necessary contributions for such transferred employees and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Transferee Company 1 will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of Transferor Company 1 for Transferee Company 1.
- 18.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Transferor Company 1 for employees, shall be transferred to the necessary funds, schemes or trusts of Transferee Company 1 and till the time such necessary funds, schemes or trusts are created by Transferee Company 1, all contribution shall continue to be made to the existing funds, schemes or trusts of Transferor Company 1.

## **19 WINDING UP**

- 19.1 Upon the Scheme becoming effective, Transferor Company 1 shall stand dissolved without being wound-up.

## **20 CONSIDERATION**

- 20.1 Upon coming into effect of this Scheme, and in consideration of the transfer and vesting of the entire MPL Undertaking in the Transferee Company 1, the Transferee Company 1 shall without any further application, act, instrument or

deed, issue and allot to all the equity shareholders of the Transferor Company 1, whose names appears in the register of members as on the MPL Merger Record Date, fully paid up equity shares in the following share entitlement ratio (“**MPL Merger Share Entitlement Ratio**”):

*76,381 (seventy six thousand three hundred eighty one) equity shares of INR 10/- each credited as fully paid-up of the Transferee Company 1 for every 1,000 (one thousand) equity share of INR 10/- each fully paid-up held by such equity shareholder in the Transferor Company 1 (“**QDCPL Merger Shares**”)*

- 20.2 VSS & Co., Chartered Accountant has issued the report on the MPL Merger Share Entitlement Ratio adopted under the Scheme. The aforesaid report on the MPL Merger Share Entitlement Ratio has been duly considered by the Board of Directors of Transferor Company 1 and Transferee Company 1.
- 20.3 The QDCPL Merger Shares issued pursuant to Clause 20.1 above, shall be issued to the shareholders of the Transferor Company 1 in physical form, that is, physical share certificate.
- 20.4 In case any shareholder’s holding in Transferor Company 1 is such that such shareholder becomes entitled to a fraction of an QDCPL Merger Share of the Transferee Company 1, the Transferee Company 1 shall not issue fractional share certificates to such shareholders. Any fraction equal to or more than 0.5 arising out of such allotment shall be rounded off to the next higher integer and fraction less than 0.5 shall be rounded off to the earlier lower integer.
- 20.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Transferor Company 1, the Board of Directors of the Transferor Company 1, shall be empowered prior to the MPL Merger Record Date, to effectuate such transfers in the Transferor Company 1 as if such changes in registered holders were operative as on the MPL Merger Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the QDCPL Merger Shares issued by the Transferee Company 1 after the Scheme is effected. The Board of Directors of the Transferee Company 1 shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new

members in the Transferee Company 1 on account of difficulties faced in the transition period.

- 20.6 The QDCPL Merger Shares issued and allotted by the Transferee Company 1, in terms of Clause 20.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company 1 and shall rank *pari passu* in all respects with the then existing equity shares of the Transferee Company 1. Further, the Transferee Company 1 shall, if required, take all necessary steps for increase of authorized share capital for issue of the QDCPL Merger Shares pursuant to Clause 20.1 above.
- 20.7 Upon the Scheme becoming effective and upon the QDCPL Merger Shares being issued and allotted as provided in this Scheme, the equity shares of the Transferor Company 1, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the MPL Merger Record Date. Wherever applicable, the Transferee Company 1 may, instead of requiring the surrender of the share certificates of the Transferor Company 1, directly issue and dispatch the new share certificates of the Transferee Company 1.
- 20.8 It is clarified that upon the approval of this Scheme by the shareholders of the Transferee Company 1 and Transferor Company 1 under Sections 230 and 232 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 42, 62, 180(1)(c), 186, 188 and any other applicable provisions under the Act, and that no separate approval from the shareholders to that extent shall be required to be sought by the parties for the matters specified in this Scheme.

## **21 ACCOUNTING TREATMENT**

- 21.1 Upon the Scheme coming into effect and with effect from Appointed Date 1, since the transaction involves entities which are ultimately controlled by the same party before and after the transaction, Transferee Company 1 shall account for the amalgamation of the Transferor Company 1 in its books of account in accordance with Appendix C 'Business Combinations of entities under common control' of IND AS 103 for Business Combination prescribed

under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounted principles, as may be amended from time to time.

## **22 CONSOLIDATION OF AUTHORISED SHARE CAPITAL OF TRANSFEREE COMPANY 1**

22.1 The authorised share capital of Transferor Company 1 shall stand transferred to and combined with the authorised share capital of Transferee Company 1 and shall be re-classified without any further act or deed. The filing fees and stamp duty already paid by Transferor Company 1 on its authorised share capital shall be deemed to have been so paid by Transferee Company 1 on the combined authorised share capital and accordingly, Transferee Company 1 shall not be required to pay any fees/ stamp duty on the authorised share capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase and re-classification in the authorised share capital of Transferee Company 1 under Sections 13, 14 and 61 of the Act and other applicable provisions of the Act. Accordingly, upon sanction of this Scheme and from the date of this Scheme becoming effective, the authorised share capital of Transferee Company 1 shall automatically stand increased without any further act, instrument or deed on the part of Transferee Company 1 including payment of stamp duty and payment of fees payable to Registrar of Companies, for the authorised share capital of Transferor Company 1.

22.2 Clause V of the Memorandum of Association of Transferee Company 1 and relevant clause, if any, of Articles of Association of Transferee Company 1 relating to authorised share capital shall respectively, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 14 and 61 of the Companies Act, 2013 and other applicable provisions of the Act, as the case may be.

## **23 SAVING OF CONCLUDED TRANSACTIONS**

23.1 Subject to the terms of the Scheme, the transfer and vesting of the MPL Undertaking and continuance of proceedings by or against the Transferee Company 1, as provided herein, shall not affect any transactions or

proceedings already concluded by the Transferor Company 1 before the Effective Date 1, to the end and intent that the Transferee Company 1 accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company 1 in relation to the MPL Undertaking as acts, deeds and things done and executed by and on behalf of the Transferee Company 1.

## **24 TRANSFER OF THE QDCPL SALE SHARES**

- 24.1 Upon Part II and Part III of this Scheme having taken effect and upon giving effect to Clause 5.1 and Clause 20.1 of the Scheme, UFO and certain other Person (“**New Investor**”) shall purchase from the Sellers and the Sellers shall sell to UFO and the New Investor, the QDCPL Sale Shares free from all Encumbrances, together with full legal and beneficial right, title and interest thereto in the manner as may be mutually agreed between the Sellers, UFO and New Investor.

## **PART IV: AMALGAMATION OF QDCPL INTO UFO**

### **25 TRANSFER AND VESTING OF THE QDCPL UNDERTAKING**

25.1 For the purpose of this Part IV, a reference to coming into effect of the Scheme or effectiveness of the Scheme shall mean the coming into effect of Part IV of the Scheme or effectiveness of Part IV of the Scheme. This Part IV of the Scheme shall come into effect from Effective Date 2.

25.2 Upon the coming into effect of this Scheme and with effect from the Appointed Date 2, the entire QDCPL Undertaking of Transferor Company 2 shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in Transferee Company 2 so as to become the undertaking of Transferee Company 2 by virtue of and in the following manner:

25.2.1 All assets of Transferor Company 2 that are movable in nature are otherwise capable of transfer by physical or constructive delivery, novation and/ or endorsement and delivery or by operation of law, pursuant to the NCLT Order(s), shall be vested in Transferee Company 2. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of Transferee Company 2, absolutely and forever.

25.2.2 In respect of such of the assets of Transferor Company 2 other than those referred to in Clause 25.2.1 above, outstanding loans and advances, if any, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or in kind or for value to be received, deposits, if any, with Governmental Authorities and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in Transferee Company 2 and/or be deemed to be transferred to and vested in Transferee Company 2 on the Appointed Date 2 upon effectiveness of the Scheme. Transferee Company 2 shall upon sanction

of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.

25.2.3 All immovable properties of the Transferor Company 2, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of Transferor Company 2, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in Transferee Company 2, by operation of law pursuant to the sanctioning of the Scheme and upon the Scheme becoming effective. Such assets shall stand vested in Transferee Company 2 and shall be deemed to be and become the property as an integral part of Transferee Company 2 by operation of law. Transferee Company 2 shall upon the NCLT Orders sanctioning the Scheme and upon this Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfill all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of Transferee Company 2 and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Government Authority shall suffice as record of continuing titles with Transferee Company 2 and shall be constituted as a deemed mutation and substitution thereof. Transferee Company 2 shall subsequent to Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of Transferor Company 2 in any leasehold properties shall without any further act, instrument or deed, be vested in or be deemed to have been vested in Transferee Company 2.

25.2.4 All the other assets, rights, title, interests and investments of the Transferor Company 2 shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company 2 upon the coming into effect of this Scheme.

25.2.5 Upon the Scheme coming into effect, all debts (secured and unsecured), liabilities, bonds, debentures (including contingent liabilities), duties and obligations of every kind, nature and description of Transferor Company 2 shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, Transferee Company 2, so as to become on and from the Appointed Date 2, the debts, liabilities, bonds, debentures (including contingent liabilities), duties and obligations of Transferee Company 2 on the same terms and conditions as were applicable to Transferor Company 2, and further that it shall not be necessary to obtain the Consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by Transferor Company 2.

25.2.6 Any statutory licences, registrations, authorizations, statutory rights, permissions, Governmental Approvals, tax registrations, service tax, GST registrations, provident fund, ESI, or other registrations whether statutory or otherwise, no objection certificates, or any Consents to carry on the operations of Transferor Company 2 shall stand transferred to and vested in Transferee Company 2 without any further act or deed and shall be appropriately mutated / facilitated by the statutory authorities concerned therewith in favour of Transferee Company 2 so as to empower and facilitate the continuation of the operations of Transferee Company 2. In so far as the various incentives, service tax benefits, subsidies (including applications for subsidies), rehabilitation schemes, grants, special status, rights, and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by Transferor Company 2 are concerned, the same shall, without any further act or deed, vest with and be available to Transferee Company 2 on the same terms and conditions as are available to Transferor Company 2.

25.2.7 All registrations, licences, trademarks, copyrights, domain names, applications for copyrights, trade-names and trademarks, etc. pertaining to Transferor Company 2, if any, shall stand vested in Transferee Company 2 without any

further act, instrument or deed, upon the sanction of the Scheme and upon this Scheme becoming effective.

25.2.8 All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, GST etc.) payable by or refundable to Transferor Company 2 with effect from the Appointed Date 2, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc. as the case may be, of Transferee Company 2, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, service tax input credits, Good and Service Tax input credits etc., as would have been available to Transferor Company 2, shall pursuant to this Scheme becoming effective, be available to Transferee Company 2.

25.2.9 Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Orders sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of Transferee Company 2 as successor in interest, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, Transferee Company 2 shall file certified copies of such NCLT Order(s) and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences (including the licences granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

25.3 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all Consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in favour of Transferor Company 2 shall stand transferred to Transferee Company 2, as if the same were originally given by,

issued to or executed in favour of Transferee Company 2, and Transferee Company 2 shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to Transferee Company 2.

- 25.4 Transferee Company 2 shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, 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 which Transferor Company 2 have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. Transferee Company 2 shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of Transferor Company 2 and to carry out or perform all such formalities or compliances referred to above on the part of Transferor Company 2.

## **26 LEGAL PROCEEDINGS**

- 26.1 Upon the coming into effect of this Scheme, if any suit, appeal or other proceeding of whatsoever nature by or against Transferor Company 2 be pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the QDCPL Undertaking or anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced, as the case may be, by or against Transferee Company 2 in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against Transferor Company 2, if this Scheme had not been made.

## **27 CONTRACTS, DEEDS, AND OTHER INSTRUMENTS**

- 27.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature to which Transferor Company 2 is a party or to the benefit of which Transferor Company 2 may be eligible and which are subsisting or having effect on the Appointed Date 2, without any further act, instrument or deed, shall be in full force and effect

against or in favour of Transferee Company 2, as the case may be, and may be enforced by or against Transferee Company 2 as fully and effectively as if, instead of Transferee Company 2, Transferor Company 2 had been a party or beneficiary or obligee thereto.

27.2 Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the QDCPL Undertaking occurs by virtue of this Scheme itself, Transferee Company 2 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 of confirmation in favour of any party to any contract or arrangement to which Transferor Company 2 is a party as may be necessary to be executed in order to give formal effect to the above provisions. Transferee Company 2 shall be deemed to be authorised to execute any such writings on behalf of Transferor Company 2 and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of Transferor Company 2.

## **28 STAFF, EMPLOYEES & WORKMEN**

28.1 Upon the coming into effect of this Scheme, all the employees of Transferor Company 2 shall become the employees of Transferee Company 2 without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable.

28.2 Transferee Company 2 agrees that the service of all employees of Transferee Company 2 immediately prior to the coming into effect of this Scheme shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Transferor Company 2 immediately prior to the coming into effect of this Scheme. Transferee Company 2 further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with Transferor Company 2, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

- 28.3 Upon the coming into effect of this Scheme, Transferee Company 2 shall make all the necessary contributions for such transferred employees and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Transferee Company 2 will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of Transferor Company 2 for Transferee Company 2.
- 28.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Transferor Company 2 for employees, shall be transferred to the necessary funds, schemes or trusts of Transferee Company 2 and till the time such necessary funds, schemes or trusts are created by Transferee Company 2, all contribution shall continue to be made to the existing funds, schemes or trusts of Transferor Company 2.

## **29 EMPLOYEE STOCK OPTIONS**

- 29.1 Upon the Scheme coming into effect, the QDCPL ESOPs shall automatically stand cancelled. Simultaneously with the cancellation of the QDCPL ESOPs, Transferee Company 2 shall grant 13 (thirteen) employee stock options of UFO (“**UFO ESOPs**”) under the existing employee stock options scheme of UFO or under a new employee stock options scheme as may be created by UFO (“**UFO ESOP Scheme**”) in lieu of every 17 (seventeen) QDCPL ESOPs held by the employees of QDCPL as of the QDCPL Merger Record Date under the QDCPL ESOP Scheme (“**QDCPL Eligible Employees**”), in accordance with the QDCPL Merger Share Entitlement Ratio as mentioned under Clause 31.2 of this Scheme. The terms and conditions of the UFO ESOP Scheme shall not be less favourable than those provided under the QDCPL ESOP Scheme, except as required under Applicable Law.
- 29.2 The exercise price payable for the UFO ESOPs to the QDCPL Eligible Employees shall be such as may be determined by the committee constituted by UFO to deal with matters pertaining to employee stock option schemes.

- 29.3 Subject to Applicable Laws, the entitlement of the QDCPL Eligible Employees to the UFO ESOPs and the adjustments to be made in the exercise price of UFO ESOPs shall be appropriately reflected in the accounts of the Transferee Company 2.
- 29.4 The aforesaid grant of UFO ESOPs to the QDCPL Eligible Employees shall be effected as an integral part of this Scheme and the consent of the shareholders of the Transferor Company 2 and Transferee Company 2, Stock Exchanges and SEBI or any other relevant Governmental Authorities to this Scheme shall be deemed to be their consent in relation to all matters pertaining to the QDCPL ESOP Scheme and the UFO ESOP Scheme and all related matters. No further approval of the shareholders of the Transferor Company 2 and Transferee Company 2 or resolution, action or compliance would be required in this connection under any applicable provisions of the Act and/ or SEBI laws and/ or other Applicable Laws.
- 29.5 In relation to the UFO ESOPs granted by the Transferee Company 2 to the QDCPL Eligible Employees under the UFO ESOP Scheme, the period during which the QDCPL ESOPs granted by the Transferor Company 2 under the QDCPL ESOP Scheme were held by or deemed to have been held by the QDCPL Eligible Employees shall be taken into account for determining the minimum vesting period required under the Applicable Laws, the QDCPL ESOP Scheme and the UFO ESOP Scheme.
- 29.6 The Board of Directors of the Transferor Company 2 and / or Transferee Company 2 shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause of the Scheme.

### **30 WINDING UP**

- 30.1 Upon the Scheme becoming effective, Transferor Company 2 shall stand dissolved without being wound-up.

## 31 CONSIDERATION

31.1 Upon coming into effect of this Scheme, the QDCPL Sale Shares held by the Transferee Company 2 on the Effective Date 2 shall be extinguished or shall be deemed to be extinguished and all such QDCPL Sale Shares held by the Transferee Company 2 shall be cancelled and shall be deemed to be cancelled without any further application, act or deed.

31.2 Upon coming into effect of this Scheme, and in consideration of the transfer and vesting of the QDCPL Undertaking in the Transferee Company 2, the Transferee Company 2 shall without any further application, act, instrument or deed, issue and allot to all the equity shareholders of the Transferor Company 2 (other than the Transferee Company 2), whose names appears in the register of members as on the QDCPL Merger Record Date, fully paid up equity shares in the following share entitlement ratio ("**QDCPL Merger Share Entitlement Ratio**"):

*13 (thirteen) equity shares of INR 10/- each credited as fully paid-up of the Transferee Company 2 for every 17 (seventeen) equity share of INR 10/- each fully paid-up held by such equity shareholder in the Resulting Company.*  
**("UFO Merger Shares")**

31.3 Walker Chandiook & Co LLP, Chartered Accountant has issued the report on the QDCPL Merger Share Entitlement Ratio adopted under the Scheme. Axis Capital Ltd., a category 1 Merchant Banker, has provided its fairness opinion on the aforesaid QDCPL Merger Share Entitlement Ratio in compliance with the applicable provisions of the SEBI Circular. The aforesaid reports on the Merger Share Entitlement Ratio and fairness opinion have been duly considered by the Board of Directors of the Transferee Company 2.

31.4 The UFO Merger Shares issued pursuant to Clause 31.2 above, shall be issued to the shareholders of the Transferor Company 2 in demat form, that is, dematerialized shares.

31.5 In case any shareholder's holding in Transferor Company 2 is such that such shareholder becomes entitled to a fraction of an UFO Merger Share of the

Transferee Company 2, the Transferee Company 2 shall not issue fractional share certificates to such shareholders. Any fraction equal to or more than 0.5 arising out of such allotment shall be rounded off to the next higher integer and fraction less than 0.5 shall be rounded off to the earlier lower integer.

- 31.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Transferor Company 2, the Board of Directors of the Transferor Company 2, shall be empowered prior to the QDCPL Merger Record Date, to effectuate such transfers in the Transferor Company 2 as if such changes in registered holders were operative as on the QDCPL Merger Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the UFO Merger Shares issued by the Transferee Company 2 after the Scheme is effected. The Board of Directors of the Transferee Company 2 shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Transferee Company 2 on account of difficulties faced in the transition period.
- 31.7 The UFO Merger Shares issued and allotted by the Transferee Company 2, in terms of Clause 31.2 above, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company 2 and shall rank pari passu in all respects with the then existing equity shares of the Transferee Company 2. Further, the Transferee Company 2 shall, if required, take all necessary steps for increase of authorized share capital for issue of the UFO Merger Shares pursuant to Clause 31.2 above.
- 31.8 The UFO Merger Shares allotted and issued in terms of Clause 31.2 above, shall be listed and/or admitted to trading on the Stock Exchanges, where the equity shares of the Transferee Company 2 are listed and/or admitted to trading; subject to the Transferee Company 2 obtaining the requisite Governmental approvals pertaining to their listing. The shareholders of the Transferor Company 2, including the New Investor, who are allotted the UFO Merger Shares under this Scheme shall not, at any point of time, be deemed to be the promoters of the Transferee Company 2 and the lock-in restrictions stipulated under Chapter VII of the SEBI ICDR Regulations shall not apply to

shareholders of the Transferor Company 2, including the New Investor, who are allotted the UFO Merger Shares under this Scheme in accordance with the exemptions granted under Regulation 70 of the SEBI ICDR Regulations.

31.9 Upon the Scheme becoming effective and upon the UFO Merger Shares being issued and allotted as provided in this Scheme, the equity shares of the Transferor Company 2, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the QDCPL Merger Record Date. Wherever applicable, the Transferee Company 2 may, instead of requiring the surrender of the share certificates of the Transferor Company 2, directly issue and dispatch the new share certificates of the Transferee Company 2.

31.10 It is clarified that upon the approval of this Scheme by the shareholders of the Transferee Company 2 and Transferor Company 2 under Sections 230 and 232 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 42, 62, 180(1)(c), 186, 188 and any other applicable provisions under the Act, and that no separate approval from the shareholders to that extent shall be required to be sought by the parties for the matters specified in this Scheme.

## **32 ACCOUNTING TREATMENT**

32.1 Upon the Scheme coming into effect and with effect from Appointed Date 2, Transferee Company 2 shall account for the amalgamation in its books of account in accordance with applicable Indian Accounting Standard as notified under Section 133 of the Act, read together with paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015, as amended, including the provisions of IND AS 103 on Business Combinations and the other accounting principles generally accepted in India.

## **33 CONSOLIDATION OF AUTHORISED SHARE CAPITAL OF RESULTING COMPANY**

33.1 The authorised share capital of Transferor Company 2 shall stand transferred to and combined with the authorised share capital of Transferee Company 2

and shall be re-classified without any further act or deed. The filing fees and stamp duty already paid by Transferor Company 2 on its authorised share capital shall be deemed to have been so paid by Transferee Company 2 on the combined authorised share capital and accordingly, Transferee Company 2 shall not be required to pay any fees/ stamp duty on the authorised share capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase and re-classification in the authorised share capital of Transferee Company 2 under Sections 13, 14 and 61 of the Act and other applicable provisions of the Act. Accordingly, upon sanction of this Scheme and from the date of this Scheme becoming effective, the authorised share capital of Transferee Company 2 shall automatically stand increased without any further act, instrument or deed on the part of Transferee Company 2 including payment of stamp duty and payment of fees payable to Registrar of Companies, for the authorised share capital of Transferor Company 2.

- 33.2 Clause V(a) of the Memorandum of Association of Transferee Company 2 and relevant clause, if any, of Articles of Association of Transferee Company 2 relating to authorised share capital shall respectively, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 14 and 61 of the Companies Act, 2013 and other applicable provisions of the Act, as the case may be.

#### **34 SAVING OF CONCLUDED TRANSACTIONS**

- 34.1 Subject to the terms of the Scheme, the transfer and vesting of the QDCPL Undertaking and continuance of proceedings by or against the Transferee Company 2, as provided herein, shall not affect any transactions or proceedings already concluded by the Transferor Company 2 before the Effective Date 2, to the end and intent that the Transferee Company 2 accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company 2 in relation to the QDCPL Undertaking as acts, deeds and things done and executed by and on behalf of the Transferee Company 2.

**PART V: SLUMP SALE OF TRANSFERRED UNDERTAKING FROM UFO  
TO PJSA**

**35 TRANSFER AND VESTING OF TRANSFERRED UNDERTAKING OF  
TRANSFEROR COMPANY 3**

35.1 For the purpose of this Part V, a reference to coming into effect of the Scheme or effectiveness of the Scheme shall mean the coming into effect of Part V of the Scheme or effectiveness of Part V of the Scheme. This Part V of the Scheme shall come into operation from Effective Date 3.

35.2 Upon the coming into effect of this Scheme and with effect from the Appointed Date 3, the Transferred Undertaking of the Transferor Company 3 shall stand transferred to and vested in and/ or deemed to be transferred to and vested in the Transferee Company 3, as the case may be, on a slump sale basis in the following manner:

35.2.1 Upon the coming into effect of this Scheme, subject to the provisions of this Scheme, the Transferred Undertaking shall, under the provisions of Sections 230 to 232 of the Act and also in accordance with Section 2(42C) of the IT Act and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred to and vested in and / or deemed to be transferred to and vested in the Transferee Company 3 on a slump sale basis, so as to vest in the Transferee Company 3 all the rights, title and interest pertaining to the Transferred Undertaking.

35.2.2 The PJSA shall be responsible for operating and delivering the technology requirements of UFO. PJSA shall ensure that the technology delivered by PJSA to meet the requirements of UFO: (i) is capable of allowing UFO to effect satellite delivery of movies and media content; and (ii) allows UFO control over playback of movies and media content.

35.2.3 In respect of such of the assets of the Transferred Undertaking as are movable in nature and/or otherwise capable of transfer by manual or constructive

delivery of possession and/or by endorsement and delivery, the same shall be so transferred by the Transferor Company 3 to the Transferee Company 3, upon the coming into effect of this Scheme, without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Transferee Company 3 , absolutely and forever.

35.2.4 In respect of the movable assets other than those dealt with in Clause 35.2.3 above, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with any Governmental Authority and any other authorities and bodies and/or customers, if any, whether recoverable in cash or in kind or for value to be received, bank balances, etc. the same shall stand transferred to and vested in the Transferee Company 3 without any notice or other intimation to any Person so that the right of the Transferor Company 3 to recover or realise the same stands transferred to the Transferee Company 3. Transferee Company 3 shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Transferee Company 3 and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.

35.2.5 All the other assets, rights, title, interests and investments of the Transferor Company 3 in relation to the Transferred Undertaking shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company 3 upon the coming into effect of this Scheme.

35.2.6 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits, licenses, permissions, right of way, Governmental Approvals, clearances, Consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of the Transferor Company 3 pertaining to the Transferred Undertaking, shall be transferred to and vested in the Transferee Company 3.

35.2.7 In so far as various incentives, subsidies, exemptions, special status, service tax benefits, GST input credits, income tax holiday/benefit/losses and other benefits or exemptions or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by the Transferor Company 3 are concerned, the same shall, without any further act or deed, in so far as they relate to the Transferred Undertaking, vest with and be available to the Transferee Company 3 on the same terms and conditions., as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Transferee Company 3.

35.2.8 Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Orders sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of Transferee Company 3 as successor in interest with respect to the Transferred Undertaking, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, Transferee Company 3 shall file certified copies of such NCLT Order(s) and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences (including the licences granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature with respect to the Transferred Undertaking.

35.2.9 Upon the coming into effect of this Scheme, all debts, duties, obligations and liabilities of the Transferor Company 3 pertaining to the Transferred Undertaking shall without any further act, instrument or deed be and stand transferred to the Transferee Company 3 and shall thereupon become the debts, duties, obligations and liabilities of the Transferee Company 3 and 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, obligations, duties and liabilities have arisen in order to give effect to the provisions of this Clause.

35.2.10 The transfer and vesting of the Transferred Undertaking, as aforesaid shall be subject to the existing securities, charges, mortgages and other Encumbrances, if any, subsisting over in respect of the property and assets or any part thereof relating to the Transferred Undertaking.

35.2.11 Transferee Company 3 shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, 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 pertaining to the Transferred Undertaking in relation to which Transferor Company 3 have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions.

## **36 CONSIDERATION**

36.1 The consideration, for the transfer and vesting of the Transferred Undertaking shall be equal to an aggregate lump sum amount of INR 235,000,000 (Rupees two hundred thirty five million), subject to adjustment as on the Effective Date 3 required in relation to continued investments in the IP Business and such other adjustments as may be mutually agreed upon between the Boards of the Transferor Company 3 and the Transferee Company 3. The consideration shall be discharged by the Transferee Company 3 by issuing and allotting to the Transferor Company 3 equity shares of INR 10/- each fully paid up of the Transferee Company 3.

36.2 The equity shares issued and allotted by the Transferee Company 3, in terms of Clause 36.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company 3 and shall rank pari passu in all respects with the then existing equity shares of the Transferee Company 3. Further, the Transferee Company 3 shall, if required, take all necessary steps for increase of authorized share capital for issue of the equity shares pursuant to Clause 36.1 above.

### **37 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEROR COMPANY 3**

37.1 Upon the Scheme coming into effect and with effect from Appointed Date 3, Transferor Company 3 shall account for the transfer of the Transferred Undertaking in its books of account in accordance with applicable Indian Accounting Standard as notified under Section 133 of the Act, read together with paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015, as amended, including the provisions of IND AS 103 on Business Combinations and the other accounting principles generally accepted in India.

### **38 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY 3**

38.1 On effectiveness of the Scheme and with effect from Appointed Date 3, Transferee Company 3 shall account for the Transferred Undertaking in its books of account in accordance with applicable Indian Accounting Standard as notified under Section 133 of the Act, read together with paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015, **as amended**, including the provisions of IND AS 103 on Business Combinations and the other accounting principles generally accepted in India.

### **39 CONTRACTS, DEEDS, AND OTHER INSTRUMENTS**

39.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature, in relation to the Transferred Undertaking, to which the Transferor Company 3 is a party or to the benefit of which the Transferor Company 3 may be eligible and which are subsisting or having effect on the Appointed Date 3, without any further act, instrument or deed, shall be in full force and effect against or in favour of the Transferee Company 3, as the case may be, and may be enforced by or against the Transferee Company 3 as fully and effectively as if, instead of the Transferor Company 3, the Transferee Company 3 had been a party or beneficiary or obligee thereto.

39.2 Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Transferred Undertaking occurs by virtue of this Scheme itself, the Transferee Company 3 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 of confirmation in favour of any party to any contract or arrangement to which the Transferor Company 3 is a party as may be necessary to be executed in order to give formal effect to the above provisions. Transferee Company 3 shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company 3 and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of the Transferor Company 3.

#### **40 LEGAL PROCEEDINGS**

40.1 Upon the coming into effect of this Scheme, if any suit, appeal or other proceeding of whatsoever nature by or against Transferor Company 3 be pending in each case relating to the Transferred Undertaking, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the Transferred Undertaking or anything contained in this Scheme, but the said suit, appeal or other legal proceedings shall be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company 3 in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company 3, if this Scheme had not been made.

#### **41 STAFF, EMPLOYEES & WORKMEN**

41.1 Upon the coming into effect of this Scheme, all the employees of the Transferor Company 3 engaged in or in relation to the Transferred Undertaking shall become the employees of Transferee Company 3 without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable.

- 41.2 Transferee Company 3 agrees that the service of all employees engaged in or in relation to the Transferred Undertaking immediately prior to the Effective Date 3 shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Transferor Company 3 immediately prior to the Effective Date 3. Transferee Company 3 further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with the Transferor Company 3, shall also be taken into account and agrees and undertakes to pay the same as and when payable.
- 41.3 Upon the coming into effect of this Scheme, Transferee Company 3 shall make all the necessary contributions for such transferred employees engaged in or in relation to the Transferred Undertaking and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Transferee Company 3 will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of Transferor Company 3 for Transferee Company 3.
- 41.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Transferor Company 3 for employees engaged in or in relation to the Transferred Undertaking, shall be transferred to the necessary funds, schemes or trusts of Transferee Company 3 and till the time such necessary funds, schemes or trusts are created by Transferee Company 3, all contribution shall continue to be made to the existing funds, schemes or trusts of Transferor Company 3.

## **42 SAVING OF CONCLUDED TRANSACTIONS**

- 42.1 Subject to the terms of the Scheme, the transfer and vesting of the Transferred Undertaking and continuance of proceedings by or against the Transferee Company 3, as provided herein, shall not affect any transactions or proceedings already concluded by the Transferor Company 3 before the Effective Date 3, to the end and intent that the Transferee Company 3 accepts

and adopts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company 3 in relation to the Transferred Undertaking as acts, deeds and things done and executed by and on behalf of the Transferee Company 3.

#### **43 CHANGE IN NAME OF THE TRANSFEREE COMPANY 3**

43.1 As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the name of the Transferee Company 3, subject to the availability of the name with the jurisdictional registrar of companies, shall stand changed to “**Qube Cinema Private Limited**” or such other name as may be decided by its Board of Directors or a committee thereof of the Transferee Company 3 and approved by the concerned Registrar of Companies. Further, the present name of “PJSA Technosoft Private Limited” wherever it occurs in its memorandum and articles of association be substituted by such name.

43.2 It is hereby clarified that for the purposes of this Clause 43, the consent of the shareholders of the Transferee Company 3 to the Scheme shall be deemed to be sufficient for change of name of the of the Transferee Company 3 and no further resolutions under the applicable provisions of the Act would be required to be separately passed.

43.3 Pursuant to this Scheme, the Transferee Company 3 shall file the requisite forms with the Registrar of Companies for such change in name.

#### **44 UFO BUSINESS**

44.1 The UFO Business and all liabilities and obligations relating or pertaining thereto shall continue to belong solely to and continue to be vested solely in and be managed by the Transferor Company 3.

44.2 All legal, tax and other proceedings by or against the Transferor Company 3 under any statute, whether pending on the Appointed Date 3 or which may be instituted at any time thereafter, whether or not in respect of any matter arising before the Effective Date 3, which does not specifically pertain or relate to the Transferred Undertaking (including those relating to any right, power,

liability, obligation or duty, of the Transferor Company 3 in respect of the UFO Business) shall be continued and enforced solely by or against the Transferor Company 3 only, without any liability arising on the Transferee Company 3 or its shareholders.

- 44.3 The Transferor Company 3 shall carry on all business and activities pertaining or relating to the UFO Business in its own name and on its own account and its own behalf in all respects, without any liability arising on the Transferee Company 3.

## **PART VI: GENERAL TERMS AND CONDITION**

### **45 CONDUCT OF BUSINESS TILL EFFECTIVE DATE 3**

45.1 Except as provided under this Scheme, from the date of the Scheme being approved by the Board of Directors of QCTPL, QDCPL, MPL, PJSA and UFO up to the Effective Date 3, QCTPL, QDCPL, MPL and/or the QCTPL Subsidiaries shall not, undertake any corporate actions and commence any operations outside of the ordinary course of business, without the prior Consent of UFO, unless otherwise agreed between QCTPL, QDCPL and UFO.

45.2 Except as provided under this Scheme, from the date of the Scheme being approved by the Board of Directors of QCTPL, QDCPL, MPL, PJSA and UFO up to the Effective Date 3, subject to Applicable Laws, UFO and PJSA shall not, undertake any corporate actions and commence any operations outside of the ordinary course of business, without the prior Consent of the QCTPL Promoters, unless otherwise agreed between QCTPL, QDCPL, MPL, PJSA and UFO.

45.3 Notwithstanding anything to the contrary, nothing in this Scheme shall prohibit an issuance by UFO of not more than 2,285,000 shares or other equity interest or any securities convertible into or exchangeable for equity shares or any other rights, warrants or options to acquire equity shares of UFO at a price not lower than INR 396 (Indian Rupees Three Hundred and Ninety-Six) per equity share of UFO.

### **46 MANAGEMENT, SHAREHOLDER CLASSIFICATION AND BOARD OF DIRECTORS OF UFO**

46.1 On the date of allotment of the UFO Merger Shares, the New Investor and the QCTPL Promoters shall be classified as 'public shareholders' of UFO in accordance with Applicable Law.

46.2 On and from the date of the Scheme being approved by the Board of Directors of QCTPL and UFO, as long as QCTPL is in existence or under control of the QCTPL Promoters, whichever is earlier, the QCTPL Promoters shall not take any action that will result in them being classified as a 'promoter' of UFO under the rules and regulations framed by SEBI as prevailing on the date of the Scheme being approved by the Board of Directors of QCTPL and UFO.

46.3 On and from the date of allotment of the UFO Merger Shares:

(a) the QCTPL Promoters shall not have the right to nominate any individual to a management position in UFO and/or have any right in relation to the management of UFO;

(b) the Board of Directors of UFO shall be reconstituted as follows:

i. 2 (two) directors to be appointed by the promoters of UFO, 1 (one) of whom shall be the existing managing director of UFO;

ii. 2 (two) non-executive directors to be appointed by the QCTPL Promoters;

iii. 3 (three) independent directors;

iv. 1 (one) executive director who shall be the existing joint managing director of UFO; and

v. 1 (one) non-executive director to be appointed by the New Investor.

Provided that the nominee director appointed by the QCTPL Promoters and/or the New Investor pursuant to (ii) and (v) above shall not be an individual who serves as a director on the board of directors of a competitor or an affiliate of a competitor as may be mutually agreed between the parties.

(c) If the QCTPL Promoters cease to hold at least 3,374,007 (three million three hundred and seventy-four thousand and seven) shares of UFO, net of any subsequent sale or purchase, tested on a quarterly

basis, then the QCTPL Promoters shall be entitled to nominate only 1 (one) non-executive director on the Board of UFO and the QCTPL Promoters shall within 30 (thirty) days be required to cause 1 (one) of their nominee to resign.

(d) Further, if the QCTPL Promoters cease to hold at least 1,446,003 (one million four hundred and forty-six thousand and three) shares of UFO, net of any subsequent sale or purchase, tested on a quarterly basis, then they shall cease to have any right pursuant to Clause 46.3 (b)(ii) to appoint their nominee on the Board of UFO and the QCTPL Promoters shall within 30 (thirty) days be required to cause their remaining nominee to resign.

(e) Notwithstanding anything to the contrary, the QCTPL Promoters shall be entitled to transfer their shares in UFO, *inter se* the QCTPL Promoters and to their affiliates and that the aggregate percentage shareholding of the QCTPL Promoters shall not be affected by any such *inter se* transfers among the QCTPL Promoters and their affiliates.

46.4 The articles of association of UFO shall without any further act, instrument or deed, be and stand altered, modified and amended to incorporate the suitable terms of appointment of the Board of Directors of UFO as specified in Clause 46. It is clarified that the resolution approving the Scheme shall be deemed to be the approval for amendment of the Articles of Association of UFO pursuant to this Clause.

## **47 MANAGEMENT AND BOARD OF DIRECTORS OF PJSA**

47.1 On and from the date of allotment of the UFO Merger Shares, the Board of Directors of PJSA shall be reconstituted as follows:

(a) a majority of the directors of the Board of Directors of PJSA shall be nominated by UFO;

- (b) subject to appointment of other directors as required under Applicable Law, the balance directors of the Board of Directors of PJSA shall be nominated by the QCTPL Promoters. Provided that the QCTPL Promoters shall be entitled to nominate at least 2 (two) directors on the Board of Directors of PJSA of which 1 (one) nominee shall be QCTPL Promoter 1. QCTPL Promoter 1 shall be appointed as the managing director of PJSA on a non-retiring basis and QCTPL Promoter 2 shall be appointed as an executive director of PJSA on a non-retiring basis;
- (c) the management and the Board of Directors of PJSA shall be subject to the overall supervision of the Board of Directors of UFO, and the Board of Directors of UFO shall not delegate such powers to its committee or any other person; and
- (d) PJSA shall have an independent organisational structure as may be agreed by the Board of Directors of PJSA.

47.2 The articles of association of PJSA shall without any further act, instrument or deed, be and stand altered, modified and amended to incorporate the suitable terms of appointment of the Board of Directors of PJSA and the management of PJSA as specified in Clauses 47.1 above. It is clarified that the resolution approving the Scheme shall be deemed to be the approval for amendment of the articles of association of PJSA pursuant to this Clause 47.

## **48 APPLICATIONS TO NCLT**

48.1 QCTPL, QDCPL, MPL, PJSA and UFO, shall, with all reasonable dispatch, simultaneously, make necessary applications/ petitions to the NCLTs, where the registered offices of QCTPL, QDCPL, MPL, PJSA and UFO are situated, for sanctioning this Scheme and all matters ancillary or incidental thereto under Sections 230 to 232 read with Section 66 of the Act and other applicable provisions of the Act.

## **49 MODIFICATIONS OR AMENDMENTS TO THE SCHEME**

49.1 QCTPL, QDCPL, MPL, PJSA and UFO by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, may, collectively, make and/or Consent to any modifications/ amendments to the Scheme or to any conditions or limitations that the NCLT or any other Governmental Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. QCTPL, QDCPL, MPL, PJSA and UFO by their respective Boards of Directors or such other person or persons, as the respective Boards of Directors may authorize including any committee or sub-committee thereof, shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. In case, post approval of the Scheme by the NCLT, there is any confusion in interpreting any Clause of this Scheme, or otherwise, the Board of Directors of QCTPL, QDCPL, MPL, PJSA and UFO shall have complete power to take the most sensible interpretation so as to render the Scheme operational.

## **50 WITHDRAWAL OF THE SCHEME**

50.1 QCTPL, QDCPL, MPL, PJSA and UFO shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by all of the Boards of Directors of QCTPL, QDCPL and UFO prior to the Effective Date 1. In such a case, QCTPL, QDCPL, MPL, PJSA and UFO shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, QCTPL, QDCPL, MPL, PJSA and UFO shall not be entitled to withdraw the Scheme unilaterally without the prior written Consent of the other companies.

## **51 SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS**

The Scheme is and shall be conditional upon and subject to the followings:

- 51.1 The requisite Consents, no-objections and approvals of the Stock Exchanges and SEBI to the Scheme in terms of the SEBI Circular, on terms acceptable to QCTPL, QDCPL, MPL, PJSA and UFO;
- 51.2 The Scheme being approved by respective requisite majorities in numbers and value of such classes of members and creditors of the companies as may be directed by the NCLT;
- 51.3 The Scheme being approved by the majority of public shareholders (members) of UFO (by way of e- voting) as required under the SEBI Circular;
- 51.4 The Scheme being sanctioned by the NCLTs under Sections 230 to 232 of the Act, on terms acceptable to QCTPL, QDCPL, MPL, PJSA and UFO;
- 51.5 The certified copies of the NCLT Order(s) being filed with the relevant RoC by QCTPL, QDCPL, MPL, PJSA and UFO;
- 51.6 The deposit of the relevant portions of the purchase consideration for the sale of QDCPL Sale Shares in an escrow account by UFO and New Investor in the manner as mutually agreed between the Sellers, UFO and New Investor.

## **52 EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS**

- 52.1 The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 51 above are satisfied and in such an event, unless each of the conditions are satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter se QCTPL, QDCPL, MPL, PJSA and UFO or their respective shareholders or creditors or employees or any other Person.

## **53 SCHEME AS AN INTEGRAL WHOLE AND SEVERABILITY**

- 53.1 The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme

would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the respective Boards of Directors of QCTPL, QDCPL, MPL, PJSA and UFO.

- 53.2 If any provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of QCTPL, QDCPL, MPL, PJSA and UFO in writing, affect the validity or implementation of the other provisions of this Scheme.

## SCHEDULE I

List of intellectual property rights underlying the QCTPL Products:

1. Moviebuff
2. Moviepass
3. Cheers
4. Slydes
5. html2DCP<sup>1</sup>
6. iCount hardware & software
7. Qube XP E-Cinema hardware & software
8. Qube XP DCI hardware & software
9. Qube Xi Integrated Media Block
10. QubeCast
11. QubeCentral<sup>2</sup>
12. QubeMaster Pro, Xpress & Xport<sup>3</sup>
13. Transformer<sup>4</sup>
14. Qube Wire
15. Qube Wire Desktop applications
16. Qube Wire Partner, Festival & Theatre Appliances & software
17. Wire Safe Appliance & software<sup>5</sup>
18. Wire Master<sup>6</sup>
19. Qube Account

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<sup>1</sup> For internal use only.

<sup>2</sup> No longer in active development. To be replaced by Qube Wire & Transformer.

<sup>3</sup> Minimal development. To be replaced by Wire Master.

<sup>4</sup> In design phase.

<sup>5</sup> Under development and released only for internal use.

<sup>6</sup> Under development, not yet released.

## SCHEDULE II

List of the immovable properties:

Sr. no.	Description of Premises	Lessee/Licensor	Details of Instrument
1.	Premises on 4 <sup>th</sup> floor, Aver Plaza situated on plot no. B-13, bearing CTS no. 606, Opposite Citi Mall, New Link Road, Andheri (West), Village Oshiwara, Mumbai 400 053.	Licensee	Leave and License Agreement dated March 19, 2013 between M/s Aver Software Technologies Limited and Real Image
2.	Door no. 33-14-6/C , Pragathi Duplex Kadiyala Vari Veedi, Besides Sunrise Hospital, Sitarampuram, Vijayawada, Andhra Pradesh- 520002	Lessee	Lease Agreement dated December 29, 2014 between Kavari Hari Krishna and QCTPL
3.	Premises being Nos. 43A, 43B, 44A 10th Cross, 1st Main Road, Prakashnagar, Bangalore- 560021.	Lessee	Lease Agreement dated April 26, 2017 between Mr. S Karunakaran and QCTPL
4.	Flat on 3rd floor, Maudestan, 2/2A, D' Monte Park Road, Bandra (West), Mumbai 400 050	Licensee	Leave and License Agreement dated July 14, 2017 between Mrs. Gwendoline Oliveira and QCTPL
5.	Flat no. 203, 2nd Floor, Panorama Tower, Prathmesh Complex, Veera Desai Road, Andheri (West), Mumbai 400053	Licensee	Leave and License Agreement dated June 6, 2016 between Mr. Himawati Mishra and Real Image
6.	Flat no. 302, B Wing, 'Dev Prestige', Building no. 55/56, Azad Nagar Road no. 3, Veera Desai Road, Andheri (West), Mumbai 400053	Licensee	Leave and License Agreement dated October 7, 2017 between Mr. Asif Shaikh and QCTPL
7.	Premises No. 12, 1st Main Road, Seethammal Colony, Alwarpet, Chennai- 600 018	Lessee	Lease Agreement dated January 12, 2017 between Mr. Sekar Guruswamy Nadar and Real Image

Sr. no.	Description of Premises	Lessee/Licensor	Details of Instrument
8.	Premises being Second Floor (Eastern side) in Plot no. 21 NP, Guindy Industrial Estate, Hamlet of Alandur Village, Mambalam – Guindy Taluk, Madras District in Survey No. TS. No.15	Lessee	Lease Agreement dated May 25, 2016 between Mr. GH Shah, Proprietor, Plant Engineering Services, and Real Image
9.	Premises being Ground Floor (Northern Side) and Ground Floor (Southern Side) on Plot no. 21 NP, Guindy Industrial Estate, Hamlet of Alandur Village, Mambalam – Guindy Taluk, Madras District in survey no. TS. No.15 part	Lessee	Lease Agreement dated November 29, 2013 between Mr. GH Shah, Proprietor, Plant Engineering Services, and Real Image
10.	Premises on plot W-7, Green Park Main, New Delhi-110016	Lessee	Lease Deed dated January 1, 2016 between Mrs. Annanna Idicula and Real Image
11.	Premises bearing no. 1034, situated at 1st Main Road, 4th Block, Dr. Rajkumar Road, Bangalore- 560010	Lessee	Lease Deed dated December 18, 2015 between Mr. Bharathi Kumar Jain and Real Image
12.	House bearing MCH No. 317/A/B, MLA's colony at road no. 12, Banjara Hills, Hyderabad (Andhra Pradesh)	Lessee	Lease Agreement dated June 6, 2012 between Smt. B Indira Devi, Sri BN Keshav Rao, Sri. Ram Bhoopal and Sri. B Anant Nag and Real Image (Extended by the Letter of Extension dated October 11, 2017)
13.	First floor and ground floor respectively of the building no. 41/643 C and 41/643 D standing on the land bearing Old Survey No. 2730 located at Ernakulum, Kerala	Lessee	Lease deeds dated August 7, 2013 and August 10, 2015 between Mrs. P Thankamani Amma and QCTPL
14.	Premises no. S-17, Uphar Shopping Complex, Green Park Extension, New Delhi	Lessee	Lease Deed dated June 1, 2017 between Jagdeep S. Suri and Jasmine Kaur; and QCTPL
15.	Premises no. 42, Dr. Ranga Road, Mylapore, Chennai - 600004	Lessee	Lease Agreement dated November 16, 2013 between Sumanth Subramanian and

Sr. no.	Description of Premises	Lessee/Licensor	Details of Instrument
			Real Image
16.	Premises admeasuring 143 square feet located in Sri Nagaraj Theatre, KABIR Road, Mandi Mohalla, Mysore	Lessee	Unregistered Agreement of Lease dated August 16, 2012 made between Sri Nagaraj Investments Private Limited and Real Image and the letter of extension of the lease dated June 16, 2015
17.	Premise admeasuring 424 square feet being at Door No.607 B, Sixth Floor, Cystell Mall, Sawai Jai Singh Road, Banipark, Jaipur, Rajasthan	Lessee	Lease Agreement dated Lease Agreement dated November 6, 2015 made between Satyapal Manocha and Real Image
18.	Shop/Office premises bearing No.137, First Floor Highway Mall, Survey No. 233/1/2, 234/2 Chandkheda, Ahmedabad admeasuring about 22.21 square meters equivalent 239 square feet with built-up area and as per final plot undivided receivable about 21.84 square meters (as per Survey No. about 36.28 square meters) land of said Shop/Office situated in the scheme known as 'Highway Mall'	Lessee	Lease Agreement dated November 9, 2015 made between Shobhaben Vinodkumar Sharma and Vinodkumar Shivnath Sharma; and Real Image
19.	Private Office No. 313 in DBS Business Center, Kolkata	Licensee (Member)	Office Plan Registration Form issued by DBS Business Centre in favor of QCTPL

### SCHEDULE III

#### LIST OF STUDIO DPS CONTRACTS

<b>Sl. No.</b>	<b>Name of Hollywood Studio</b>	<b>Title of the Agreement</b>	<b>Date of Original Agreement</b>
1.	Fox Star Studios India Private Limited	Digital Cinema Deployment Agreement	1 April 2012
2.	Viacom Global (Netherlands) BV (Paramount)	Digital Cinema Deployment Agreement	25 January 2013
3.	Sony Pictures Releasing International Corporation (Sony)	Binding Memorandum of Understanding	28 June 2013
3A.	SPE Films India Pvt. Ltd. (Sony Pictures)	Novation & Amended & Restated Binding Memorandum of Understanding	9 January 2015
4.	NBC Universal Media Distribution Services Pvt. Ltd. (Universal)	Digital Cinema Deployment Agreement	17 May 2013
5.	Warner Pictures India Pvt. Ltd.	Memorandum of Agreement	1 January 2013
6.	Walt Disney Studios Motion Pictures International Walt Disney Co. (India) Pvt. Ltd. UTV Software Communications Ltd.	Digital Cinema International Deployment Agreement	1 April 2012