

April 16, 2018

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400001
Tel; 22721233/34
Fax: 22721919
Scrip Code: 539141

The Manager
Listing Department
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai 400051
Tel: 26598236
Fax: 26598237
Scrip Symbol: UFO

Dear Sir and Ma'am,

Sub: Notice sent to (i) all the Secured Creditors, and (ii) the Unsecured Creditors having an outstanding amount of INR 50,000/- and above as on January 31, 2018, pursuant to the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith the copy of the notice sent to (i) all the Secured Creditors of UFO Moviez India Limited ("Company") as Annexure 'A', and (ii) the Unsecured Creditors of the Company having an outstanding amount of INR 50,000/- and above as on January 31, 2018 as Annexure 'B', as per the Order dated April 10, 2018 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench, in connection with the proposed Composite Scheme of Arrangement and Amalgamation amongst the Company 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 of the Companies Act, 2013.

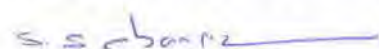
The said notices are also available on the website of the Company at www.ufomoviez.com.

We request you to kindly take the same on record.

Thanking you.

Yours faithfully,

For **UFO Moviez India Limited**



Sameer Chavan
Company Secretary

Enclosures: As above



UFO MOVIEZ INDIA LIMITED

Corporate Identity No. (CIN): L22120MH2004PLC285453

Registered Office: Valuable Techno Park, Plot No 53/1, Road No. 7, Marol MIDC, Andheri East,
Mumbai 400093, Maharashtra

Tel. No.: +91 22 40305060; **Fax No.:** +91 22 40305110

Email: investors@ufomoviez.com; **Website:** www.ufomoviez.com

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT MUMBAI
COMPANY SCHEME APPLICATION NO. 120 OF 2018**

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230 - 232 of
the Companies Act, 2013 read with the Companies
(Compromises, Arrangements and Amalgamations)
Rules, 2016;

And

In the matter of Composite Scheme of Arrangement and
Amalgamation amongst UFO Moviez India Limited
("Applicant Company 1" or "Transferee Company 2"
or "Transferor Company 3" or "Company") and Qube
Cinema Technologies Private Limited ("Demerged
Company") and Qube Digital Cinema Private Limited
("Resulting Company" or "Transferee Company 1" or
"Transferor Company 2") and Moviebuff Private
Limited ("Transferor Company 1") and PJSA
Technosoft Private Limited ("Applicant Company 2" or
"Transferee Company 3") and their respective
shareholders and creditors.

UFO Moviez India Limited [CIN:)
L22120MH2004PLC285453], a company)
incorporated under the Companies Act, 1956,)
having its registered office at Valuable Techno)
Park, Plot No 53/1, Road No. 7, Marol MIDC,)
Andheri East, Mumbai 400093,)
Maharashtra)

...Applicant Company 1

To,
The Secured Creditors

NOTICE OF THE COMPANY SCHEME APPLICATION

TAKE NOTICE THAT an application under Sections 230 to 232 of the Companies Act, 2013, read with the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 for sanctioning the arrangement embodied in the Composite Scheme of Arrangement and Amalgamation amongst UFO Moviez India Limited (“**Applicant Company 1**” or “**Transferee Company 2**” or “**Transferor Company 3**” or “**Company**”) and Qube Cinema Technologies Private Limited (“**Demerged Company**”) and Qube Digital Cinema Private Limited (“**Resulting Company**” or “**Transferee Company 1**” or “**Transferor Company 2**”) and Moviebuff Private Limited (“**Transferor Company 1**”) and PJSA Technosoft Private Limited (“**Applicant Company 2**” or “**Transferee Company 3**”) and their respective shareholders and creditors (“**Scheme**”) was presented by the Company before the National Company Law Tribunal, Mumbai Bench (“**Hon’ble Tribunal**”). The Hon’ble Tribunal by its order dated April 10, 2018, *inter alia*, directed the Company to issue a notice to the all the Secured Creditors of the Company, which are due and payable as on January 31, 2018, under section 230(3) of the Companies Act, 2013.

NOTICE is thus hereby given to all the Secured Creditors of the Company, which are due and payable as on January 31, 2018, pursuant to the order dated April 10, 2018 passed by the Hon’ble Tribunal in the captioned Company Scheme Application.

If you are desirous of making any representation, you may do so by filing your representation with the Hon’ble Tribunal and serving a copy of such representation simultaneously upon the Company within a period of thirty days from the date of receipt of this notice.

Please note that the following documents are enclosed along with this notice:

1. Notice of meeting of the Equity Shareholders of the Company.
2. Explanatory Statement along with annexures comprising of the Scheme.

For UFO Moviez India Limited

Sd/-
Sanjay Gaikwad
Chairperson Appointed for the Meeting

Dated this 11th day of April, 2018
Enclosures: As Above



UFO MOVIEZ INDIA LIMITED

Corporate Identity No. (CIN): L22120MH2004PLC285453

Registered Office: Valuable Techno Park, Plot No 53/1, Road No. 7, Marol MIDC, Andheri East, Mumbai 400093, Maharashtra

Tel. No.: +91 22 40305060; **Fax No.:** +91 22 40305110

Email: investors@ufomoviez.com; **Website:** www.ufomoviez.com

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT MUMBAI
COMPANY SCHEME APPLICATION NO. 120 OF 2018**

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230 - 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

In the matter of Composite Scheme of Arrangement and Amalgamation amongst UFO Moviez India Limited (“**Applicant Company 1**” or “**Transferee Company 2**” or “**Transferor Company 3**” or “**Company**”) and Qube Cinema Technologies Private Limited (“**Demerged Company**”) and Qube Digital Cinema Private Limited (“**Resulting Company**” or “**Transferee Company 1**” or “**Transferor Company 2**”) and Moviebuff Private Limited (“**Transferor Company 1**”) and PJSA Technosoft Private Limited (“**Applicant Company 2**” or “**Transferee Company 3**”) and their respective shareholders and creditors.

UFO Moviez India Limited [CIN:)
L22120MH2004PLC285453], a company)
incorporated under the Companies Act, 1956,)
having its registered office at Valuable Techno)
Park, Plot No 53/1, Road No. 7, Marol MIDC,)
Andheri East, Mumbai 400093,)
Maharashtra)

...Applicant Company 1

To,
The Unsecured Creditors

NOTICE OF THE COMPANY SCHEME APPLICATION

TAKE NOTICE THAT an application under Sections 230 to 232 of the Companies Act, 2013, read with the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 for sanctioning the arrangement embodied in the Composite Scheme of Arrangement and Amalgamation amongst UFO Moviez India Limited (“**Applicant Company 1**” or “**Transferee Company 2**” or “**Transferor Company 3**” or “**Company**”) and Qube Cinema Technologies Private Limited (“**Demerged Company**”) and Qube Digital Cinema Private Limited (“**Resulting Company**” or “**Transferee Company 1**” or “**Transferor Company 2**”) and Moviebuff Private Limited (“**Transferor Company 1**”) and PJSA Technosoft Private Limited (“**Applicant Company 2**” or “**Transferee Company 3**”) and their respective shareholders and creditors (“**Scheme**”) was presented by the Company before the National Company Law Tribunal, Mumbai Bench (“**Hon’ble Tribunal**”). The Hon’ble Tribunal by its order dated April 10, 2018, *inter alia*, directed the Company to issue a notice to the Unsecured Creditors of the Company to whom the amounts owed by the Company as on January 31, 2018 is Rs. 50,000/- (Rupees Fifty Thousand only) and above, under section 230(3) of the Companies Act, 2013.

NOTICE is thus hereby given the Unsecured Creditors of the Company to whom the amounts owed by the Company as on January 31, 2018 is Rs. 50,000/- (Rupees Fifty Thousand only) and above, pursuant to the order dated April 10, 2018 passed by the Hon’ble Tribunal in the captioned Company Scheme Application.

If you are desirous of making any representation, you may do so by filing your representation with the Hon’ble Tribunal and serving a copy of such representation simultaneously upon the Company within a period of thirty days from the date of receipt of this notice.

Please note that the following documents are enclosed along with this notice:

1. Notice of meeting of the Equity Shareholders of the Company.
2. Explanatory Statement along with annexures comprising of the Scheme.

For UFO Moviez India Limited

Sd/-
Sanjay Gaikwad
Chairperson Appointed for the Meeting

Dated this 11th day of April, 2018
Enclosures: As Above



UFO MOVIEZ INDIA LIMITED

Corporate Identity No. (CIN): L22120MH2004PLC285453

Registered Office: Valuable Techno Park, Plot No 53/1, Road No. 7, Marol MIDC, Andheri East, Mumbai 400093, Maharashtra

Tel. No.: +91 22 40305060; Fax No.: +91 22 40305110

Email: investors@ufomoviez.com; Website: www.ufomoviez.com

MEETING OF THE EQUITY SHAREHOLDERS (WHICH INCLUDES PUBLIC SHAREHOLDERS) OF UFO MOVIEZ INDIA LIMITED CONVENED BY THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

NOTICE TO SHAREHOLDERS

Day	Monday
Date	May 21, 2018
Time	11:30 a.m.
Venue	Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059

POSTAL BALLOT AND E-VOTING

Commencing on	Saturday April 21, 2018 at 09:00 a.m.
Ending on	Sunday, May 20, 2018 at 05:00 p.m.

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT MUMBAI
COMPANY SCHEME APPLICATION NO. 120 OF 2018**

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230 - 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

In the matter of Composite Scheme of Arrangement and Amalgamation amongst UFO Moviez India Limited ("**Applicant Company**" or "**Transferee Company 2**" or "**Transferor Company 3**" or "**Company**") and Qube Cinema Technologies Private Limited ("**Demerged Company**") and Qube Digital Cinema Private Limited ("**Resulting Company**" or "**Transferee Company 1**" or "**Transferor Company 2**") and Moviebuff Private Limited ("**Transferor Company 1**") and PJSA Technosoft Private Limited ("**Transferee Company 3**") and their respective shareholders and creditors.

UFO Moviez India Limited [CIN: L22120MH2004PLC285453],)
a company incorporated under the Companies Act, 1956,)
having its registered office at Valuable Techno Park, Plot No)
53/1, Road No. 7, Marol MIDC, Andheri East, Mumbai 400093,)
Maharashtra)

...Applicant Company

**NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS (WHICH INCLUDES PUBLIC SHAREHOLDERS)
OF UFO MOVIEZ INDIA LIMITED, THE APPLICANT COMPANY**

To,

The Equity Shareholders of UFO Moviez India Limited

TAKE NOTICE that by an Order made on April 10, 2018, in the above mentioned Company Scheme Application ('Order'), the Hon'ble National Company Law Tribunal, Mumbai Bench ("**Hon'ble Tribunal**" or "**NCLT**") has directed that a Meeting of the Equity Shareholders of the Company, be convened and held at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059 on Monday, May 21, 2018 at 11:30 a.m. to consider, and, if thought fit, to approve with or without modification(s), the proposed Composite Scheme of Arrangement and Amalgamation amongst UFO Moviez India Limited ("**Applicant Company**" or "**Transferee Company 2**" or "**Transferor Company 3**" or "**Company**") and Qube Cinema Technologies Private Limited ("**Demerged Company**") and Qube Digital Cinema Private Limited ("**Resulting Company**" or "**Transferee Company 1**" or "**Transferor Company 2**") and Moviebuff Private Limited ("**Transferor Company 1**") and PJSA Technosoft Private Limited ("**Transferee Company 3**") and their respective shareholders and creditors ("**Scheme**").

TAKE FURTHER NOTICE that in pursuance of the Order and as directed therein, a Meeting of the Equity Shareholders of the Company, will be held at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059 on Monday, May 21, 2018 at 11:30 a.m. ("**Meeting**"), at which place, day, date and time you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the Meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your authorized representative, is deposited at the registered office of the Company at Valuable Techno Park, Plot No 53/1, Road No. 7, Marol MIDC, Andheri East, Mumbai 400093, Maharashtra, not later than 48 hours before the scheduled time of the Meeting. The form of proxy can be obtained free of charge from the registered office of the Company.

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

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

The Hon'ble Tribunal has appointed Mr. Sanjay Gaikwad, Managing Director of the Company, failing him, Mr. Kapil Agarwal, Joint Managing Director of the Company, failing him, Mr. Ameya Hete, Director of the Company failing him, Ms. Lynn de Souza, Director of the Company failing her Mr. Varun Laul, Director of the Company failing him Mr. S. Madhavan, Director of the Company to be the Chairperson of the Meeting.

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

The voting rights of the equity shareholders shall be in proportion to their equity shareholding in the Company as on the close of business Tuesday, April 10, 2018 ("Cut-off Date").

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

"RESOLVED THAT pursuant to the provisions of Section 230 read with Section 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions of the Companies Act, 2013 and the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the Mumbai Bench of the National Company Law Tribunal, and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Mumbai Bench of the National Company Law Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the proposed Composite Scheme of Arrangement and Amalgamation amongst UFO Moviez India Limited ("Applicant Company" or "Transferee Company 2" or "Transferor Company 3" or "Company") and Qube Cinema Technologies Private Limited ("Demerged Company") and Qube Digital Cinema Private Limited ("Resulting Company" or "Transferee Company 1" or "Transferor Company 2") and Moviebuff Private Limited ("Transferor Company 1") and PJSA Technosoft Private Limited ("Transferee Company 3") and their respective shareholders and creditors, placed before this meeting and initialled by the Chairperson of the Meeting for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the National Company Law Tribunal, Mumbai Bench while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

Sd/-
Sanjay Gaikwad
DIN: 01001173
Chairperson Appointed for the Meeting

Dated this 11th day of April, 2018

Place: Mumbai

Registered Office:

UFO Moviez India Limited
Valuable Techno Park, Plot No 53/1, Road No. 7
Marol MIDC, Andheri East, Mumbai 400093
Maharashtra
Email: investors@ufomoviez.com
Website: www.ufomoviez.com

Notes:

1. All alterations made in the Form of Proxy should be initialled. The form of proxy can be obtained free of charge from the registered office of the Company.
2. Only registered equity shareholders of the Company may attend and vote either in person or by proxy (a proxy need not be an equity shareholder of the Company) or in the case of a body corporate or Registered Foreign Portfolio Investors ("RFPI") or Foreign Institutional Investors ("FII"), by a representative authorized under Section 113 of the Companies Act, 2013, at the Meeting. The authorized representative of a body corporate / RFPI / FII which is a registered equity shareholder of the Company may attend and vote at the Meeting, provided that a copy of the resolution of the board of directors or other governing body of the body corporate / RFPI / FII authorising such representative to attend and vote at the Meeting, duly certified to be a true copy by a director, manager, secretary or other authorised officer of such body corporate / RFPI / FII, is deposited at the registered office of the Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the Meeting.
3. **AN EQUITY SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE MEETING.**
4. A form of proxy is enclosed to this Notice. No instrument of proxy shall be valid unless:
 - i. it is signed by the Equity Shareholder or by his/her attorney duly authorised in writing or, in the case of joint holders, it is signed by the Equity Shareholder first named in the Register of Members or his/her attorney duly authorised in writing or, in the case of body corporate, it is executed under its common seal, if any, or signed by its attorney duly authorised in writing; provided that an instrument of proxy shall be sufficiently signed by any Equity Shareholder, who for any reason is unable to write his/her name, if his/her thumb impression is affixed thereto, and attested by a judge, magistrate, registrar or sub-registrar of assurances or other government gazetted officers or any officer of a nationalised bank, and(ii) it is duly filled, stamped, signed and deposited at the Registered Office

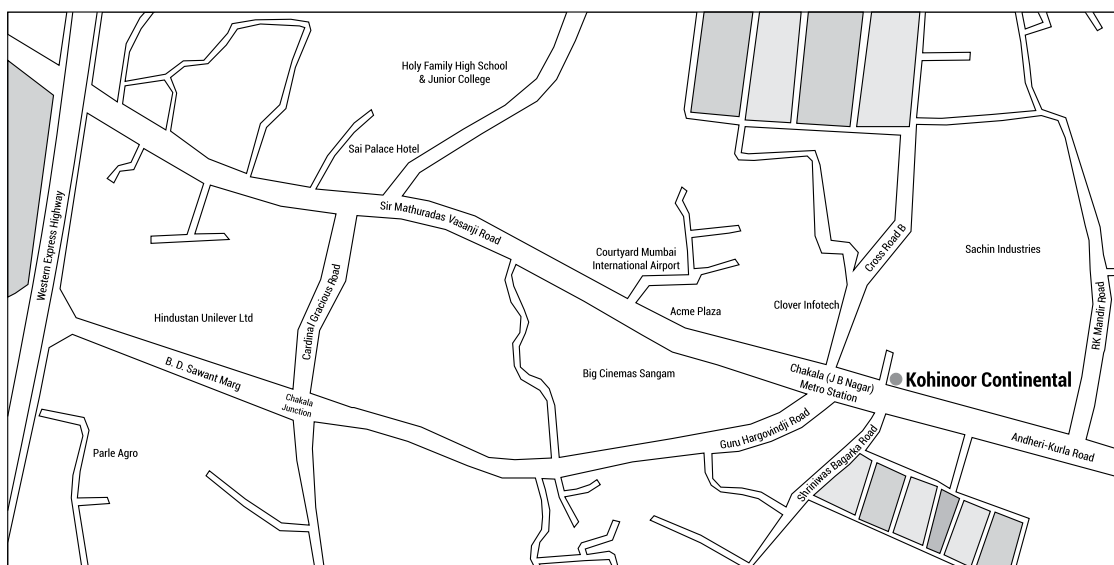
of the Company not less than 48 hours before the time fixed for the meeting, together with the power of attorney or other authority (if any), under which it is signed or a copy of that power of attorney certified by a notary public or a magistrate unless such a power of attorney or the other authority is previously deposited and registered with the Company / Registrar & Share Transfer Agent.

- ii. it is duly filled, stamped, signed and deposited at the registered office of the Company not less than 48 (forty eight) hours before the time fixed for the meeting, together with the power of attorney or other authority (if any), under which it is signed or a copy of that power of attorney certified by a notary public or a magistrate unless such a power of attorney or the other authority is previously deposited and registered with the Company / Registrar & Share Transfer Agent.
5. As per Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as a proxy on behalf of not more than 50 (fifty) equity shareholders holding in aggregate, not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. Equity Shareholders holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or equity shareholder.
6. It is further clarified that the proxies can only vote through polling paper at the venue of the Meeting and not through any other mode.
7. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, an equity shareholder would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 (three) days of notice in writing is given to the Company.
8. Equity shareholders or his / her Proxy are requested to bring the copy of this Notice to the Meeting and produce the attendance slip, duly completed and signed, at the entrance of the venue of the Meeting.
9. Equity shareholders who hold shares in dematerialized form are requested to bring their Client ID and DP ID number for easy identification of attendance at the Meeting.
10. Equity shareholders are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the register of members of the Company / list of beneficial owners as received from Karvy Computershare Private Limited ("**KCPL**"), Registrar & Share Transfer Agent in respect of such joint holding, will be entitled to vote.
11. The Notice, together with the documents accompanying the same, is being sent to all the equity shareholders, whose names appeared in the register of members / list of beneficial owners as received from KCPL as on April 10, 2018. The Notice will be displayed on the website of the Company at www.ufomoviez.com and on the website of KCPL at <https://evoting.karvy.com>.
12. In compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("**SEBI Circular**") issued by the Securities and Exchange Board of India, the Company has provided the facility of voting by postal ballot and e-voting (through e-voting services provided by KCPL) so as to enable the equity shareholders, which includes the Public Shareholders (as defined below) to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by equity shareholders of the Company to the Scheme will be carried out through (a) postal ballot; (b) e-voting; and (c) polling paper at the venue of the Meeting.
13. The quorum of the Meeting shall be 30 (thirty) equity shareholders of the Company, present in person.
14. Equity shareholders can opt only for one mode of voting. If any equity shareholder has opted for e-voting, then he/she should not vote by postal ballot and vice-versa. However, in case equity shareholders cast their vote both through postal ballot and e-voting, then voting through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.
15. It is clarified that votes may be cast by the equity shareholder (which includes Public Shareholders) either by postal ballot or e-voting and casting of votes by postal ballot or e-voting does not disentitle them from attending the Meeting. Equity shareholders after exercising his right to vote through postal ballot or e-voting shall not be allowed to vote again at the Meeting.
16. Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the equity shareholders as on the Cut-off Date, i.e. Tuesday, April 10, 2018. Persons who are not equity shareholders (which includes Public Shareholders) of the Company as on the Cut-off Date should treat this Notice for information purposes only.
17. The voting period for postal ballot and e-voting shall commence on and from Saturday, April 21, 2018 at 9:00 a.m and ends on Sunday, May 20, 2018 at 05:00 p.m.
18. The SEBI Circular (as defined above), *inter alia*, provides that approval of Public Shareholders of the Company to the Scheme shall be obtained by way of voting through e-voting. Since, the Company is seeking the approval of its Equity Shareholders (which includes Public Shareholders) to the Scheme by way of voting through postal ballot and e-voting, no separate procedure for voting through e-voting would be required to be carried out by the Company for seeking the approval to the Scheme by its Public Shareholders in terms of the SEBI Circular. The aforesaid notice sent to the Equity Shareholders (which includes Public Shareholders) of the Company would be deemed to be the notice sent to the Public Shareholders of the Company. For this purpose, the term "Public" shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term "Public Shareholders" shall be construed accordingly. In terms of the SEBI Circular, the Company has provided the facility of voting by e-voting to its Public Shareholders.
19. The Hon'ble Tribunal, by its Order, has, *inter alia*, held that since the Company is directed to convene a meeting of its Equity Shareholders, which includes Public Shareholders, and the voting in respect of the Equity Shareholders, which includes Public Shareholders, is through postal ballot and e-voting, the same is in sufficient compliance of SEBI Circular.

20. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the equity shareholders, of the Company, voting in person or by proxy or by postal ballot or e-voting, agree to the Scheme.
21. The Company has engaged the services of KCPL for facilitating e-voting for the Meeting. Equity shareholders desiring to exercise their vote by using e-voting facility are requested to follow the instructions mentioned in Note 35 below.
22. A postal ballot form along with self-addressed postage pre-paid business reply envelope is also enclosed. Equity Shareholders who have received the postal ballot notice by e-mail and who wish to vote through postal ballot form, can download the postal ballot form from the website of Company at www.ufomoviez.com or seek duplicate from the registered office of the Company.
23. In case any equity shareholder is desirous of obtaining a printed duplicate postal ballot form, he or she may send an e-mail to einward.ris@karvy.com. The Registrar and Transfer Agent shall forward the same along with self-addressed postage pre-paid business reply envelope to the said equity shareholder.
24. Equity shareholders are requested to carefully read the instructions printed in the postal ballot form and return the postal ballot form duly completed with assent (FOR) or dissent (AGAINST), in the attached business reply envelope, so as to reach the scrutinizer on or before Sunday, May 20, 2018 at 05:00 p.m. Postal ballot form, if sent by courier or by registered post / speed post at the expense of the equity shareholder shall also be accepted. Any postal ballot form received after the aforesaid date and time period shall be treated as if the reply from the equity shareholders has not been received.
25. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected by the scrutinizer.
26. The vote on postal ballot cannot be exercised through proxy.
27. There will be only 1 (one) postal ballot form for every registered folio / client ID irrespective of the number of joint equity shareholders.
28. No other form or photocopy of the form is permitted.
29. The postal ballot form should be completed and signed by the equity shareholders (as per specimen signature registered with the Company and/or furnished by the Depositories). In case, shares are jointly held, this form should be completed and signed by the first named equity shareholder and, in his/her absence, by the next named equity shareholder. Holder(s) of Power of Attorney ("PoA") on behalf of an equity shareholder may vote on the postal ballot mentioning the registration number of the PoA with the Company or enclosing a copy of the PoA authenticated by a notary. In case of shares held by companies, trusts, societies etc., the duly completed postal ballot form should be accompanied by a certified copy of the board resolution / authorisation giving the requisite authority to the person voting on the postal ballot form.
30. As directed by the Hon'ble Tribunal, Mr. Dharmesh Zaveri (Membership No. 5418) of M/s. D. M. Zaveri & Co., Practicing Company Secretaries, failing him, Ms. Dipti Kothari (Membership No. 30477), Practicing Company Secretary, failing her Mr. Vinay Terse (Membership No. 21819) of M/s. Vinay Terse & Associates, Practicing Company Secretaries, shall act as scrutinizer to scrutinize votes cast either electronically or on postal ballot or at the venue of the Meeting and shall submit a report on votes cast to the Chairperson of the Meeting or to the person so authorised by him within 48 (forty eight) hours from the conclusion of the Meeting.
31. The scrutinizer will submit his combined report to the Chairperson of the Meeting or to the person so authorised by him after completion of the scrutiny of the votes cast by the equity shareholders, which includes Public Shareholders, of the Company through (a) postal ballot; (b) e-voting; and (c) polling paper at the venue of the Meeting. The scrutinizer will also submit a separate report with regard to the result of the (a) postal ballot; (b) e-voting; and (c) polling paper at the venue of the Meeting, in respect of Public Shareholders. The scrutinizer's decision on the validity of the vote (including e-votes) shall be final.
32. The result of the voting shall be announced on or before Wednesday, May 23, 2018, upon receipt of scrutinizer's report and same shall be displayed on the website of the Company at www.ufomoviez.com and on the website of KCPL at <https://evoting.karvy.com> besides being sent to BSE Limited and National Stock Exchange of India Limited on the said date.
33. The Notice convening the Meeting will be published through an advertisement in the "Free Press Journal" in English language and "Navshakti" in Marathi language, both having circulation in Mumbai.
34. All relevant documents referred to in the above Notice and other documents required to be open for inspection are open for inspection by the equity shareholders (which includes Public Shareholders) of the Company at the registered office of the Company at Valuable Techno Park, Plot No 53/1, Road No. 7, Marol MIDC, Andheri East, Mumbai- 400 093, Maharashtra between 10:00 a.m. to 12:00 noon on all working days (except Saturdays, Sundays and public holidays) up to the date of the Meeting.
35. The instructions for equity shareholders for e-voting are as under:
 1. **In case equity shareholders receive e-mail from KCPL** for equity shareholders whose e-mail IDs are registered with the Company / Depository Participant(s):
 - (i) Open your e-mail. The login credentials (i.e., user-id & password) will be mentioned in the mail. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following <https://evoting.karvy.com>
 - (iii) Put user ID and password as initial password noted in step (i) above. Click Login.

- iv) Members holding shares in Demat/ Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile number, email ID etc, on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (v) You need to log in again with the new credentials.
 - (vi) On successful login system will prompt to select the evoting event number of UFO MOVIEZ INDIA LIMITED.
 - (vii) If you are holding shares in Demat form and had logged on to “https://evoting.karvy.com” And casted your vote earlier for any company, then your existing login id and password are to be used.
 - (viii) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (ix) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (x) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through dmz@dmzaveri.com with a copy marked to evoting@karvy.com
2. **In case equity shareholders receive physical copy of the Notice** for equity shareholders whose email IDs are not registered with the Company / Depository Participant(s):
- (i) EVEN (E-voting Event Number), User ID and Password are provided in the postal ballot form.
Please follow all steps from Sl. No. (ii) to Sl. No. (x) above, to cast vote.
 - (ii) please contact toll free No. 1-800-34-54-001 for any further clarifications.
 - (iii) If you are already registered with KCPL for e-voting then you can use your existing user ID and password for casting your vote
35. In case of any queries or issues regarding e-voting, you may visit Help and Frequently Asked Questions (‘FAQs’) at KCPL’s website at <https://evoting.karvy.com>.
36. Any queries / grievances in relation to the voting by postal ballot or e-voting may be addressed to Mr. Sameer Chavan, Company Secretary of the Company at Valuable Techno Park, Plot No 53/1, Road No. 7, Marol MIDC, Andheri East, Mumbai 400093, Maharashtra, or through email to investors@ufomoviez.com. Ms. Krutika Kumeria, Manager, Legal & Secretarial of the Company can also be contacted at +91 22 40305060. Any query / grievance related to the e-voting may be addressed to Mr. B Srinivas (Unit: UFO Moviez India Limited), Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032, e-mail: einward.ris@karvy.com, phone: 040-6716 2222 or toll free no.: 1-800-34-54-001.

Route Map to the Venue of the Meeting



Venue: Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT MUMBAI
COMPANY SCHEME APPLICATION NO. 120 OF 2018**

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230 - 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

In the matter of Composite Scheme of Arrangement and Amalgamation amongst UFO Moviez India Limited ("**Applicant Company**" or "**Transferee Company 2**" or "**Transferor Company 3**" or "**Company**") and Qube Cinema Technologies Private Limited ("**Demerged Company**") and Qube Digital Cinema Private Limited ("**Resulting Company**" or "**Transferee Company 1**" or "**Transferor Company 2**") and Moviebuff Private Limited ("**Transferor Company 1**") and PJSA Technosoft Private Limited ("**Transferee Company 3**") and their respective shareholders and creditors.

UFO Moviez India Limited [CIN: L22120MH2004PLC285453], a)
company incorporated under the Companies Act, 1956, having its)
registered office at Valuable Techno Park, Plot No 53/1, Road No. 7,)
Marol MIDC, Andheri East, Mumbai 400093, Maharashtra)

...Applicant Company

EXPLANATORY STATEMENT UNDER SECTION 230(3) AND SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016, FOR THE MEETING OF THE EQUITY SHAREHOLDERS (WHICH INCLUDES PUBLIC SHAREHOLDERS) OF UFO MOVIEZ INDIA LIMITED CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

1. This is a statement accompanying the Notice convening the Meeting of the equity shareholders of the Company ("**Meeting**"), pursuant to the Order dated April 10, 2018 ("**Order**") passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ("**Hon'ble Tribunal**" or "**NCLT**") in the Company Scheme Application No. 120 of 2018, referred to hereinabove, to be held at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059 on Monday, May 21, 2018 at at 11:30 a.m. for the purpose of considering and, if thought fit, approving with or without modification(s), the arrangement embodied in the Composite Scheme of Arrangement and Amalgamation amongst UFO Moviez India Limited ("**Applicant Company**" or "**Transferee Company 2**" or "**Transferor Company 3**" or "**Company**") and Qube Cinema Technologies Private Limited ("**Demerged Company**") and Qube Digital Cinema Private Limited ("**Resulting Company**" or "**Transferee Company 1**" or "**Transferor Company 2**") and Moviebuff Private Limited ("**Transferor Company 1**") and PJSA Technosoft Private Limited ("**Transferee Company 3**") and their respective shareholders and creditors ("**Scheme**").
2. A copy of the Scheme is enclosed herewith as **Annexure A**. The proposed Scheme is envisaged to be effective and operative from the Appointed Date 3 (the Appointed Date 3 is the Effective Date 3).
3. Pursuant to the Order, a Meeting of the equity shareholders of the Company is being convened and held for the purpose of considering and if thought fit, approving, with or without modification(s), the proposed Scheme. Equity shareholders would be entitled to vote in the said meeting either in person or through proxy. The quorum of the Meeting shall be 30 (thirty) equity shareholders of the Company, present in person.
4. In addition, the Company is seeking the approval of its equity shareholders to the Scheme by way of voting through postal ballot and e-voting. Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("**SEBI Circular**") issued by the Securities and Exchange Board of India, *inter alia*, provides that approval of Public Shareholders of the Company to the Scheme shall be obtained by way of voting through e-voting. Since, the Company is seeking the approval of its Equity Shareholders (which includes Public Shareholders) to the Scheme by way of voting through postal ballot and e-voting, no separate procedure for voting through e-voting would be required to be carried out by the Company for seeking the approval to the Scheme by its Public Shareholders in terms of the SEBI Circular. The aforesaid notice sent to the Equity Shareholders (which includes Public Shareholders) of the Company would be deemed to be the notice sent to the Public Shareholders of the Company. For this purpose, the term "Public" shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term "Public Shareholders" shall be construed accordingly. In terms of the SEBI Circular, the Company has provided the facility of voting by e-voting to its Public Shareholders.
5. The Hon'ble Tribunal, by its Order, has, *inter alia*, held that since the Company is directed to convene a meeting of its Equity Shareholders, which includes Public Shareholders, and the voting in respect of the Equity Shareholders, which includes Public Shareholders, is through postal ballot and e-voting, the same is in sufficient compliance of SEBI Circular.
6. The scrutinizer appointed for conducting the postal ballot and e-voting process will however submit his separate report to the Chairperson of the Meeting or to the person so authorised by him after completion of the scrutiny of the votes submitted / cast through (i) postal ballot,

(ii) e-voting, and (iii) polling paper at the venue of the Meeting, by the Public Shareholders, so as to announce the results in respect to the Public Shareholders of the Company. In terms of the SEBI Circular, the Scheme shall be acted upon only if the votes cast by the Public Shareholders (through any of the abovementioned modes) in favor of the resolution for approval of Scheme are more than the number of votes cast by the Public Shareholders against it.

7. The Hon'ble Tribunal has appointed Mr. Sanjay Gaikwad, Managing Director of the Company, failing him, Mr. Kapil Agarwal, Joint Managing Director of the Company, failing him, Mr. Ameya Hete, Director of the Company failing him, Ms. Lynn de Souza, Director of the Company failing her, Mr. Varun Laul, Director of the Company failing him Mr. S. Madhavan, Director of the Company to be the Chairperson of the Meeting.
8. This statement is being furnished as required under Sections 230(3) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
9. In accordance with the provisions of Sections 230 - 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three-fourths in value of the equity shareholders of the Company, voting in person or by proxy or by postal ballot or e-voting, agree to the Scheme.
10. The Hon'ble Tribunal, by its Order, has held that if the entries in the records / registers of the Company in relation to the number or value, as the case may be, of the equity shares are disputed, the Chairperson of the Meeting shall determine the number or value, as the case maybe, for the purposes of the Meeting, subject to the orders of the Hon'ble Tribunal in the petition seeking sanction of the Scheme.
11. The said Order will be available for inspection at the registered office of the Company at Valuable Techno Park, Plot No 53/1, Road No. 7, Marol MIDC, Andheri East, Mumbai 400093, Maharashtra from 10:00 a.m. to 12:00 noon, on all working days (except Saturdays, Sundays and public holidays) up to the date of the Meeting.

12. Background of Companies

- 12.1. The Company was incorporated on June 14, 2004, under the Companies Act, 1956, under the name and style of 'Valuable Media Private Limited' vide certificate of incorporation dated June 14, 2004 issued by the Registrar of Companies, Maharashtra, Mumbai. Consequent to change of name from 'Valuable Media Private Limited' to 'UFO India Private Limited' a fresh certificate of incorporation dated August 21, 2006 was issued by Registrar of Companies, Maharashtra, Mumbai. Consequent to change of status from private to public company, and consequential change in name from 'UFO India Private Limited' to 'UFO India Limited' a fresh certificate of incorporation dated November 10, 2006 was issued by Registrar of Companies, Maharashtra, Mumbai. Consequent to change of registered office from the state of Maharashtra to Delhi, a certificate of registration dated June 2, 2007 was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. Consequent to change of name from 'UFO India Limited' to 'UFO Moviez India Limited' a fresh certificate of incorporation dated June 12, 2008 was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. With effect from March 4, 2015, the registered address of the Company was changed from 1-B, Sagar Apartments, 6 Tilak Marg, New Delhi 110001 to Office No. 12, 3rd Floor, 312 Surya Kiran Building, 19 Kasturba Gandhi Marg, New Delhi 110001. Consequent to change of registered office from the state of Delhi to state of Maharashtra, a certificate of registration dated September 1, 2016 was issued by Registrar of Companies, Mumbai and the registered address of the Company was changed from Office No. 12, 3rd Floor, 312 Surya Kiran Building, 19 Kasturba Gandhi Marg, New Delhi 110001 to Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Andheri (East), Mumbai 400093, Maharashtra with effect from June 15, 2016. The PAN and CIN of the Company are AABCV8900E and L22120MH2004PLC285453 respectively. The email address of the Company is investors@ufomoviez.com.
- 12.2. The authorised, issued, subscribed and paid-up share capital of the Company as on March 31, 2018 is as under:

Particulars	Amount in Rs.
Authorized Capital	
4,50,00,000 Equity Shares of Rs. 10 each	45,00,00,000
13,85,000 Preference Shares of Rs. 1000 each	138,50,00,000
Total	183,50,00,000
Issued, Subscribed and Paid-Up Capital	
2,83,50,801 Equity Shares of Rs. 10 each fully paid-up	28,35,08,010
Total	28,35,08,010

As on date, there has been no change in the authorized, issued, subscribed and paid up share capital of the Company.

- 12.3. The Company is a public limited company and its equity shares are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Ltd. ("NSE"). The Company is engaged in the business of digital cinema distribution, in-cinema advertising and electronic ticketing.
- 12.4. The details of Directors of the Company along with their addresses are mentioned herein below:

Name of Directors	Category	Address
Mr. Sanjeev Aga	Chairman & Independent Director	1301, Kavita Kunj CHS Limited, Satguru Sanskar, Plot No. 19, TPS IV, 3rd Road, Near Almeida Park, Bandra (West), Mumbai 400050, Maharashtra, India
Mr. Ameya Hete	Non-Executive Director	201, Aashray, N. S. Road No. 5, Near Cooper Hospital, JVPD Scheme, Vile Parle (West), Mumbai 400056, Maharashtra, India
Mr. Kapil Agarwal	Joint Managing Director	Flat No. 601, 6th Floor, Pacific Heights, Sherly Rajan Road, Off Carter Road, Bandra (West), Mumbai 400050, Maharashtra, India
Ms. Lynn de Souza	Independent Director	1, Gym View, Opposite Khar Gymkhana, 16th Road, Khar, Mumbai 400052, Maharashtra, India

Name of Directors	Category	Address
Mr. Raaja Kanwar	Non-Executive Director	1/30, Shanti Niketan, Near Moti Baugh, New Delhi 110021, India
Mr. S. Madhavan	Independent Director	Plot No. D-1063, Ground Floor + First Floor, New Friends Colony, Delhi 110025, India
Mr. Sanjay Gaikwad	Managing Director	Lake Superior, Flat No. 2101-2102, Ekta Supreme Building No. 3, Phase-5, Chandivali, Powai, Mumbai 400076, Maharashtra, India
Mr. Varun Laul	Non-Executive Director	1542, Ats Greens Village, Sector 93A, Noida 201301, Uttar Pradesh, India

12.5. The details of Promoters (including Promoter group) of the Company along with their address are mentioned herein below:

Name of Promoter	Category	Address
Mr. Sanjay Gaikwad	Promoter	Lake Superior, Flat No. 2101-2102, Ekta Supreme Building No. 3, Phase-5, Chandivali, Powai, Mumbai 400076, Maharashtra, India
Mr. Raaja Kanwar	Promoter Group	1/30, Shanti Niketan, Near Moti Baugh, New Delhi 110021, India
Mr. Uday Gaikwad	Promoter Group	44/10, Punarvasu Tarangan Comp, Nr Samata Nagar, Pokhran Rd 1 Thane (West), Mumbai- 400606, Maharashtra, India
Mr. Ameya Hete	Promoter Group	201, Aashray, N. S. Road No. 5, Near Cooper Hospital, JVPD Scheme, Vile Parle (West), Mumbai 400056, Maharashtra, India
Advent Fiscal Private Limited	Promoter Group	53/1, Media Info Tech Park, Road No. 7, Nr. Akruti Trade Centre, Andheri (East) Mumbai 400069, Maharashtra, India
Nifty Portfolio Services Private Limited	Promoter Group	53/1, Media Info Tech Park, Road No. 7, Nr. Akruti Trade Centre, Andheri (East) Mumbai 400069, Maharashtra, India
Apollo International Limited	Promoter	Office No. 303, Third Floor, DLF Courtyard, Saket New Delhi -110017, India
Valuable Technologies Limited	Promoter	53/1, Media Info Tech Park, Road No. 7, Nr. Akruti Trade Centre, Andheri (East) Mumbai 400069, Maharashtra, India
Valuable Media Limited	Promoter	53/1, Media Info Tech Park, Road No. 7, Nr. Akruti Trade Centre, Andheri (East) Mumbai 400069, Maharashtra, India
Narendra Hete	Promoter	201-202, Ashray Building, NS Road No.5, JVPD Scheme, Vile Parle (West) Mumbai 400 056

12.6 As on February 28, 2018, the amount due to the unsecured creditors of the Company is Rs. 25,65,87,799/-.

12.7 The main objects of the Company as set out in Clause III of its Memorandum of Association are as follows:

- "1. To own, run and act as distributor for films, serials or other media contents and act as distributor to carry out, organize, participate and conduct the business of digital cinema system using digital media including but not limited to DVD, Fibre optics, Satellite Transmission etc. and store, transmit, retrieve and reply the audio visual and all over India and abroad.*
- 2. To carry on the business of producers, exhibitors, importers, exporters, dealers, end distributors at cinematographic films, TV documentary & advertisement films, TV programmes, serial, news based programmes, Video and feature films, talkies, (of every description) cinema slides and advertisement shorts in all their branches and to act as distributor to carry but, organize, participate and conduct the business of digital cinema system using digital media including but not limited to DVD, Fibre optics, Satellite Transmission and to store, transmit, retrieve and replay the audio visuals all over India and abroad and to do all things necessary and expedient in connection with the business, such as to erect, construct, purchase, take on lease or hire, otherwise acquire and maintain films production studio, laboratories, cinemas, picture places, halls, concert halls, theatrical companies, entertainment groups, touring talkies and other kinds of buildings necessary on or required to carry on the business of the Company and also to do such business on behalf of or in collaboration with films division, doordarshan, NFDC, Central and State Govt. Bodies, NGOs and other public and private sector companies in India and abroad.*
- 3. To carry on the business related to Media and Communication which includes production, pre-production, post-production, exhibition, distribution and related services of all types of media content including but not limited to Films, TV Programming, News, Current Affairs, Studios and allied works including consultancy in all these areas in India and abroad.*
- 4. To organize and deliver multimedia and create products (including hardware, software or other types of intellectual property) that enable delivery of multimedia services, over all types of broadcast, broadband and narrowband networks.*
- 5. To produce, buy, sell, import, export, trade, manage, design, direct, distribute, provide consultancy and services or otherwise deal in any manner or otherwise associate with all kinds of media content, services & products, including but not limited to cinematograph, television, video, audio, text and all kinds of media.*
- 6. To acquire, set up, run maintain, tease license all types of facilities or networks for distribution, redistribution of content & signal, telecast, broadcast, multicast, release, display transmission, exhibition through dealers, distributors, internet, satellite, V-Sats,*

Transponder or otherwise, directly or indirectly through agents, franchise, lease licenses as also using the network and equipment for communication via satellite, cable, internet or otherwise.”

12.8 The Demerged Company was incorporated on January 1, 1986, under the Companies Act, 1956, under the name and style of 'Media Artists Private Limited' vide certificate of incorporation dated January 1, 1986 issued by the Registrar of Companies, Tamil Nadu. Consequent to change of name from 'Media Artists Private Limited' to 'Real Image Media Technologies Private Limited' a fresh certificate of incorporation dated April 17, 2000 was issued by Registrar of Companies, Tamil Nadu, Chennai. Consequent to change of name from 'Real Image Media Technologies Private Limited' to 'Qube Cinema Technologies Private Limited' a fresh certificate of incorporation dated January 12, 2017 was issued by Registrar of Companies, Chennai. With effective from January 1, 2016, the registered office of the Demerged Company was changed from 7B, Third Street, Balaji Nagar, Chennai 600014, Tamil Nadu to No.42, Dr. Ranga Road, Mylapore, Chennai 600004, Tamil Nadu. The PAN and CIN of the Demerged Company are AAACM2150N and U92490TN1986PTC012536 respectively. The email address of the Demerged Company is divya.venkat@qubecinema.com. Apart from the abovementioned change, during the last five years there has been no change in the registered office of the Demerged Company.

12.9. The authorised, issued, subscribed and paid-up share capital of the Demerged Company as on March 31, 2018 is as under:

Particulars	Amount in Rs.
Authorized Capital	
1,65,00,000 Equity Shares of Rs. 10 each	16,50,00,000
75,00,000 Compulsorily Convertible Preference Shares of Rs. 10 each	7,50,00,000
Total	24,00,00,000
Issued, Subscribed and Paid-Up Capital	
99,40,858 Equity Shares of Rs. 10 each fully paid up	9,94,08,580
74,43,611 Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up	
25,71,006 Series A Preference Shares (which shall be converted to 25,71,006 equity shares)	
15,79,882 Series B Preference Shares (which shall be converted to 15,79,882 equity shares)	
32,92,723 Series C Preference Shares (which shall be converted to 53,95,519 equity shares)	7,44,36,110
Total	17,38,44,690

As on date, there has been no change in the authorized, issued, subscribed and paid up share capital of the Demerged Company.

12.10. The Demerged Company is a private limited company and is currently engaged in the business of providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.

12.11. The details of Directors of the Demerged Company along with their addresses are mentioned herein below:

Name of Director	Category	Address
Mr. Jayendra Panchapakesan	Wholetime Director	No. 2A, No. 9, 1st Cross Street, C.I.T. Colony, Chennai 600004, Tamil Nadu, India
Mr. Veerappan Senthilkumar	Wholetime Director	16, First Street, Balaji Nagar, Royapettah, Chennai 600014, Tamil Nadu, India
Mr. Melarkode Ganesan Parameswaran	Independent Director	62, 6th Floor, Technocrat CHS, A Building, Off Veer Savarkari Marg, Prabhadevi, Mumbai 400025, Maharashtra, India
Mr. Willie Long Chi Wong	Nominee Director	G/F, Park View Court, 196 Nga Tsin Wai Road, Kowloon Tong, Hongkong
Mr. Atsushi Okabe	Nominee Director	4-16-8-206, Myoden Ichikawa-Shi, Chiba, Japan 2720111
Mr. Anirudh Raj Sarathy	Nominee Director	301, Main Street, 22A San Francisco, California 94105, United States of America

12.12. The details of Promoters (including Promoter group) of the Demerged Company along with their address are mentioned herein below:

Name of Promoter	Category	Address
Mr. Arun Veerappan	Promoter & Group	3, AVM Avenue, Dr. Radhakrishnan Salai, Mylapore, Chennai 600004, Tamil Nadu, India
Mr. V. Senthil Kumar	Promoter & Group	No. 37, First Street, Balaji Nagar, Royapettah, Chennai 600014, Tamil Nadu, India
Mrs. Meena Veerappan	Promoter & Group	3, AVM Avenue, Dr. Radhakrishnan Salai, Mylapore, Chennai 600004, Tamil Nadu, India
Mrs. Vee. Vijayalakshmi	Promoter & Group	No. 37, First Street, Balaji Nagar, Royapettah, Chennai 600014, Tamil Nadu, India
Mr. V. Sivakumar	Promoter & Group	16, First Street, Balaji Nagar, Royapettah, Chennai 600014, Tamil Nadu, India
Mr. Raja Enok	Promoter & Group	703, B Wing, Pranay Leela, Piramal Nagar, Goregaon, West, Mumbai 400062, Maharashtra, India
Mrs. Julie Enok	Promoter & Group	Old No.43 (New NO.24), Park Road, Anna Nagar West, Chennai 600101, Tamil Nadu, India
Mr. S. Gunaseelan	Promoter & Group	C-50, Meenakshi Street, Tirunagar, Madurai 625006, Tamil Nadu, India
Mr. D. Ashok Kumar	Promoter & Group	Plot No. 14, 6th Street, Park Town, P&T Nagar, Madurai 625014, Tamil Nadu, India
M/S. Real Image LLP	Promoter & Group	No. 42, Dr. Ranga Road, Mylapore, Chennai 600004, Tamil Nadu, India
Mr. P.C. Sreeram	Promoter & Group	32, First street, Karpagam Avenue, Chennai 600028, Tamil Nadu, India

Mr. P. Jayendra	Promoter & Group	No. 2A, No.9, 1st Cross Street, C.I.T. Colony, Chennai 600004, Tamil Nadu, India
Trans Global Technologies Inc.	Promoter & Group	2140 Lake Park Boulevard , Suite 300, Richardson, TX 75080-2290, United States

12.13. The shares of the Demerged Company are not listed on any stock exchange.

12.14 As on February 27, 2018 , the amount due to the unsecured creditors of the Demerged Company is Rs. 43,80,64,430.37.

12.15. The main objects of the Demerged Company as set out in Clause III of its Memorandum of Association are as follows:

- “(i) To establish and to acquire Audio and Video Laboratories for Dubbing, Recording, Re-recording, Mixing, Editing, Computer graphics and special effects for Film, Television, video and Radio Productions.*
- (ii) Production, Distribution, Exhibition and exploitation of Educational, Industrial, Motivational, Sports, Documentary, Advertisement and Feature Films, Tele-films, Animation Films, Cartoon Films, Electronic-Cinema, Entertainment through Music/Dance/Drama/Movie/ TV/Other media, Television serials, Features and Programmes and Video and Radio Spots and Programmes.*
- (iii) To buy, manufacture, assemble, produce and market educational, commercial, Audio, visual, Audio visual electronic systems and aids. To Carry on research and development work in the field of Audio visual and film support solutions, electronic systems, computer graphics, information storage and retrieval systems and create special effects modules for motion picture, television and entertainment industry.*
- (iv) To buy, produce, distribute, market, sell and lease educational, industrial, advertisement and feature films and video in all formats.*
- (v) To Carry on research and development work in the field of Audio visual and film support solutions, electronic systems, computer graphics, information storage and retrieval systems and create special effects modules for motion picture, television and entertainment industry.*
- (vi) To act as consultants, technical advisers, surveyors and in any other professional capacity in respect of the business carried on by the Company.*
- (vii) To carry on the business of manufacturers, buyers, sellers, assemblers, dealers, distributors, importers, exporters, designers, developers and manufacturers of specialized and any other varieties of computers and electronic equipments. To buy, sell, manufacture, assemble, import, export, distribute, service, repair, deal in, trade, develop, apply for patents, lease out, act as agents in all or any of the following: Electronics Equipments, Computers Micro processor based systems, Computer Components and computers peripherals including printers, Key boards, visual display units (VDUs), automatic tellers, automatic cash dispensing equipment, magnetic and optical encoders and magnetic and optical character and code reading systems and such other hardware developments that may come into existence from time to time. Telecommunication equipments and peripherals, such as PABX/PAX, EPABX, digital switching equipments, magnetic tapes, optical discs, floppy diskettes, hard disks and such other media as may come into existence. Air conditioners, power conditioners with or without associated batteries, office automation equipments and accessories and equipments required for office communication, reproduction facilities equipments, multi copying facilities, multi copying applications, record maintenance systems, facsimile transmission and receiving equipments.*
- (viii) To undertake the designing and development of systems and applications software either for its own use or for sale in India or for export outside India and to design and develop such systems and application software for or on behalf of manufacturers, owners and users of computer systems and digital / electronic equipments in India or elsewhere in the world.”*

12.16. The Resulting Company / Transferee Company 1 / Transferor Company 2 was incorporated on October 11, 2017 under the Companies Act, 2013, under the name and style of 'Qube Digital Cinema Private Limited' vide certificate of incorporation dated October 11, 2017 issued by the Registrar of Companies, Chennai. The PAN and CIN of the Resulting Company / Transferee Company 1 / Transferor Company 2 are AAACQ4994Q and U93000TN2017PTC119019 respectively. The email address of the Resulting Company / Transferee Company 1 / Transferor Company 2 is senthil@qubecinema.com. During the last five years there has been no change in the registered office of the Resulting Company / Transferee Company 1 / Transferor Company 2.

12.17. The authorised, issued, subscribed and paid-up share capital of the Resulting Company / Transferee Company 1 / Transferor Company 2 as on March 31, 2018 is as under:

Particulars	Amount in Rs.
Authorized Capital	
10,000 Equity Shares of Rs. 10 each	1,00,000
Total	1,00,000
Issued, Subscribed and Paid-Up Capital	
10,000 Equity Shares of Rs. 10 each fully paid up	1,00,000
Total	1,00,000

As on date, there has been no change in the authorized, issued, subscribed and paid up share capital of the Resulting Company / Transferee Company 1 / Transferor Company 2.

12.18. The Resulting Company / Transferee Company 1 / Transferor Company 2 is a private limited company and shall be engaged in the demerged business of the Demerged Company and the amalgamated business of the Transferor Company 1, i.e. the business of provision of solutions and services for the media and entertainment domain, with a dominant focus on digital cinema, involving, inter alia, (a) the manufacture, sale and deployment of digital cinema equipment and provision of support, content mastering, content delivery and

key management services in connection therewith, (b) operation of platforms to enable digital rights management and dissemination of digital cinema content, (c) acquisition and marketing of cinema advertising rights and providing content mastering, dissemination, scheduling and management services in connection therewith, (d) sale and distribution of software and hardware for audio / video post-production and broadcast and providing associated services, (e) operating a backend platform for dynamically creating and playing back customised content at scheduled times, and (f) exploitation of all commercial opportunities that may be available based on the deployment and use of the intellectual property developed and owned by the Demerged Company. The dominant focus of the business is to provide end to end solutions to cinema producers, distributors and theatres to enable exhibition of films digitally, both in India and globally. With the suite of technology solutions and services available to it and the Demerged Company's history of having both introduced and developed innovative technologies in the media and entertainment domain as well as deploying the technology to provide end to end services around it, Resulting Company / Transferee Company 1 / Transferor Company 2 intends to deploy new technology solutions that have global application and build a services model around it.

- 12.19. The details of Directors of the Resulting Company / Transferee Company 1 / Transferor Company 2 along with their addresses are mentioned herein below:

Name of Director	Category	Address
Mr. Veerappan Senthilkumar	Non-Executive Director	16, First Street, Balaji Nagar, Royapettah, Chennai 600014, Tamil Nadu, India
Ms. Vandana Gopikumar	Non-Executive Director	37, First Street, Balaji Nagar, Royapettah, Chennai 600014, Tamil Nadu, India
Mr. Harsh Krishna Rohatgi	Additional Non-Executive Director	402, Silver Springs, 98 Perry Road, Bandra (West) Mumbai 400050, Maharashtra, India

- 12.20. The details of Resulting Company / Transferee Company 1 / Transferor Company 2 (including Promoter group) of the Demerged Company along with their address are mentioned herein below:

Name of Promoter	Category	Address
Mr. Veerappan Senthilkumar	Promoter	16, First Street, Balaji Nagar, Royapettah, Chennai 600014, Tamil Nadu, India
Ms. Vandana Gopikumar	Promoter	37, First Street, Balaji Nagar, Royapettah, Chennai 600014, Tamil Nadu, India

- 12.21. The shares of the Resulting Company / Transferee Company 1 / Transferor Company 2 are not listed on any stock exchange.

- 12.22. As on February 27, 2018, the Resulting Company / Transferee Company 1 / Transferor Company 2 has no unsecured creditor.

- 12.23. The main objects of the Resulting Company / Transferee Company 1 / Transferor Company 2 as set out in Clause III of its Memorandum of Association are as follows:

- "1. Production, Distribution, Exhibition and exploitation of Educational, Industrial, Motivational, Sports, Documentary, Advertisement and Feature Films, Tele-films, Animation Films, Cartoon Films, Electronic-Cinema, Entertainment through Music/Dance/Drama/Movie/ TV/Other media, Television serials, Features and Programmes and Video and Radio Spots and Programmes.*
- 2. To buy, manufacture, assemble, produce and market educational, commercial, Audio, visual, Audiovisual electronic systems and aids. To Carry on research and development work in the field of Audio visual and film support solutions, electronic systems, computer graphics, information storage and retrieval systems and create special effects modules for motion picture, television and entertainment industry.*
- 3. To buy, produce, distribute, market, sell and lease educational, industrial, advertisement and feature films and video in all formats.*
- 4. To act as consultants, technical advisers, surveyors and in any other professional capacity in respect of the business carried on by the Company.*
- 5. To carry on the business of manufacturers, buyers, sellers, assemblers, dealers, distributors, importers, exporters, designers, developers and manufacturers of specialized and any other varieties of computers and electronic equipments. To buy, sell, manufacture, assemble, import, export, distribute, service, repair, deal in, trade, develop, apply for patents, lease out, act as agents in all or any of the following: Electronics Equipments, Computers Micro processor based systems, Computer Components and computers peripherals including printers, Key boards, visual display units (VDUs), magnetic and optical encoders and magnetic and optical character and code reading systems and such other hardware developments that may come into existence from time to time.*
- 6. To undertake the designing and development of systems and applications software either for its own use or for sale in India or for export outside India and to design and develop such systems and application software for or on behalf of manufacturers, owners and users of computer systems and digital / electronic equipments in India or elsewhere in the world."*

- 12.24. The Transferor Company 1 was incorporated on November 4, 1996 under the Companies Act, 1956, under the name and style of 'South Beach Software Private Limited' vide certificate of incorporation dated November 4, 1996 issued by the Registrar of Companies, Tamil Nadu, Chennai. Consequent to change of name from 'South Beach Software Private Limited' to 'Moviebuff Private Limited' a fresh certificate of incorporation dated November 2, 2015 was issued by the Registrar of Companies, Chennai. With effective from January 1, 2016, the registered office of the Transferor Company 1 was changed from 7B, Third Street, Balaji Nagar, Chennai 600014, Tamil Nadu to No.42, Dr. Ranga Road, Mylapore, Chennai 600004, Tamil Nadu. The PAN and CIN of the Transferor Company 1 are AADCS0544B

and U22300TN1996PTC036847 respectively. The email address of the Transferor Company 1 is senthil@qubecinema.com. Apart from the abovementioned change, during the last five years there has been no change in the registered office of the Transferor Company 1.

12.25. The authorised, issued, subscribed and paid-up share capital of the Transferor Company 1 as on March 31, 2018, is as under:

Particulars	Amount in Rs.
Authorized Capital	
8,50,000 Equity Shares of Rs. 10 each	85,00,000
Total	85,00,000
Issued, Subscribed and Paid-Up Capital	
10,212 Equity Shares of Rs. 10 each	1,02,120
Total	1,02,120

As on date, there has been no change in the authorized, issued, subscribed and paid up share capital of the Transferor Company 1.

12.26. The Transferor Company 1 is a private limited company and is currently engaged in the business of operating a backend platform for dynamically creating and playing back customised content at scheduled times.

12.27. The details of Directors of the Transferor Company 1 along with their addresses are mentioned herein below:

Name of Director	Category	Address
Mr. Jayendra Panchapakesan	Non-Executive Director	No. 2A, No. 9, 1st Cross Street, C.I.T. Colony, Chennai 600004, Tamil Nadu, India
Mr. Veerappan Senthilkumar	Non-Executive Director	16, First Street, Balaji Nagar, Royapettah, Chennai 600014, Tamil Nadu, India
Ms. Vandana Gopikumar	Additional Non-Executive Director	37, First Street, Balaji Nagar, Royapettah, Chennai 600014, Tamil Nadu, India
Mr. Harsh Krishna Rohatgi	Additional Non-Executive Director	402, Silver Springs, 98 Perry Road, Bandra (West) Mumbai 400050, Maharashtra, India

12.28. The details of Promoters (including Promoter group) of the Transferor Company 1 along with their address are mentioned herein below:

Name of Promoter	Category	Address
Mr. Veerappan Senthilkumar	Promoter	16, First Street, Balaji Nagar, Royapettah, Chennai 600014, Tamil Nadu, India
Mr. Jayendra Panchapakesan	Promoter	No. 2A, No. 9, 1 st Cross Street, C.I.T. Colony, Chennai 600004, Tamil Nadu, India
Mr. M.V. Ramachandran	Promoter	No. 37, Venkatnarayana Road, T. Nagar, Chennai 600017, Tamil Nadu, India

12.29. The shares of the Transferor Company 1 are not listed on any stock exchange.

12.30. As on February 27, 2018, the Transferor Company 1 has no unsecured creditor.

12.31. The main objects of the Transferor Company 1 as set out in Clause III of its Memorandum of Association are as follows:

- "1. To provide a comprehensive online database of movies with information on the creative and technical people involved in the production along with links to critics' ratings and provide a mechanism to aggregate user ratings for such movies and to provide such data to third-parties under a data use and license agreement.*
- 2. To provide a medium for the purpose of bringing together on the one hand, parties or entities desirous of seeking funds for the purpose of financing specific projects envisaged by them and those willing to contribute funds so sought, in mutually agreed form and terms and for this purpose, provide a mechanism for ensuring electronic or other communication and transfer of funds between such parties, with a primary focus on but not limited to the cinema and allied entertainment domains and to engage in & provide allied consultancy, evaluation, technical and monitoring services in connection with such projects.*
- 3. To carry on business in e-commerce and as an application service provider and engage in development, hosting and maintenance of web portals, data warehouses and provide allied helpdesk management and technical and customer support via call centres or otherwise and to carry on the business of development and maintenance of all types of computer software and applications, with primary focus on cinema and allied entertainment domains.*
- 4. To carry on the business of market and other research, surveys, micro and macro data collection and analysis, dissemination of data and develop metrics for data analysis with a primary focus on cinema and allied entertainment domain and to carry on the*

business of business process and knowledge process outsourcing and allied support services for the cinema, entertainment and allied domains.”

12.32 The Transferee Company 3 was incorporated on October 17, 2017 under the Companies Act, 2013, under the name and style of 'PJSA Technosoft Private Limited' vide certificate of incorporation dated October 17, 2017 issued by the Registrar of Companies, Mumbai. The PAN and CIN of the Transferee Company 3 are AAJCP4874B and U74999MH2017PTC300940 respectively. The email address of the Transferee Company 3 is pankaj.jaysinh@ufomoviez.com. During the last five years there has been no change in the registered office of the Transferee Company 3.

12.33. The authorised, issued, subscribed and paid-up share capital of the Transferee Company 3 as on March 31, 2018 is as under:

Particulars	Amount in Rs.
Authorized Capital	
10,000 Equity Shares of Rs. 10 each	1,00,000
Total	1,00,000
Issued, Subscribed and Paid-Up Capital	
10,000 Equity Shares of Rs. 10 each fully paid up	1,00,000
Total	1,00,000

As on date, there has been no change in the authorized, issued, subscribed and paid up share capital of the Transferee Company 3.

12.34. The Transferee Company 3 is a private limited company and is currently engaged in the business of providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.

12.35. The details of Directors of the Transferee Company 3 along with their addresses are mentioned herein below:

Name of Director	Category	Address
Mr. Sushil Kumar Agrawal	Director	B-401, 4th Floor, Satguru Complex, Phase II, Film City Road, Goregaon (East), Mumbai 400063, Maharashtra, India
Mr. Pankaj Jaysinh Madhani	Director	162/B, Grand Paradi Apartments, Kemp's Corner, Mumbai 400036, Maharashtra, India

12.36. The details of Transferee Company 3 (including Promoter group) of the Demerged Company along with their address are mentioned herein below:

Name of Promoter	Category	Address
UFO Moviez India Limited	Promoter	Valuable Techno Park, Plot No 53/1, Road No. 7, Marol MIDC, Andheri East, Mumbai 400093, Maharashtra, India

12.37. The shares of the Transferee Company 3 are not listed on any stock exchange.

12.38. As on February 28, 2018, the Transferee Company 3 has no unsecured creditors.

12.39. The main objects of the Transferee Company 3 as set out in Clause III of its Memorandum of Association are as follows:

- “1. To carry out and conduct business of rendering all types of e-services, internet services, e-transaction, transaction processing (POS), business process outsourcing, call center operations, software development, entertainment services, stored value cards, all other types of services for consideration, whether in electronic mode or otherwise.*
- 2. To carry on the activities in the field of software development, software licensing, software training, office networking, computer application, communication technology, data system, data management, system integration, networking, office automation and projects integration & maintenance, hardware & software maintenance and support, acquisition, management and operation of training centers, educational centers & institutes in the field of information technology, onshore and offshore consultancy in the field of information and communication technology in its wider senses.*
- 3. To provide IT Services like system analysis and design, programming, software testing, software quality assurance, outsourcing of IT and telecommunication services, IT consultancy and IT process development services to the international or domestic markets and also fulfill recruitment needs in these areas and also include to undertake and execute feasibility studies for computerization,*

setting up all kinds of computer systems and digital/electronic equipment's and selection, acquisition and installation whether for the company or its customers or other users."

13. Background and Rationale of the Scheme

- 13.1. The Demerged Company and the Company are engaged in similar business. Considering the existing entertainment and advertising market dynamics in India and global markets and growth opportunities thereof, the Demerged Company and the Company believe that the proposed consolidation of the QCTPL Business (as defined under the Scheme) with the Company will lead to robust growth opportunities in India and globally.
- 13.2. The Company has developed an efficient satellite delivery mechanism for delivery of content into theatres using MPEG4 technology. The Demerged Company, 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.
- 13.3. Neither the Demerged Company nor the Company is currently able to provide a comprehensive advertising solution to its clients across the length and breadth of the country.
- 13.4. While the Demerged Company has a very strong presence in southern regions of India, the Company 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.
- 13.5. Further, the Scheme would bring about synergy of operations and benefit of scale since duplication of administrative efforts and legal and regulatory compliances will be unified.
- 13.6. The Scheme will facilitate exit of private equity investors from the QCTPL Business who have stayed invested in the Demerged Company for a long time. The private equity investors will continue to remain invested in the Studio DPS Business (as defined under the Scheme) of the Demerged Company.
- 13.7. The Scheme will provide an opportunity to employees and shareholders of the Demerged Company to become part of a listed entity.
- 13.8. 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.
- 13.9. As part of the Scheme, all businesses of the Demerged Company which are synergic with the Company will be demerged into the Resulting Company, a company owned by QCTPL Promoter 1 (as defined under the Scheme) and his relative, leaving behind businesses in Demerged Company that are not synergic or have limited growth potential. Further, it is also proposed to merge the Transferor Company 1, a company controlled by QCTPL Promoters (as defined under the Scheme) and which holds various intellectual properties, into the Transferee Company 1 (i.e. Resulting Company), thereby consolidating and combining the businesses of the Demerged Company and Transferor Company 1 in the Transferee Company 1 (i.e. Resulting Company). Transferor Company 2 (i.e. Transferee Company 1 / Resulting Company) will then be merged with the Transferee Company 2 (i.e. Company).
- 13.10. The Demerged Company has developed certain new software, technologies and processes ("QCTPL Products") which are currently in the process of commercialization. The Company, 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 Transferor Company 2 (i.e. Transferee Company 1 / Resulting Company) into Transferee Company 2 (i.e. Company), the business relating to the QCTPL Products i.e. IP Business (as defined under the Scheme) will be hived off into Transferee Company 3, a wholly subsidiary of the Company, 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 the Demerged Company and the Company.
- 13.11. Thus, with the aforesaid objectives, it is proposed to demerge the QCTPL Business of the Demerged Company into the Resulting Company, merge Transferor Company 1 into Transferee Company 1 (i.e. Resulting Company), undertake the purchase of the QDCPL Sale Shares (as defined under the Scheme) of the Sellers (as defined under the Scheme) who no longer wish to participate in the QCTPL Business, amalgamate Transferor Company 2 (i.e. Transferee Company 1 / Resulting Company) with the Transferee Company 2 (i.e. Company) and thereafter slump sale the IP Business from Transferor Company 3 (i.e. Transferee Company 2 / Company) into Transferee Company 3, pursuant to the 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) of the Scheme and none of the said transactions shall be considered to be consummated, unless each of the other transactions are also consummated and the Scheme is approved by SEBI, NSE, BSE and the relevant jurisdictional NCLTs, as the case may be.
- 14. Relationship subsisting amongst the Company, Demerged Company, Resulting Company / Transferee Company 1 / Transferor Company 2, Transferor Company 1 and Transferee Company 3.**
- 14.1. Transferee Company 3 is a wholly-owned subsidiary of the Company.
- 14.2. Resulting Company / Transferee Company 1 / Transferor Company 2 is wholly-owned by the existing promoters of the Demerged Company and their relatives. As on date, the existing promoters of the Demerged Company hold 66.66% of the Transferor Company 1.

Demerged Company, Resulting Company / Transferee Company 1 / Transferor Company 2 and Transferor Company 1 have common directors and also have common promoters.

- 14.3. The Company and Transferee Company 3 are not related to the Demerged Company, Resulting Company / Transferee Company 1 / Transferor Company 2 and Transferor Company 1.

15. Salient Features of the Scheme

The material provisions of the proposed Scheme are detailed hereunder:

“(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 II: DEMERGER OF QCTPL UNDERTAKING FROM QCTPL INTO QDCPL

- 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.*
- 2. 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").

3. 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.
4. 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.
5. 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 favor 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.
6. 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.
7. 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 favorable than the terms and conditions as were applicable.
8. 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.
9. 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 favorable than those provided under the QCTPL ESOP Scheme.
10. 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.
11. 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.
12. 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.

PART III: AMALGAMATION OF MPL INTO QDCPL

13. 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.
14. 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.

15. 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 favor 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.
16. 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 favorable than the terms and conditions as were applicable.
17. Upon the Scheme becoming effective, Transferor Company 1 shall stand dissolved without being wound-up.
18. 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").
19. 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.
20. 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.
21. 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

22. 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.
23. 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.
24. 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 favor 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.
25. 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 favorable than the terms and conditions as were applicable.
26. 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 favorable than those provided under the QDCPL ESOP Scheme, except as required under Applicable Law.

27. Upon the Scheme becoming effective, Transferor Company 2 shall stand dissolved without being wound-up.
28. 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.
29. 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").
30. 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.
31. 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

32. 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.
33. 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.
34. 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 favor 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.
35. 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.
36. 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 favorable than the terms and conditions as were applicable.

37. 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.
38. 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.
39. 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.
40. 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.

PART VI: GENERAL TERMS AND CONDITION

41. 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.
42. 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.
43. 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.
44. 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.
45. 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.
46. 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.
47. 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.
48. The Scheme is and shall be conditional upon and subject to the conditions laid down in Clause 51 of the Scheme."

Note: The features set out above being only the extract of the Scheme, the shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

16. Effect of the Scheme on various parties

- 16.1. Under the Scheme, an arrangement is sought to be entered into amongst the Company, Demerged Company, Resulting Company

/ Transferee Company 1 / Transferor Company 2, Transferor Company 1 and Transferee Company 3 (together as “**Participating Companies**”) and their respective equity shareholders (promoter shareholders and non-promoter shareholders).

Upon the Scheme coming into effect and as enumerated in Clause 5.1 of Part II of the Scheme, the Resulting Company shall issue and allot to all the shareholders of the Demerged Company, (i) 1 (one) equity share of the Resulting Company of INR 10/- each for every 1 (one) equity share 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.

Upon the Scheme coming into effect and as enumerated in Clause 20.1 of Part III of the Scheme, the Transferee Company 1 shall issue and allot to all the equity shareholders of the Transferor Company 1, 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.

Upon the Scheme coming into effect and as enumerated in Clause 31.2 of Part IV of the Scheme, the Transferee Company 2 shall issue and allot to all the equity shareholders of the Transferor Company 2, 13 (thirteen) equity shares of INR 10/- each credited as fully paid-up of the Transferee Company 2 for every 17 (seventeen) equity shares of INR 10/- each fully paid-up held by such equity shareholder in the Resulting Company.

- 16.2. Under the Scheme, there is no arrangement with the creditors, either secured or unsecured of the respective Participating Companies (as applicable). No compromise is offered under the Scheme to any of the creditors of the respective Participating Companies. The liability of the creditors of the respective Participating Companies, under the Scheme, is neither being reduced nor being extinguished.
- 16.3. As on date, the Participating Companies have not issued any debentures and therefore, the effect of the Scheme on the debenture holders or debenture trustee of the respective Participating Companies does not arise.
- 16.4. As on date, the Participating Companies have no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustees does not arise.
- 16.5. Upon the Scheme coming into effect and as enumerated in Clause 11.1 of Part II of the Scheme, all the employees of the Demerged Company engaged in or in relation to the Demerged Undertaking (*as defined under the Scheme*) 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 favorable than the terms and conditions as were applicable.
- Upon the Scheme coming into effect and as enumerated in Clause 18.1 of Part III of the 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 favorable than the terms and conditions as were applicable.
- Upon the Scheme coming into effect and as enumerated in Clause 28.1 of Part IV of the 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 favorable than the terms and conditions as were applicable.
- Upon the Scheme coming into effect and as enumerated in Clause 41.1 of Part V of the Scheme, all the employees of the Transferor Company 3 engaged in or in relation to the Transferred Undertaking (*as defined under the Scheme*) 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 favorable than the terms and conditions as were applicable.
- 16.6. There is no effect of the Scheme on the director and the key managerial personnel of the respective Participating Companies.
- 16.7. The directors of the respective Participating Companies, holding shares in the respective Participating Companies, do not have any other interest in the Scheme otherwise than that as shareholders in general. Further, none of the key managerial personnel, debenture trustee and relatives of the directors of the respective Participating Companies is concerned or interested, financial or otherwise in the Scheme otherwise than that as shareholders in general. Save as aforesaid, none of the directors, key managerial personnel and debenture trustee of the respective Participating Companies has any material interest in the Scheme.
- 16.8. The shareholding of the present directors of the respective Participating Companies, either individually or jointly as a first holder or as a nominee, in the respective Participating Companies is as under:

Company:

Name of Directors of the Company	No. of Equity Shares held in				
	Company	Demerged Company	Resulting Company / Transferee Company 1 / Transferor Company 2	Transferor Company 1	Transferee Company 3
Mr. Sanjeev Aga	Nil	Nil	Nil	Nil	Nil
Mr. Ameya Hete	2,17,797	Nil	Nil	Nil	Nil
Mr. Kapil Agarwal	4,62,394	Nil	Nil	Nil	1 [#]
Ms. Lynn de Souza	Nil	Nil	Nil	Nil	Nil
Mr. Raaja Kanwar	Nil	Nil	Nil	Nil	Nil
Mr. S. Madhavan	5,000	Nil	Nil	Nil	Nil
Mr. Sanjay Gaikwad	2,63,797	Nil	Nil	Nil	1 [#]

Name of Directors of the Company	No. of Equity Shares held in				
	Company	Demerged Company	Resulting Company / Transferee Company 1 / Transferor Company 2	Transferor Company 1	Transferee Company 3
Mr. Varun Laul	Nil	Nil	Nil	Nil	Nil

As a Nominee of UFO Moviez India Limited

Demerged Company:

Name of Directors of the Demerged Company	No. of Equity Shares held in				
	Company	Demerged Company	Resulting Company / Transferee Company 1 / Transferor Company 2	Transferor Company 1	Transferee Company 3
Mr. Jayendra Panchapakesan	Nil	357,750	Nil	3,404	Nil
Mr. Veerappan Senthilkumar	Nil	553,100	5,000	3,404	Nil
Mr. Melarkode Ganesan Parameswaran	Nil	Nil	Nil	Nil	Nil
Mr. Willie Long Chi Wong	Nil	Nil	Nil	Nil	Nil
Mr. Atsushi Okabe	Nil	Nil	Nil	Nil	Nil
Mr. Anirudh Raj Sarathy	Nil	Nil	Nil	Nil	Nil

Resulting Company / Transferee Company 1 / Transferor Company 2:

Name of Directors of the Resulting Company / Transferee Company 1 / Transferor Company 2	No. of Equity Shares held in				
	Company	Demerged Company	Resulting Company / Transferee Company 1 / Transferor Company 2	Transferor Company 1	Transferee Company 3
Mr. Veerappan Senthilkumar	Nil	553,100	5,000	3,404	Nil
Ms. Vandana Gopikumar	Nil	Nil	5,000	Nil	Nil
Mr. Harsh Krishna Rohatgi	Nil	Nil	Nil	Nil	Nil

Transferor Company 1:

Name of Directors of the Transferor Company 1	No. of Equity Shares held in				
	Company	Demerged Company	Resulting Company / Transferee Company 1 / Transferor Company 2	Transferor Company 1	Transferee Company 3
Mr. Jayendra Panchapakesan	Nil	357,750	Nil	3,404	Nil
Mr. Veerappan Senthilkumar	Nil	553,100	5,000	3,404	Nil
Ms. Vandana Gopikumar	Nil	Nil	5,000	Nil	Nil
Mr. Harsh Krishna Rohatgi	Nil	Nil	Nil	Nil	Nil

Transferee Company 3:

Name of Directors of the Transferee Company 3	No. of Equity Shares held in				
	Company	Demerged Company	Resulting Company / Transferee Company 1 / Transferor Company 2	Transferor Company 1	Transferee Company 3
Mr. Sushil Kumar Agrawal	14,800	Nil	Nil	Nil	Nil
Mr. Pankaj Jaysinh Madhani	200	Nil	Nil	Nil	Nil

17. Fairness Opinion and Approvals:

- 17.1. A valuation report dated November 1, 2017 has been prepared by Walker Chandio & Co LLP recommending the share exchange ratio to the Board of Directors of the Company and the Demerged Company. A copy of the said report is enclosed herewith as **Annexure B** and is also available for inspection at the registered office of the Company.

A valuation report dated December 11, 2017 has been prepared by Walker Chandio & Co LLP underlying the recommendation of exchange ratio for the proposed merger of Transferor Company 2 / Transferee Company 1 / Resulting Company into Company. A copy of the said report is enclosed herewith as **Annexure C** and is also available for inspection at the registered office of the Company.

A valuation report dated November 1, 2017 has been prepared by Walker Chandio & Co LLP on the net asset valuation of the Transferred Undertaking (*as defined under the Scheme*) of the Company to be transferred to the Transferee Company 3. A copy of the said report is enclosed herewith as **Annexure D** and is also available for inspection at the registered office of the Company.

- 17.2. In terms of the SEBI Circular, Axis Capital Limited, a Category-I Merchant Banker, vide its letter dated November 1, 2017, has submitted to the Board of Directors of the Company, a fairness opinion, certifying that the share swap ratio is fair to the shareholders of the Company from a financial point of view. A copy of the said certificate is enclosed herewith as **Annexure E**.
- 17.3. A certificate has been issued by the statutory auditors of the respective Participating Companies stating that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013.
- 17.4. The Audit and Risk Management Committee of the Company has at its meeting held on November 1, 2017 reviewed and recommended the Scheme for consideration by the Board of Directors of the Company. The Board of Directors of the Company at its Board meeting held on November 1, 2017 have approved the Scheme, as detailed below:

Name of Director	Voted in favor / against / did not participate or vote
Mr. Sanjeev Aga	Voted in favor
Mr. Ameya Hete	Voted in favor
Mr. Kapil Agarwal	Voted in favor
Ms. Lynn de Souza	Granted leave of absence
Mr. Raaja Kanwar	Granted leave of absence
Mr. S. Madhavan	Voted in favor
Mr. Sanjay Gaikwad	Voted in favor
Mr. Varun Laul	Voted in favor

- 17.5. The Board of Directors of the Demerged Company at its Board meeting held on November 1, 2017 have approved the Scheme, as detailed below:

Name of Director	Voted in favor / against / did not participate or vote
Mr. Jayendra Panchapakesan	Granted leave of absence
Mr. Veerappan Senthikumar	Voted in favor
Mr. Melarkode Ganesan Parameswaran	Voted in favor
Mr. Willie Long Chi Wong	Granted leave of absence
Mr. Atsushi Okabe	Granted leave of absence
Mr. Anirudh Raj Sarathy	Granted leave of absence

- 17.6. The Board of Directors of the Resulting Company / Transferee Company 1 / Transferor Company 2 at its Board meetings held on November 1, 2017 and February 1, 2018 have approved the Scheme, as detailed below:

Voting details for the Board Meeting held on November 1, 2017

Name of Director	Voted in favor / against / did not participate or vote
Mr. Veerappan Senthilkumar	Voted in favor
Ms. Vandana Gopikumar	Granted leave of absence
Mr. Harsh Krishna Rohatgi	Voted in favor

Voting details for the Board Meeting held on February 1, 2018

Name of Director	Voted in favor / against / did not participate or vote
Mr. Veerappan Senthilkumar	Voted in favor
Ms. Vandana Gopikumar	Granted leave of absence
Mr. Harsh Krishna Rohatgi	Voted in favor

- 17.7. The Board of Directors of the Transferor Company 1 at its Board meetings held on November 1, 2017 and February 1, 2018 have approved the Scheme, as detailed below:

Voting details for the Board Meeting held on November 1, 2017

Name of Director	Voted in favor / against / did not participate or vote
Mr. Jayendra Panchapakesan	Granted leave of absence
Mr. Veerappan Senthilkumar	Voted in favor
Ms. Vandana Gopikumar	Granted leave of absence
Mr. Harsh Krishna Rohatgi	Voted in favor

Voting details for the Board Meeting held on February 1, 2018

Name of Director	Voted in favor / against / did not participate or vote
Mr. Jayendra Panchapakesan	Voted in favor
Mr. Veerappan Senthilkumar	Voted in favor
Ms. Vandana Gopikumar	Granted leave of absence
Mr. Harsh Krishna Rohatgi	Voted in favor

- 17.8. The Board of Directors of the Transferee Company 3 at its Board meeting held on November 1, 2017 have approved the Scheme, as detailed below:

Name of Director	Voted in favor / against / did not participate or vote
Mr. Sushil Kumar Agrawal	Voted in favor
Mr. Pankaj Jaysinh Madhani	Voted in favor

- 17.9. By the said resolution passed at the meeting of the Board of Directors of the Company held on November 1, 2017, the Board of Directors of the Company has authorised certain officers of the Company to form a Scheme Implementation Committee and the Scheme Implementation Committee has been severally authorized to inter alia make and agree to such modifications or alterations or amendments to the draft Scheme which do not amount to a material change to the substance of the Scheme.

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

- 17.11. Pursuant to the SEBI Circular read with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the Company have applied to BSE and NSE for their "no adverse observation" to file the Scheme for sanction. Both BSE and NSE by their respective letters dated March 7, 2018, have given their "no adverse observation" letters to file the Scheme. Copy of the letter dated March 7, 2018 received from BSE and copy of the letter dated March 7, 2018 received from NSE are enclosed herewith as **Annexures F and G** respectively.

- 17.12. The Scheme along with related documents was hosted on the website of the Company, BSE and NSE and was open for complaints / comments. The Company did not receive any complaint / comment and accordingly a Nil Complaint Report was filed with BSE on January 6, 2018 and NSE on January 11, 2018. Copy of the report dated January 6, 2018 filed with BSE and copy of the report dated January 11, 2018 filed with NSE are enclosed herewith as **Annexures H and I** respectively. Further, as on the date of filing the Company Scheme Application, the Company has not received any complaints.

- 17.13. Copy of the financial statement of the respective participating Participating Companies as on December 31, 2017 are enclosed herewith

as **Annexures J, K, L, M and N** respectively.

- 17.14. In compliance with the provisions of Section 232(2)(c) of the Companies Act, 2013, the Board of Directors of the respective participating Participating Companies have adopted a report explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoter and non-promoter shareholders. Copies of the said reports are enclosed herewith as **Annexures O, P, Q, R and S** respectively.
- 17.15. In terms of the SEBI Circular, the applicable information of the Resulting Company / Transferee Company 1 / Transferor Company 2 in the format specified for abridged prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 is enclosed herewith as **Annexure T**.
- 17.16. The Company and the Transferee Company 3 will make a Petition under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 to the Hon'ble National Company Law Tribunal, Bench, at Mumbai for sanctioning of the Scheme. The Demerged Company, Resulting Company / Transferee Company 1 / Transferor Company 2 and Transferor Company 1 will make a Petition under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 to the Hon'ble National Company Law Tribunal, Bench, at Chennai for sanctioning of the Scheme.
- 17.17. No investigation proceedings are pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 in respect of any of the Participating Companies.
- 17.18. A copy of the Scheme has been filed by the Company with the Registrar of Companies, Maharashtra on April 11, 2018.
- 17.19. No winding up petition is pending against any of the Participating Companies.
- 17.20. Upon the Scheme becoming effective and upon issuance of QDCPL Demerger Shares (as defined under the Scheme) by the Resulting Company / Transferee Company 1 / Transferor Company 2 to the shareholders of the Demerged Company pursuant to Clause 5.1 of the Scheme, the existing 10,000 equity shares of INR 10/- each held by the shareholders of the Resulting Company / Transferee Company 1 / Transferor Company 2 (as mentioned in Clause 12.17 above) shall stand cancelled and reduced without any consideration.
- The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.
- 17.21. Pursuant to SEBI Circular and the SEBI LODR Regulations, the detailed pre scheme and post scheme (expected) capital structure and shareholding pattern of the respective Participating Companies are given herein below.

The Scheme provides for the (i) Demerger of the Demerged Undertaking (as defined under the Scheme) of Demerged Company into Resulting Company on a going concern basis, (ii) Amalgamation of Transferor Company 1 into Transferee Company 1 (i.e. Resulting Company) and consequent dissolution of Transferor Company 1 without winding up, (iii) Amalgamation of Transferor Company 2 (i.e. Transferee Company 1 / Resulting Company) into Transferee Company 2 (i.e. Company) and consequent dissolution of Transferor Company 2 (i.e. Transferee Company 1 / Resulting Company) without winding up; and (iv) Slump Sale of the Transferred Undertaking (as defined under the Scheme) of Transferor Company 3 (i.e. Transferee Company 2 / Company) into Transferee Company 3, in accordance with the terms of the Scheme.

Upon the Scheme becoming effective (i) the Resulting Company shall issue and allot equity shares to the shareholders of the Demerged Company, (ii) the Transferee Company 1 (i.e. Resulting Company) shall issue and allot equity shares to the shareholders of the Transferor Company 1, (iii) the Transferee Company 2 (i.e. Company) shall issue and allot equity shares to the shareholders of the Transferor Company 2 (i.e. Transferee Company 1 / Resulting Company), in the manner as provided in the Scheme. The Scheme contemplates the acquisition of the Transferred Undertaking (as defined under the Scheme) of the Transferor Company 3 (i.e. Transferee Company 2 / Company) by the Transferee Company 3 on a slump sale basis.

The pre Scheme capital structure of the respective Participating Companies are provided under Clauses 12.2, 12.9, 12.17, 12.25, 12.33 above respectively. 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 (as defined under the Scheme). The equity shares of Resulting Company / Transferee Company 1 / Transferor Company, 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 (as defined under the Scheme).

A. Post Scheme Capital Structure of UFO Moviez India Limited would be as under:

Particulars	Amount in Rs.
Authorized Capital	
66,498,117 Equity Shares of Rs. 10 each	6,64,981,170
1,385,000 Preference shares of Rs. 1,000 each	1,385,000,000
Total	2,049,981,170
Issued, Subscribed and Paid-Up Capital	
4,11,69,250 Equity Shares of Rs. 10 each	41,16,92,500
Total	41,16,92,500

B. Post Scheme Capital Structure of Qube Cinema Technologies Private Limited would be as under:

Particulars	Amount in Rs.
Authorized Capital	
1,65,00,000 Equity Shares of Rs. 10 each	16,50,00,000
75,00,000 Compulsorily Convertible Preference Shares of Rs. 10 each	7,50,00,000
Total	24,00,00,000
Issued, Subscribed and Paid-Up Capital	
99,40,858 Equity Shares of Rs. 10 each fully paid up	9,94,08,580
74,43,611 Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up	
25,71,006 Series A Preference Shares (which shall be converted to 25,71,006 equity shares)	7,44,36,110
15,79,882 Series B Preference Shares (which shall be converted to 15,79,882 equity shares)	
32,92,723 Series C Preference Shares (which shall be converted to 53,95,519 equity shares)	
Total	17,38,44,690

C. Post Scheme Capital Structure of PJSA Technosoft Private Limited would be as under:

Particulars	Amount in Rs.
Authorized Capital	
2,35,10,000 Equity Shares of Rs. 10 each	23,51,00,000
Total	23,51,00,000
Issued, Subscribed and Paid-Up Capital	
2,35,10,000 Equity Shares of Rs. 10 each	23,51,00,000
Total	23,51,00,000

D. Pre & Post Scheme Shareholding Pattern of UFO Moviez India Limited:

Equity Shares

Category Code	Category of Shareholder	Pre & Post Scheme Shareholding Pattern			
		Total No. of Shares		As a percentage of total capital	
(A)	Shareholding of Promoter and Promoter Group	Pre	Post	Pre	Post
(1)	Indian				
(a)	Individuals / Hindu Undivided Family	4,81,595	4,81,595	1.70	1.17
(b)	Central Government / State Government(s)	0	0	0	0
(c)	Bodies Corporate	80,33,657	80,33,657	28.34	19.51
(d)	Financial Institutions / Banks	0	0	0	0
(e)	Any Other (specify)	0	0	0	0
	Sub-Total (A)(1)	85,15,252	85,15,252	30.04	20.68
(2)	Foreign				
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0
(b)	Bodies Corporate	0	0	0	0
	Name of Promoters:				
	Sanjay Shankar Gaikwad	2,63,797	2,63,797	0.93	0.64
	Apollo International Limited	22,66,417	22,66,417	7.99	5.50
	Valuable Technologies Limited	22,43,657	22,43,657	7.91	5.45
	Valuable Media Limited	22,44,265	22,44,265	7.92	5.45
	Promoter Group:				
	Advent Fiscal Private Limited	7,37,182	2.60	7,37,182	1.79
	Nifty Portfolio Services Private Limited	5,42,136	1.91	5,42,136	1.32
	Uday Shankar Gaikwad	1	0.00	1	0.00
	Ameya Hete	2,17,797	0.77	217,797	0.53
(c)	Institutions	0	0	0	0
(e)	Any Other (specify)	0	0	0	0
	Sub-Total (A)(2)	0	0	0	0

Category Code	Category of Shareholder	Pre & Post Scheme Shareholding Pattern			
		Total No. of Shares		As a percentage of total capital	
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	85,15,252	85,15,252	30.04	20.68
(B)	Public Shareholding				
(1)	Institutions				
(a)	Mutual Funds/UTI	60,77,509	60,77,509	21.44	14.76
(b)	Financial Institutions/Banks	20,123	9,68,605	0.07	2.35
(c)	Central Government/State Government(s)	0	0	0	0
(d)	Venture Capital Funds	0	54,32,458	0	13.20
(e)	Insurance Companies	0	0	0	0
(f)	Foreign Portfolio Investors / Foreign Institutional Investors	10,11,386	10,11,386	3.57	2.46
(g)	Foreign Venture Capital Investors	52,51,608	52,51,608	18.52	12.76
(h)	Any Other				
	Alternate Investment Funds	1,30,500	1,30,500	0.46	0.32
	Foreign Financial Institution	0	0	0	0
	Unit Trust of India	0	0	0	0
	Foreign Nationals	12	12	0.00	0
	Foreign Corporate Bodies	0	0	0	0
	Sub-Total (B)(1)	1,24,91,138	1,88,72,078	44.06	45.84
(2)	Non-Institutions				
(a)	Bodies Corporate	12,41,807	40,77,285	4.38	9.90
(b)	Individuals				
i.	Individual shareholders holding nominal share capital up to Rs. 2 lakhs	34,40,644	35,59,313	12.14	8.54
ii.	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	22,06,948	51,12,313	7.78	12.42
(d)	Any Other				
	Trusts	1,19,461	7,39,058	0.42	1.80
	Hindu Undivided Family	0	0	0	0
	Non Resident Indians (Non Repat)	75,107	75,107	0.26	0.18
	Non Resident Indians	2,08,465	2,08,465	0.74	0.51
	Clearing Member	39,869	39,869	0.14	0.10
	NBFCs Registered with RBI	12,110	12,110	0.04	0.03
	Sub-Total (B)(2)	73,44,411	1,37,81,920	25.91	33.48
(B)	Total Public Shareholding (B) = (B)(1) + (B)(2)	1,98,35,549	3,26,53,998	69.96	79.32
	TOTAL (A)+(B)	2,83,50,801	4,11,69,250	100.00	100.00
(C)	Shares held by Custodian and against which DRs have been issued	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	2,83,50,801	4,11,69,250	100.00	100.00

E. Pre Scheme Shareholding Pattern of Qube Cinema Technologies Private Limited:
Equity Shares

Name of the Shareholder	Number of Shares held	Percentage of shares held
Arun Veerappan	2,98,000	3.00
Veerappan Senthilkumar	5,53,100	5.56
Meena Veerappan	5,06,800	5.10
Vee. Vijayalakshmi	2,34,000	2.35
V. Sivakumar	1,87,200	1.88
Raja Enok	44,500	0.45
Julie Enok	6,000	0.06
S. Gunaseelan	30,000	0.30
D. Ashok Kumar	30,000	0.30
M/S. Real Image LLP (formerly Real Image Pvt. Ltd.)	24,62,225	24.77
P.C. Sreeram	357,750	3.60
P. Jayendra	357,750	3.60

Name of the Shareholder	Number of Shares held	Percentage of shares held
Trans Global Technologies Inc.	455,766	4.58
Street Edge Capital LP	15,97,302	16.07
Intel Capital Corporation, USA	2,571	0.03
Viju Thomas	24,000	0.24
P Venkatesh	3,000	0.03
Canara Bank	5,31,567	5.35
Andhra Bank	3,54,378	3.56
Union Bank of India	3,54,378	3.56
P.C. Nayak	4,543	0.05
Vijay Kumar Angadi	4,543	0.05
CSI BD (Mauritius)	790	0.01
Reliance Value Services Pvt. Ltd. (formerly known as Payone Enterprises Pvt. Ltd.)	790	0.01
Nomura Asia Investment (MB) Pte. Ltd.	6,25,747	6.29
Arun Veerappan & P. Jayendra, Trustees of RIMT Employees Trust	8,10,242	8.15
K Prasannanjaneya	2,020	0.02
Sudha Panchapakesan	45,220	0.45
Ketan Mehta	5,870	0.06
A.S. Narayanan	14,820	0.15
Deepak Hirani	12,210	0.12
Susan Zachariah	8,196	0.08
Gowri Padmanabh	15,580	0.16
Total	99,40,858	100.00

Preference Shares

Name of the Shareholder	Number of Shares held	Percentage of shares held
Intel Capital Corporation, USA (Series A)	25,71,006	34.54
CSI BD (Mauritius) (Series B)	7,89,941	10.61
Reliance Value Services Pvt. Ltd. (formerly known as Payone Enterprises Pvt.Ltd.) (Series B)	7,89,941	10.61
Nomura Asia Investment (MB) Pte. Ltd. (Series C)	30,95,160	41.58
Intel Capital Corporation, USA (Series C)	1,97,563	2.65
Total	74,43,611	100.00

F. Post Scheme Shareholding Pattern of Qube Cinema Technologies Private Limited:**Equity Shares**

Name of the Shareholder	Number of Shares held	Percentage of shares held
Arun Veerappan	2,98,000	3.00
Veerappan Senthilkumar	5,53,100	5.56
Meena Veerappan	5,06,800	5.10
Vee. Vijayalakshmi	2,34,000	2.35
V. Sivakumar	1,87,200	1.88
Raja Enok	44,500	0.45
Julie Enok	6,000	0.06
S. Gunaseelan	30,000	0.30
D. Ashok Kumar	30,000	0.30
M/s. Real Image LLP (formerly Real Image Pvt. Ltd.)	24,62,225	24.77
P.C. Sreeram	3,57,750	3.60
P. Jayendra	3,57,750	3.60
Trans Global Technologies Inc.	4,55,766	4.58

Name of the Shareholder	Number of Shares held	Percentage of shares held
Street Edge Capital LP	15,97,302	16.07
Intel Capital Corporation, USA	2,571	0.03
Viju Thomas	24,000	0.24
P Venkatesh	3,000	0.03
Canara Bank	5,31,567	5.35
Andhra Bank	3,54,378	3.56
Union Bank of India	3,54,378	3.56
P.C. Nayak	4,543	0.05
Vijay Kumar Angadi	4,543	0.05
CSI BD (Mauritius)	790	0.01
Reliance Value Services Pvt. Ltd. (formerly known as Payone Enterprises Pvt.Ltd.)	790	0.01
Nomura Asia Investment (MB) Pte. Ltd.	6,25,747	6.29
Arun Veerappan & P. Jayendra, Trustees of RIMT Employees Trust	8,10,242	8.15
K Prasannanjaneya	2,020	0.02
Sudha Panchapakesan	45,220	0.45
Ketan Mehta	5,870	0.06
A.S. Narayanan	14,820	0.15
Deepak Hirani	12,210	0.12
Susan Zachariah	8,196	0.08
Gowri Padmanabh	15,580	0.16
Total	99,40,858	100.00

Preference Shares

Name of the Shareholder	Number of Shares held	Percentage of shares held
Intel Capital Corporation, USA (Series A)	25,71,006	34.54
CSI BD (Mauritius) (Series B)	7,89,941	10.61
Reliance Value Services Pvt. Ltd. (formerly known as Payone Enterprises Pvt.Ltd.) (Series B)	7,89,941	10.61
Nomura Asia Investment (MB) Pte. Ltd. (Series C)	30,95,160	41.58
Intel Capital Corporation, USA (Series C)	1,97,563	2.65
Total	74,43,611	100.00

G. Pre Scheme Shareholding Pattern of Qube Digital Cinema Private Limited:

Name of Shareholders	Number of Shares held	Percentage of total capital
Veerappan Senthilkumar	5,000	50
Vandana Gopikumar	5,000	50
Total	10,000	100.00

H. Pre Scheme Shareholding Pattern of Moviebuff Private Limited:

Name of Shareholders	Number of Shares held	Percentage of total capital
Veerappan Senthilkumar	3,404	33.33
Jayendra Panchapakesan	3,404	33.33
M.V. Ramachandran	3,404	33.33
Total	10,212	100.00

I. Pre Scheme Shareholding Pattern of PJSA Technosoft Private Limited:

Name of Shareholders	Number of Shares held	Percentage of total capital
UFO Moviez India Limited	9,994	99.94
Sanjay Gaikwad (As Nominee of UFO Moviez India Ltd)	1	0.01
Kapil Agarwal (As Nominee of UFO Moviez India Ltd)	1	0.01
Rajesh Mishra (As Nominee of UFO Moviez India Ltd)	1	0.01
Deepak Ranjan (As Nominee of UFO Moviez India Ltd)	1	0.01

Name of Shareholders	Number of Shares held	Percentage of total capital
Ashish Malushte (As Nominee of UFO Moviez India Ltd)	1	0.01
Vishnu Patel (As Nominee of UFO Moviez India Ltd)	1	0.01
Total	10,000	100.00

J. Post Scheme Shareholding Pattern of PJSA Technosoft Private Limited:

Name of Shareholders	Number of Shares held	Percentage of total capital
UFO Moviez India Limited	2,35,09,994	100
Sanjay Gaikwad (As Nominee of UFO Moviez India Ltd)	1	0.00
Kapil Agarwal (As Nominee of UFO Moviez India Ltd)	1	0.00
Rajesh Mishra (As Nominee of UFO Moviez India Ltd)	1	0.00
Deepak Ranjan (As Nominee of UFO Moviez India Ltd)	1	0.00
Ashish Malushte (As Nominee of UFO Moviez India Ltd)	1	0.00
Vishnu Patel (As Nominee of UFO Moviez India Ltd)	1	0.00
Total	2,35,10,000	100.00

18. The following documents shall be available for obtaining extract from or for making or obtaining copies of or for inspection by the shareholders of the Company at the registered office of the Company at Valuable Techno Park, Plot No 53/1, Road No. 7, Marol MIDC, Andheri East, Mumbai 400093, Maharashtra, between 10:00 a.m. and 12:00 p.m. on all working days (except Saturdays, Sundays and public holidays) upto the date of the meeting:
 - 18.1. Copy of the Order of the National Company Law Tribunal, Bench, at Mumbai dated April 10, 2018 passed in Company Scheme Application No. 120 of 2018 directing the Company to, inter alia, convene the Meeting of its Equity Shareholders.
 - 18.2. Copy of the Memorandum of Association and Articles of Association of the respective Participating Companies.
 - 18.3. Copy of the Audited Financial Statement of the respective Participating Companies for the financial year ended March 31, 2017 (as applicable).
 - 18.4. Copy of the valuation report dated November 1, 2017 prepared by Walker Chandio & Co LLP recommending the share exchange ratio to the Board of Directors of UFO Moviez India Limited and Qube Cinema Technologies Private Limited.
 - 18.5. Copy of the valuation report dated December 11, 2017 prepared by Walker Chandio & Co LLP underlying the recommendation of exchange ratio for the proposed merger of Qube Digital Cinema Private Limited into UFO Moviez India Limited.
 - 18.6. Copy of the valuation report dated November 1, 2017 prepared by Walker Chandio & Co LLP on the net asset valuation of the Transferred Undertaking (as defined under the Scheme) of UFO Moviez India Limited to be transferred to PJSA Technosoft Private Limited.
 - 18.7. Copy of the fairness opinion dated November 1, 2017 by Axis Capital Limited, a Category-I Merchant Banker, certifying that the share swap ratio is fair to the shareholders of the Company from a financial point of view
 - 18.8. Copy of the Scheme.
 - 18.9. Copy of the observation letter dated March 7, 2018 issued by BSE and observation letter dated March 7, 2018 issued by NSE.
 - 18.10. Copy of the complaint report dated January 6, 2018 filed with BSE and copy of the complaint report dated January 11, 2018 filed with NSE.
 - 18.11. Copy of the financial statements of the respective Participating Companies as on December 31, 2017.
 - 18.12. Copy of the resolution passed by the Board of Directors of the respective Participating Companies approving the Scheme.
 - 18.13. Copy of the abridged prospectus of Resulting Company / Transferee Company 1 / Transferor Company 2.
 - 18.14. Copy of the reports adopted by the Board of Directors of the respective Participating Companies as required under Section 232(2)(c) of the Companies Act, 2013.
 - 18.15. Copy of the certificate issued by the statutory auditors of the respective Participating Companies stating that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013.
19. This statement may be treated as an Explanatory Statement under Sections 230(3) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

Sd/-
Sanjay Gaikwad
DIN: 01001173
Chairperson Appointed for the Meeting

Dated this 11th day of April, 2018
 Place: Mumbai

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)

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.
- f) 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
- g) 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.
- h) all employees of UFO employed/engaged in the IP Business as on the Effective Date 3.
- i) 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:

Particulars	Amount in INR
Authorised:	
16,500,000 Equity Shares of Rs. 10 each	165,000,000
7,500,000 Compulsorily Convertible Preference Shares of Rs. 10 each	75,000,000
Total	240,000,000
Issued, Subscribed and Paid-up:	
9,940,858 Equity Shares of Rs. 10 each fully paid up	99,408,580
7,443,611 Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up	
25,71,006 Series A Preference Shares (which shall be converted to 25,71,006 equity shares)	
15,79,882 Series B Preference Shares (which shall be converted to 15,79,882 equity shares)	
32,92,723 Series C Preference Shares (which shall be converted to 53,95,519 equity shares)	
Total	173,844,690

- 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:

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

- 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:

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

- 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:

Particulars	Amount in INR
Authorised:	
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
Total	1,835,000,000
Issued, Subscribed and Paid-up:	
27,600,801 Equity Shares of Rs. 10 each	276,008,010
Total	276,008,010

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:

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

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:

Particulars	Amount in Rs (Mn)
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:

Particulars	Amount in Rs
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:

Particulars	Amount in Rs Lacs
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

PART II: DEMERGER OF QCTPL UNDERTAKING FROM QCTPL INTO QDCPL

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 accounting 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 accounting 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.
- 15.1.10 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 1 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 accounting principles, as may be amended from time to time.

22 CONSOLIDATION OF AUTHORISED SHARE CAPITAL OF TRANSFEE 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 Transferee 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 Chandio & 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.

1.66.7 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. html2DCP¹
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. QubeCentral²
12. QubeMaster Pro, Xpress & Xport³
13. Transformer⁴
14. Qube Wire
15. Qube Wire Desktop applications
16. Qube Wire Partner, Festival & Theatre Appliances & software
17. Wire Safe Appliance & software⁵
18. Wire Master⁶
19. Qube Account

¹ For internal use only.

² No longer in active development. To be replaced by Qube Wire & Transformer.

³ Minimal development. To be replaced by Wire Master.

⁴ In design phase.

⁵ Under development and released only for internal use.

⁶ Under development, not yet released.

SCHEDULE II

List of the immovable properties:

Sr. no.	Description of Premises	Lessee/ Licensee	Details of Instrument
1.	Premises on 4 th 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
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 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

Sl. No.	Name of Hollywood Studio	Title of the Agreement	Date of Original Agreement
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

Walker Chandio & Co LLP

STRICTLY PRIVATE & CONFIDENTIAL

Date: 1 November 2017

To

Board of Directors
UFO Moviez India Limited
 Valuable Techno Park
 Plot No. 53/1, Road No. 07
 Marol MIDC, Andheri (East)
 Mumbai 400 093

Board of Directors
Qube Cinema Technologies Private Limited
 42, Dr. Ranga Road
 Mylapore
 Chennai 600 004

Walker Chandio & Co LLP
 16th Floor, Tower II
 Indiabulls Finance Centre
 S B Marg, Elphinstone (W)
 Mumbai 400013
 India

T +91 22 6626 2600
 F +91 22 6626 2601

Sub: Recommendation of Share Exchange Ratio

Dear Sir/ Madam,

We refer to the engagement letter whereby UFO Moviez India Limited ("UFO") and Qube Cinema Technologies Private Limited ("Qube") have requested Walker Chandio & Co LLP ("WCC") for recommendation of the Share Exchange Ratio for the Proposed Merger (as defined below).

UFO and Qube are together referred to as 'the Specified Companies'.

In the following paragraphs, we have summarized our valuation analysis together with the description of the methodologies used and limitations on our scope of work.

WCC has been hereafter referred to as 'Valuer' or 'we' or 'us' in this report ('Valuation Report' or 'Report').

SCOPE AND PURPOSE OF THIS REPORT

UFO, incorporated in 2004, is a digital cinema distribution network and an in-cinema advertising platform. It is headquartered in Mumbai and operates India's largest satellite based, digital cinema distribution network using its UFO-M4 platform, as well as India's largest D-Cinema network. It has 5,390 digital screens in India across 1,422 cities and towns with seating capacity of ~2.2 Mn capacity per show. For its in-cinema platform, UFO has 4,032 in-cinema advertising screens with an average weekly seating capacity of ~51.6 Mn across 1,416 town and cities across India. UFO is listed on the BSE Limited and National Stock Exchange Limited in India.

Qube, incorporated in 1986, has over 30 years of experience in film, video and audio technology. It is headquartered in Chennai and has offices across Mumbai, New Delhi, Hyderabad, Bengaluru, Cochin and Kolkata, with its 100% subsidiary Qube Cinema Inc., located in California and also has a mastering set-up in Dubai in association with a strategic partner. It provides technology solutions and services in the film, video and audio domain, including digital cinema. Its mastering facilities are located in Chennai, Mumbai, Hyderabad, Dubai (in association with a strategic partner) & California (through 100% subsidiary Qube Cinema Inc.) which have capacity to master over 40 films/ week.

Qube Digital Cinema Pvt. Ltd. ("R1"), a company incorporated under the Companies Act, 2013 having its registered office situated at Mylapore, Chennai. Upon completion of the Step I detailed in Point 5 below, R1 shall include demerged business of Qube excluding Studio DPS business.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandio & Co LLP is registered with limited liability with identification number AAC2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Walker ChandioK & Co LLP

Moviebuff Private Limited ("R3"), a company incorporated under the Companies Act, 2013 having its registered office situated at Mylapore, Chennai. R3's business relates to operation of backend platform for curating and playing back customized 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. Shares of R3 are entirely held by the promoters of Qube and their associates.

Studio DPS business of Qube means business undertaken by Qube pursuant to the contracts as set out in Schedule VII of the Draft Scheme and all liabilities, debts, duties, taxes and obligations in relation to the same.

PJSA Technosoft Private Limited ("U2"), incorporated in 2017, will become a wholly owned subsidiary of UFO prior to formulation of the Scheme (as defined below). Currently U2 does not have any income stream however it is proposed to be engaged in the business of development and commercial exploitation of certain software, technologies and processes.

We have been informed that the management of Qube and UFO are evaluating the following through a National Company Law Tribunal approved Composite Scheme of Arrangement and Amalgamation pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 (the "Scheme"):

Step I: Qube intends to de-merge its business (except for Studio DPS business) into a separate company, R1 on a going concern basis. In consideration for the same, R1 would issue and allot its equity shares to all the shareholders of Qube.

Step II: Thereafter, amalgamation of R3 into R1 (with consequent dissolution of R3 without winding up) to form a combined entity, hereinafter referred to as the "Resultant Company". As a consideration for the merger of R3 into R1, the Resultant Company will issue equity shares to the shareholders of R3. Pursuant to this transaction, specific non-promoter shareholders of Qube, who no longer want to participate in the demerged business of Qube (as mentioned in Step I), will sell their holding in the Resultant Company to UFO and certain new investors.

Step III: Pursuant to completion of Step I & Step II, the Resultant Company shall merge with UFO (with consequent dissolution of Resultant Company without winding up) and the shareholders of Resultant Company would be issued equity shares of UFO pursuant to merger ("Proposed Merger").

Step IV: Subsequent to the completion of Step III, slump sale of IP business (as transferred to UFO pursuant to Step I to Step III above) by UFO into a wholly owned subsidiary of UFO ("U2").

We understand that the management of the Specified Companies ('Management') are contemplating amalgamation of Resultant Company into UFO ('Transaction'), as mentioned in Step III above, pursuant to the Scheme.

For the aforesaid purpose, the Specified Companies have requested WCC to submit a report recommending the Share Exchange Ratio for the proposed amalgamation of Resultant Company with UFO for the consideration of the Board of Directors of the companies. This report will be placed before the Board of UFO and Qube and to the extent mandatorily required under applicable laws of India, maybe produced before judicial, regulatory or government authorities, in connection with the Proposed Merger.



Walker Chandio & Co LLP

The scope of our services is to conduct a relative (and not absolute) valuation of the Specified Companies for recommending a Share Exchange ratio in accordance with generally accepted professional standards.

As a consideration for the amalgamation, equity shareholders of Resultant Company would be issued equity shares of UFO. Share Exchange Ratio for this Report refers to the number of equity shares of face value of INR 10/- each of UFO, which would be issued to shareholders of Resultant Company.

We have been provided with financial information for the Specified Companies. We have considered the same in our analysis and made adjustments for further facts made known (past or future) to us till the date of our Report. Our analysis does not factor impact of any event which is unusual or not in normal course of business. We have relied on the above while arriving at the Share Exchange Ratio.

This report is our deliverable in respect of our recommendation of Share Exchange ratio for the purpose of the Proposed Merger.

This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

SOURCES OF INFORMATION

In connection with this exercise, we have used the following information received from the Management and / or gathered from public domain:

- Audited financial statements of the Specified Companies for the 3 years ended 31 March 2017;
- Management Certified unaudited carved out income statement for the 5 month period ended 31 August 2017 and statement of assets and liabilities of the Resultant Company as at 31 August 2017 taking into effect the merger of R3 into R1;
- Projected financial statements of the Resultant Company for the period 1 September 2017 to 31 March 2022 as provided by the Management of Qube;
- Draft Scheme of Arrangement and Amalgamation between UFO, Qube, R1, R3 and U2 under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 ("Draft Scheme");
- Number of equity shares on a fully diluted basis / shareholding pattern of UFO as at 30 September 2017 and Qube as at 31 August 2017 and proposed shareholding of Resultant Company;
- Market prices and trading history of the equity shares of UFO;
- Meetings and correspondence with the Management of the Specified Companies;
- Secondary research and market data on comparable companies and information on recent transactions, to the extent readily available; and
- Such other analyses, reviews and enquiries, as we considered relevant.

The Specified Companies have been provided with the opportunity to review the draft report (excluding the recommended Share Exchange Ratio) as part of our standard practice to make sure that the factual inaccuracies / omissions are avoided in our final report.



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SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation recommendations and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the date of this Report; (iii) based on the financial statements of the Resultant Company as of 31 August 2017; (iv) the financial statements of UFO as at 30 June 2017 and (v) other information provided by the Management of the Specified Companies on key events after 30 June 2017 (for UFO) and 31 August 2017 (for Resultant Company) till the date of the Report, if any.

The realization of the projected financial information provided will be dependent on the continuing validity of assumptions on which it is based. Our analysis, therefore, will not and cannot be directed to providing any assurance about the achievability of the future plans. Since the projections relate to the future, actual results could be different from the projected results because events and circumstances do not occur as expected and the differences may be material.

We have also relied on certain data from external sources. These sources, although considered to be reliable, are external and hence, we assume no liability for the accuracy of the data. We have assumed that the business of the Specified Companies continues normally without any disruptions due to statutory or other external/internal occurrences.

The Management has represented that the business activities have been carried out in the normal and ordinary course between 30 June 2017 and the Report date for UFO and between 31 August 2017 and the Report date for the Resultant Company and that no material adverse change has occurred in their respective operations and financial position between the respective aforementioned dates and the Report date.

An analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as on the Report date. Events and transactions occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

The ultimate analysis will have to be tempered by the exercise of judicious discretion by the Valuer and judgment taking into accounts all the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions.

The recommendation(s) rendered in this Report only represent our recommendation(s) based upon information furnished by the Specified Companies (or their executives/ representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). We have no obligation to update this Report.

The determination of a Share Exchange Ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of



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individual judgment. There is, therefore, no single undisputed Share Exchange ratio. While we have provided our recommendation of the Share Exchange Ratio based on the information available to us and within the scope of our engagement, others may have a different opinion. The final responsibility for the determination of the Share Exchange Ratio at which the proposed merger shall take place will be with the Board of Directors of the respective Specified Companies, who should take into account other factors such as their own assessment of the proposed merger and input of other advisors.

In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data.

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of the information that was publicly available and formed a substantial basis for this Report and (ii) the accuracy of information made available to us by the Specified Companies. In accordance with our Engagement Letter and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information provided to us. We have not independently verified the data provided by the Specified Companies. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from the Specified Companies, we have been given to understand by the Management of the Specified Companies that they have not omitted any relevant and material factors about the Specified Companies. Our conclusions are based on the assumptions and information given by / on behalf of the Specified Companies and reliance on public information. The Management of the Specified Companies has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis / results. Accordingly, we assume no responsibility for any errors in the information furnished by the Specified Companies and their impact on the Report. Nothing has come to our attention to indicate that the information provided was materially misstated / incorrect or would not afford reasonable grounds upon which to base the Report.

The Report assumes that the Specified Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Specified Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Valuation Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited / unaudited balance sheet of the Specified Companies. Our conclusion of value assumes that the assets and liabilities of the Specified Companies, reflected in their respective latest balance sheets remain intact as of the Report date.

We are not advisors with respect to legal, tax and regulatory matters for the Proposed Merger. This Report does not look into the business / commercial reasons behind the Proposed Merger nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Merger as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

No investigation of the Specified Companies' claim to title of assets has been made for the purpose of this Report and the Specified Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

We have no present or planned future interest in the Specified Companies and the fee for this Report is not contingent upon the results reported herein. Our valuation analysis should not be



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construed as investment advice; specifically, we do not express any opinion on the suitability of the Proposed Merger.

We owe responsibility to only the Boards of Directors of the Specified Companies. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other advisor to the Specified Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Specified Companies, their directors, employees or agents. Unless specifically agreed, in no circumstances shall the liability of Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this Report shall exceed the amount paid to such Valuer in respect of the fees charged by it for these services.

We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion on the Share Exchange Ratio. This Report is not a substitute for the third party's own due diligence / appraisal / enquiries / independent advice that the third party should undertake for his purpose.

This Valuation Report is subject to the laws of India.

Neither the Valuation Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme, without our prior written consent except for disclosures to be made to relevant regulatory authorities including stock exchanges and SEBI. In addition, this Report does not in any manner address the prices at which equity shares of UFO will trade following announcement of the Proposed Merger and we express no opinion or recommendation as to how the shareholders of any Specified Company should vote at any shareholders' meeting(s) to be held in connection with the Proposed Merger.

SHAREHOLDING PATTERN OF SPECIFIED COMPANIES

UFO Moviez India Limited

The issued and subscribed equity share capital of UFO as at 30 September 2017 is INR 276 million consisting of 27,600,801 equity shares of face value of INR 10/- each. The shareholding pattern is as follows:

Shareholding Pattern	No. of Shares	% Shareholding
Promoter & Promoter Group- UFO	7,765,452	28.1%
Public	19,835,349	71.9%
Total No. of Shares	27,600,801	100.0%



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Qube Cinema Technologies Private Limited

The diluted equity share capital of Qube as at 31 August 2017 is INR 198.6 million consisting of 19,858,114 equity shares of face value of INR 10/- each on a fully diluted basis. The shareholding pattern is as follows:

Shareholding Pattern	No. of Shares	% Shareholding
Promoters	5,523,091	27.8%
Street Edge Capital LP USA	1,597,302	8.0%
Intel Capital (Mauritius) Limited , USA (Ser A)	2,571,006	12.9%
Intel Capital (Mauritius) Limited , USA (Ser C)	323,731	1.6%
CSI BD (Mauritius) (Ser B)	789,941	4.0%
Nomura Asia Investment (MB) Pte. Ltd (Ser C)	5,697,535	28.7%
Others	2,066,350	10.4%
Equity Shares allotted to ESOP Pool 2006	914,158	4.6%
ESOP Options Diluted	375,000	1.9%
Total No. of Shares	19,858,114	100.0%

810,242

Resultant Company

The diluted equity share capital of the Resultant Company after Step II as mentioned above would be INR 206.4 million consisting of 20,638,114 equity shares of face value of INR 10/- each on a fully diluted basis. The shareholding pattern is as follows:

Shareholding Pattern	No. of Shares	% Shareholding
Promoters of Qube	5,523,091	26.8%
New Investor	7,104,058	34.4%
UFO	3,875,457	18.8%
Others	2,066,350	10.0%
Equity Shares allotted to ESOP Pool 2006	914,158	4.4%
ESOP Options Diluted	375,000	1.8%
New Shares issued to R3 Shareholders	780,000	3.8%
Total No. of Shares	20,638,114	100.0%



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The Management of Specified Companies has represented to us that there have been no changes in the shareholding pattern of the Specified Companies post relevant dates as mentioned above, and further that there would not be any changes to the shareholder equity in the Specified Companies till the Transaction becomes effective.

APPROACH & METHODOLOGY

It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Specified Companies. Further, this valuation will fluctuate with lapse of time, changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the Specified Companies, and other factors which generally influence the valuation of companies and their assets.

The Draft Scheme contemplates the amalgamation of Resultant Company into UFO. Arriving at the Share Exchange Ratio would require determining the value of the equity shares of UFO, in terms of the value of the equity shares of the Resultant Company. These values are to be determined independently but on a relative basis, and without considering the proposed merger.

The following are commonly used and accepted methods for determining the value of the equity shares of a company/ business:

1. Market Approach
 - a. Market Price method
 - b. Comparable Companies Quoted Multiples method
 - c. Comparable Companies Transaction Multiples method
2. Income Approach – Discounted Cash Flows method
3. Asset Approach – Net Asset Value method

Market Approach

a. Market Price Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the value of the share, especially where the market values are fluctuating in a volatile capital market. Further, in the case of an amalgamation, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

Equity shares of UFO are listed on BSE Ltd. and NSE Ltd. Equity shares of UFO are frequently traded in terms of Para 71A, Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('ICDR Regulations'). Equity shares of Resultant Company are not listed on any stock exchanges.



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b. Comparable Companies' Quoted Multiple ('CCM') Method

Under this method, value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

c. Comparable Companies' Transaction Multiple ('CTM') Method

Under this method, value of the equity shares of a company / business is arrived at by using multiples derived from valuations in the same or comparable companies, as manifest through transaction valuations. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

There have been limited transactions in the movies and entertainment segments with similar operational characteristics as that of Specified Companies. Further, transaction multiples may include acquirer-specific considerations such as synergy benefits, control premium and minority adjustments, on which sufficient information may not be available in the public domain.

Income Approach – Discounted Cash Flows ('DCF') Method

Under the DCF method the projected free cash flows to the equity shareholders are discounted at the cost of equity. The sum of the discounted value of such free cash flows is the value of the firm.

Using the DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's equity capital.

Appropriate discount rate to be applied to cash flows i.e. the cost of equity:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to the equity capital providers (namely shareholders). The opportunity cost to the equity capital provider equals the rate of return the equity capital provider expects to earn on other investments of equivalent risk.

Asset Approach – Net Asset Value ('NAV') Method

The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in case where the assets base dominate earnings capability. UFO and the Resultant Company are operating companies. A scheme of Amalgamation would normally be proceeded with, on the assumption that the companies merge as going concerns and an actual realization of the operating assets is not contemplated.



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ICDR Regulations

As per SEBI circular nos. CFD/DIL3/CIR/2017/21 and CFD/DIL3/CIR/2017/26 dated 10 March 2017 and 23 March 2017, respectively, the issuance of shares under schemes in case of allotment of shares by listed companies only to a select group of shareholders or shareholders of unlisted companies pursuant to such schemes shall follow the pricing provisions of the ICDR Regulations and the relevant date for the purpose of computing pricing shall be the date of the Board meeting in which the scheme is approved.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Taking the above outlined factors, including ICDR Regulations, into consideration, we have adopted following approaches for determination of Share Exchange Ratio:

Valuation of UFO

- **Market Approach:** We have considered Market Price Method as the equity shares of UFO are frequently traded.

Trading volume of equity shares of UFO during the year ended 31 October 2017 was higher on NSE as compared to BSE. Under the Market price method, average of weekly high and low of the volume weighted average price ('VWAP') of UFO on NSE during the twenty six weeks or two weeks preceding 1 November 2017, whichever is higher has been considered. Please refer **Annexure 1** for details.

- **Income Approach:** We have not considered Discounted Cash Flow method for the valuation of UFO as the financial projections were not provided by the management of UFO.

Valuation of Resultant Company

- **Market Approach:** Equity shares of the Resultant Company are not listed on any stock exchanges. Accordingly, the market price methodology could not be used for this entity and therefore, we have considered Comparable Companies Multiple Method under this approach.

We have used the quoted multiples of comparable listed companies, as appropriate, for the purpose of our valuation analysis. Adjustments, as appropriate, are made for borrowings, surplus assets and other matters to arrive at the equity value of the Resultant Company.

- **Income Approach:** We have also used Discounted Cash Flow method under this approach for the valuation of Resultant Company.

For the purpose of DCF valuation, the free cash flow forecast is based on Financial Projections as provided by the management of Qube. While carrying out this engagement, we have relied extensively on historical information made available to us by the management of the Companies and the respective Financial Projections for future related information. We did not carry out any validation procedures or due diligence with respect to the information provided/ extracted or carry out any verification of the assets or comment on the achievability of the assumptions underlying the Financial Projections, save for satisfying ourselves to the extent possible that they are consistent with other information provided to us in the course of this engagement.



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We have adjusted the value of Discounted Cash Flows (as explained above in "Income Approach") for adjustments, as appropriate for net borrowings, surplus assets and other matters to arrive at the equity value of the Resultant Company.

SHARE EXCHANGE RATIO

The basis of the Proposed Merger would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above methodologies, for the purposes of recommending an exchange ratio of equity shares it is necessary to arrive at a single value for each of the business / subject companies' shares. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the Specified Companies but at their relative values to facilitate the determination of an exchange ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

The Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of UFO using Market Approach and Resultant Company using the Market Approach and Income Approach. The Share Exchange Ratio is based on the methodologies explained herein earlier and various qualitative factors relevant to each Company and the business dynamics and growth potential of the businesses of the Resultant Company, having regard to information, key underlying assumptions and limitations. Please refer Annexure 2 for summary valuation workings.

We have independently applied methodologies, as considered appropriate and discussed above and arrived at their assessment of value per share of the Specified Companies. To arrive at the Share Exchange Ratio, suitable averaging and rounding off in the values arrived at has been done.

In view of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the Share Exchange Ratio as follows:

13 (Thirteen) equity shares of UFO (of INR 10/- each fully paid up) for every 17 (Seventeen) diluted equity shares of the Resultant Company (of INR 10/- each fully paid up) for the merger of the Resultant Company into UFO.

Respectfully submitted,

Walker Chandiok & Co LLP
 Chartered Accountants
 ICAI Firm Registration Number:
 001076N/ N500013



Riaz Thingna
 Partner
 Membership No: 034864
 Date: 1 November 2017



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Annexure 1 – Valuation of equity shares of UFO under the Market Price method

Week	Week Start	Week End	VWAP		
	Date	Date	High	Low	Average
1	25-Oct-2017	31-Oct-2017	429.1	390.9	410.0
2	18-Oct-2017	24-Oct-2017	395.4	385.1	390.2
3	11-Oct-2017	17-Oct-2017	377.0	360.3	368.7
4	04-Oct-2017	10-Oct-2017	392.3	378.7	385.5
5	27-Sep-2017	03-Oct-2017	390.7	384.7	387.7
6	20-Sep-2017	26-Sep-2017	399.2	376.3	387.8
7	13-Sep-2017	19-Sep-2017	404.1	397.0	400.6
8	06-Sep-2017	12-Sep-2017	407.7	377.8	392.7
9	30-Aug-2017	05-Sep-2017	375.9	356.7	366.3
10	23-Aug-2017	29-Aug-2017	345.4	340.0	342.7
11	16-Aug-2017	22-Aug-2017	347.1	337.3	342.2
12	09-Aug-2017	15-Aug-2017	357.3	326.2	341.8
13	02-Aug-2017	08-Aug-2017	372.1	365.4	368.8
14	26-Jul-2017	01-Aug-2017	386.8	375.8	381.3
15	19-Jul-2017	25-Jul-2017	397.1	388.8	392.9
16	12-Jul-2017	18-Jul-2017	394.6	389.7	392.2
17	05-Jul-2017	11-Jul-2017	400.2	385.7	393.0
18	28-Jun-2017	04-Jul-2017	395.7	389.3	392.5
19	21-Jun-2017	27-Jun-2017	415.3	400.2	407.8
20	14-Jun-2017	20-Jun-2017	426.5	414.2	420.3
21	07-Jun-2017	13-Jun-2017	400.2	380.0	390.1
22	31-May-2017	06-Jun-2017	381.0	377.6	379.3
23	24-May-2017	30-May-2017	388.5	374.9	381.7
24	17-May-2017	23-May-2017	441.5	400.5	421.0
25	10-May-2017	16-May-2017	441.2	432.4	436.8
26	03-May-2017	09-May-2017	444.6	435.1	439.8
Particulars					INR
Average of weekly high and low of Volume Weighted Average Price (VWAP) of UFO on NSE during 6 months or 26 weeks preceding relevant date					389.0
Average of weekly high and low of Volume Weighted Average Price (VWAP) of UFO quoted on NSE during 2 weeks preceding relevant date					400.1



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Annexure 2 - Summary of Valuation Workings

Valuation Approach	UFO		Resultant Company	
	INR	Weight (%)	INR	Weight (%)
Asset Approach	NA	0%	NA	0%
Market Approach				
Market Price Method	400.1	100%	NA	0%
Comparable Companies Method	NA	-	285.7	50%
Income Approach	NA	-	327.6	50%
Relative Value Per Share*	400.1	100%	306.7	100%

*face value INR 10 per share

NA = Not Adopted / Not Applicable

Share Exchange Ratio

13 (Thirteen) equity shares of UFO (of INR 10/- each fully paid up) for every 17 (Seventeen) diluted equity shares of the Resultant Company (of INR 10/- each fully paid up)



Walker Chandlok & Co LLP

STRICTLY PRIVATE & CONFIDENTIAL

Date: 11 December 2017

To

The Company Secretary
 UFO Moviez India Limited
 Valuable Techno Park
 Plot No. 53/1, Road No. 07
 Marol MIDC, Andheri (East)
 Mumbai 400 093

Walker Chandlok & Co LLP
 16th Floor, Tower B
 Indiabulls Finance Centre
 S B Marg, Elphinstone (W)
 Mumbai 400013
 India

T +91 22 6626 2600
 F +91 22 6626 2601

Sub: Valuation Workings underlying the recommendation of Exchange Ratio for the proposed merger of Resultant Company into UFO Moviez India Limited ("UFO")

Dear Sir,

This refers to the Circular bearing reference No. LIST/COMP/02/2017-18 issued by the BSE Limited ("BSE") and your email dated November 29, 2017 whereby you have requested us to provide the Computation of Fair Exchange Ratio recommended in the Valuation Report dated November 1, 2017 for the proposed merger of the Resultant Company into UFO Moviez India Limited (the "Report"), issued by Walker Chandlok & Co LLP ("We" or "WCC") in the format required by the BSE.

In this regard, the Computation of the Fair Exchange Ratio recommended in the Report has been reproduced in **Annexure 1** to this letter. The Workings enclosed therein are prepared solely for the purpose of submission to BSE Limited and other relevant regulatory authorities as required. The same should be read in conjunction with the Report and the caveats therein. Further, none of its contents may be reproduced or circulated to any person or for any purpose other than as mentioned above without the prior consent of WCC.

Thanking you,

Yours faithfully,

Walker Chandlok & Co LLP
 Chartered Accountants
 ICAI Firm Registration Number:
 0010767/N50013



Riaz Thingna
 Partner
 Membership No: 034864
 Date: 11 December 2017



Chartered Accountants

Offices in Bhopal, Chandigarh, Chennai, Coimbatore, Hyderabad, Kolkata, Lucknow, Mumbai, New Delhi, Raipur and Pune

Walker Chandlok & Co LLP is registered with related authority with identification number AAC-2085 and its registered office at L-41 Connaught Place, New Delhi, 110008, India

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Annexure 1: Workings for arriving at the Exchange Ratio in the Report

Valuation Approach	UFO		Resultant Company	
	Value Per Share (INR)	Weight (%)	Value Per Share (INR)	Weight (%)
Asset Approach	NA ¹	0%	NA ¹	0%
Market Approach				
Market Price Method	400.1	100%	NA ²	0%
Comparable Companies Multiple Method	NA ³	0%	285.7	50%
Income Approach	NA ³	0%	327.6	50%
Relative Value Per Share*	400.1	100%	306.7	100%
Exchange Ratio (rounded off)	13		17	

¹Face value INR 10 per share

NA = Not Adopted / Not Applicable

¹UFO and the Resultant Company are operating companies and this approach is used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria. Therefore, we have not adopted the Asset Approach.

²Equity shares of UFO are listed on the stock exchanges and are frequently traded. Therefore, we have considered the Market Price Method under Market Approach to value UFO whereas Equity shares of the Resultant Company are not listed on any stock exchanges, hence we have considered Comparable Companies Multiple Method under this approach for valuation of Resultant Company.

³We have considered income Approach for valuation of the Resultant Company using the financial projections provided by the Management of Qube, however, the same was not used for UFO as the financial projections were not provided by the management of UFO.

Share Exchange Ratio

13 (Thirteen) equity shares of UFO (of INR 10/- each fully paid up) for every 17 (Seventeen) diluted equity shares of the Resultant Company (of INR 10/- each fully paid up)



VSS & Co
 Chartered Accountants

Date- Dec 1, 2017

TO WHOSOEVER IT MAY CONCERN

Dear Sirs,

With reference to our report dated Oct 31, 2017 on the share entitlement ratio for the proposed demerger of substantial undertaking of M/s Qube Cinema Technologies Pvt. Ltd. (QCTPL) into Qube Digital Cinema Pvt. Ltd. (QDCPL), we state as below.

Computation of Share Entitlement Ratio- Demerger of QCTPL into QDCPL

Valuation Approach*	QCTPL		QDCPL	
	Value per Share	Weight	Value per Share	Weight
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Relative Value per Share	NA		NA	
Exchange Ratio (rounded off)			1:1 equity share	

As part of the Scheme, a substantial part of the business of QCTPL (excluding business arising from Studio DPS Contracts i.e. business carried pursuant to contracts entered into by QCTPL with Hollywood Studios) is being demerged to QDCPL.

It is proposed that upon demerger, all shareholders of QCTPL as reckoned on a fully diluted basis will be issued equity shares in QDCPL in the same proportion as their fully diluted equity shareholding in QCTPL i.e. there will be no change in the proportion of shareholding of any existing shareholders of QCTPL in QDCPL.

Accordingly, the determination of share entitlement ratio in the companies is at best an internal arrangement between the companies and its shareholders and a detailed valuation of the companies to determine the share entitlement ratio would not be relevant in the present case.

In such a scenario, the share entitlement ratio is proposed where shares are distributed to the shareholders proportionately as per their shareholding on a fully diluted basis. Therefore, there is no absolute / relative valuation required for the companies.

Asset Approach, Income Approach & Market Approach: Not Applicable

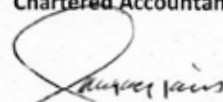
For the reasons mentioned above, an absolute / relative valuation is not required for the companies.



RATIO:

1 equity share of QDCPL of INR 10 each for every 1 equity share held in QCTPL of INR 10 each on fully diluted basis

**For VSS & Co.
Chartered Accountants**


Sanjay Jain
Partner
M No.- 207975



VSS & Co
 Chartered Accountants

Date- Dec 1, 2017

TO WHOSOEVER IT MAY CONCERN

Dear Sirs,

With reference to our report dated Oct 31, 2017 on the share exchange ratio for the proposed amalgamation of M/s Moviebuff Pvt. Ltd. into Qube Digital Cinema Pvt. Ltd., we state as below.

Computation of Fair Share Exchange Ratio- Amalgamation of Moviebuff Pvt. Ltd. (MBPL) into Qube Digital Cinema Pvt. Ltd. (QDCPL)

Valuation Approach	MBPL		QDCPL*	
	Value per Share (Rs.)	Weight	Value per Share (Rs.)	Weight
Asset Approach#	NA	0%	NA	0%
Income Approach	24,060	100%	315	100%
Market Approach##	NA	0%	NA	0%
Relative Value per Share	76.38095		1	
Exchange Ratio (rounded off)			76381:1000	

*Value per share of QDCPL has been arrived at post demerger of substantial undertaking of Qube Cinema Technologies Pvt. Ltd. into QDCPL

Asset Approach:

In our opinion, this valuation approach is mainly used in cases where the firm is to be liquidated i.e. it does not meet the "going concern" criteria. The resultant companies in this case are operating companies and hence the asset approach has not been considered.

Income Approach:

We have used the discounted cash flow (DCF) method for valuation of QDCPL business as the management has represented that the business demerged into QDCPL has been in existence for many years and has historical trends and further that there is a significant growth potential in the future, including those arising out of certain new IP / technology based businesses which are currently in the process of being launched. In our opinion the most appropriate way of capturing the future growth potential is through the DCF method.

It has also been represented to us that the business of MBPL is currently in the pre-commercialisation stage and has significant potential going forward. Taking this into account we have used the DCF approach for valuation of MBPL.



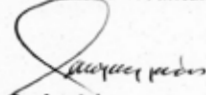
Market Approach:

Equity shares of the companies are not listed on any stock exchanges. Accordingly, the market price methodology could not be used in the present case and therefore, we have not considered market approach.

RATIO:

76,381 (Seventy six thousand three hundred and eighty one) equity shares of Qube Digital Cinema Pvt. Ltd. of INR 10 each for every 1,000 (One thousand) equity shares of Moviebuff Pvt. Ltd of INR 10 each.

For VSS & Co.
Chartered Accountants


Sanjay Jain
Partner
M No.- 207975



Walker Chandio & Co LLP

STRICTLY PRIVATE & CONFIDENTIAL

Date: 1 November 2017

To

Board of Directors
UFO Moviez India Limited
 Valuable Techno Park
 Plot No. 53/1, Road No. 07
 Marol MIDC, Andheri (East)
 Mumbai 400093

Walker Chandio & Co LLP
 16th Floor, Tower B
 VedaBulls Finance Centre
 3 B Marg, Kharweston (W)
 Mumbai 400013
 India

T +91 22 6626 2600
 F +91 22 6626 2601

Sub: Report on Net Asset Valuation of IP Business of UFO Moviez India Limited ("UFO") proposed to be transferred to its wholly owned subsidiary

Dear Sir/ Madam,

We refer to the engagement letter dated 27 October 2017 whereby UFO Moviez India Limited ("UFO" or the "Client") has requested Walker Chandio & Co LLP ("WCC") to undertake Net Asset based valuation of its Intellectual Property Business ("IP Business") as on an agreed upon date ("Valuation Date") for the proposed transfer to its wholly owned subsidiary PJSA Technosoft Private Limited ("U2"), on a slump sale basis ("Proposed Transfer"), pursuant to a Composite Scheme of Arrangement and Amalgamation to be implemented under the provisions of sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (the "Scheme").

In the following paragraphs, we have summarized our valuation analysis together with the description of the methodologies used and limitations on our scope of work.

WCC has been hereafter referred to as 'Valuer' or 'we' or 'us' in this report ('Valuation Report' or 'Report').

SCOPE AND PURPOSE OF THIS REPORT

UFO, founded in 2004, is a digital cinema distribution network and an in-cinema advertising platform. It operates India's largest satellite based, digital cinema distribution network using its UFO-M4 platform, as well as India's largest D-Cinema network. It has 5,390 digital screens in India across 1,422 cities and towns with seating capacity of ~2.2 Mn people per show. For its in-cinema platform, UFO has 4,032 in-cinema advertising screens with an average weekly seating capacity of ~51.6 Mn across 1,416 town and cities in India. UFO is listed on the BSE Limited and National Stock Exchange Limited in India.

U2, incorporated in 2017, will become a wholly owned subsidiary of UFO prior to formulation of the Scheme. Currently U2 does not have any income stream however it is proposed to be engaged in the business of development and commercial exploitation of certain software, technologies and processes.



Chartered Accountants

Offices & Branches: Chennai, Coimbatore, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Thane, Varanasi and New

Walker Chandio & Co LLP is registered with India's leading
 with membership number: MC/2085 and is regulated
 office at 142 Convent Road, New Delhi, 110001, India

Walker Chandio & Co LLP

IP Business referred in this Report would mean **IP Business** as defined in the Scheme and summarized below:

"IP Business" means the divisions, undertakings, businesses, activities and operations of UFO relating to the IP Business. IP Business (as transferred to UFO pursuant to the merger of Demerged Undertaking of Qube Cinemas Technologies Private Limited into UFO). The IP Business is proposed to be transferred to its wholly owned subsidiary U2 on a slump sale basis. The Net Asset Value of the IP Business as of 30 September 2017 is presented below:

Nature of IP	NAV (INR Mn)
Capitalised	
Qube XP DCI hardware & software and Qube XP E-Cinema hardware & software	-
QubeCast, QubeCentral ² , QubeMaster Pro, Xpress & Xport ³ , Transformer ⁴ - Scheduling Software	-
Moviebuff & Moviepass	14.1
ICount hardware and software	4.9
Total Capitalized	19.0
CWIP	
Qube XI Integrated Media Block	49.7
Qube Wire; Qube Wire Desktop Applications; Qube Wire Partner, Festival & Theatre Appliances Software; Wire Safe Appliance & Software ⁵ ; Wire Master ⁶ ; Qube Account	159.1
Cheers, Slydes, html2DCP ¹	2.1
Total CWIP	210.8
Total IP Business	229.8

¹ For internal use only.

² No longer in active development. To be replaced by Qube Wires & Transformer.

³ Minimal development. To be replaced by Wire Master.

⁴ In design phase.

⁵ Under development and released only for internal use.

⁶ Under development, not yet released.

Note: The NAV of Qube Software and Qube Central is zero

We understand that UFO is proposing to transfer the IP Business (as indicated above) to its wholly owned subsidiary U2 pursuant to the Scheme. With regard to the above, the Management of UFO (the "Management") has approached WCC to provide a valuation report using NAV method of valuation as on the Valuation Date.

Since the effective date for the Proposed Transfer is in future, UFO has requested us to provide an interim NAV valuation as at 30 September 2017.

This Report is our deliverable for the above engagement.

This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.



Walker Chandniok & Co LLP

SOURCES OF INFORMATION

In connection with this exercise, we have used the following information received from the Management:

- Management certified statement of extract of Net Asset Values pertaining to the IP Business as on 30 September 2017;
- Draft Composite Scheme of Arrangement and Amalgamation between UFO, Qube, Qube Digital Cinema Pvt. Ltd., R3 and U2 under sections 230 to 232 and other relevant provisions of the Companies Act, 2013;
- Interviews and correspondence with the Management;
- Such other analyses, reviews and enquiries, as we considered relevant.

UFO has been provided with the opportunity to review the draft report as part of our standard practice to make sure that the factual inaccuracies / omissions are avoided in our final report.

SCOPE, LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation recommendations and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

This Report, its contents and the results herein are (i) specific to the purpose of valuation agreed as per the terms of our engagement; (ii) specific to the date of this Report; (iii) based on Management Certified statement of extract of Net Asset Values pertaining to the IP Business as on 30 September 2017. Events occurring after this date may affect this report and the assumptions used in preparing this report, and we do not assume any obligation to update, revise or reaffirm this report.

The recommendation(s) rendered in this Report only represent our recommendation(s) based upon information furnished by UFO (or their executives/ representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). We have no obligation to update this Report.

In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data.

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, the accuracy of information made available to us by UFO. In accordance with our Engagement Letter and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information provided to us. We have not independently investigated or otherwise verified the data provided by UFO. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from UFO, we have been given to understand by the Management of the UFO that they have not omitted any relevant and material factors about the IP Business of UFO. Our conclusions are based on the assumptions and information given by / on behalf of UFO and reliance on public information. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis / results. Accordingly, we assume no responsibility for any errors in the information furnished by UFO and their impact on the Report. Nothing has come to



Walker Chandio & Co LLP

our attention to indicate that the information provided was materially mis-stated / incorrect or would not afford reasonable grounds upon which to base the Report.

The Report assumes that UFO, comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that UFO will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Valuation Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the statement of extract of Net Asset Values pertaining to the IP Business as on 30 September 2017. Our conclusion of value assumes that the NAV of IP, as reflected in statement of extract provided to us remain intact as of the Report date.

We are not advisors with respect to legal, tax and regulatory matters for the Proposed Transfer. This Report does not look into the business / commercial reasons behind the Proposed Transfer nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the proposed merger as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

No investigation of the UFO's claim to title of assets has been made for the purpose of this Report and the UFO's claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

We have no present or planned future interest in UFO and U2. The fee for this Report is not contingent upon the results reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability of the Proposed Transfer.

We owe responsibility to only the Board of Directors of the UFO that has appointed us under the terms of our engagement letter and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other advisor to UFO. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the UFO, their directors, employees or agents. Unless specifically agreed, in no circumstances shall the liability of Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this Report shall exceed the amount paid to such Valuer in respect of the fees charged by it for these services.

We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion on the valuation of IP Business of UFO proposed to be transferred to U2. This Report is not a substitute for the third party's own due diligence / appraisal / enquiries / independent advice that the third party should undertake for his purpose.

This Valuation Report is subject to the laws of India.

Neither the Valuation Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme, without our prior written consent except for disclosures to be made to relevant regulatory authorities including stock exchanges and SEBI. The report does not constitute a recommendation to any shareholder / creditor on how they should vote in any meetings. The report also does not evaluate fairness from the creditor's perspective.



Chartered Accountants

Walker Chandiok & Co LLP

We express no opinion or recommendation as to how the shareholders of UFO / U2 should vote at any shareholders' meeting(s) to be held in connection with the proposed transaction.

VALUATION SUMMARY

As discussed earlier, the Management has approached WCC to provide a valuation report using NAV method of valuation as on the Valuation Date. Hence we have considered the same to estimate the value of IP Business and have not considered any other valuation methods. The Management of UFO has further indicated that since U2 is a wholly owned subsidiary of UFO, the ultimate shareholders of U2, would effectively remain the same as that of UFO. Thus, we understand that the interest of the shareholders of UFO will effectively remain unchanged and therefore from that perspective would not be prejudicially affected.

NAV method has been applied by us based on Management certified statement of extract of Net Asset Values pertaining to the IP Business as on 30 September 2017.

The Valuation summary of IP Business is presented below:

Nature of IP	NAV (INR Mn)
Capitalised	
Qube XP DCI hardware & software and Qube XP E-Cinema hardware & software	—
QubeCast; QubeCentral; QubeMaster Pro; Xpress & Xport; Transformer - Scheduling Software	—
Moviebuff & Moviepass	14.1
iCount hardware and software	4.9
Total Capitalized	19.0
CWIP	
Qube Xi Integrated Media Block	49.7
Qube Wire; Qube Wire Desktop Applications; Qube Wire Partner; Festival & Theatre Appliances Software; Wire Safe Appliance & Software; Wire Master; Qube Account	159.1
Cheers, Slides, html2DGP	2.1
Total CWIP	210.8
Total IP Business	229.8

Note: As informed to us by the management there are no business related liabilities or contingent liabilities pertaining to the business, legal and employee related matters, etc. We further understand from the management that the IPs classified as CWIP are under development stage and not commercially utilized as on the date of valuation.

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Walker Chandio & Co LLP

CONCLUSION

Based on the Scope and Limitation of our work, Sources of Information, valuation methodology, the Net Asset Value of the IP Business as at 30 September 2017 is INR 229.8 Million (INR Two Hundred and Twenty Nine Million Eight Hundred Thousand only)

Respectfully submitted,

Walker Chandio & Co LLP
Chartered Accountants
ICAI Firm Registration Number:
001076N/N500013



Riaz Thingna
Partner
Membership No: 034864
Date: 1 November 2017



**CONFIDENTIAL**

November 1, 2017

The Board of Directors
 UFO Moviez India Ltd.
 Valuable Techno Park,
 Plot No. 53/1, Road No. 7,
 MIDC, Marol,
 Andheri (E), Mumbai 400 093

Dear Members of the Board:

UFO Moviez India Ltd ("UFO" or "Company"), founded in 2004, is a digital cinema distribution network and an in-cinema advertising platform. UFO is listed on the Bombay Stock Exchange Limited and National Stock Exchange Limited in India.

I. Engagement Background

We understand that the Board of Directors of UFO Moviez India Ltd, ("UFO" or "Company"), and Qube Cinema Technologies Pvt. Ltd ("Qube") are contemplating a transaction pursuant to a Composite Scheme of Arrangement and Amalgamation ("Scheme") wherein the following steps are being proposed:

Step 1:

Qube to de-merge its business (except certain identified contracts with overseas studios) into a separate company Qube Digital Cinema Private Limited ("Qube Digital"), and Qube Digital to issue its equity shares in consideration to the shareholders of Qube in the same proportion as held by them in Qube.

Step 2:

Moviebuff Private Limited ("Moviebuff") to be merged into Qube Digital to form a combined entity hereinafter for the purpose of this Opinion referred to as the "Qube Digital (Combined Entity)". As a consideration for the merger of Moviebuff into Qube Digital, the Qube Digital (Combined Entity) will issue equity shares to the shareholders of Moviebuff. Post this transaction, specific non-promoter shareholders of Qube, who no longer wish to participate in the demerged business of Qube (as mentioned in Step 1), will sell their holding in Qube Digital (Combined Entity) to Unicorn and certain new investors.

Step 3:

Subsequent to Step 2, Qube Digital (Combined Entity) shall be merged with UFO ("Proposed Merger").

1

Axis Capital Limited (Erstwhile "Axis Securities and Sales Limited")

SEBI Merchant Banker Regn No.:MB/INM000012029 Member Of: BSE Ltd. & National Stock Exchange of India Ltd., Mumbai.
 CIN No. U51900MH2005PLC157853
 Regd. Office: Axis House, 8th Floor, Wadia International Centre, P. B. Marg, Worli, Mumbai – 400 025 &
 Corp. Office: Axis House, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai – 400 025.
 Tel: (022) 4335 1100 Fax: (022) 4335 3000 Website: www.axiscapital.co.in





Step 4:

Subsequent to the Proposed Merger of Qube Digital (Combined Entity) into UFO, the IP business (as defined in the Draft Scheme Document defined hereinafter and as transferred to UFO pursuant to Step I to Step III above) will be transferred through a slump sale into a separate company PJSA Technosoft Private Limited ("PJSA"), a wholly owned subsidiary of UFO.

The proposed steps are to be carried out pursuant to a Composite Scheme of Arrangement and Amalgamation under the relevant sections of the Companies Act, 2013, as may be applicable.

We understand from the management of UFO that pursuant to the Proposed Merger of Qube Digital (Combined Entity) into UFO, the shareholders of the Qube Digital (Combined Entity) will be issued equity shares in UFO as a consideration for their shareholding in Qube Digital (Combined Entity). The terms and conditions of the Proposed Merger are more fully set out in draft scheme document shared with us on October 18, 2017 ("Draft Scheme Document"), the final version of which will be filed by the aforementioned companies with the appropriate authorities.

We further understand that the Share Swap Ratio (as defined below) on the Proposed Merger between UFO and Qube Digital (Combined Entity) has been arrived at based on the valuation report dated November 1, 2017 prepared by Walker Chandio & Co. LLP (the "Valuer"), who had been jointly appointed for this exercise by UFO and Qube.

Based on our perusal of the valuation report dated November 1, 2017 and the Draft Scheme Document, including any assumptions and caveats mentioned therein, we understand that for the Proposed Merger pursuant to the Scheme, for every 17 (seventeen) fully paid up equity shares of the face value of Rs 10 each held by the shareholders of Qube Digital (Combined Entity) as on record date, UFO shall issue and allot 13 (thirteen) fully paid equity shares of the face value of Rs 10 each (hereinafter referred to as "Share Swap Ratio")

In connection with the aforesaid, you requested our opinion ("Opinion") as per the Engagement Letter dated October 18, 2018, as of the date hereof, as to the fairness of the Share Swap Ratio, of the Proposed Merger, as proposed by the Valuer, from a financial point of view, to the shareholders of UFO.





II. Basis of Opinion

The Rationale for the Scheme as shared with us by the Company's management is based on inter-alia the following benefits:

- UFO and Qube Digital (Combined Entity) are engaged in a similar line of business and a merger of the two will result in consolidation of businesses of the relevant companies resulting in expansion of such companies' business and creation of greater value for their respective shareholders;
- UFO currently uses MPEG4 technology for delivery of content into theatres whereas Qube Digital (Combined Entity) uses MPEG2 technology and has also developed its own DCI compliant servers. The merged entity will thus be in a position to offer its clients a more comprehensive range of offerings;
- While Qube Digital (Combined Entity) has a strong presence in Southern India, UFO is stronger in Northern India with a reasonable presence in South India. The Proposed Merger will facilitate an all India presence for the merged entity.
- Synergies in operational processes leading to economies of scale, creation of efficiencies and optimisation of operational and administrative aspects; etc

A brief history of each of the aforesaid companies is as under –

UFO Moviez India Ltd, founded in 2004, is a digital cinema distribution network and an in-cinema advertising platform. It operates India's largest satellite based, digital cinema distribution network using its UFO-M4 platform, as well as India's largest D-Cinema network. It has 5,390 digital screens in India across 1,422 cities and towns with seating capacity of ~2.2 mn capacity per show. For its in-cinema platform, UFO has 4,032 in-cinema advertising screens with an average weekly seating capacity of ~51.6 Mn across 1,416 town and cities across India. UFO is listed on the BSE Limited and National Stock Exchange Limited in India.

Qube Cinema Technologies Private Limited, founded in 1986, has over 30 years of experience in film, video and audio technology. It is headquartered in Chennai and has the capacity to master over 40 films/ week. It is headquartered in Chennai and has offices across Mumbai, New Delhi, Hyderabad, Bengaluru, Cochin, Kolkata, California and Dubai. Its businesses comprise of technology marketing and end-to-end digital cinema.





Qube Digital Cinema Private Limited is a private limited company having its registered office at 42 Dr. Ranga Road, Mylapore, Chennai 600 004. Qube Digital will be engaged in the same business as that of Qube [providing technology in film, video and audio, including digital cinema distribution, editing, production and sound].

Moviebuff Private Limited is a company owned by the promoters of Qube. It holds various IPs and patents for the Qube group.

PJSA Technosoft Private Limited is a private limited company having its registered office at 2602, Wing C, Oberoi Splendor, JVLR, Andheri East, Mumbai 400 060 .

The key features of the Scheme provided to us through Draft Scheme Document are as under:

1. Qube to de-merge its business (a significant part of its operations except certain identified contracts with overseas studios) into Qube Digital (defined above). As consideration for the demerger, Qube Digital will issue equity shares to all the shareholders of Qube.
2. Thereafter, Moviebuff (defined above) will be merged into Qube Digital to form Qube Digital (Combined Entity). As consideration of the merger, Qube Digital will issue equity shares to all the shareholders of Moviebuff.
3. Subsequently, UFO and another interested entity ("New Investor") shall acquire 53.20% stake in Qube Digital (Combined Entity) from non-promoter shareholders of Qube Digital (Combined Entity) who would have received such shares in Qube Digital pursuant to the demerger of Qube into Qube Digital and who no longer wish to participate in the demerged business of Qube.
4. Qube Digital (Combined Entity) shall merge with UFO and the shareholders of Qube Digital (Combined Entity) would be issued equity shares of UFO pursuant to Proposed Merger.
5. Pursuant to completion of the Proposed Merger, UFO will transfer IPbusiness (as transferred to UFO pursuant to the merger of Qube Digital into UFO) through a slump sale to its wholly owned subsidiary i.e. PJSA

We have relied upon the Draft Scheme Document and taken the abovementioned key features of the Scheme (together with the other facts and assumptions set forth in section III of this Opinion) into account while determining the meaning of "fairness", from a financial point of view, for the purposes of this Opinion.





III. Limitation of Scope and Review

Our Opinion and analysis is limited to the extent of review of documents as provided to us by UFO and Qube including the valuation report prepared by the Valuer and the Draft Scheme Document.

In connection with this Opinion, we have:

- (i) Reviewed the Draft Scheme Document and the valuation report dated November 1, 2017.
- (ii) reviewed certain publicly available historical and operational information with respect to the Company available in its respective annual & interim reports and company presentations;
- (iii) The provisional historical carved out financial statements of the Qube Digital (Combined Entity) for the period FY15, FY16, FY17 and April – Aug FY18;
- (iv) The financial projections of the Qube Digital (Combined Entity) for the period Sep-Mar FY 18 to FY 22 and management information as provided to us by the management of Qube.
- (v) The audited historical annual reports of Qube for the period FY15, FY16 and FY17
- (vi) Considered publicly available research on the Company as available with us as at the date hereof;
- (vii) held discussions with the Valuer, in relation to the approach taken to valuation and the details of the various methodologies utilised by them in preparing the valuation report and recommendations;
- (viii) sought various clarifications with the respective senior management teams of the relevant companies;
- (ix) reviewed historical stock prices and trading volumes of the Company's shares on NSE
- (x) reviewed certain publicly available information with respect to certain other companies in same line of business and which we believe to be generally relevant in the context of the businesses of the Company and Qube; and
- (xi) performed such other financial analysis and considered such other information and factors as we deemed appropriate.

We have assumed and relied upon the accuracy and completeness of all information and documents provided to us data publicly available or otherwise reviewed by or discussed with us. We have relied upon the individual Companies assurances that it is not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect.





We have not carried out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the Company, Qube, Moviebuff, Qube Digital (Combined Entity) and / or their respective subsidiaries/affiliates. In particular, we do not express any opinion as to the value of any asset of the Company, Qube, Moviebuff, Qube Digital (Combined Entity) and / or their respective subsidiaries/affiliates, whether at current prices or in the future. No investigation of the respective company's claim to title of assets has been made for the purpose of the exercise and the companies' claim to such rights has been assumed to be fully valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility whatsoever is assumed for matters of a legal nature. Further, we have not evaluated the solvency or fair value of the Company, Qube, Moviebuff or Qube Digital (Combined Entity) under any law relating to bankruptcy, insolvency or similar matter.

One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. Moreover, in this case where shares of the Company are being issued as consideration to the shareholders of Qube Digital (Combined Entity), it is not the absolute valuation that is important for framing an opinion but the relative valuation of the Company vis-à-vis shares of Qube Digital (Combined Entity).

We have assumed, with the Company's consent, that the Scheme will be in compliance with all applicable laws and other requirements and will be implemented on the terms described in the Draft Scheme Document, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the Scheme, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the Company, Qube, Moviebuff, Qube Digital (Combined Entity) and / or its relevant subsidiaries/affiliates and their respective shareholders. We have assumed, at the directions of the Company that the final Scheme will not differ in any material respect from the Draft Scheme Document. We understand from the Company's management that the Scheme will be given effect to in totality and not in parts.

We express no view or opinion as to any terms or other aspects of the Scheme (other than the Share Swap Ratio to the Proposed Merger to the extent expressly specified herein) including, without limitation, the form or structure of the Scheme. We were not requested to, and we did not, participate in the negotiations of the Scheme. Our Opinion is limited to the fairness, from a financial point of view, to the Company of Share Swap Ratio for the Proposed Merger and not for any terms or other aspects of the Scheme. Our analysis relates to the relative values of UFO and Qube Digital (Combined Entity). We express no opinion



or view with respect to the financial implications of the Proposed Merger for any stakeholders, including creditors of the Company.

We express no view as to, and our Opinion does not address, the underlying business decision of the Company to effect the Scheme, the relative merits of the Scheme as compared to any other alternative business strategy, the effect of the Scheme on the Company or its affiliates, including, without limitation, possible implications on ownership structure, listing format, capital structure or trading price of the Company's shares post completion of the Scheme. The Company remains solely responsible for the commercial assumptions on the basis of which it agrees to proceed with the Scheme. Our Opinion is necessarily based only upon information as referred to in this letter.

We do not express any Opinion as to any tax or other consequences that might arise from the Scheme on the Company, Qube, Moviebuff, Qube Digital (Combined Entity) and / or their subsidiaries/affiliates, and their respective shareholders, nor does our Opinion address any legal, tax, regulatory (including all SEBI regulations) or accounting matters, as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, governmental investigation or other contingent liabilities to which the Company, Qube, Moviebuff, Qube Digital (Combined Entity) and / or their subsidiaries/affiliates, are or may be a party.

Our Opinion is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect this Opinion and we assume no responsibility for updating or revising our Opinion based on circumstances or events occurring after the date hereof. Our Opinion is specific to the Proposed Merger of Qube Digital (Combined Entity) into UFOas contemplated in the Draft Scheme Document provided to us and is not valid for any other purpose. It is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

Our Opinion also does not address any matters otherwise than as expressly stated herein, including but not limited to matters such as corporate governance, shareholders rights or any other equitable considerations. We have also not opined on the fairness of any terms and conditions of the Scheme other than the fairness, from a financial point of view, of the Share Swap Ratio of the Proposed Merger.





We have in the past provided, and may currently or in the future provide, investment banking services to the Company, Qube and/or their subsidiaries or their respective affiliates that are unrelated to the proposed Scheme, for which services we have received or may receive customary fees. Our engagement as a fairness opinion provider is independent of our other business relationships, which we may have with the Company, Qube and/or their subsidiaries or their respective affiliates. In addition, in the ordinary course of their respective businesses, affiliates of Axis Capital Ltd. may invest in securities of the Company and / or its subsidiaries or group companies or for their own accounts and for the accounts of their customers subject to compliance of SEBI (Prohibition of Insider Trading) Regulations and, accordingly, may at any time hold a position in such securities. Our engagement and the Opinion expressed herein are solely for the benefit of the Board of Directors of the Company (in its capacity as such) in connection with its consideration of the Proposed Merger and for none other. Delivery of our Opinion does not create any fiduciary, equitable or contractual duties on Axis Capital Ltd. (including, without limitation, any duty of trust or confidence). Further, our Opinion is being provided only for the limited purpose of complying with the SEBI regulations and the requirement of the stock exchanges on which the Company is listed, and for no other purpose. Neither Axis Capital Ltd., nor its affiliates, partners, directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the information and documents provided to us, based on which the Opinion has been issued. All such parties and entities expressly disclaim any and all liability for, or based on or relating to any such information contained therein.

The Company has been provided with the opportunity to review the draft Opinion as part of our standard practice to make sure that factual inaccuracy / omissions are avoided in our final Opinion.

The fee for our services is not contingent upon the results of the proposed Scheme. This document is subject to the laws of India.

Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme or any matter related thereto.

A handwritten signature in black ink is placed over a circular stamp. The stamp contains the text 'AXIS CAPITAL LIMITED' around the top edge, 'MUMBAI' in the center, and a small star at the bottom.



IV. Conclusion


Based on and subject to the foregoing, we are of the opinion that, as of the date hereof, the Share Swap Ratio is fair to the shareholders of UFO from a financial point of view.

Very truly yours,

For Axis Capital Ltd.


Deepak Sharma
Managing Director
Investment Banking





DCS/AMAL/AC/R37/1059/2017-18 March 07, 2018

The Company Secretary
 UFO Moviez India Ltd
 Plot No. 53/1, Valuable Techno Park,
 Road No. 7, Marol MIDC, Andheri (East),
 Mumbai, Maharashtra, 400093.

Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement and amalgamation between UFO Moviez India Limited, Qube Cinema Technologies Private Limited, Qube Digital Cinema Private Limited, Moviebuff Private Limited and PJSA Technosoft Private Limited.

We are in receipt of Draft Scheme of Arrangement and amalgamation between UFO Moviez India Limited, Qube Cinema Technologies Private Limited, Qube Digital Cinema Private Limited, Moviebuff Private Limited and PJSA Technosoft Private Limited and their respective shareholders and Creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated March 06, 2018, has inter alia given the following comment(s) on the draft scheme of arrangement:


- "Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company."
- "Company shall duly comply with various provisions of the Circulars."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT. Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

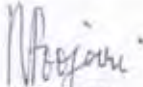


BSE Limited (Formerly Bombay Stock Exchange Ltd.)
 Registered Office : Floor 25, P J Towers, Dalal Street, Mumbai 400001 / India
 T: +91 22 2272 1234/33 | E: corp.com@bseindia.com | www.bseindia.com
 Corporate Identity Number : U33712MH4332011 C1300004



The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities. Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,


Nitin Pujari
Sr. Manager



BSE Limited (Formerly Bombay Stock Exchange Ltd.)
Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai 400 001, India
T: +91 22 2272 1234/33 | E: corp.com@bseindia.com | www.bseindia.com
Corporate Identity Number: E6712019130021 C333188



Ref: NSE/LIST/39421

March 07, 2018

The Company Secretary
UFO Moviez India Limited
Valuable Techno Park,
Plot #53/1, Road #7,
MIDC, Marol, Andheri (E),
Mumbai 400093

Kind Attn.: Mr. Sameer Chavan

Dear Sir,

Sub: Observation letter for Composite Scheme of Arrangement and Amalgamation between UFO Moviez India Limited, Qube Cinema Technologies Private Limited, Qube Digital Cinema Private Limited, Moviebuff Private Limited and PJSA Technosoft Private Limited and their respective shareholders and creditors

We are in receipt of the Composite Scheme of Arrangement and Amalgamation between UFO Moviez India Limited, Qube Cinema Technologies Private Limited, Qube Digital Cinema Private Limited, Moviebuff Private Limited and PJSA Technosoft Private Limited and their respective shareholders and creditors vide application dated November 24, 2017.

Based on our letter reference no Ref: NSE/LIST/14181 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), SEBI vide letter dated March 06, 2018, has given following comments:

- a. *The Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, from the receipt of this letter is displayed on the website of the listed company.*
- b. *The Company shall duly comply with various provisions of the Circulars.*
- c. *The Company is advised that the observations of SEBI/ Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*
- d. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.



Continuation Sheet

The validity of this "Observation Letter" shall be six months from March 07, 2018, within which the scheme shall be submitted to NCLT.

Yours faithfully,
For **National Stock Exchange of India Limited**

Kautuk Upadhyay
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm



Date: 6th January, 2018

The General Manager,
 Department of Corporate Services,
 BSE Limited
 P.J. Towers, Dalal Street,
 Mumbai – 400 001

BSE Scrip Code: 539141

Kind Attention: Ms. Arpi Chheda, Assistant Manager Listing Operations

Dear Ma'am

Sub.: Submission of Complaints Report with respect to application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for 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.

This is with reference to the Application/ Case No. 70315 ("Application") placed on the website of the BSE Limited on 15th December, 2017 with respect to 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 ("Scheme").

In this regard, we are enclosing Complaints Report indicating Nil Complaints pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

We request you to take the same on record and provide us the in-principle approval/No Objection Letter for the abovementioned Scheme.

Thanking You,

For UFO Moviez India Limited



Sameer Chavan
Company Secretary & Compliance Officer

Encl: a/a

UFO MOVIEZ INDIA LIMITED

Registered & Corporate Office : Valuable Techno Park, Plot # 53/1, Road # 07, Marol MIDC, Andheri (E), Mumbai - 400 093. Tel: +91 022 4030 5000; Fax: +91 022 4030 5110/1
 Corporate Identity Number: L22120MH2004PLC285452 + Email: corporate@ufomoviez.com + Website: www.ufomoviez.com



REPORT ON COMPLAINTS

PART-A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges / SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

PART-B

Sr. No.	Name of Complainant	Date of Complaint	Status (Resolved/pending)
Not Applicable			

← *Signature* →

UFO MOVIEZ INDIA LIMITED

Registered & Corporate Office : Valuable Techno Park, Plot # 53/1, Road # 07, Marol MIDC, Andheri (E), Mumbai - 400 093; Tel: +91 022 4830 5000; Fax: +91 022 4030 5110/1
 Corporate Identity Number: L22120MH2004PLC285453 • Email: corporate@ufomoviez.com • Website: www.ufomoviez.com



Date: 11th January, 2018

Listing Compliance Department
 National Stock Exchange of India Limited
 'Exchange Plaza', C-1, Block G,
 Bandra Kurla Complex, Bandra (E),
 Mumbai - 400 051

NSE Symbol: UFO

Kind Attn: Ms. Ekta Shah, Asst. Manager

Dear Ma'am

Sub.: Submission of Complaints Report with respect to application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for 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.

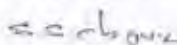
This is with reference to the Application No. 14181 ("Application") placed on the website of the National Stock Exchange of India Limited on 20th December, 2017 with respect to Composite Scheme of Arrangement and Amalgamation between UFO Moviez India Limited and Qube Cinema Technologies Private Limited 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 ("Scheme").

In this regard, we are enclosing Complaints Report indicating Nil Complaints pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

We request you to take the same on record and provide us the in-principle approval/No Objection Letter for the abovementioned Scheme.

Thanking You,

For UFO Moviez India Limited



Sameer Chavan
Company Secretary & Compliance Officer

Encl: a/a

UFO MOVIEZ INDIA LIMITED

Registered & Corporate Office : Valuable Techno Park, Plot # 53/1, Road # 07, Marol MIDC, Andheri (E), Mumbai - 400 093. Tel: +91 022 4030 5060, Fax: +91 022 4030 5910/7
 Corporate Identity Number: L22120MH2004PLC205483 • Email: corporate@ufomoviez.com • Website: www.ufomoviez.com



REPORT ON COMPLAINTS

Period of Complaints Report: From 20th December, 2017 to 10th January, 2018.

PART-A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges / SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

PART-B

Sr. No.	Name of Complainant	Date of Complaint	Status (Resolved/pending)
Not Applicable			

S. S. Chandra



UFO MOVIEZ INDIA LIMITED

S.R. BATLIBOI & ASSOCIATES LLP
 Chartered Accountants

Chartered Accountants
 208, Senapati Bapat Marg
 Upper Ground Floor
 Mumbai - 400 006, India
 Tel: (022) 24 8862 1000
 Fax: (022) 24 8862 1000

Limited Review Report – Standalone Financial Results

**Review Report to
 The Board of Directors
 UFO Moviez India Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of UFO Moviez India Limited ('the Company') for the quarter ended December 31, 2017 and year to date from April 01, 2017 to December 31, 2017 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied in financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
 Chartered Accountants
 ICAI Firm registration number: 101049W/E300004


 per Amit Majmudar
 Partner
 Membership No.: 36656

Mumbai
 Date: February 12, 2018



S.R. BATLIBOI & ASSOCIATES LLP
 Chartered Accountants

14th Floor, The Ruby,
 29 Senapati Bapat Marg
 Opera House (West),
 Mumbai-400 035, India.
 Tel : +91 22 6192 0000
 Fax : +91 22 6192 1000

Limited Review Report – Consolidated Financial Results

**Review Report to
 The Board of Directors
 UFO Moviez India Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of UFO Group comprising UFO Moviez India Limited ('the Company') comprising its subsidiaries and associates (together, 'the Group'), for the quarter ended December 31, 2017 and year to date from April 01, 2017 to December 31, 2017 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410: "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We did not review the financial statements and other financial information, in respect of three subsidiaries, whose financial statements include total assets of Rs 9,972.22 lakhs and net assets of Rs (31.13) lakhs as at December 31, 2017 and total revenues of Rs 1,774.27 lakhs and Rs 7,444.55 lakhs for the quarter and the period ended on that date. These financial statements and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management.
5. We did not review the financial statements and other financial information, in respect of nine subsidiaries, whose financial statements include total assets of Rs 8,644.79 lakhs, net assets of Rs 7,882.44 lakhs as at December 31, 2017, and total revenues of Rs NIL and Rs 0.82 lakhs for the quarter and nine months ended December 31, 2017, respectively. These financial statements and other financial information are based on management certified accounts provided to us. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs 239.66 lakhs and Rs 504.22 lakhs for the quarter and nine months ended December 31, 2017 respectively, as considered in the consolidated Ind AS financial statements, in respect of five associates, whose financial results and other financial information have been furnished to us by the Management. Our conclusion, in so far as it relates to the affairs of such subsidiaries and associates is based solely on these accounts.

Certain subsidiaries and associates are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and associates located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries and associates located



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Page 2 of 2

UFO Moviez India Limited

Limited Review Report - December 2017

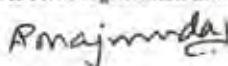
outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and reviewed by us

6. Based on our review conducted as above and based on the consideration of the reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of subsidiaries and associates, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Amit Majmudar

Partner

Membership Number: 36636

Place: Mumbai

Date: February 12, 2017



UFO MOVIEZ INDIA LIMITED

STATEMENT OF STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND 9 MONTHS PERIOD ENDED 31 DECEMBER, 2017

(Rs. in Lakhs)

Sr. No.	Particulars	Standalone						Consolidated					
		Quarter ended			9 months period ended			Quarter ended			9 months period ended		
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17	31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Income from operations												
	Net sales / income from operations	9,749	9,140	9,448	28,629	29,134	38,734	13,905	13,988	15,019	43,303	44,430	59,895
	Other income	82	13	18	147	60	87	117	13	1	190	101	170
	Total income from operations (net)	9,831	9,153	9,466	28,776	29,194	38,821	14,022	14,001	15,020	43,493	44,531	60,065
2	Expenses												
	(a) Operating direct costs												
	- Cost of consumables and spares consumed	69	63	67	220	225	302	46	79	97	237	287	389
	- Purchases of digital cinema equipment and lamps	558	640	433	1,671	1,447	1,756	1,274	1,678	1,408	5,426	4,411	6,757
	- Changes in inventories	84	(91)	44	57	(7)	124	83	(91)	159	277	(133)	(167)
	- Advertisement revenue share	1,745	1,552	1,597	5,185	5,047	6,616	1,744	1,555	1,290	4,809	3,914	5,158
	- Virtual print fees sharing	267	369	116	875	641	849	1,277	1,532	1,755	4,196	5,629	7,272
	- Other operating direct cost	936	810	742	2,583	2,227	3,057	1,446	1,404	1,368	4,294	4,129	5,340
	(b) Employee benefits expense	1,738	1,556	1,865	4,940	4,891	6,541	2,147	1,947	2,309	6,135	6,100	8,112
	(c) Other expenses	1,914	1,637	1,739	5,188	5,028	6,596	2,338	2,120	2,207	6,589	6,466	8,515
	Total expenses	7,311	6,536	6,603	20,719	19,499	25,841	10,355	10,224	10,593	31,963	30,803	41,376
3	Earnings before interest,tax,depreciation and amortisation (EBITDA) (1-2)	2,520	2,617	2,863	8,057	9,695	12,980	3,667	3,777	4,427	11,530	13,728	18,689
4	Depreciation and amortisation expense	(1,509)	(1,574)	(1,540)	(4,641)	(4,603)	(6,149)	(2,000)	(2,036)	(2,106)	(6,088)	(7,083)	(9,161)
5	Finance cost	(168)	(161)	(193)	(495)	(625)	(802)	(241)	(243)	(338)	(747)	(1,073)	(1,372)
6	Finance income	36	3,163	68	3,311	1,602	1,662	121	188	165	541	632	800
7	Profit before tax and share of profit from associates	879	4,045	1,198	6,232	6,069	7,691	1,547	1,686	2,148	5,236	6,204	8,956
8	Share of profit of associates (net of taxes)	-	-	-	-	-	-	240	154	118	504	461	678
9	Profit before tax and after share of profit from associates	879	4,045	1,198	6,232	6,069	7,691	1,787	1,840	2,266	5,740	6,665	9,634
10	Tax expense												
	- Current tax	454	546	570	1,615	2,183	2,825	777	1,578	947	3,112	3,331	4,335
	- Deferred tax	(137)	(199)	(152)	(507)	(496)	(571)	(126)	(758)	(56)	(932)	(702)	(714)
	Total tax expense	317	347	418	1,108	1,687	2,254	651	820	891	2,180	2,629	3,621
11	Profit for the period (9 - 10)	562	3,698	780	5,124	4,382	5,437	1,136	1,020	1,375	3,560	4,036	6,013
12	Other Comprehensive income (OCI)												
	A (i) Items that will not be reclassified to profit or loss	(6)	(6)	6	(19)	18	(63)	(5)	(6)	6	(16)	17	(68)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	2	2	(2)	6	(6)	22	2	2	(2)	6	(6)	23
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-	(74)	5	99	(73)	130	(118)
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
13	Total Comprehensive Income for the period	558	3,694	784	5,111	4,394	5,396	1,059	1,021	1,478	3,477	4,177	5,850
14	Net Profit attributable to												
	a) Equity shareholders of the company							1,199	1,126	1,367	3,699	4,115	6,051
	b) Non-controlling interest							(63)	(106)	8	(139)	(79)	(39)
15	Other comprehensive income attributable to												
	a) Equity shareholders of the company							(77)	1	94	(84)	130	(152)
	b) Non-controlling interest							-	0	9	1	11	(10)
16	Total Comprehensive Income for the period attributable to												
	a) Equity shareholders of the company							1,122	1,127	1,461	3,615	4,245	5,899
	b) Non-controlling interest							(63)	(106)	17	(138)	(68)	(49)
17	Paid-up equity share capital (Face Value of Rs. 10 each)	2,835	2,760	2,760	2,835	2,760	2,760	2,835	2,760	2,760	2,835	2,760	2,760
18	Earnings per share of Rs. 10/- each (for the quarters, not annualised):												
	(a) Basic	2.02	13.41	2.83	18.53	15.89	19.71	4.32	4.09	4.95	13.38	14.92	21.93
	(b) Diluted	2.02	13.41	2.82	18.52	15.88	19.70	4.31	4.09	4.95	13.37	14.91	21.93

NOTES:

1. The above standalone and consolidated results of UFO Moviez India Limited ('the Company') and its subsidiaries, associates (collectively referred to as 'the Group') have been reviewed by Audit Committee and taken on record at the Meeting of the Board of Directors held on February 12, 2018.

Statutory auditors have carried out Limited Review on the standalone and consolidated financial results for the quarter and nine months period ended December 31, 2017.

Pursuant to notification issued by Ministry of Corporate Affairs dated, February 16, 2016 notifying the Companies (Indian Accounting Standards) Rules, 2015, the Company has adopted Indian Accounting Standards ("Ind AS") applying a transition date of April 1, 2016. Accordingly, the results for the quarter and nine months period ended December 31, 2017 are in compliance with the recognition and measurement principles of Ind AS (prescribed under Section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016). Based on the SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016, the Company has opted to present the results for the comparative periods, being the quarter and nine months period ended December 31, 2016 and the year ended March 31, 2017, restated under Ind AS to make them comparable.

2. On September 1, 2017, the Company entered into a share purchase and shareholder's agreement to acquire 76% equity stake of Sujav Entertainment Private Limited (SEPL) from the existing equity shareholder(s) of SEPL at a total consideration of Rs. 75 Lakhs. SEPL is in the business of online ticketing with online web platform, namely www.fastticket.in. Subsequent to this, the Company has issued a notice to all concerned parties for termination of the said agreement.
3. On November 1, 2017, the Board of Directors have approved the purchase of 10,000 equity shares (i.e. 100% stake) in PJSA Technosoft Private Limited (PJSA), from the existing equity shareholders of PJSA at a total consideration of Rs. 1 Lakh. PJSA is in the business of Information Technology (IT) and IT enabled services. The acquisition is being made for carrying out Company's IP related businesses going forward.
4. On November 1, 2017, the Board of Directors of the Company approved the composite scheme of arrangement and amalgamation between UFO and Qube Cinema Technologies Private Limited ("QCTPL"); Qube Digital Cinema Private Limited ("QDCPL"); Moviebuff Private Limited ("MPL") and PJSA and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (the "Act") which inter alia provides for:
 - (i) Demerger of the entire business of the QCTPL except businesses that are not synergic or have limited growth potential ("Demerged Business") into QDCPL on a going concern basis and the issuance of equity shares by QDCPL to the shareholders of QCTPL ("Demerger");
 - (ii) Amalgamation of MPL into QDCPL and the issuance of equity shares by QDCPL to the shareholders of MPL and consequent dissolution of MPL without winding up ("MPL Merger");
 - (iii) Upon giving effect to Demerger and MPL Merger and upon issuance of shares of QDCPL to shareholders of QCTPL and MPL, the Company and India Advantage Fund S4 I, a fund managed by ICICI Venture Funds Management Company Limited ("Investor") to purchase an aggregate of 53.20% of the share capital of QDCPL from certain non-promoter shareholders of QCTPL, who no longer wish to participate in the Demerged Business of QCTPL ("Sellers") in the following proportion, at a price of Rs. 302.647 per share ("Transfer of Sale shares"):
 - (a) The Company proposes to purchase 38,75,531 equity shares in QCTPL from the Sellers for an aggregate consideration of Rs. 117.29 Crores and
 - (b) The Investor proposed to purchase 71,03,984 equity shares in QCTPL from the Sellers for an aggregate consideration of Rs. 214.99 Crores.
 - (iv) Post completion of Transfer of Sale Shares, amalgamation of QDCPL into the Company and the issuance of equity shares by the Company to the shareholders of QDCPL in the ratio of 13 shares of UFO for every 17 shares held in QDCPL and consequent dissolution of QDCPL without winding up ("QDCPL Merger"); and
 - (v) Slump Sale of the business relating to certain new software, technologies and processes of QCTPL which are currently in the process of commercialization from the Company (post transfer to the Company pursuant to the QDCPL Merger) ("Transferred Undertaking") into PJSA Technosoft Pvt. Limited ("PJSA"), a wholly owned subsidiary of the Company.

The above scheme is subject to approval from the shareholders of the Company and the Transferor Companies, BSE Limited, National Stock Exchange of India Limited, SEBI, Hon'ble National Company Law Tribunal, Mumbai and Chennai Bench.

5. On July 26, 2016, the Board of Directors of the Company approved the Composite Scheme of Arrangement for the amalgamation of its wholly owned subsidiaries including step down subsidiaries namely Southern Digital Screenz India Private Limited (SDS), VN Films Private Limited (VNFPL), Edridge Limited (EL) and UFO International Limited (UIL) with the Company, subject to all the necessary statutory / regulatory approvals ('the Scheme'). The appointed date for the amalgamation for VNFPL, EL and UIL is April 01, 2016 and for SDS, the appointed date is July 01, 2016. The Company had filed the Scheme with the Bombay High Court on October 4, 2016. Pursuant to notification of section 232 of the Companies Act, 2013 ('the Act') on December 9, 2016, the Company filed the Scheme with National Company Law Tribunal (NCLT) on January 19, 2017.

Pending final approval of NCLT on the Scheme of Amalgamation, no effect of the Scheme has been given in these financial results.

6. Consequent to transition from the previous GAAP to Ind AS, the reconciliation of profit and other equity for the previous periods is provided as below in accordance with the requirements of paragraph 32 of Ind AS 101 - First time adoption of Ind AS:

(Rs. in Lakhs)

Particulars	Standalone		
	Quarter ended	9 months period ended	Year ended
	31-Dec-16		31-Mar-17
Net profit attributable to Equity shareholders of the company under IGAAP	777	4,413	5,431
<u>Impact on account of:</u>			
Fair value of Financial instruments	2	(10)	0
Actuarial (gain)/loss on employee defined benefit plans	(6)	(18)	30
Income tax (including deferred tax)	6	5	(12)
Others	1	(8)	(12)
Net profit attributable to Equity shareholders of the company under Ind AS	780	4,382	5,437
Other comprehensive income/(expense) (net of taxes)	4	12	(41)
Total comprehensive income attributable to Equity shareholders of the company under Ind AS	784	4,394	5,396
Particulars	Consolidated		
	Quarter ended	9 months period ended	Year ended
	31-Dec-16		31-Mar-17
Net profit attributable to Equity shareholders of the company under IGAAP	1,359	4,367	6,316
<u>Impact on account of:</u>			
Fair value of Financial instruments	32	126	173
Actuarial (gain)/loss on employee defined benefit plans	(4)	(11)	23
Impact of Business combination accounting	-	(722)	(722)
Allocation of losses in subsidiaries to Non controlling interest	86	268	342
Income tax (including deferred tax)	(133)	99	(16)
Others	27	(12)	(65)
Net profit attributable to Equity shareholders of the company under Ind AS	1,367	4,115	6,051
Other comprehensive income/(expense) (net of taxes)	94	130	(152)
Total comprehensive income attributable to Equity shareholders of the company under Ind AS	1,461	4,245	5,899

7. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluated the company's performance as a whole. Accordingly, the business of Digital Cinema Services and sale of digital cinema equipments ancillary to sale of services considered as a single operating segment.
8. Previous year/period figures have been regrouped / reclassified, where necessary, to conform to current period classification.

**For and on behalf of the Board of Directors
of UFO Moviez India Limited**

Sd/-

Kapil Agarwal
Joint Managing Director

Place of signature: Mumbai
Date: February 12, 2018

Qube Cinema Technologies Private Limited (Formerly known as Real Image Media Technologies Private Limited) Unaudited Consolidated Balance Sheet as at December 31, 2017 (All amounts are in Indian Rupees)	
	As at 31 Dec 2017
EQUITY AND LIABILITIES	
Shareholders' funds	
Share capital	165,742,270
Reserves and surplus	2,375,761,469
	2,541,503,739
Minority Interest	10,649,380
Non-current liabilities	
Long-term borrowings	335,768,474
Deferred tax liabilities (net)	137,331,049
Other long-term liabilities	283,390,723
Long-term provisions	32,718,170
	789,208,416
Current Liabilities	
Short-term borrowings	279,535,979
Trade payables	
Total outstanding dues of micro enterprises and small enterprises	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	508,099,993
Other current liabilities	717,093,881
Short-term provisions	2,475,449
	1,507,205,302
	4,848,566,836
ASSETS	
Non-Current Assets	
Fixed assets	
Property, plant and equipment	2,487,988,585
Intangible assets	25,149,896
Capital work-in-progress	21,397,019
Intangible assets under development	237,854,847
	2,772,390,347
Non-current investments	6,000
Long-term loans and advances	117,880,481
Other non-current assets	22,022,516
	2,912,299,344
Current Assets	
Inventories	349,414,027
Trade receivables	972,513,049
Cash and cash equivalents	178,043,799
Short-term loans and advances	309,728,319
Other current assets	126,568,298
	1,936,267,492
	4,848,566,836

Qube Cinema Technologies Private Limited (Formerly known as Real Image Media Technologies Private Limited)	
Unaudited Consolidated Statement of profit and loss for the Nine months period ended December 31, 2017 (All amounts are in Indian Rupees)	
	For the Nine months period ended 31 December 2017
Revenue from Operations	
Sale of products	748,868,601
Sale of services	2,053,481,741
Total	2,802,350,342
Other Income	27,337,858
Total Revenue	2,829,688,200
Purchases of traded goods	528,657,391
Changes in inventories of stock-in-trade	8,632,394
Employee benefits	511,392,912
Finance costs	50,742,059
Depreciation and amortisation expense	275,252,551
Other expenses	1,320,416,138
Total expenses	2,695,093,446
Profit before tax	134,594,754
Tax expenses	
Current tax	82,682,550
Deferred tax	(2,130,956)
Profit after taxation before Minority Interest	54,043,160
Add: Share of Loss Attributable to Minority Interest	37,070,668
Profit for the year attributable to Share holders of the Company	91,113,828
Earnings per share	
Basic	9.98
Diluted	4.80
Nominal value of share	10.00

Qube Cinema Technologies Private Limited (Formerly known as Real Image Media Technologies Private Limited) Unaudited Standalone Balance Sheet as at December 31, 2017 (All amounts are in Indian Rupees)	
	As at 31 Dec 2017
EQUITY AND LIABILITIES	
Shareholders' funds	
Share capital	165,742,270
Reserves and surplus	2,519,925,616
	2,685,667,886
Non-current liabilities	
Long-term borrowings	335,768,474
Deferred tax liabilities (net)	137,331,049
Other long-term liabilities	282,396,672
Long-term provisions	32,667,028
	788,163,223
Current Liabilities	
Short-term borrowings	279,535,979
Trade payables	
Total outstanding dues of micro enterprises and small enterprises	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	476,021,420
Other current liabilities	709,231,347
Short-term provisions	2,475,449
	1,467,264,195
	4,941,095,304
ASSETS	
Non-Current Assets	
Fixed assets	
Property, plant and equipment	2,464,980,578
Intangible assets	5,296,006
Capital work-in-progress	12,278,707
Intangible assets under development	237,854,847
	2,720,410,138
Non-current investments	146,978,720
Long-term loans and advances	101,004,139
Other non-current assets	22,022,516
	2,990,415,513
Current Assets	
Inventories	334,097,271
Trade receivables	1,033,129,544
Cash and cash equivalents	165,687,648
Short-term loans and advances	291,219,596
Other current assets	126,545,732
	1,950,679,791
	4,941,095,304

Qube Cinema Technologies Private Limited (Formerly known as Real Image Media Technologies Private Limited) Unaudited Standalone Statement of profit and loss for the Nine months period ended December 31, 2017 (All amounts are in Indian Rupees)	
	For the Nine months period ended 31 December 2017
Revenue from Operations	
Sale of products	684,495,921
Sale of services	2,023,304,500
Total	2,707,800,421
Other Income	27,336,858
Total Revenue	2,735,137,279
Purchases of traded goods	527,885,387
Changes in inventories of stock-in-trade	6,498,700
Employee benefits	500,312,032
Finance costs	50,742,059
Depreciation and amortisation expense	259,603,642
Other expenses	1,168,449,616
Total expenses	2,513,491,436
Profit before tax	221,645,843
Tax expenses	
Current tax	82,630,956
Deferred tax	(2,130,956)
Profit after taxation	141,145,843
Earnings per share	
Basic	15.46
Diluted	7.43
Nominal value of share	10.00

Qube Digital Cinema Private Limited 42, Dr. Ranga Road, Mylapore, Chennai - 600004 Unaudited Balance Sheet As At 31st December, 2017	
Particulars	Amt. in Rs.
I. EQUITY AND LIABILITIES	
(1) Shareholders' Funds:	
(a) Share Capital	100,000
(b) Reserves and Surplus	(26,255)
(c) Money Received against Share warrants	-
	73,745
(2) Share application money pending allotment	
(3) Non-current liabilities:	
(a) Long Term Borrowings	-
(b) Deferred tax liabilities (Net)	-
(c) Other Long-term liabilities	-
(d) Long-term provisions	-
	-
(4) Current liabilities:	
(a) Trade payables	31,255
(b) Other current liabilities	-
(c) Short-term provisions	-
	31,255
Total	105,000
II. ASSETS:	
(1) Non-current assets	
(a) Fixed Assets	
(i) Tangible assets	-
(ii) Intangible assets	-
(iii) Capital work-in-progress	-
(iv) Intangible assets under developemnt	-
(b) Non-current investments	-
(c) Deferred tax assets (Net)	-
(d) Long-term loans and advances	-
(e) Other non-current assets	-
	-
(2) Current assets	
(a) Current investments	-
(b) Inventories	-
(c) Trade receivables	-
(d) Cash and cash equivalents	105,000
(e) Short-term loans and advances	-
(f) Other current assets - Work in Progress	-
	105,000
(3) Miscellaneous expenditure to the extent not written off or adjusted	
(a) Incorporation expenses	-
	-
Total	105,000

Qube Digital Cinema Private Limited 42, Dr. Ranga Road, Mylapore, Chennai - 600004 Unaudited Statement Of Profit And Loss For The Period ended 31st December, 2017	
Particulars	Amt. in Rs.
REVENUE	
I. Revenue from Operations	
Income from Advertisement	-
Other operating revenues	-
Less: Excise Duty	-
	-
II. Other income	-
	-
III. Total Revenue (I + II)	-
EXPENSES	
Cost of materials consumed	-
Purchase of Stock-in-Trade (Import Purchases)	-
Stock Transfers from Other Branches	-
Changes in inventories of finished goods, work-in-progress and stock-in-Trade	-
Employee benefits expenses	-
Finance costs	-
Management Fees Control A/c	-
Depreciation and Amortization	-
Other expenses	26,255
Work in Progress	-
IV. Total expenses	26,255
V. Profit before exceptional and extraordinary items and tax (III - IV)	(26,255)
VI. Exceptional items	-
VII. Profit before extraordinary items and Interest tax (V - VI)	(26,255)
VIII. Extraordinary items	-
IX. Profit before tax (VII - VIII)	(26,255)
X. Tax expenses	
(1) Current tax - Provision	-
(2) Deferred tax	-
(3) Excess Provision Written Back	-
XI. Profit / (loss) for the period from continuing operations (IX -X - XIV)	(26,255)
XII. Profit / (loss) from discontinuing operations	-
XIII. Tax expenses of discontinuing operations	-
XIV. Profit / (loss) from discontinuing operations (after tax) (XII - XIII)	-
XV. Profit / (loss) for the period (XI + XIV)	(26,255)
XVI. Earnings per share:	
(1) Basic	NA
(2) Diluted	NA

Annexure - M

Moviebuff Private Limited (Formerly known as South Beach Software Private Limited) 42, Dr. Ranga Road, Mylapore, Chennai - 600004 Unaudited Balance Sheet As At 31st December, 2017	
Particulars	Amt. in Rs.
I. EQUITY AND LIABILITIES	
(1) Shareholders' Funds:	
(a) Share Capital	102,120
(b) Reserves and Surplus	(66,840)
(c) Money Received against Share warrants	-
	35,280
(2) Share application money pending allotment	
(3) Non-current liabilities:	
(a) Long Term Borrowings	-
(b) Deferred tax liabilities (Net)	-
(c) Other Long-term liabilities	-
(d) Long-term provisions	-
	-
(4) Current liabilities:	
(a) Trade payables	26,580
(b) Other current liabilities	-
(c) Short-term provisions	-
	26,580
Total	61,860
II. ASSETS:	
(1) Non-current assets	
(a) Fixed Assets	
(i) Tangible assets	-
(ii) Intangible assets	-
(iii) Capital work-in-progress	-
(iv) Intangible assets under developemnt	-
(b) Non-current investments	-
(c) Deferred tax assets (Net)	-
(d) Long-term loans and advances	-
(e) Other non-current assets	-
	-
(2) Current assets	
(a) Current investments	-
(b) Inventories	-
(c) Trade receivables	-
(d) Cash and cash equivalents	61,860
(e) Short-term loans and advances	-
(f) Other current assets - Work in Progress	-
	61,860
(3) Miscellaneous expenditure to the extent not written off or adjusted	
(a) Incorporation expenses	-
	-
Total	61,860

Moviebuff Private Limited (Formerly known as South Beach Software Private Limited) 42, Dr. Ranga Road, Mylapore, Chennai - 600004 Unaudited Statement Of Profit And Loss For The Period ended 31st December, 2017	
Particulars	Amt. in Rs.
REVENUE	
I. Revenue from Operations	
Income from Advertisement	-
Other operating revenues	-
Less: Excise Duty	-
	-
II. Other income	-
	-
III. Total Revenue (I + II)	-
EXPENSES	
Cost of materials consumed	-
Purchase of Stock-in-Trade (Import Purchases)	-
Stock Transfers from Other Branches	-
Changes in inventories of finished goods, work-in-progress and stock-in-Trade	-
Employee benefits expenses	-
Finance costs	472
Management Fees Control A/c	-
Depreciation and Amortization	-
Other expenses	128,440
Work in Progress	-
IV. Total expenses	128,912
V. Profit before exceptional and extraordinary items and tax (III - IV)	(128,912)
VI. Exceptional items	-
VII. Profit before extraordinary items and Interest tax (V - VI)	(128,912)
VIII. Extraordinary items	-
IX. Profit before tax (VII - VIII)	(128,912)
X. Tax expenses	
(1) Current tax - Provision	-
(2) Deferred tax	-
(3) Excess Provision Written Back	-
XI. Profit / (loss) for the period from continuing operations (IX -X - XIV)	(128,912)
XII. Profit / (loss) from discontinuing operations	-
XIII. Tax expenses of discontinuing operations	-
XIV. Profit / (loss) from discontinuing operations (after tax) (XII - XIII)	-
XV. Profit / (loss) for the period (XI + XIV)	(128,912)
XVI. Earnings per share:	
(1) Basic	NA
(2) Diluted	NA

PJSA TECHNOSOFT PRIVATE LIMITED**Unaudited Balance sheet for the period from 17th October 2017 up to 31st December 2017**

Particulars	As at '31 Dec 2017 Rupees
I. ASSETS	
<u>Non-current assets</u>	
Property, Plant and Equipment	-
Capital work-in-progress	-
Other Intangible assets	-
Investment in Subsidiaries, Associates and Joint venture	-
Financial Assets	-
(i) <i>Investments</i>	-
(ii) <i>Loans</i>	-
(iii) <i>Others</i>	-
Deferred tax assets	-
Current Tax Assets (Net)	-
Other non-current assets	-
Total Non-Current Assets (A)	-
<u>Current Assets</u>	
Inventories	-
Financial Assets	-
(i) <i>Investments</i>	-
(ii) <i>Trade receivables</i>	-
(iii) <i>Cash and cash equivalents</i>	51,400
(iii) <i>Bank balances other than (iii) above</i>	-
(iv) <i>Loans</i>	-
(v) <i>Others</i>	-
Other current assets	-
Total Current Assets (B)	51,400
Total assets (A+B)	51,400
<u>I. EQUITY AND LIABILITIES</u>	
<u>Equity</u>	
a) Equity Share Capital	100,000
b) Other Equity	(48,600)
Total Equity (C)	51,400
<u>Liabilities</u>	
<u>Non-current liabilities</u>	
Financial Liabilities	
(i) <i>Borrowings</i>	-
(ii) <i>Other financial liabilities</i>	-
Provisions	-
Other non-current liabilities	-
Total non-current liabilities	-

PJSA TECHNOLOGIES PRIVATE LIMITED**Unaudited Balance sheet for the period from 17th October 2017 up to 31st December 2017**

Particulars	As at '31 Dec 2017 Rupees
<u>Current liabilities</u>	
Financial Liabilities	
(i) Borrowings	-
(ii) Trade payables	-
(iii) Other financial liabilities	-
Other current liabilities	-
Provisions	-
Current Tax Liabilities (Net)	-
Total current liabilities	-
 Total Liabilities (D)	 51,400
 Total equity and liabilities (C+D)	 51,400

Note:

The Company has been newly incorporated on October 17, 2017, hence previous years figures have not been mentioned

PJSA TECHNOSOFT PRIVATE LIMITED
Unaudited Statement of profit and loss from 17th October 2017 up to 31st December 2017

Particulars	Year ended 31 Dec 2017 Rupees
Revenue from operations	-
Other income	-
Total Income	-
Expenses	
Operating direct cost	-
Employee benefits expense	-
Other expenses	48,600
Total expenses	48,600
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)	(48,600)
Depreciation and amortization expense	-
Finance costs	-
Finance income	-
Profit/(Loss) before exceptional items and tax	(48,600)
Exceptional Items	-
Profit/(Loss) before tax	(48,600)
Tax expense:	
- Current tax	-
- Deferred tax	-
Profit (Loss) for the period	(48,600)
Other Comprehensive Income / (Loss)	
A (i) Items that will not be reclassified to profit or loss	
(ii) Income tax relating to items that will not be reclassified to profit or loss	-
(iii) Remeasurements of the defined benefit plans	-
B (i) Items that will be reclassified to profit or loss	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-
Total Comprehensive Income for the period	(48,600)
Earnings per equity share :	
(1) Basic	(4.86)
(2) Diluted	(4.86)

Note:

The Company has been newly incorporated on October 17, 2017, hence previous years figures have not been mentioned

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF UFO MOVIEZ INDIA LIMITED ON APRIL 9, 2018 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION ON SHAREHOLDERS, PROMOTER AND NON-PROMOTER SHAREHOLDERS AND KEY MANAGERIAL PERSONNEL

1. Background

- 1.1 The proposed Composite Scheme of Arrangement and Amalgamation amongst UFO Moviez India Limited (hereinafter referred to as “Company” or “**Transferee Company 2**” or “**Transferor Company 3**”) and Qube Cinema Technologies Private Limited (hereinafter referred to as “**Demerged Company**” or “**QCTPL**”) and Qube Digital Cinema Private Limited (hereinafter referred to as “**Resulting Company**” or “**Transferee Company 1**” or “**Transferor Company 2**” or “**QDCPL**”) and Moviebuff Private Limited (hereinafter referred to as “**Transferor Company 1**”) and PJSA Technosoft Private Limited (hereinafter referred to as “**Transferee Company 3**”) and their respective shareholders and creditors (the “**Scheme**”) was approved by the Board of Directors of the Company (the “**Board**”) vide resolution dated November 1, 2017.
- 1.2 The provisions of Section 232(2)(c) of the Companies Act, 2013 (“**Act**”) requires the directors to adopt a report explaining (i) the effect of the arrangement under the Scheme on each class of shareholders, promoter and non-promoter shareholders and key managerial personnel; and (ii) laying out in particular the share exchange ratio, specifying any special valuation difficulties and the same is required to be circulated to the equity shareholders at the time of seeking their approval to the Scheme as may be directed by the Hon’ble National Company Law Tribunal (“**NCLT**”).
- 1.3 This report of the Board is accordingly prepared in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4 The following documents were considered by the Board:
- 1.4.1 Draft Scheme as recommended by the Audit Committee of the Company duly initialled by the Company Secretary for the purpose of Identification;
 - 1.4.2 Valuation Report dated November 1, 2017 issued by the Independent Valuer, namely Walker Chandiok & Co LLP (“**Valuation Report**”).
 - 1.4.3 Fairness Opinion dated November 1, 2017 issued by Axis Capital Limited, an independent Category-I Merchant Banker (“**Fairness Opinion**”).
 - 1.4.4 Certificate from the statutory auditors of the Company confirming that the Scheme is in compliance with applicable accounting treatment notified under the Companies Act, 2013 and other generally accepted principles; and
 - 1.4.5 Report of the Audit Committee of the Board of Directors dated November 1, 2017.

2. Effect of the Scheme of Amalgamation on equity shareholders (promoter and non-promoter shareholders), employees and Key Managerial Personnel of the Company:

- 2.1 Equity Shareholders: Pursuant to the Scheme of Amalgamation, the QDCPL Undertaking (as defined in the Scheme) of QDCPL shall be transferred to and vested in the Company and QDCPL shall be dissolved without winding up. Upon the effectiveness of the Scheme, i.e. transfer and vesting of the QDCPL Undertaking into the Company, the Company shall issue and allot to all the equity shareholders of QDCPL (other than the Company), 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”)

The QDCPL Merger Share Entitlement Ratio is based on the Valuation Report and the Fairness Opinion. The aforesaid Joint Valuation Report and Fairness Opinion have been duly considered by the Board of Directors of the Company and have come to the conclusion that QDCPL Merger Share Entitlement Ratio is fair and reasonable.

The UFO Merger Shares issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank *pari passu* in all respects with the then existing equity shares of the Company.

2.2 **Promoter and non-promoter shareholders:** On the date of allotment of the UFO Merger Shares, the New Investor (as defined in the Scheme) and the QCTPL Promoters (as defined in the Scheme) shall be classified as ‘public shareholders’ of UFO in accordance with Applicable Law. Based on the share exchange ratio and the shareholding of the Company as on March 31, 2018, post-merger the existing promoter and non-promoter shareholders of the Company will get diluted by 31.14%.

2.3 **Key Managerial Personnel:** Under Clause 28 of the 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. In the circumstances, the rights of the employees of the Company would in no way be affected by the Scheme. Upon the Scheme becoming effective, QDCPL will stand dissolved. The Key Managerial Personnel of QDCPL would cease to be key managerial personnel of QDCPL but would become employees of the Company.

Further, none of the Key Managerial Personnel and relatives of the Directors of the Company is concerned or interested, financial or otherwise in the proposed Scheme.

2.4 No special valuation difficulties were reported.

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

By Order of the Board

For UFO Moviez India Limited

Sd-

Kapil Agarwal

Joint Managing Director

DIN 00024378

Date: 09th April, 2018

Place: Mumbai

REPORT OF THE BOARD OF DIRECTORS OF QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED PURSUANT TO SECTION 232 (2)(c) OF THE COMPANIES ACT, 2013 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF AMALGAMATION AND ARRANGEMENT ON SHAREHOLDERS, PROMOTER AND NON-PROMOTER SHAREHOLDERS AND KEY MANAGERIAL PERSONNEL, IF ANY

1. Background

- 1.1 The proposed Composite Scheme of Arrangement and Amalgamation between UFO Moviez India Limited (hereinafter referred to as “**Transferee Company 2**” or “**Transferor Company 3**”) and Qube Cinema Technologies Private Limited (hereinafter referred to as “**Company**” or “**Demerged Company**” or “**QCTPL**”) and Qube Digital Cinema Private Limited (hereinafter referred to as “**Resulting Company**” or “**Transferee Company 1**” or “**Transferor Company 2**” or “**QDCPL**”) and Moviebuff Private Limited (hereinafter referred to as “**Transferor Company 1**” or “**Moviebuff**”) and PJSA Technosoft Private Limited (hereinafter referred to as “**Transferee Company 3**”) and their respective shareholders and creditors (the “**Scheme**”) was approved by the Board of Directors of the Company (the “**Board**”) vide resolution dated November 1, 2017.
- 1.2 The provisions of Section 232(2)(c) of the Companies Act, 2013 (“**Act**”) requires the directors to adopt a report explaining (i) the effect of the arrangement under the Scheme on each class of shareholders, promoter and non-promoter shareholders and key managerial personnel; and (ii) laying out in particular the share exchange ratio, specifying any special valuation difficulties and the same is required to be circulated to the shareholders along with the Notice convening the meeting of the shareholders, as may be directed by the Hon’ble National Company Law Tribunal (“**NCLT**”)
- 1.3 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4 The following documents were placed before the Board:
 - 1.4.1 Draft Scheme duly initialled by the Company Secretary for the purpose of Identification;
 - 1.4.2 Valuation Report dated October 31, 2017 issued by the Independent Valuer, namely VSS & Co, Chartered Accountants (“**Valuation Report**”) recommending the share exchange ratio to the Board; and
 - 1.4.3 Certificate from the statutory auditors of the Company confirming that the accounting treatment in the Scheme is in compliance with applicable accounting standards notified under the Companies Act, 2013 and other generally accepted principles

2. Effect of the Scheme on equity and preference shareholders (promoter and non-promoter shareholders), employees and Key Managerial Personnel of the Company:

- 2.1 Equity and Preference Shareholders (promoter and non-promoter shareholders): Pursuant to the Scheme, with effect from the Appointed Date 1 (as defined in the Scheme), the Demerged Undertaking (as defined in the Scheme) of the Company will be demerged into QDCPL, a company owned by one of the promoters of the Company and his relative, on a going concern basis. Upon the effectiveness of the Scheme, i.e. transfer and vesting of the Demerged Undertaking of QCTPL into QDCPL, the names of the shareholders who appear in the Register of Members of the Company as on Demerger Record Date will be issued and allotted, fully paid up equity shares in the following share entitlement ratio (“**Demerger Share Entitlement Ratio**”) in QDCPL:

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

The Demerger Share Entitlement Ratio is based on the Valuation Report and the same has been duly considered by the Board and the Board has come to the conclusion that the Demerger Share Entitlement Ratio is fair and reasonable.

The QDCPL Demerger Shares issued and allotted in QDCPL shall be subject to the provisions of the Memorandum and Articles of Association of QDCPL and shall rank *pari passu* in all respects with the then existing equity shares of QDCPL.

Upon the scheme becoming effective, the Company, shall continue on a going concern basis with the Studio DPS Business (as defined in the Scheme) continuing to be vested and managed by the Company and the promoters and non promoter shareholders shall continue to hold shares in the Company, except that 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 Company shall stand cancelled and reduced without any consideration.

- 2.2 Employees and Key Managerial Personnel: Under Clause 11 of the Scheme, all the employees of the 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.

Further, upon the Scheme coming into effect, in respect of the QCTPL ESOPs (as defined in the Scheme) granted by the Company under the QCTPL ESOP Scheme (as defined in the Scheme) to employees engaged in the Demerged Undertaking who are proposed to be transferred as part of the Scheme to QDCPL, which have been granted (whether vested or not) but have not been exercised as on the Demerger Record Date ("QCTPL Eligible Employees"), QDCPL 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 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

In the circumstances, the rights of the employees of the Company would in no way be affected by the Scheme. Upon the Scheme becoming effective, the Company will continue on a going concern basis.

Further, none of the Directors of the Company is concerned or interested, financially or otherwise in the proposed Scheme except to the extent of their shareholding in the Company.

- 2.4 No special valuation difficulties were reported.

Taking into consideration the effects of the Scheme as mentioned above, the Board noted that there will be no adverse effect of the said Scheme on the equity shareholders, preference shareholders, key management personnel, promoter or non-promoter shareholders of the Company.

Approved and adopted by the Board *vide* Resolution passed by Circulation on 11th April, 2018

By Order of the Board

For Qube Cinema Technologies Private Limited

V. Senthil Kumar
Whole Time Director
DIN: 00320535

Date: 11th April, 2018
Place: Chennai

REPORT OF THE BOARD OF DIRECTORS OF QUBE DIGITAL CINEMA PRIVATE LIMITED PURSUANT TO SECTION 232 (2)(c) OF THE COMPANIES ACT, 2013 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF AMALGAMATION AND ARRANGEMENT ON SHAREHOLDERS, PROMOTER AND NON-PROMOTER SHAREHOLDERS AND KEY MANAGERIAL PERSONNEL, IF ANY

1. Background

- 1.1 The proposed Composite Scheme of Arrangement and Amalgamation between UFO Moviez India Limited (hereinafter referred to as “**Transferee Company 2**” or “**Transferor Company 3**” or “**UFO**”)) and Qube Cinema Technologies Private Limited (hereinafter referred to as “**Demerged Company**” or “**QCTPL**”) and Qube Digital Cinema Private Limited (hereinafter referred to as the “**Company**” or “**Resulting Company**” or “**Transferee Company 1**” or “**Transferor Company 2**” or “**QDCPL**”) and Moviebuff Private Limited (hereinafter referred to as “**Transferor Company 1**” or “**Moviebuff**”) and PJSA Technosoft Private Limited (hereinafter referred to as “**Transferee Company 3**”) and their respective shareholders and creditors (the “**Scheme**”) was approved by the Board of Directors of the Company (the “**Board**”) *vide* resolutions dated November 1, 2017 and February 1, 2018.
- 1.2 The provisions of Section 232(2)(c) of the Companies Act, 2013 (“**Act**”) requires the directors to adopt a report explaining (i) the effect of the arrangement under the Scheme on each class of shareholders, promoter and non-promoter shareholders and key managerial personnel; and (ii) laying out in particular the share exchange ratio, specifying any special valuation difficulties and the same is required to be circulated to the shareholders, along with the Notice convening the meeting of the shareholders, as may be directed by the Hon’ble National Company Law Tribunal (“**NCLT**”)
- 1.3 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4 The following documents were placed before the Board:
 - 1.4.1 Draft Scheme duly initialled by the Director for the purpose of Identification;
 - 1.4.2 Valuation Reports, both dated October 31, 2017 issued by the Independent Valuer, namely VSS & Co., Chartered Accountant (“**Valuation Report**”) recommending the share exchange ratio to the Board for the Demerger of Demerged Undertaking of QCTPL and amalgamation of MPL Undertaking of Moviebuff with QDCPL.
 - 1.4.3 Valuation Report dated November 1, 2017 issued to QCTPL and UFO by the Independent Valuer, namely Walker Chandiook & Co LLP (“**Valuation Report**”) recommending the share exchange ratio to the Board for the merger into UFO;
 - 1.4.4 Certificate from the statutory auditors of the Company confirming that the Scheme is in compliance with applicable accounting treatment notified under the Companies Act, 2013 and other generally accepted principles;

2. Effect of the Scheme on equity shareholders (promoter and non-promoter shareholders), employees and Key Managerial Personnel of the Company:

- 2.1 Equity Shareholders (promoter and non-promoter shareholders): Pursuant to the Scheme, (i) with effect from Appointed Date 1 (as defined in the Scheme), the Demerged Undertaking (as defined in the Scheme) of QCTPL will be demerged into the Company, on a going concern basis (ii) with effect from Appointed Date 1 (as defined in the Scheme), MPL Undertaking (as defined in the Scheme) of Moviebuff will be amalgamated into the Company (iii) with effect from Appointed 2 (as defined in the Scheme), the QDCPL Undertaking (as defined in the Scheme) of QDCPL will be amalgamated with UFO, and upon the Scheme being effective, the Company shall stand dissolved without winding up.

Upon the effectiveness of the Scheme, i.e. transfer and vesting of the (i) Demerged Undertaking of QCTPL into the Company, the names of the shareholders who appear in the Register of Members of QCTPL as on Demerger Record Date will be issued and allotted, fully paid up equity shares in the following share entitlement ratio (“**Demerger Share Entitlement Ratio**”) in the Company:

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

Upon the Scheme becoming effective and upon issuance of QDCPL Demerger Shares by the Company to the shareholders of QCTPL, the existing 10,000 equity shares of INR 10/- each held by the shareholders of the Company shall stand cancelled and reduced without any consideration.

The QDCPL Demerger Shares issued and allotted to the shareholders of QCTPL shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank *pari passu* in all respects with the existing equity shares of the Company.

(ii) Amalgamation of MPL Undertaking of Moviebuff into the Company, the names of the shareholders who appear in the Register of Members of Moviebuff as on MPL Merger Record Date will be issued and allotted, fully paid up equity shares in the following share entitlement ratio (“**Moviebuff Amalgamation Share Entitlement Ratio**”) in the Company:

76381 (Seventy Six Thousand Three Hundred and Eight One) equity shares of INR 10/- each, credited as fully paid-up of the Company for every 1000 (Thousand) equity share of INR 10/- each fully paid-up held by such equity shareholder in Moviebuff (“QDCPL Merger Shares”)

The QDCPL Merger Shares issued and allotted to the shareholders of Moviebuff shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank *pari passu* in all respects with the existing equity shares of the Company.

(iii) Amalgamation of QDCPL Undertaking of QDCPL into UFO, the names of the shareholders who appear in the Register of Members of QDCPL as on QDCPL Merger Record Date will be issued and allotted, fully paid up equity shares in the following share entitlement ratio (“**QDCPL Merger Share Entitlement Ratio**”) in UFO:

13 (Thirteen) equity shares of INR 10/- each, credited as fully paid-up of UFO for every 17 (Seventeen) equity share of INR 10/- each fully paid-up held by such equity shareholder in the Company (“UFO Merger Shares”)

The UFO Merger Shares allotted and issued to the shareholders of QDCPL shall be subject to the provisions of the Memorandum and Articles of Association of UFO and shall rank *pari passu* in all respects with the existing equity shares of UFO.

The UFO Merger Shares allotted and issues to the shareholders of QDCPL shall be listed and/or admitted to trading on the Stock Exchanges, where the equity shares of UFO are listed, subject to receipt of requisite approvals for listing.

The Demerger Share Entitlement Ratio and Moviebuff Amalgamation Share Entitlement Ratio is based on the valuation report that has been duly considered by the Board.

The QDCPL Merger Share Entitlement Ratio is based on the Valuation Report and the Fairness Opinion issued to UFO by Axis Capital Limited. The aforesaid Valuation Report and Fairness Opinion have been duly considered by the Board and the Board has come to the conclusion that QDCPL Merger Share Entitlement Ratio is fair and reasonable.

On the date of allotment of the UFO Merger Shares, the New Investor (as defined in the Scheme) and the QCTPL Promoters (as defined in the Scheme) shall be classified as ‘public shareholders’ of UFO in accordance with Applicable Law.

- 2.2 Employees and Key Managerial Personnel: Under Clause 28 of the Scheme, all the employees of QDCPL Undertaking shall become the employees of UFO 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.

Upon the Scheme coming into effect, the QDCPL ESOPs (as defined in the Scheme) shall automatically stand cancelled. Simultaneously with the cancellation of the QDCPL ESOPs, UFO 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 (as defined in the Scheme) ("**QDCPL Eligible Employees**"), in accordance with the QDCPL Merger Share Entitlement Ratio. 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

In the circumstances, the rights of the employees of the Company would in no way be affected by the Scheme. Upon the Scheme becoming effective, the Company will stand dissolved.

Further, none of the Directors and relatives of the Directors of the Company is concerned or interested, financially or otherwise in the proposed Scheme except to the extent of their shareholding in the Company.

- 2.3 No special valuation difficulties were reported.

Taking into consideration the effects of the Scheme as mentioned above, the Board noted that there will be no adverse effect of the said Scheme on the equity shareholders, key management personnel, promoter or non-promoter shareholders of the Company.

By Order of the Board
For Qube Digital Cinema Private Limited

Sd/-
V. Senthil Kumar
Director
DIN: 00320535

Date: 28th March, 2018
Place: Chennai

REPORT OF THE BOARD OF DIRECTORS OF MOVIEBUFF PRIVATE LIMITED PURSUANT TO SECTION 232 (2)(c) OF THE COMPANIES ACT, 2013 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF AMALGAMATION AND ARRANGEMENT ON SHAREHOLDERS, PROMOTER AND NON-PROMOTER SHAREHOLDERS AND KEY MANAGERIAL PERSONNEL, IF ANY

1. Background

- 1.1 The proposed Composite Scheme of Arrangement and Amalgamation between UFO Moviez India Limited (hereinafter referred to as “**Transferee Company 2**” or “**Transferor Company 3**”) and Qube Cinema Technologies Private Limited (hereinafter referred to as “**Demerged Company**” or “**QCTPL**”) and Qube Digital Cinema Private Limited (hereinafter referred to as “**Resulting Company**” or “**Transferee Company 1**” or “**Transferor Company 2**” or “**QDCPL**”) and Moviebuff Private Limited (hereinafter referred to as the “**Company**” or “**Transferor Company 1**” or “**Moviebuff**”) and PJSA Technosoft Private Limited (hereinafter referred to as “**Transferee Company 3**”) and their respective shareholders and creditors (the “**Scheme**”) was approved by the Board of Directors of the Company (the “**Board**”) vide resolutions dated November 1, 2017 and February 1, 2018.
- 1.2 The provisions of Section 232(2)(c) of the Companies Act, 2013 (“**Act**”) requires the directors to adopt a report explaining (i) the effect of the arrangement under the Scheme on each class of shareholders, promoter and non-promoter shareholders and key managerial personnel; and (ii) laying out in particular the share exchange ratio, specifying any special valuation difficulties and the same is required to be circulated to the shareholders along with the Notice convening the meeting of the shareholders, as may be directed by the Hon’ble National Company Law Tribunal (“**NCLT**”)
- 1.3 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4 The following documents were placed before the Board:
 - 1.4.1 Draft Scheme duly initialled by the Director for the purpose of Identification;
 - 1.4.2 Valuation Report dated October 31, 2017 issued by the Independent Valuer, namely VSS & Co., Chartered Accountant (“**Valuation Report**”) recommending the share exchange ratio to the Board for the amalgamation of MPL Undertaking of Moviebuff with QDCPL.
 - 1.4.3 Certificate from the statutory auditors of the Company confirming that the Scheme is in compliance with applicable accounting treatment notified under the Companies Act, 2013 and other generally accepted principles; and

2. Effect of the Scheme on equity shareholders (promoter and non-promoter shareholders), employees and Key Managerial Personnel of the Company:

- 2.1 Equity Shareholders (promoter and non-promoter shareholders): Pursuant to the Scheme, with effect from Appointed Date 1, the Company will merge into QDCPL and be dissolved without winding up. Upon the effectiveness of the Scheme, i.e. transfer and vesting of the MPL Undertaking (as defined in the Scheme) of the Company into QDCPL, the names of the shareholders who appear in the Register of Members as on MPL Merger Record Date will be issued and allotted, fully paid up equity shares in the following share entitlement ratio (“**Moviebuff Amalgamation Share Entitlement Ratio**”) in QDCPL:

*76381 (Seventy Six Thousand Three Hundred and Eight One) equity shares of INR 10/- each, credited as fully paid-up of QDCPL for every 1000 (Thousand) equity share of INR 10/- each fully paid-up held by such equity shareholder in the Company (“**QDCPL Merger Shares**”)*

The Moviebuff Amalgamation Share Entitlement Ratio is based on the valuation report that has been duly considered by the Board.

The QDCPL Merger Shares issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of QDCPL and shall rank *pari passu* in all respects with the then existing equity shares of QDCPL.

Upon the scheme becoming effective, the Company shall be dissolved without winding up and the promoters and non-promoter shareholders will be issued shares in QDCPL based on the Moviebuff Amalgamation Share Entitlement Ratio.

2.2 Employees and Key Managerial Personnel: Under Clause 18 of the Scheme, all the employees of the Company shall become the employees of QDCPL 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. In the circumstances, the rights of the employees of the Company would in no way be affected by the Scheme. Upon the Scheme becoming effective, the Company will stand dissolved.

Further, none of the Directors and relatives of the Directors of the Company is concerned or interested, financially or otherwise in the proposed Scheme except to the extent of their shareholding in the Company.

2.3 No special valuation difficulties were reported.

Taking into consideration the effects of the Scheme as mentioned above, the Board noted that there will be no adverse effect of the said Scheme on the equity shareholders, key management personnel, promoter or non-promoter shareholders of the Company.

By Order of the Board

For Moviebuff Private Limited

Sd/-

V. Senthil Kumar

Director

DIN: 00320535

Date: 28th March, 2018

Place: Chennai

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF PJSA TECHNOSOFT PRIVATE LIMITED ON APRIL 10, 2018 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION ON SHAREHOLDERS, PROMOTER AND NON-PROMOTER SHAREHOLDERS AND KEY MANAGERIAL PERSONNEL

1. Background

- 1.1 The proposed Composite Scheme of Arrangement and Amalgamation amongst UFO Moviez India Limited (hereinafter referred to as “**Transferee Company 2**” or “**Transferor Company 3**” or “**UFO**”) and Qube Cinema Technologies Private Limited (hereinafter referred to as “**Demerged Company**” or “**QCTPL**”) and Qube Digital Cinema Private Limited (hereinafter referred to as “**Resulting Company**” or “**Transferee Company 1**” or “**Transferor Company 2**” or “**QDCPL**”) and Moviebuff Private Limited (hereinafter referred to as “**Transferor Company 1**”) and PJSA Technosoft Private Limited (hereinafter referred to as “**Company**” or “**Transferee Company 3**”) and their respective shareholders and creditors (the “**Scheme**”) was approved by the Board of Directors of the Company (the “**Board**”) vide resolution dated November 1, 2017.
- 1.2 The provisions of Section 232(2)(c) of the Companies Act, 2013 (“**Act**”) requires the directors to adopt a report explaining (i) the effect of the arrangement under the Scheme on each class of shareholders, promoter and non-promoter shareholders and key managerial personnel; and (ii) laying out in particular the share exchange ratio, specifying any special valuation difficulties and the same is required to be circulated to the equity shareholders at the time of seeking their approval to the Scheme as may be directed by the Hon’ble National Company Law Tribunal (“**NCLT**”).
- 1.3 This report of the Board is accordingly prepared in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4 The following documents were considered by the Board:
 - 1.4.1 Draft Scheme duly initialled by the Chairman of the meeting for the purpose of Identification;
 - 1.4.2 Valuation Report dated November 1, 2017 issued by the Independent Valuer, namely Walker Chandiok & Co LLP (“**Valuation Report**”) on the net asset valuation of the Transferred Undertaking (as defined under the Scheme) of UFO to be transferred to the Company.
 - 1.4.3 Certificate from the statutory auditors of the Company confirming that the Scheme is in compliance with applicable accounting treatment notified under the Companies Act, 2013 and other generally accepted principles;

2. Effect of the Scheme on equity shareholders (promoter and non-promoter shareholders), employees and Key Managerial Personnel of the Company:

- 2.1 Equity Shareholders (promoter and non-promoter shareholders): As on date, the Company is a wholly owned subsidiary of UFO. Post the Scheme coming into effect, the Company will continue being a wholly owned subsidiary of UFO. Pursuant to the Scheme, the Transferred Undertaking (as defined in the Scheme) of UFO shall be transferred to and vested in the Company, on a slump sale basis. The consideration, for the transfer and vesting of the Transferred Undertaking shall be an aggregate lump sum amount as mentioned under Clause 36.1 of the Scheme. The consideration shall be discharged by the Company by issuing and allotting fully paid up equity shares of INR 10/- each of the Company to UFO.

The consideration amount is based on the Valuation Report. The Valuation Report has been duly considered by the Board of Directors of the Company and have come to the conclusion that consideration amount is fair and reasonable.

The equity shares to be issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank *pari passu* in all respects with the then existing equity shares of the Company.

- 2.2 Key Managerial Personnel: Under Clause 41 of the Scheme, all the employees of UFO engaged in or in relation to the Transferred Undertaking shall become the employees of the 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. In the circumstances, the rights of the employees of the Company would in no way be affected by the Scheme. The Scheme is not expected to have any effect on the Directors and Key Managerial Personnel of the Company.

Further, none of the Key Managerial Personnel and relatives of the Directors of the Company is concerned or interested, financial or otherwise in the proposed Scheme.

- 2.3 No special valuation difficulties were reported.

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

By Order of the Board

For **PJSA Technosoft Private Limited**

Sd/-

Sushil Agrawal
DIN: 00003163

Date: Mumbai
Place: April 10, 2018

Private & Confidential

This Disclosure Document consists of 7 printed pages
 April 11, 2018
 For shareholders of UFO Moviez India Limited only

FOR PRIVATE CIRCULATION TO THE SHAREHOLDERS OF UFO MOVIEZ INDIA LIMITED
 ONLY

QUBE DIGITAL CINEMA PRIVATE LIMITED



Please see below the applicable information pertaining to Qube Digital Cinema Private Limited in accordance with circular no. CFD/DIL3/CIR/2017/21, dated March 10, 2017, issued by the Securities and Exchange Board of India ("SEBI").

Qube Digital Cinema Private Limited was incorporated on October 11, 2017 as a private limited company

Registered and corporate office: 42, Dr. Ranga Road, Mylapore, Chennai 600 004, India.

Telephone: 044- 42041505; **Fax:** 044-43488881; **Email:** Senthil@qubecinema.com;

Website: www.qubecinema.com

Contact Person – Mr. Senthil Kumar

Telephone: 044- 42041505; **Fax:** 044-43488881; **Email:** Senthil@qubecinema.com

CIN: U93000TN2017PTC119019

In the nature of a Disclosure Document containing salient features of the scheme of amalgamation and arrangement inter alia between UFO Moviez India Limited (hereinafter referred to as the "Issuing Company" or "UFO") and Qube Digital Cinema Private Limited ("QDCPL") and their respective shareholders and creditors under sections 230 to 232 of the Companies Act, 2013 and the rules made thereunder and also read with Section 2(1B) and other relevant provisions of the Income-Tax Act, 1961 in connection with the merger of QDCPL into UFO (hereinafter referred to as the "Scheme"). This Disclosure Document discloses applicable information of the unlisted entity, i.e. QDCPL, in compliance with SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (the "SEBI Circular") relating to the Scheme.

PROMOTERS OF QDCPL

V. Senthil Kumar and Vandana Gopikumar are the promoters of QDCPL. Post the Scheme being effective, the existing promoters of UFO would continue to be the promoters of UFO and the promoters of QDCPL will not be classified as promoters of UFO.

SCHEME DETAILS AND LISTING

The salient features of the Scheme are as follows:

1. The Scheme provides for the following:
 - (a) Demerger of the entire business of Qube Cinema Technologies Private Limited ("QCTPL") except business relating to certain identified contracts with overseas studios into QDCPL on a going concern basis ("Demerged Business") and the issuance of equity shares by QDCPL to the shareholders of QCTPL ("Ruby Demerger");
 - (b) Amalgamation of Moviebuff Private Limited ("MPL") into QDCPL and the issuance of equity shares by QDCPL to the shareholders of MPL and consequent dissolution of MPL without winding up ("MPL Merger");
 - (c) Upon the completion of the actions set out in (a) and (b) above, specific existing non-promoter shareholders of QCTPL, who no longer wish to participate in the demerged undertaking of QDCPL, to sell their holding in QDCPL aggregating to 53.20% of the share capital of QDCPL to UFO and India Advantage Fund S4 I, a fund managed by ICICI Venture Funds Management Company Limited;

(d) Amalgamation of QDCPL into UFO and the issuance of equity shares by UFO to the shareholders of QDCPL and consequent dissolution of QDCPL without winding up (“**QDCPL Merger**”), pursuant to the transfer of the shares of QDCPL (as set out in (c) above); and

(e) Slump Sale of the business relating to certain new software, technologies and processes of QCTPL which are currently in the process of commercialization from UFO (post transfer to UFO pursuant to the QDCPL Merger) into PJSA Technosoft Private Limited (“**PJSA**”), a wholly owned subsidiary of UFO, and payment of a lump sum consideration by PJSA to UFO (“**Slump Sale**”).

2. As consideration for the QDCPL Merger, shareholders of QDCPL (except UFO) shall be issued 13 equity shares of INR 10 each of UFO for every 17 equity shares of INR 10 each held by such equity shareholder in QDCPL (as on the record date fixed under the Scheme). UFO shall grant 13 employee stock options to the employees of QDCPL for every 17 employee stock option of QDCPL held by such employees. As consideration for the Slump Sale, PJSA shall pay UFO an aggregate lump sum amount of Rs. 235,000,000, subject to adjustments. The consideration shall be discharged by PJSA by issuing equity shares of INR 10 to UFO.

3. The Scheme is subject to the approvals and sanctions as mentioned in the Scheme.

Pursuant to the Scheme, there is no issue of equity shares by UFO to the public at large except to the shareholders of QDCPL. The equity shares so issued by UFO will be listed on the Stock Exchanges under Regulation 19 of Securities Contracts (Regulation) Rules, 1957, as amended.

ELIGIBILITY


- In compliance with the SEBI Circular and subsequent SEBI circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017 and in accordance with the disclosure rules for an abridged prospectus format as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the “**SEBI Regulations**”), to the extent applicable;
- The equity shares sought to be listed are proposed to be allotted by the Issuing Company to the holders of securities of unlisted entities pursuant to a Scheme to be sanctioned by NCLT (Mumbai and Chennai benches) under sections 230 to 232 of the Companies Act, 2013;
- The percentage of shareholding of pre-scheme public shareholders of the listed entity and the Qualified Institutional Buyers (QIBs) of the unlisted entity in the post scheme shareholding pattern of the merged company shall not be less than 25%.

INDICATIVE TIMELINE

This Disclosure Document is filed pursuant to the Scheme, and is not an offer to the public. Given that the Scheme requires approvals of various regulatory authorities, including and primarily, the NCLT, the exact time frame cannot be established with certainty.

COMPANY’S ABSOLUTE RESPONSIBILITY

QDCPL, having made all reasonable inquiries, accepts responsibility for and confirms that the Disclosure Document contains all information with regard to QDCPL and this Scheme, which is material in the context of this Scheme, that the information contained in the Disclosure Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which will make the Disclosure Document as a whole, or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

Name of Merchant Banker and contact details	Name of Statutory auditor and contact details
 Axis Capital Limited. Address: 1st Floor, Axis House, C-2, Wadia International Centre P. B. Marg, Worli Mumbai 400 025 Contact Person: Mr. Ankit Bhatia Telephone: +91 22 4325 2183 Fax: +91 22 4325 3000E-mail: ufo@axiscap.in Website: www.axiscapital.co.in SEBI Registration Number: MB/INM000012029	Abhay U Jain & Associates Address: 164, Linghi Chetty Street, Singapore Plaza, 2nd Floor, Parrys, Chennai – 600 001 Telephone: 044-42620512 Fax: 044-4260090 Registration number: 11045S Email:caakjain@gmail.com

PROMOTERS OF QDCPL

V. Senthil Kumar and Vandana Gopikumar are the promoters of QDCPL.

V. Senthil Kumar has over 30 years of experience in technology in the film, audio and video domains. He established Media Artists in 1986 which is a former division of QCTPL and a state of the art recording and audio post production studio. He is the co-founder of QCTPL and director in MPL and QDCPL. He has completed his bachelor of engineering in computer science.

Vandana Gopikumar is the co-founder of The Banyan and BALM (The Banyan Academy of Leadership in Mental Health). She is a professor in the Integrated Social Work Practice at Tata Institute of Social Sciences. She has completed her doctorate of philosophy (Ph.D) in mental health, poverty and homelessness, masters in social work and B.A. in English literature. She has an experience of around 24 years.

There are no listed group companies of QDCPL as per the SEBI (ICDR) Regulations, 2009.

BUSINESS MODEL / BUSINESS OVERVIEW AND STRATEGY

The Memorandum of Association of QDCPL authorizes it to undertake the following activities:

1. Production, distribution, exhibition and exploitation of educational, industrial, motivational, sports, documentary, advertisement and feature films, tele-films, animation films, cartoon films, electronic-cinema, entertainment through music/dance/drama/movie/TV/other media, television serials, features and programmes and video and radio spots and programmes.
2. To buy, manufacture, assemble, produce and market educational, commercial, audio, visual, audio-visual electronic systems and aids. To carry on research and development work in the field of audio visual and film support solutions, electronic systems, computer graphics, information storage and retrieval systems and create special effects modules for motion picture, television and entertainment industry.
3. To buy, produce, distribute, market, sell and lease educational, industrial, advertisement and feature films and video in all formats.
4. To act as consultants, technical advisers, surveyors and in any other professional capacity in

- respect of the business carried on by QDCPL.
5. To carry on the business of manufacturers, buyers, sellers, assemblers, dealers, distributors, importers, exporters, designers, developers and manufacturers of specialized and any other varieties of computers and electronic equipments. To buy, sell, manufacture, assemble, import, export, distribute, service, repair, deal in, trade, develop, apply for patents, lease out, act as agents in all or any of the following: electronics equipments, computers micro processor based systems, computer components and computers peripherals including printers, key boards, visual display units (VDUs), magnetic and optical encoders and magnetic and optical character and code reading systems and such other hardware developments that may come into existence from time to time.
 6. To undertake the designing and development of systems and applications software either for its own use or for sale in India or for export outside India and to design and develop such systems and application software for or on behalf of manufacturers, owners and users of computer systems and digital / electronic equipments in India or elsewhere in the world.

As on the date of this notice, QDCPL does not carry on any business activity. Pursuant to the Scheme becoming effective, it will be engaged in the demerged business of QCTPL and the amalgamated business of MPL, *i.e.* inter alia the business of providing solutions and services for the media and entertainment domain, with a dominant focus on digital cinema.

BOARD OF DIRECTORS			
Sr. No.	Name	Designation	Experience
1.	V. Senthil Kumar	Non-Executive Director	V. Senthil Kumar has around 30 years of Experience and had set up Media Artists Film and Video-Production Centre in Chennai in 1986 which is a former division of QCTPL and a state of the art recording and audio post production studio. He is the co-founder of QCTPL and director in MPL. He has completed his bachelor of engineering in computer science. He currently works on strategy and product development for QCTPL.
2.	Vandana Gopikumar	Non-Executive Director	Vandana Gopikumar is the co-founder of The Banyan and BALM (The Banyan Academy of Leadership in Mental Health). She is a professor in the Integrated Social Work Practice at Tata Institute of Social Sciences . She has completed her doctorate of philosophy (Ph.D) in mental health, poverty, homelessness, masters in social work, medical and psychiatric social work and B.A. in English literature. She has an experience of around 24 years. She is also a director in MPL and Digital Film Technologies Private Limited.
3.	Harsh Krishna Rohatgi	Additional Non-Executive Director	Harsh Krishna Rohatgi's expertise lies in the domains of broadcast and digital media, business strategy and marketing, and his expertise spreads across programming, business operations, revenue

			management and general management in the broadcast industry. He has completed his B.A. (Hons) in economics and post graduate diploma in management. He has been associated with QCTPL for the last 5 years and at QCTPL he spearheads the national digital cinema roll out initiatives. His mandate also includes assisting the company in evolving business ideas and strategies for newer service offerings. He is currently designated as the chief operating officer of QCTPL. He is also a director in Homeveda Media Labs Pvt. Ltd. and MPL.
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OBJECTS OF THE ISSUE

To amalgamate with a listed company

The object is to amalgamate QDCPL into UFO as a result of which, shareholders of QDCPL shall directly hold equity shares in UFO.

QCTPL and UFO are engaged in similar businesses. Under the Scheme, the entire business of QCTPL excluding certain contracts shall be demerged into QDCPL, a company owned by one of the promoters of QCTPL and his relative. Considering the existing entertainment and advertising market dynamics in India and global markets and growth opportunities thereof, the proposed consolidation of the business of QDCPL (pursuant to the QCTPL Demerger and MPL Merger) with UFO will lead to robust growth opportunities in India and globally. The amalgamation of QDCPL into UFO would inter alia have the following benefits: (a) housing of all the complementary technologies in UFO and UFO being in a position to offer its clients a comprehensive bouquet of services; (b) provision of better and more efficient services to all the stakeholders in the industry; (c) substantial growth of the advertising business of UFO; and (d) synergy of operations and benefit of scale since duplication of administrative efforts and legal and regulatory compliances would be unified.

SHAREHOLDING PATTERN OF QDCPL AS ON MARCH 31, 2018 IS AS FOLLOWS:

Sr. No.	Particulars	No. of Equity Shares prior to Scheme becoming effective	% holding	No. of Equity Shares post Scheme becoming effective	% holding
1	V. Senthil Kumar	5,000	50%	N.A.	N.A.
2	Vandana Gopikumar	5,000	50%	N.A.	N.A.
	Total	10,000	100.00%	N.A.	N.A.

Post-merger QDCPL will cease to exist.

AUDITED FINANCIALS
(in INR million unless stated otherwise)

Particulars	Latest stub period - October 11, 2017 to October 31, 2017
Total income from operations (net)	-
Net Profit / (Loss) before tax and extraordinary items	-5895
Net Profit / (Loss) after tax and extraordinary items	-5895
Equity Share Capital	100,000
Reserves and Surplus	-5895
Net Worth	94,105
Basic Earnings Per Share (in INR)	(0.59)
Diluted Earnings Per Share (in INR)	(0.59)
Return on Net Worth (%)	-6.26%
Net Asset Value Per Share (in INR)	9.41

Authorized	Issued / Subscribed / Paid-up capital
10,000 Equity Shares of Rs. 10 each	10,000 Equity Shares of Rs. 10 each fully paid up

INTERNAL RISK FACTOR

The Scheme is subject to approval of (i) shareholders of UFO, QDCPL, MPL, QCTPL and PJSA; (ii) sanction by the National Company Law Tribunal, Mumbai and Chennai bench in accordance with Section 230-232 of the Companies Act, 2013 and (iii) in-principle and final approvals from the Stock Exchanges for listing and trading of equity shares. In case any of these required approvals or sanctions are not received, the Scheme will not be completed.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against QDCPL and amount involved — None.

B. Brief details of top 5 material outstanding litigations against QDCPL and amount involved:

Sr. No	Brief Particulars	Litigation filed by	Current Status	Amount Involved (in INR million)
	N.A.	N.A.	N.A.	N.A.

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters / Group companies in the last five financial years including outstanding action, if any: None.

D. Brief details of outstanding criminal proceedings against Promoter: None

DECLARATION BY THE COMPANY
<p>We hereby declare that all the relevant applicable provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Disclosure Document is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Disclosure Document are true and correct.</p> <p>Place: Mumbai Date: April 11, 2018</p>

**UFO MOVIEZ INDIA LIMITED****Corporate Identity No. (CIN):** L22120MH2004PLC285453
Registered Office: Valuable Techno Park, Plot No 53/1, Road No. 7, Marol MIDC, Andheri East, Mumbai 400093, Maharashtra
 Tel. No.: +91 22 40305060; Fax No.: +91 22 40305110; Email: investors@ufomoviez.com; Website: www.ufomoviez.com

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENCH, AT MUMBAI
COMPANY SCHEME APPLICATION NO. 120 OF 2018

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230 - 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

In the matter of Composite Scheme of Arrangement and Amalgamation amongst UFO Moviez India Limited ("Applicant Company" or "Transferee Company 2" or "Transferor Company 3" or "Company") and Qube Cinema Technologies Private Limited ("Demerged Company") and Qube Digital Cinema Private Limited ("Resulting Company" or "Transferee Company 1" or "Transferor Company 2") and Moviebuff Private Limited ("Transferor Company 1") and PJSA Technosoft Private Limited ("Transferee Company 3") and their respective shareholders and creditors.

UFO Moviez India Limited [CIN: L22120MH2004PLC285453], a
 company incorporated under the Companies Act, 1956, having its
 registered office at Valuable Techno Park, Plot No 53/1, Road No. 7,
 Marol MIDC, Andheri East, Mumbai 400093, Maharashtra

) ...Applicant Company

PROXY FORM
 Name of the member(s) : _____
 Registered address : _____
 E-mail ID : _____
 Reg. Folio No. / Client ID : _____
 DP ID No. : _____

I/We, being the member(s) holding _____ shares of UFO Moviez India Limited, hereby appoint:

- Name : _____
 Address : _____
 E-mail ID : _____
 Signature : _____, or failing him
- Name : _____
 Address : _____
 E-mail ID : _____
 Signature : _____, or failing him
- Name : _____
 Address : _____
 E-mail ID : _____
 Signature : _____, or failing him

as my/our Proxy to attend and vote for me/us and on my/our behalf at the Meeting of the Equity Shareholders convened by the Hon'ble National Company Law Tribunal, Mumbai Bench to be held at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059 on Monday, May 21, 2018, at 11:30 a.m. and at any adjournment or adjournments thereof in respect of such resolution as is indicated below:

Resolution No.	Resolution
1.	Approval of the Composite Scheme of Arrangement and Amalgamation amongst 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 applicable provisions of the Companies Act, 2013

Signed this _____ day of _____ 2018

Signature of the Shareholder(s) _____

Signature of the Proxy Holder(s) _____

 Affix
Re. 1
revenue
stamp

(Signature across the stamp)

Notes:

- This proxy form in order to be effective should be duly completed and deposited at the registered office of the Company at Valuable Techno Park, Plot No 53/1, Road No. 7, Marol MIDC, Andheri East, Mumbai 400093, Maharashtra, not later than 48 (forty eight) hours before the scheduled time of the commencement of the Meeting.
- All alterations in the proxy form should be initialled.
- Please affix appropriate revenue stamp before putting signature.
- Proxy need not be a shareholder of the Company.
- No person shall be appointed as a proxy who is a minor.
- For the Resolution, Explanatory Statement and Notes, please refer to the Notice of the Meeting of the Equity Shareholders of the Company.

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**UFO MOVIEZ INDIA LIMITED****Corporate Identity No. (CIN):** L22120MH2004PLC285453**Registered Office:** Valuable Techno Park, Plot No 53/1, Road No. 7, Marol MIDC, Andheri East, Mumbai 400093, Maharashtra

Tel. No.: +91 22 40305060; Fax No.: +91 22 40305110

Email: investors@ufomoviez.com; Website: www.ufomoviez.com

ATTENDANCE SLIP**MEETING CONVENED BY THE NATIONAL COMPANY LAW TRIBUNAL OF THE EQUITY SHAREHOLDERS (WHICH INCLUDES PUBLIC SHAREHOLDERS) ON MONDAY, MAY 21, 2018 at 11:30 a.m.**

I/We hereby record my/our presence at the Meeting of the Equity Shareholders of the Company, convened pursuant to an Order dated April 10, 2018 of Hon'ble National Company Law Tribunal, Mumbai Bench at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059 on Monday, May 21, 2018 at 11:30 a.m.

Name and address of the equity shareholder (IN BLOCK LETTERS) : _____

Signature : _____

Reg. Folio No. / Client ID : _____

DP ID No. : _____

No. of Shares : _____

Name of the Proxy* (IN BLOCK LETTERS) : _____

Signature : _____

* (To be filled in by the Proxy in case he/she attends instead of the shareholder)

Notes:

1. Only Member/Proxy holder can attend the Meeting.
2. Please complete the Folio No. / DP ID No. Client ID No. and name of the Member/Proxy holder sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. A Member/Proxy holder attending the meeting should bring copy of the Notice for reference at the meeting.



UFO MOVIEZ INDIA LIMITED

Corporate Identity No. (CIN): L22120MH2004PLC285453

Registered Office: Valuable Techno Park, Plot No 53/1, Road No. 7, Marol MIDC, Andheri East, Mumbai 400093, Maharashtra

Tel. No.: +91 22 40305060; Fax No.: +91 22 40305110

Email: investors@ufomoviez.com; Website: www.ufomoviez.com

POSTAL BALLOT FORM

The last date for receipt of postal ballot is May 20, 2018

Sr. No.

1.	Name & registered address of the sole / first named equity shareholder	:	
2.	Name(s) of the Joint Holder(s) (if any)	:	
3.	Registered Folio Number / DP ID No. and Client ID No.*	:	
4.	Number of Ordinary Share(s) held	:	
5.	E-Voting Event Number (EVEN)	:	
6.	User ID	:	
7.	Password	:	

*(Applicable to Members holding shares in dematerialized form)

I/We hereby exercise my/our vote(s) in respect of the resolution as detailed in the Notice dated April 11, 2018 convening Meeting of the equity shareholders of UFO Moviez India Limited, as directed by the Hon'ble National Company Law Tribunal, Mumbai Bench on Monday, May 21, 2018 at 11:30 a.m. at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059 by sending my/our assent or dissent to the said resolution by placing a tick mark (✓) in the appropriate box below:

Description of Resolution	No. of ordinary shares for which votes cast	I/We assent to the Resolution (FOR)	I/We dissent from the Resolution (AGAINST)
Approval of the Composite Scheme of Arrangement and Amalgamation amongst 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 applicable provisions of the Companies Act, 2013			

Place:

Date:

Signature of Member: _____

Note: Please read the instructions printed below carefully before exercising your vote.

1. GENERAL INFORMATION

- a) The Mumbai Bench of the Hon'ble National Company Law Tribunal ("**Hon'ble Tribunal**"), vide its Order dated April 10, 2018 has directed that a Meeting of the Equity Shareholders of the Company shall be convened and held at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059 on Monday, May 21, 2018 at 11:30 a.m. for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Composite Scheme of Arrangement and Amalgamation amongst 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.
- b) Pursuant to Sections 230 to 232 read with Sections 108 and 110 of the Companies Act, 2013 and the Companies (Management & Administration) Rules, 2014, assent or dissent of the members in respect of the resolution detailed in the Notice dated April 11, 2018 is being additionally sought through Postal Ballot / e-voting as per the directions of the Hon'ble Tribunal.
- c) Voting right shall be reckoned on the paid up value of shares registered in the name of Member as at the close of business on Tuesday, April 10, 2018 ("**Cut-off Date**").
- d) The proposed Scheme, if assented by majority of shareholders representing three-fourth of the value, by way of postal ballot, remote e-voting and voting at the Meeting shall be considered as passed on the date of the Meeting.

2. PROCESS FOR EQUITY SHAREHOLDERS OPTING FOR VOTING BY POSTAL BALLOT

- a) Equity Shareholders desiring to cast their vote by postal ballot should complete and sign this postal ballot form and send in the enclosed postage prepaid self-addressed envelope. Postal ballot forms deposited in person or sent by post or courier at the expense of the equity shareholder will also be accepted.
- b) In case of joint holding, this postal ballot form should be completed and signed by the first named equity shareholder and in his absence by the next named equity shareholder (as per the specimen signature registered with the Company / Depository).
- c) There will be one postal ballot form for every Client ID No. / Folio No., irrespective of the number of joint holders.
- d) In respect of shares held by corporate and institutional shareholders (companies, trusts, societies, etc.), the completed postal ballot form should be accompanied by a certified copy of the relevant board resolution / appropriate authorisation, with the specimen signature(s) of the authorised signatory(ies) duly attested.
- e) Voting rights in the postal ballot form cannot be exercised by a proxy.
- f) Completed postal ballot forms should reach the scrutinizer not later than the close of working hours i.e. at 05:00 p.m on Sunday, May 20, 2018. Incomplete postal ballot form or postal ballot form received after this date will be considered invalid.
- g) An incomplete, unsigned, incorrectly ticked, defaced, torn, mutilated, overwritten, wrongly signed postal ballot form will be rejected.
- h) The scrutinizer's decision in this regard shall be final and binding.
- i) Equity shareholders seeking duplicate postal ballot form or having any grievance pertaining to the postal ballot process can write to the Company's Registrars i.e. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032 or to the e-mail ID einward.ris@karvy.com.
- j) Equity shareholders are requested not to send any paper (other than the resolution / authority as mentioned under "Process for Equity Shareholders opting for voting by Postal Ballot") along with the postal ballot form in the enclosed self-addressed postage pre-paid envelope as all such envelopes will be sent to the scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the scrutinizer.
- k) The Company is pleased to provide e-voting as an alternative for the equity shareholders of the Company to enable them to cast their votes electronically instead of through physical postal ballot form. E-voting is optional. In case any equity shareholder has voted through e-voting facility, he/she need not send a physical postal ballot form. In case any equity shareholder votes through e-voting facility as well as sends his/her vote through physical vote, votes cast through e-voting shall prevail and the votes cast through postal ballot form shall be considered invalid by the scrutinizer. Equity Shareholders are requested to refer to the Notice and notes thereto, for detailed instructions with respect to e-voting.