UFO
digital cinema

December 11, 2018

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400001
Scrip Code: 539141

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1
G Block, Bandra-Kurla Complex
Bandra (East)
Mumbai 400051
Scrip Code: UFO

Dear Sir and Ma'am,

Re: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") and prior disclosure dated November 1, 2017 (attached as Annex 1 hereto).

Sub: (i) Reduction in purchase consideration for the transfer of shares of Qube Digital Cinema Private Limited ("QDCPL") from Nomura Asia Investment (MB) Pte. Ltd., CSI BD (Mauritius), Intel Capital Corporation and/or Streetedge Capital LP (collectively, the "Sellers") to UFO Moviez India Limited and India Advantage Fund S4 I, a fund managed by ICICI Venture Funds Management Company Limited; and (ii) Extension of Long Stop Date under the: (a) Implementation Agreement dated November 1, 2017 ("IA"); and (b) Share Purchase Agreement dated November 1, 2017 ("SPA").

Please refer to our letter dated November 1, 2017 ("**Letter**"), whereby we had, *inter alia*, intimated that UFO Moviez India Limited ("**Company**") had executed: (i) the IA which sets out the manner of implementation of the Scheme (as defined in the Letter) and the rights and obligations of the respective parties in relation thereto; and (ii) the SPA setting out the terms and conditions for the sale and purchase of the Sale Shares (as defined in the Letter).

The Letter sets out the price at which the Company and India Advantage Fund S4 I, a fund managed by ICICI Venture Funds Management Company Limited ("**Investor**") had agreed to purchase an aggregate of 53.20% of the share capital of QDCPL from certain non-promoter shareholders of Qube Cinema Technologies Private Limited who no longer wish to participate in the Demerged Business (as defined in the Letter) i.e., the Sellers. In this regard, the Company had entered into the SPA with the Investor and the Sellers and agreed to pay a price per Sale Share of Rs. 302.647. Pursuant to discussions between the concerned stakeholders, the parties to the SPA have mutually agreed to reduce the per Sale Share price payable by the Company and the Investor to the Sellers from Rs. 302.647 to Rs. 264.88. The following table sets out the manner in which the shares shall be bought by the Company and the Investor, along with its co-investors, from the Sellers:

	Sale Shares				
	Nomura	*Intel*	*Cisco*	*Street Edge*	*Total*
UFO Moviez India Limited	*20,11,105*	*10,21,780*	*2,78,833*	*5,63,813*	***38,75,531***
Dynamic India Fund S4 US I	*2,12,240*	*1,07,832*	*29,426*	*59,501*	***4,08,999***
Pantheon Access Secondary Program, LP	*41,397*	*21,032*	*5,739*	*11,606*	***79,774***

Pantheon Global Secondary Fund V, LP	*6,16,443*	*3,13,195*	*85,467*	*1,72,820*	***11,87,925***
Pantheon International PLC	*3,50,438*	*1,78,046*	*48,587*	*98,245*	***6,75,316***
Pantheon Multi-Strategy Secondary Program 2014, LP	*20,494*	*10,412*	*2,841*	*5,745*	***39,492***
India Advantage Fund S4 I	*24,45,418*	*12,42,440*	*3,39,048*	*6,85,572*	***47,12,478***
Total	***56,97,535***	***28,94,737***	***7,89,941***	***15,97,302***	***1,09,79,515***

	Purchase Consideration (INR)				
	Nomura	***Intel***	*Cisco*	***Street Edge***	***Total***
UFO Moviez India Limited	*53,27,01,492*	*27,06,49,086*	*7,38,57,285*	*14,93,42,787*	***1,02,65,50,650***
Dynamic India Fund S4 US I	*5,62,18,131*	*2,85,62,540*	*77,94,359*	*1,57,60,625*	***10,83,35,655***
Pantheon Access Secondary Program, LP	*1,09,65,237*	*55,70,956*	*15,20,146*	*30,74,197*	***2,11,30,536***
Pantheon Global Secondary Fund V, LP	*16,32,83,422*	*8,29,59,092*	*2,26,38,499*	*4,57,76,562*	***31,46,57,575***
Pantheon International PLC	*9,28,24,017*	*4,71,60,824*	*1,28,69,725*	*2,60,23,136*	***17,88,77,702***
Pantheon Multi-Strategy Secondary Program 2014, LP	*54,28,451*	*27,57,931*	*7,52,524*	*15,21,736*	***1,04,60,642***
India Advantage Fund S4 I	*64,77,42,320*	*32,90,97,507*	*8,98,07,034*	*18,15,94,311*	***1,24,82,41,172***
Total	***1,50,91,63,070***	***76,67,57,936***	***20,92,39,572***	***42,30,93,354***	***2,90,82,53,932***

Further, as the proceedings before the Hon'ble National Company Law Tribunal, Mumbai bench are yet to be completed, it has been mutually decided by all the parties to the transaction that the Long Stop Date be extended to April 15, 2019 under both the IA and the SPA.

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,
For **UFO Moviez India Limited**

Sameer Chavan
Company Secretary

Enclosed: The Company's prior disclosure dated November 1, 2017 (attached as Annex 1 hereto).

Annex - 1

UFO digital cinema

November 1, 2017

To

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 Sirs,

Sub: Outcome of Board Meeting held on November 01, 2017

Re: Intimation of Composite Scheme of Arrangement & Amalgamation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In compliance with Regulation 30 of the Securities and Exchange Board of India ("**SEBI**") (Listing Obligations and Disclosure Requirements) Regulations 2015 ("**LODR Regulations**"), read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 ("**SEBI Circular**"), we wish to submit that the Board of Directors of UFO Moviez India Limited (the "**Company**") in its meeting held today considered and approved the composite scheme of arrangement and amalgamation which inter alia provides for:

(i) Demerger of the entire business of Qube Cinema Technologies Private Limited ("QCTPL") except businesses that are not synergic or have limited growth potential ("Demerged Business") into Qube Digital Cinema Private Limited ("QDCPL") on a going concern basis ("Demerged Business") and the issuance of equity shares by QDCPL to the shareholders of QCTPL ("**Demerger**");

(ii) 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**");

(iii) Upon giving effect to Demerger and MPL Merger and upon issuance of shares by 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. 1,17,29,18,098; and

    (b) The Investor proposed to purchase 71,03,984 equity shares in QCTPL from the Sellers for an aggregate consideration of Rs. 214,99,99,937.

(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 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 and payment of a lump sum consideration by PJSA to the Company ("**Slump Sale**").

The Scheme is subject to the 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.

It may be noted that the proposed Scheme has been reviewed and recommended for approval by the Audit and Risk Management Committee of the Board of the Company at its meeting held on November 1, 2017

Enclosed as **Annexure A** is the information pursuant to Regulation 30 of the LODR Regulations.

Thanking you,

Yours faithfully,

For **UFO Moviez India Limited**

S.S.Chavan

Sameer Chavan
Company Secretary

Encl: a/a

ANNEXURE A

Disclosure of Information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015

1. Name of the entity(ies) forming part of the Composite Scheme, details in brief such as, size, turnover etc:

1.1 UFO Moviez India Limited ("UFO" or "Company") 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 Corporate Identity Number of UFO is L22120MH2004PLC285453 . 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.

1.2 Qube Cinema Technologies Private Limited ("QCTPL") is a private limited company incorporated on January 01, 1986 under the Companies Act, 1956 and its registered office is situated at 42, Dr. Ranga Road, Mylapore, Chennai 600004. The Corporate Identity Number of QCTPL is U92490TN1986PTC012536. QCTPL is engaged in the business of providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.

1.3 Qube Digital Cinema Private Limited ("QDCPL") is a private limited company incorporated on October 11, 2017 under the Companies Act, 2013 and its registered office is situated at42, Dr. Ranga Road, Mylapore, Chennai 600004. The Corporate Identity Number of QDCPL is U93000TN2017PTC119019. 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.

1.4 Moviebuff Private Limited ("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 600004. The Corporate Identity Number of MPL is U22300TN1996PTC036847. MPL is engaged in the business of operating a backend platform for dynamically creating and playing back customised content at scheduled times.

1.5 PJSA Technosoft Pvt. Limited ("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. The Corporate Identity Number of PJSA is U74999MH2017PTC300940. PJSA will be engaged in the business of providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.

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 5110/140.

1.6 The paid-up capital, net worth and turnover of the companies involved in the Composite Scheme are as follows:

Company	Paid-up Capital	Turnover	Net worth
UFO (as on June 30, 2017)	INR 276,008,010	INR 1544 million	INR 4191.2 million
QCTPL (as on Sep 30, 2017)	INR 173,844,690	INR 1807.39 million	INR 2655.35 million
QDCPL (as on date)	INR 100,000	NA	INR 100,000
MPL (as on date)	INR 102,120	NIL	INR 61859
PJSA (as on date)	INR 100,000	NA	INR 100,000

2. Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"

2.1 QDCPL is wholly owned by the existing promoters of QCTPL and their relatives. As on date, the existing promoters of QCTPL hold 66-2/3% of MPL. Therefore, the Demerger and MPL Merger are transactions between related parties.

2.2 As on date, the Company and QDCPL are not related parties and therefore, the QDCPL Merger is not a transaction between related parties.

2.3 PJSA is a wholly owned subsidiary of the Company and therefore, the Slump Sale is a transaction between related parties.

2.4 The promoter/ promoter group of the Company do not have any interest in the Composite Scheme.

2.5 The entire consideration for each part of the Proposed Scheme will be discharged at an "arm's length" basis.

2.6 The Composite Scheme is inter alia, subject to the approval of the majority of the public shareholders of the Company in terms of the SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 applicable to schemes of arrangement involving listed entities.

3. Area of business entities:

3.1 All the entities involved in the Composite Scheme belong to the same industry i.e., digital cinema distribution, advertising and IT and IT enabled services with respect to entertainment and cinema industry.

3.2 QCTPL is engaged in the business of providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.

3.3 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.

3.4 MPL is engaged in the business of operating a backend platform for dynamically creating and playing back customised content at scheduled times.

3.5 The Company is engaged primarily in the business of digital cinema distribution and in-cinema advertising.

3.6 PJSA will be engaged in the business of providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.

4. Rationale for the Composite Scheme:

4.1 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 Demerged QCTPL Business with UFO will lead to robust growth opportunities in India and globally. 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.

4.2 Neither QCTPL nor UFO is currently able to provide a comprehensive advertising solution to its clients across the length and breadth of the country. 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.

4.3 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. The 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 of QCTPL.

4.4 This Scheme will provide an opportunity to employees and shareholders of QCTPL to become part of a listed entity. 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.

4.5 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 intellectual properties, into QDCPL, thereby consolidating and combining the businesses of QCTPL and MPL in QDCPL. QDCPL will then be merged with UFO.

4.6 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.

5. **Consideration**

5.1 **Demerger**: Pursuant to the Demerger, QDCPL shall issue and allot its equity shares to the shareholders of QCTPL (as on the record date fixed under the Scheme), in the following share entitlement ratio:

(i) 1 (one) equity share of QDCPL of INR 10/- each for every 1 (one) equity shares held in QCTPL of INR 10/- each;

(ii) 1 (one) equity share of QDCPL of INR 10/- each for every 1 (one) Series A Preferred Shares held in QCTPL of INR 10/- each; and

(iii) 1 (one) equity share of QDCPL of INR 10/- each for every 1 (one) series B preferred shares held in QCTPL 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 held in QCTPL of INR 10/- each.

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 QCTPL shall stand cancelled and reduced without any consideration. Further, the existing 10,000 equity shares of INR 10/- each held by the shareholders of QDCPL shall stand cancelled and reduced without any consideration. QDCPL shall grant 1 (one) employee stock options to the employees of QCTPL engaged in the Demerged Business, which have been granted (whether vested or not) but have not been exercised in lieu of every 1 (one) employee stock option of QCTPL held by such employees.

5.2 **MPL Merger**: Pursuant to MPL Merger, shareholders of MPL shall be issued 76,381 (seventy six thousand three hundred eighty one) equity shares of INR 10/- each, credited as fully paid-up of QDCPL for every 1000 (one thousand) equity share of INR 10/- each fully paid-up held by such equity shareholder in MPL.

5.3 **Transfer of Sale Shares**: Upon giving effect to the Demerger and MPL Merger and upon issuance of shares by 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**") shall 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 (as mentioned in point (i)) i.e., Nomura Asia Investment (MB) Pte. Ltd., CSI BD (Mauritius), Intel Capital Corporation and/or Streetedge Capital LP ("**Sellers**") in the following proportion, at a price of Rs. 302.647 per share:

QCTPL Shares				**Purchase Consideration (INR)**		
Shares held by Sellers		**Company to purchase**	**Investor to purchase**	**Total**	**Company**	**Investor**
Nomura	56,97,535	20,11,105	36,86,430	1,72,43,42,269	60,86,55,034	1,11,56,87,235
Intel	28,94,737	10,21,780	18,72,957	87,60,83,669	30,92,38,722	56,68,44,947
CSI	7,89,941	2,78,833	5,11,108	23,90,73,328	8,43,87,990	15,46,85,338
Street Edge	15,97,302	5,63,813	10,33,489	48,34,18,769	17,06,36,352	31,27,82,417
Sub-total	**1,09,79,515**	**38,75,531**	**71,03,984**	**3,32,29,18,035**	**1,17,29,18,098**	**2,14,99,99,937**

5.4 **QDCPL Merger**: Pursuant to the QDCPL Merger, shareholders of QDCPL (except the Company) shall be issued 13 (thirteen) equity shares of INR 10/- each, credited as fully paid-up of the Company for every 17 (seventeen) equity share of INR 10/- each fully paid-up held by such equity shareholder in QDCPL (as on the record date fixed under the Scheme). The Company shall grant 13 (thirteen) employee stock options to the employees of QDCPL for every 17 (seventeen) employee stock option of QDCPL held by such employees.

5.5 **Slump Sale**: Pursuant to the Slump Sale, PJSA shall pay the Company 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 Company and PJSA. The consideration shall be discharged by PJSA by issuing equity shares of INR 10/- each fully paid up to the Company.

5.6 The shares to be allotted by the Company to the shareholders of QDCPL as consideration for the QDCPL Merger, are based on the valuation report issued by the Independent Valuer, namely Walker, Chandiok & Co LLP Chartered Accountants, and a fairness opinion on the same has been issued by Axis Capital Ltd., an independent Category-I Merchant Banker. Further, the aforesaid report and fairness opinion have been duly considered by the Audit Committee and Board of Directors of the Company.

6. **Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year**

6.1 **Details of the Demerged Business** – The divisions, undertakings, businesses, activities and operations of QCTPL engaged in (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 certain intellectual properties.

6.2 Turnover of Demerged Business of QCTPL for half year ended September 30, 2107 – INR 1748.66 million. The said Demerged Business will stand transferred to the Company as part of the QDCPL Merger.

6.3 **Details of the Transferred Undertaking**- The divisions, undertakings, businesses, activities and operations of the Company relating to the development and commercial exploitation of the intellectual property rights underlying certain new software, technologies and processes which are currently in the process of commercialization (which shall be transferred to the Company pursuant to the QDCPL Merger).

7. Execution of Transaction Documents

7.1 The Board also approved the execution of the following agreements:

(i) Implementation Agreement amongst the Company, QCTPL, QDCPL, MPL, PJSA, Investor, Sellers, promoters of the Company and QCTPL, to set out the manner of implementation of the Scheme and the rights and obligations of the respective parties in relation thereto ("**Implementation Agreement**");

(ii) Warranty and Indemnity Agreement amongst the Company, QCTPL, QDCPL, MPL, Investor, the promoters of QCTPL, to set out certain representations, warranties and indemnities given by the parties to each other ("**Warranty Agreement**");

(iii) Share Purchase Agreement ("**SPA**") amongst the Company, Investor and Sellers, to set out the terms and conditions for the sale and purchase of the Sale Shares; and

(iv) Escrow Agreement amongst the Company, Investor, Sellers and escrow agents, to set out the mechanism for deposit and release of the purchase consideration and Sale Shares under the SPA ("**Escrow Agreement**").

7.2 The significant terms of the Implementation Agreement are:

(a) **Management of the Company** - The promoters of QCTPL shall not have the right to nominate any individual to a management position in the Company and/or have any right in relation to the management of the Company.

(b) **Shareholder Classification** - The Investor and the promoters of QCTPL shall, after the

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Corporate Identity Number: L22120MH2004PLC285453 • Email: corporate@ufomoviez.com • Website: www.ufomoviez.com

Merger, be classified as 'public shareholders' of the Company in accordance with applicable law.

(c) **Board of directors of the Company**. The board of directors of the Company shall be constituted as follows after the Merger:

i. 2 (two) directors to be appointed by the promoters of the Company, 1 (one) of whom shall be the existing Managing Director of the Company;

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

iii. 3 (three) independent directors;

iv. 1 (one) executive director who shall be the existing Joint Managing Director of the Company; and

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

(d) **Management of PJSA:** A majority of the board of directors of PJSA shall be nominated by the Company and the balance directors shall be nominated by the promoters of QCTPL. Provided that the promoters of QCTPL shall be entitled to nominate at least 2 (two) directors on the board of directors of PJSA of which 1 (one) nominee shall be Senthil Kumar, promoter 1 of QCTPL ("**QCTPL Promoter 1**").

QCTPL Promoter 1 shall be appointed as the managing director of PJSA on a non-retiring basis and his appointment will be terminable only for 'cause'. Jayendra Panchapakesan, promoter 2 of QCTPL ("**QCTPL Promoter 2**") shall be appointed as an executive director of PJSA on a non-retiring basis.

The management and the board of directors of PJSA shall be subject to the overall supervision of the board of directors of the Company. PJSA shall have an independent organisational structure as may be agreed by the board of directors of PJSA

8. Expected date of completion

8.1 The Composite Scheme is subject to the approval from the shareholders of the companies, BSE Limited, National Stock Exchange of India Limited, SEBI, Hon'ble National Company Law Tribunal, Mumbai and Chennai Bench and other regulatory approvals, as may be required.

8.2 The various parts of the Scheme shall be deemed to have given effect to as per the following chronology and sequence:

(i) With effect from the Appointed Date 1, the Demerger and MPL Merger shall be deemed to have been operative from the Effective Date 1. 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 orders sanctioning the Scheme is filed with the relevant Registrar of Companies; and (ii) 2 (two) business days from the date on which the final approval to the Scheme from BSE Limited, National Stock Exchange of India Limited and SEBI is obtained. The Appointed Date 1 shall be the Effective Date 1.

(ii) With effect from the Appointed Date 2, the QDCPL Merger shall be deemed to have been operative from the Effective Date 2. Effective Date 2 means 1 (one) calendar day after the completion of the Transfer of Sale Shares. The Appointed Date 2 shall be the Effective Date 2; and

(iii) With effect from the Appointed Date 3, the Slump Sale shall be deemed to have been operative from the Effective Date 3. Effective Date 3 means 1 (one) calendar day after the Effective Date 2. The Appointed Date 3 shall be the Effective Date 3.

9. Brief details of change in shareholding pattern

9.1 The brief details of shareholding of the companies pre and post Scheme is as follows:

Company:

	Before Scheme		**Post Scheme**	
Category	**No. of shares**	**% of Total**	**No. of shares**	**% of Total**
Promoters	7765452	28.13	7765452	19.21
Public	19835349	71.87	32,653,793	80.79
Total	**27600801**	**100**	**40,419,245**	**100**

QCTPL (fully diluted assuming full outstanding ESOP conversion):

	Before Scheme		**Post Scheme**	
Category	**No. of shares**	**% of Total**	**No. of shares**	**% of Total**
Promoters	55,23,091	27.81%	55,23,091	27.81%
Non-promoters	143,35,023	72.19%	143,35,023	72.19%
Total	**19,858,114**	**100%**	**19,858,114**	**100%**

QDCPL:

	Before Scheme		**Post Scheme**	
Category	**No. of shares**	**% of Total**	**No. of shares**	**% of Total**
Promoters	10,000	100	Not applicable (QDCPL will be dissolved without winding up)	
Non-promoters	NIL	NIL		
Total	**10,000**	**100**		

MPL:

	Before Scheme		**Post Scheme**	
Category	**No. of shares**	**% of Total**	**No. of shares**	**% of Total**
Promoters	10,212	100	Not Applicable (MPL will be dissolved without winding up)	
Non-promoters	NIL	NIL		
Total	**10,212**	**100**		

PJSA:

Category	Before Scheme		Post Scheme	
	No. of shares	% of Total	No. of shares	% of Total
Promoters	10,000	100%	23,510,000 *(subject to any adjustment of the lump sum consideration on the Effective Date 3)*	100%
Non-promoters	NIL	NIL	NIL	NIL
Total	**10,000**	**100%**	**100%**	**100%**