

AXIS-IT&T LIMITED

Registered Office: A-264 Second Floor, Defence Colony, New Delhi - 110 024.

Website: www.axisitt.com

COURT CONVENED MEETING OF THE UNSECURED CREDITORS

Date : September 17, 2013
Day : Tuesday
Time : 2.30 P.M.
Venue : Modi Hall,
PHD Chambers of Commerce & Industry,
PHD House, 4/2, Siri Institutional Area,
August Kranti Marg,
New Delhi - 110 016.

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IN THE HIGH COURT OF DELHI
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND
IN THE MATTER OF SECTIONS 391 TO 394 READ WITH SECTION 78, SECTIONS 100
TO 103 OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF AXIS-IT&T LIMITED
AND
IN THE MATTER OF SCHEME OF ARRANGEMENT OF CADES DIGITECH PRIVATE
LIMITED AND AXIS-IT&T LIMITED AND THEIR RESPECTIVE SHAREHOLDERS
COMPANY APPLICATION NO. 95 OF 2013

AXIS-IT&T LIMITED

A-264, Second Floor,
Defence Colony,
New Delhi - 110 024.

... APPLICANT / TRANSFEREE COMPANY

NOTICE OF CONVENING MEETING OF THE UNSECURED CREDITORS

To,

The Unsecured Creditors of **AXIS-IT&T LIMITED** ("the Applicant Company")

TAKE NOTICE that by an order made on Monday, July 22, 2013 in the above Company Application, the Hon'ble High Court of Delhi has directed that a meeting of the Unsecured Creditors of the Applicant Company be convened and held at, PHD Chambers of Commerce & Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi - 110 016, on Tuesday, the September 17, 2013 at 2.30 P.M., for the purpose of considering and if thought fit approving, with or without modification(s), the arrangements embodied in the Scheme of Arrangement of Cades Digitech Private Limited and the Applicant Company/Axis-IT&T Limited and their respective shareholders which, inter alia, provides for amalgamation of Cades Digitech Private Limited with the Applicant Company under Section 391-394 of the Companies Act, 1956 and utilisation of Share Premium Account to set-off the debit balance in profit & loss account under Sections 78 and 100-103 and other applicable provisions of the Act. (hereinafter referred to as the "**Scheme**").

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the Unsecured Creditors of the Applicant Company will be convened and held at Modi Hall, PHD Chambers of Commerce & Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 on Tuesday, the September 17, 2013, at 2.30 P.M., at which place, day, date and time you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy, provided that a proxy form in the prescribed form, duly signed by you or your authorized representative, is deposited at the Registered Office of the Applicant Company at A-264, Second Floor, Defence Colony, New Delhi - 110 024 not later than 48 hours before the commencement of the said meeting.

The Hon'ble Delhi High Court has appointed Ms. Seema Gulati as the Chairman of the said meeting and Mr. Sameer Sharma as the Alternate Chairperson.

A copy of the Scheme, the Explanatory Statement under section 393 of the Companies Act, 1956, Form of Proxy and Attendance Slip are enclosed herewith.

Sd/-

Chairman appointed for the meeting

Dated this the 14th day of August, 2013

Registered Office

A-264 Second Floor,
Defence Colony,
New Delhi - 110 024.

Notes

1. All alterations made in the Form of Proxy should be initialled.
2. Only Unsecured Creditors of the Applicant Company may attend and vote (either in person or by proxy) at the Unsecured Creditors' meeting. The representative of a body corporate which is a Unsecured Creditor of the Applicant Company may attend and vote at the Unsecured Creditors' meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate is deposited at the Registered Office of the Applicant Company not later than 48 hours before the meeting authorising such representative to attend and vote at the Unsecured Creditors' meeting.

Enclosed: As above.

IN THE HIGH COURT OF DELHI
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND
IN THE MATTER OF SECTIONS 391 TO 394 READ WITH SECTION 78, SECTIONS 100
TO 103 OF THE COMPANIES ACT, 1956
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LIMITED AND AXIS-IT&T LIMITED AND THEIR RESPECTIVE SHAREHOLDERS
COMPANY APPLICATION NO. 95 OF 2013

AXIS-IT&T LIMITED

A-264, Second Floor,
Defence Colony,
New Delhi – 110 024.

... APPLICANT / TRANSFEREE COMPANY

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. Axis-IT&T Limited is referred to as the “**Applicant Company**” or “**Transferee Company**” or “**Axis-IT&T**” and Cades Digitech Private Limited is referred to as the “**Transferor Company**” or “**Cades**”. The other definitions contained in the proposed Scheme of Arrangement of Cades Digitech Private Limited with Axis-IT&T Limited and their respective shareholders (hereinafter referred to as the “**Scheme**”) will apply to this statement under Section 393 of the Companies Act, 1956 (“**Explanatory Statement**”).
2. A copy of the proposed Scheme between the Transferor Company and the Transferee Company setting out the terms and conditions is attached to this Explanatory Statement.
3. Pursuant to the Order dated July 22, 2013 passed by the Hon’ble Delhi High Court at New Delhi in Company Application referred to above, a meeting is being convened at LakshmiPat Singhania Auditorium, PHD Chambers of Commerce & Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi – 110 016 on Tuesday, the September 17, 2013, at 11.00 A.M., of the Equity Shareholders of the Applicant Company for the purpose of considering and, if thought fit, approving, with or without modification, the proposed Scheme of Arrangement of Cades Digitech Private Limited and Axis-IT&T Limited and their respective shareholders.

OVERVIEW

4. The proposed Scheme envisages merger of Cades Digitech Private Limited into Axis-IT&T Limited under Sections 391-394 and other applicable provisions of the Companies Act, 1956 (hereinafter referred to as the “**Act**”) with effect from April 01, 2012 (the “**Appointed Date**”) and utilisation of Share Premium Account to set-off the debit balance in profit & loss account under Sections 78 and 100-103 and other applicable provisions of the Act.

BACKGROUND

- Axis IT&T, was incorporated on August 24, 1990 under the Act under the name and style of "IT&T Enterprises Private Limited" with the Registrar of Companies, Delhi & Haryana at Delhi. Subsequently the company was deemed to be a public company in accordance with Section 43A of the Companies Act, 1956 and the name of the company was changed to "IT&T Enterprises Limited" with effect from January 7, 1998. Further the company was converted to a public limited company in accordance with section 44 of the companies Act, 1956 and subsequently the name of the company was again changed to "Axis-IT&T Limited" with effect from May 12, 2005.
- The Registered Office of the Transferee Company is situated at A-264, Second Floor , Defence Colony, New Delhi- 110 024.
- The capital structure of the Applicant Company as on June 30, 2013, was as set out below:

Authorised Capital	Amount in Rs.
72,000,000 Equity shares of Rs. 5/- each	360,000,000
100,000 Preference shares of Rs.100/- each	10,000,000
Total	370,000,000
Issued Capital	Amount in Rs.
20,011,581 Equity Shares of Rs. 5/- each fully Paid-up	100,057,905
Subscribed and Paid-up	Amount in Rs.
19,960,481 Equity Shares of Rs. 5/- each fully Paid-up	99,802,405
Add : Forfeited shares (amount originally paid Rs. 3/- per share on 51,100 Equity Shares)	153,300
Total	99,955,705

The capital structure of the Applicant Company has not changed since June 30, 2013. The equity shares of the Applicant Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Post the sanction of the proposed Scheme, the indicative post capital structure of the Applicant Company would be as set out below:

Authorised Capital	Amount in Rs.
108,000,000 Equity shares of Rs. 5/- each	540,000,000
100,000 Preference shares of Rs.100/- each	10,000,000
Total	550,000,000
Issued Capital	Amount in Rs.
27,240,693 Equity Shares of Rs. 5/- each fully Paid-up	136,203,465
Subscribed and Paid-up	Amount in Rs.
27,189,593 Equity Shares of Rs. 5/- each fully Paid-up	135,947,965
Add : Forfeited shares (amount originally paid Rs. 3/- per share on 51,100 Equity Shares)	153,300
Total	136,101,265

8. The Applicant Company is primarily engaged in the business of rendering Engineering Design Services in Heavy Engineering segment.
9. As per the latest audited balance sheet of the Applicant Company, made as on March 31, 2013, its assets and liabilities were as follows:

LIABILITIES	Amount in Rs.	ASSETS	Amount in Rs.
Share Capital	99,955,705	Fixed Assets	75,463,964
Reserves and Surplus	306,601,712	Investments	267,735,487
Long term borrowings	-	Deferred Tax Asset	12,461,832
Long term provisions	11,203,252	Long term loans and advances	45,338,052
Current Liabilities	107,471,607	Other Non-Current Assets	492,539
		Current Assets	123,740,402
Total	525,232,276	Total	525,232,276

10. The Transferor Company was incorporated on December 4, 2001 under the Act.
11. The Registered Office of the Transferor Company is situated at Kirloskar Business Park, Block C, II Floor, Hebbal, Bangalore - 560 024.
12. The capital structure of the Transferor Company as on June 30, 2013, was as set out below:

Authorised Capital	Amount in Rs.
18,000,000 Equity shares of Rs. 10/- each	180,000,000
Issued, Subscribed and Paid-up	Amount in Rs.
17,741,935 Equity Shares of Rs. 10/- each fully Paid-up	177,419,350

The capital structure of the Transferor Company has not changed since June 30, 2013.

13. The Transferor Company is primarily engaged in the business of rendering product design and Engineering Design services in Aerospace, Automotive & Industrial products.
14. As per the latest audited balance sheet of the Transferor Company made as on March 31, 2013, its assets and liabilities were as follows:

LIABILITIES	Amount in Rs.	ASSETS	Amount in Rs.
Share Capital	177,419,350	Fixed Assets (net)	233,810,168
Reserves and Surplus	211,517,694	Investments	9,596
Long term borrowings	4,000,000	Deferred Tax Asset	37,052,267
Long term provisions	9,807,057	Long term Loans and advances	84,904,584
Current Liabilities	479,439,760	Current Assets	526,407,246
Total	882,183,861	Total	882,183,861

RATIONALE AND BENEFITS

15. The reasons that have necessitated the proposed Scheme are summarised as under
 - (a) The Transferor Company is Subsidiary of the Transferee Company.
 - (b) The Transferee Company is engaged directly/indirectly in the similar/allied business as that of the Transferor Company.
 - (c) The proposed merger would improve efficiency, result in operational and marketing synergy and achieve economy in operational costs and would be to the mutual advantage of both the companies concerned.
 - (d) The proposed Scheme would enable optimum utilization of available resources which will enhance the management focus thereby not only leading to higher profitability but will also increase the shareholder value and benefit the stakeholder's through enhanced financial strength and flexibility, efficient management control and systems, and would be to the mutual advantage of both the companies concerned.
 - (e) The merger would also enable to compete effectively in market and gain the resources efficiently on strength of a larger Balance Sheet ultimately resulting in optimisation of shareholder value.
16. The Scheme was placed before the Board of Directors of the Applicant Company and the Transferor Company on January 23, 2013, at which the report issued by M/s SSPA & Co, Chartered Accountants ("Valuer") recommending the share exchange ratio of 10 (Ten) equity share of Rs. 5/- fully paid up of the Applicant Company for every 12 (twelve) equity shares of Rs. 10/- fully paid up held in the Transferor Company as on the Record Date (the "Share Exchange Ratio") for the issuance to the shareholders of the Transferor Company upon the effectiveness of the Scheme. The Valuer has arrived at the Share Exchange Ratio after using several commonly used and accepted methods.
17. The Applicant Company engaged M/s Fortress Capital Management Services Private Limited, to issue a fairness opinion. In connection with such engagement, Fortress Capital Management Services Private Limited has issued an opinion dated January 22, 2013, which states that, as of such date, the Share Exchange Ratio is fair, from a financial point of view, to the holders of equity shares of the Applicant Company. The opinion was issued based on various assumptions and considerations and is available for inspection and should be read in its entirety for information regarding the assumptions made and factors considered in rendering such an opinion. The Boards of Directors of the Applicant Company and the Transferor Company, based on and relying upon the aforesaid expert advice/opinions, and on the basis of their independent evaluation and judgment, have come to the conclusion that the proposed Share Exchange Ratio is fair and reasonable and have approved the same at their respective meetings on January 23, 2013.
18. It is therefore proposed to amalgamate the Transferor Company with the Applicant Company by transfer and vesting of the undertaking and entire business of the Transferor Company as a going concern to and in the Transferee Company being the Applicant Company by way of Amalgamation under Sections 391 to 394 of the Companies Act, 1956

19. The salient features of the proposed Scheme are as follows:
- The Scheme will be effective from the Appointed Date, i.e. April 01, 2012.
 - The Transferor Company would be merged with and into the Transferee Company, pursuant to which, the entire assets and liabilities of the Transferor Company will stand transferred to/vested in the Transferee Company from the Appointed Date.
 - The Scheme also provides for utilisation of Share Premium Account to set-off the debit balance in profit & loss account the books of the Transferee Company.
 - All costs, charges, taxes including duties, levies and all other expenses, if any, arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company, in the event of the Scheme being sanctioned by the Hon'ble High Courts/other competent authorities under the jurisdiction of which the registered office of the Applicant Company is situated. Else, each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

The Equity Shareholders are requested to read the entire text of the Scheme, annexed to this notice, to get better acquainted with the provisions thereof. As stated above, the aforesaid are only salient features thereof.

20. The proposed merger is sought to be made under the provisions of Sections 391 to 394 read with Section 78, Sections 100 to 103 of the Companies Act, 1956 and the same, if sanctioned by the Hon'ble High Courts/other competent authorities under the jurisdiction of which the registered office of the Applicant Company is situated and will take effect from the Appointed Date (viz., April 01, 2012).
21. The indicative Pre and Post arrangement shareholding of the Applicant Company based on June 30, 2013 shareholding would be as detailed below:

Category of shareholder	No. of shares held		Total Shareholding as a % of total no. of shares	
	Pre merger	Post merger (indicative)	Pre merger	Post merger (indicative)
Promoter • Body Corporate	12,142,100	19,337,265	60.83	71.12
Non-Promoter • Bodies Corporate	2,812,352	2,812,352	14.09	10.34
• Public	4,944,561	4,978,508	24.77	18.31
• Others (NRI / CM/ Trust)	61,468	61,468	0.31	0.23
Total	19,960,481	27,189,593	100.00	100.00

22. The Applicant Company has received, in terms of Clause 24 of the Listing Agreement, Observation Letter from BSE and NSE conveying their no objection for filing the Scheme with the Delhi High Court dated June 18, 2013 and June 19, 2013 respectively

23. The Directors of the Applicant Company shall not be deemed to be interested in the arrangement between the Applicant Company and the Transferor Company save to the extent of shares held by them in the Applicant Company and/or the Transferor Company.
24. After the Scheme is approved by you, it will be further subject to the approval by the Hon'ble High Court(s)/other competent authorities under the jurisdiction of which the Registered Office of the Applicant Company is situated.
25. Copies of the following documents are open for inspection at the Registered Office of the Applicant Company between 10.00 A.M. and 1.00 P.M. on any working day:
 - (i) Memorandum and Articles of Association of the Transferee Company and the Transferor Company.
 - (ii) Annual report of the Transferee Company and the Transferor Company for the year ended March 31, 2013, containing the audited balance sheet, profit and loss account, directors' report and auditors' report.
 - (iii) Scheme of Arrangement.
 - (iv) Copy of the Valuation Report dated January 22, 2013 issued by SSPA & Co, Chartered Accountants.
 - (v) Copy of the Fairness Opinion dated January 22, 2013 issued by Fortress Capital Management Services Private Limited on the Valuation Report done by SSPA & Co, Chartered Accountants.
 - (vi) Complaints Report dated April 25, 2013 submitted by the Company to BSE and NSE and also uploaded on Company website
 - (vii) Certified copy of the order dated July 22, 2013, passed by the Hon'ble Delhi High Court in Company Application No 95 of 2013 for the Applicant Company.
 - (viii) Certified copy of the order dated July 17, 2013, passed by the Hon'ble Karnataka High Court in Company Application No 1491 of 2013 for the Transferor Company.
 - (ix) Copies of the Observation Letters dated June 18, 2013 and June 19, 2013 from BSE and NSE respectively.

Sd/-

Chairman appointed for the meeting

SCHEME OF ARRANGEMENT

OF

CADES DIGITECH PRIVATE LIMITED

AND

AXIS-IT&T LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

**(UNDER SECTIONS 391 TO 394 READ WITH SECTIONS 78, 100
TO 103 OF THE COMPANIES ACT, 1956)**

GENERAL

I. Purpose of Scheme

This Scheme of Arrangement is presented under Sections 391 to 394 read with sections 78, 100 to 103 and other relevant applicable provisions of the Companies Act, 1956, for Amalgamation of Cades Digitech Private Limited into Axis-IT&T Limited ..

II. Rationale for the Scheme

The Scheme of Arrangement would inter alia have the following benefits:

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

III. Parts of the Scheme

The Scheme is divided into following parts:

1. **Part A** – dealing with definitions of the terms used in this Scheme of Arrangement and sets out the share capital of the Transferor Company and Transferee Company as defined in this Scheme;
2. **Part B** – dealing with the amalgamation of Cades Digitech Private Limited into Axis-IT&T Limited ;
3. **Part C** – dealing with utilisation of Share Premium Account to set-off the debit balance in profit & loss account the books of Axis-IT&T ; and
4. **Part D** – dealing with the dissolution of the Transferor Company and the general terms and other conditions applicable to this Scheme of Arrangement and other matters consequential and integrally connected thereto.

PART A

1. DEFINITIONS

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

- 1.1 “**Act**” means the Companies Act, 1956, ordinances, rules and regulations made there under and shall include any statutory modifications, re enactment or amendment thereof.
- 1.2 “**Appointed Date**” means the 1st day of April, 2012 or such other time and date as the High Courts may direct / fix.
- 1.3 “**Axis-IT&T**” or “**Transferee Company**” means Axis-IT&T Limited, a company incorporated under the Companies Act, 1956, and having its registered office at A-264, Second Floor, Defence Colony, New Delhi 110024.
- 1.4 “**Board of Directors**” or “**Board**” means the board of directors of the Transferor Company and or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof.
- 1.5 “**Cades**” or “**Transferor Company**” means Cades Digitech Private Limited, a company incorporated under the Companies Act, 1956, and having its registered office at Kirloskar Business Park, Block C, II Floor, Hebbal, Bangalore 560024.
- 1.6 “**Effective Date**” means the last of the date on which the certified copies of the order(s) of the High Court of Delhi and High Court of Karnataka at Bangalore sanctioning the Scheme are filed with the Registrar of Companies at Delhi, and Registrar of Companies Karnataka at Bangalore by Transferee Company and Transferor Company respectively
- 1.7 “**High Courts**” or “**Courts**” means the High Court of Delhi at Delhi and the High Court of Karnataka at Bangalore, having jurisdiction in relation to the Transferee Company and the Transferor Company respectively and as the context may require and shall include National Company Law Tribunal, if applicable.
- 1.8 “**Income-tax Act**” means the Income-tax Act, 1961, and shall include any statutory modifications, re-enactment or amendment thereof.
- 1.9 “**Record Date**” means the date to be fixed by the Board of Directors of Axis-IT&T in consultation with the Board of Directors of Cades for the purpose of issue of new equity shares (defined later) to the shareholders of Cades under the Scheme.
- 1.10 “**Scheme**” or “**the Scheme**” or “**this Scheme**” means this Scheme of Arrangement in its present form or with any modification(s) made under Clause 17 of this Scheme, as approved or directed by the High Courts or any other appropriate authority.

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

2. SHARE CAPITAL

Details of the share capital of the Transferor Company and Transferee Company as at March 31, 2012, are given below:

Axis-IT&T

Authorised Capital	Amount in Rs.
72,000,000 Equity shares of Rs. 5/- each	360,000,000
100,000 preference shares of Rs.100/- each	10,000,000
Total	370,000,000
Issued Capital	Amount in Rs.
20,011,581 Equity Shares of Rs.5/- each fully Paid-up	100,057,905
Subscribed and Paid-up Capital	Amount (Rs.)
19,960,481 Equity Shares of Rs. 5/- each fully Paid-up	99,802,405
Add : Forfeited shares (amount originally paid Rs. 3 per share on 51,100 equity shares)	153,300
Total	99,955,705

Subsequent to the above date there has been no change in the share capital of the Axis-IT&T.

Cades

Authorised Capital	Amount in Rs.
18,000,000 Equity Shares of Rs.10/- each	180,000,000
Issued, Subscribed and Paid-up	Amount in Rs.
17,741,935 Equity Shares of Rs. 10/- each fully Paid-up	177,419,350

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

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

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

PART B

AMALGAMATION OF CADES DIGITECH PRIVATE LIMITED INTO OXIS-IT&T LIMITED

4. AMALGAMATION

- 4.1 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire business and undertaking(s) of the Transferor Company including all the debts, liabilities, duties and obligations, including those arising on account of taxation laws and other allied laws, of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets (whether tangible or intangible) of the Transferor Company comprising, amongst others, all freehold land, leasehold land, building, plants, motor vehicles, receivables, actionable claims, furniture and fixtures, computers, office equipment, electrical installations, telephones, telex, facsimile and other communication facilities and business licenses, permits, deposits, authorisations, approvals, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, product licenses, marketing authorisations or other intellectual property rights, proprietary right, title, interest, contracts, consent, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, under the provisions of Sections 391 to 394 of the Act, and pursuant to the order of the High Court(s) sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business and undertaking(s) of the Transferee Company .
- 4.2 With effect from the Appointed Date all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of account of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.
- 4.3 With effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.
- 4.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual

of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.

- 4.5 All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, encumbrances or liens secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such securities, mortgages, charges, encumbrances or liens shall not relate or attach to any of the other assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company.
- 4.6 The existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.
- 4.7 It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- 4.8 With effect from the Appointed Date, all statutory licences, registrations, incentives, tax deferrals and benefits, carry-forward of tax losses, tax credits, tax refunds, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, permissions, approvals or consents to carry on the operations of the Transferor Company, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date shall stand vested in or transferred to the Transferee Company, pursuant to the Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the undertakings of the Transferor Company pursuant to this Scheme.
- 4.9 The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income Tax Act.

5. CONSIDERATION

5.1 Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall, subject to the provisions of Clause 5.3 without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company, whose names are registered in the Register of Members and/ or on records of the Depositories as the case may be, of the Transferor Company on the Record Date (to be fixed by the Board of Directors of the Transferee Company) or his /her/its legal heirs, executors or administrators or, as the case may be, successors -in-title, as the case may be), fully paid up equity shares in the following proportion viz.:

“10 (“Ten”) fully paid up equity share of Rs 5/- each of the Transferee Company shall be issued and allotted for every 12 (“Twelve”) fully paid up equity share of Rs 10/- each held in Transferor Company (hereinafter referred to as “New Equity Shares”)”

5.2 The equity shares to be issued and allotted by Transferee Company as per Clause 5.1 (hereinafter referred to as “the New Equity Shares”), would be with rights attached hereto as under:

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

5.3 Notwithstanding the provisions of Clause 5.1 above such portion of the share capital of the Transferor Company held by the Transferee Company shall stand cancelled upon the Scheme becoming effective without any further application, act or deed and there would be no issuance of shares by the Transferee Company in relation to such shares.

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

5.5 The issue and allotment of New Equity Shares by the Transferee Company to the shareholders of the Transferor Company as the case may be, as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if

the procedure laid down under Section 81(1A) and any other applicable provisions of the Act were duly complied with.

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

6. STAFF, WORKMEN & EMPLOYEES

- 6.1 On the Scheme becoming effective, all staff, workmen and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Appointed Date, without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company (i.e. Cost to company basis, in monetary terms) shall not be less favourable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.
- 6.2 It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff, workmen and employees of the Transferor Company shall become trusts or funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund or funds shall become that of the Transferee Company. It is clarified that, for the purpose of the said fund or funds,

the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous with the Transferee Company from the date of employment as reflected in the records of the Transferor Company.

7. LEGAL PROCEEDINGS

If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, including those arising on account of taxation laws and other allied laws, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the arrangement by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

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

8.1 Subject to the other provisions of this scheme, all contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments, if any, of whatsoever nature to which the Transferor Company are a party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto, notwithstanding the terms contained in such contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments.

8.2 The Transferee Company shall enter into and or issue and or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

9. TAXATION MATTERS

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

9.2 Any tax liabilities under the Income-tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, any other state Sales Tax/ Value Added Tax laws, Service Tax, stamp laws or other applicable laws/ regulations in India or any overseas jurisdiction (hereinafter

in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the books of accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

- 9.3 Upon coming into effect of the Scheme, all taxes (including income tax, tax deducted at source (TDS), advance tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid by the Transferor Company from the Appointed Date regardless of the period to which they relate shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company and the Transferee Company shall be entitled to take credit for such taxes notwithstanding that certificates/ challans for the said taxes are in the name of the Transferor Company and not in the name of the Transferee Company. Likewise all taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) payable by the Transferor Company in respect of the operations and/ or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, the same shall be deemed to be the corresponding tax paid by the Transferee Company and, shall, in all proceedings, be dealt with accordingly. The Transferee Company shall, upon the coming into effect of the Scheme, be entitled to revise the income tax returns, wealth tax return or any other relevant tax returns, if any, filed by it or the Transferor Company for any year, if so necessary pursuant or consequent to the Scheme to the extent such revision is permissible under applicable law(s) or suitably incorporate such transactions in its annual returns with necessary intimation to tax offices.
- 9.4 Without prejudice to generality of the aforesaid, any concession or statutory forms under the Tax Laws or local levies issued or received by the Transferor Company in respect of period commencing from the Appointed Date shall be deemed to be issued or received in the name of the Transferee Company and benefit of such forms shall be allowable to the Transferee Company in the same manner and to the same extent as would have been available to the Transferor Company. Without prejudice to generality of the aforesaid, any concessional or statutory declaration forms under the state VAT Laws or Central Sales Tax Laws or local levies issued or received by the Transferor Company in respect of period commencing from the Appointed Date and till the effective date shall be deemed to be issued or received in the name of the Transferor Company and such forms shall be used by Transferor Company in good faith and bonafide business operations subject however that unutilised forms as on the effective date shall either be surrendered to Commercial tax department for fresh issuance of corresponding forms in favor of the Transferee Company.
- 9.5 Any refund under the Tax Laws due to Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

- 9.6 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, service-tax exemptions, incentives, concessions and other authorizations of the Transferor Company shall stand transferred by the order of the High Courts to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning High Courts.
- 9.7 Pursuant to this Scheme, it is declared that the various benefits which the Transferor Company is entitled under incentive schemes including export related incentive schemes and policies under various laws, regulations and notifications, shall be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including service-tax concessions, and incentives shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under the incentive schemes and policies were made available to Transferor Company.

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

- 10.1 Upon the Scheme coming into effect, the authorised share capital of the Transferee Company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies, by an amount of Rs.180,000,000/- (Rupees Eighteen Crores Only), and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the Authorized Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 16, 31, 94, 95, 97 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on its respective authorised share capitals shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased.

Accordingly, in terms of this Scheme, the authorised share capital of the Transferee Company shall stand enhanced to an amount of Rs. 550,000,000/- (Rupees Fifty Five Crores Only) and the face value of Equity shares will be classified into and be divided into 108,000,000 (Ten Crores and Eighty Lakh) equity shares of Rs. 5/- each and 100,000 (One Lakh) Preference shares of Rs. 100/- each and the capital clause being Clause V of the Memorandum of Association of the Transferee Company shall stand substituted to read as follows:

“The Authorized Share Capital of the Company is Rs. 550,000,000/- (Rupees Fifty Five Crores only) divided into 108,000,000 (Ten Crores and Eighty Lakh) Equity shares of Rs. 5/- each and 100,000 (One Lakh) Preference shares of Rs. 100/- each.”

11. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

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

- 11.1 All the assets, including but not limited to the fixed assets, existing investments in India or outside India, intangibles and any other assets of the Transferor Company, subject to clause 11.6 and clause 11.7, recorded in the books shall be recorded by the Transferee Company at its respective book values.
- 11.2 All the liabilities of the Transferor Company subject to clause 11.6 and clause 11.7, recorded in the books shall be recorded by the Transferee Company at its respective book values.
- 11.3 The carrying amount of investments in the shares of the Transferor Company to the extent held by the Transferee Company shall stand cancelled in the books of the Transferee Company, without any further act or deed.
- 11.4 The face value of the New Equity shares of the Transferee Company issued pursuant to this Scheme shall be credited to the Equity Share Capital account in the books of the Transferee Company.
- 11.5 In case of any differences in accounting policies between the Transferee Company and the Transferor Company the accounting policies followed by the Transferee Company shall prevail to ensure that the Financial Statements reflect the financial position on the basis of consistent accounting policies.
- 11.6 The amount of any inter-company balances, amounts or investments between the Transferor Company and the Transferee Company, appearing in the books of account of the Transferee Company and the Transferor Company shall stand cancelled without any further act or deed, upon the Scheme coming into effect.
- 11.7 The surplus arising out of the value of assets as recorded in clause 11.1 over the value of liabilities as recorded in clause 11.2 including the face value of New Equity Shares issued as mentioned in clause 11.4 and after making adjustments as mentioned in clauses 11.3, 11.5 and 11.6 will be in accordance with the Pooling of Interest method as prescribed under Accounting Standards 14- Accounting for Amalgamations issued by Institute of Chartered Accountants of India.

12. TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

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

- 12.1 The Transferor Company shall carry on and be deemed to have carried on their respective business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of their entire businesses and undertakings for and on account of and in trust for the Transferee Company.
- 12.2 The Transferor Company shall carry on its respective business activities in the ordinary course of business with reasonable diligence and business prudence.
- 12.3 All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred or arising to the Transferor Company shall for all purposes be treated and deemed to be and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee Company.
- 12.4 The Transferee Company shall be entitled pending the sanction of the Scheme to apply to the Central Government and all other Government Authorities/Agencies concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

13. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme the transfer and vesting of the assets and liabilities of the Transferor Company under clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART C

UTILISATION OF SHARE PREMIUM ACCOUNT TO SET-OFF THE DEBIT BALANCE IN PROFIT & LOSS ACCOUNT APPEARING IN THE BOOKS OF AXIS-IT&T LIMITED

14. UTILISATION OF RESERVES AND SHARE PREMIUM ACCOUNT

- 14.1 Post giving effect to Part B of this Scheme, the Transferee Company shall set-off the debit balance in profit & loss account existing and or accrued and accounted in the books of Axis-IT&T Limited pursuant to giving effect to Part B of this Scheme against the following accounts in the order of priority:
1. Any reserve created pursuant to giving effect to Part B of this Scheme;
 2. Securities Premium Account.
- 14.2 The utilization of the Share Premium Account as aforesaid shall be effected as a part of the Scheme itself and not under a separate procedure in terms of Sections 78 and 100 to 103 of the Act, and the order of the High Courts sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the utilisation of Share Premium.
- 14.3 The utilisation of Share Premium Account as aforesaid in clause 14.2 shall be effected as a part of the Scheme only as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital.

PART D

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

15. WINDING UP

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

16. CONDITIONALITY OF THE SCHEME

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

- i. The requisite consent, approval or permission of the Central Government or any Government Authorities, which by law may be necessary for the implementation of this Scheme;
- ii. The certified copies of the orders of the High Courts sanctioning the Scheme are filed with the respective Registrar of Companies; and
- iii. Compliance with such other conditions as may be imposed by the High Courts.

17. APPLICATION TO HIGH COURTS

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

18. MODIFICATION OR AMENDMENTS TO THE SCHEME

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

19. EFFECT OF NON-RECEIPT OF APPROVALS

In the event any of the approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of the Transferee Company and the Transferor Company shall mutually waive such

conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme is not sanctioned by the High Courts, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

20. COSTS, CHARGES AND EXPENSES

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

DCS/AMAL/PS/24(f)/105/2013-14

June 18, 2013

The Company Secretary
Axis IT&T Limited.
A-264, 2nd Floor, Defence Colony,
New Delhi, Delhi – 110 024.

Dear Sir / Madam,

Sub: Observation letter regarding the Scheme of Arrangement of Axis IT&T Limited.

We are in receipt of draft Scheme of Arrangement of Axis IT&T Limited involving Merger of Cades Digitech Pvt Ltd (CDPL) with the company and Utilization of Reserves and Share Premium Account to set off debit balance in Profit and Loss Account of Axis IT&T Ltd.

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No.CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI has vide its letter dated June 14, 2013 received on June 18, 2013 given the following comment(s) on the draft scheme of arrangement:

- a) *The company shall duly comply with various provisions of the aforesaid SEBI circular.*
- b) *The Company to display on their website, annexures to the valuation report and updated audited financials of Cades Digitech Pvt Ltd (CDPL) as submitted by the company.*

Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of arrangement submitted to the Hon'ble High Court.

The Exchange reserves its right to withdraw its No-objection/approval 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.

Yours faithfully,



Jayesh Ashtekar
Manager



Bhuvana Sriram
Deputy Manager

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Ref: NSE/LIST/207660-Y

June 19, 2013

The Company Secretary
Axis-IT&T Limited
D-30, Sector-III
Noida
Uttar Pradesh - 201301

Kind Attn.: Ms. Shweta Agrawal

Madam,

Sub: Observation letter for Scheme of Arrangement between Cades Digitech Private Limited and Axis-IT&T Limited and their respective shareholders Under Sections 391 to 394 read with sections 78, 100 to 103 of The Companies Act, 1956

We are in receipt of the draft Scheme of Arrangement between Cades Digitech Private Limited and Axis-IT&T Limited and their respective shareholders Under Sections 391 to 394 read with sections 78, 100 to 103 of The Companies Act, 1956.

We have perused the draft Scheme of Arrangement and the related documents/details submitted by Axis-IT&T Limited including the confirmation of the Company Secretary that the Scheme so submitted does not in any way violate, over-ride or circumscribe the provisions of Securities Laws or the Stock Exchange requirements.

Pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI vide its letter dated June 14, 2013, has given following comment on the draft scheme of Arrangement:
"The company shall duly comply with various provisions of the Circulars."

Accordingly, we do hereby convey our 'No-objection' with limited reference to those matters having a bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Company to file the scheme with Hon'ble High Court.

However, the Exchange reserves its rights to withdraw this No-objection approval 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.

Yours faithfully,
For National Stock Exchange of India Ltd.

KS Kamlesh Patel
Manager

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axis-IT&T

To

BSE / NSE

AXIS-IT&T Limited

D-30, Sector - 3, Noida - 201 301, Uttar Pradesh (India)

Telephone : +91-120-451-8200 Fax : +91-120-244-2921

Website : www.axisitt.com

AXIS-IT&T LIMITED

COMPLAINT REPORT

(Under revised requirements for Scheme of Arrangement, vide SEBI circular dated 4.02.2013)

For the period from 5/04/2013 to 24/04/2013

PART A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchanges	NIL
3.	Total number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NA
5.	Number of complaints pending	NA

PART B

Sr. No.	Name of complainant	Date of Complaint	Status (Resolved/ pending)
	NA		

For AXIS-IT&T LIMITED

SHWETA AGRAWAL

Company Secretary

Date: 25.04.2013



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**IN THE HIGH COURT OF DELHI
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956**

AND

**IN THE MATTER OF SECTIONS 391 TO 394 READ WITH SECTION 78, SECTIONS 100 TO
103 OF THE COMPANIES ACT, 1956**

AND

IN THE MATTER OF AXIS-IT&T LIMITED

AND

**IN THE MATTER OF SCHEME OF ARRANGEMENT OF CADES DIGITECH PRIVATE
LIMITED AND AXIS-IT&T LIMITED AND THEIR RESPECTIVE SHAREHOLDERS**

COMPANY APPLICATION NO. 95 OF 2013

AXIS-IT&T LIMITED

A-264, Second Floor,
Defence Colony,
New Delhi - 110 024.

... APPLICANT / TRANSFEREE COMPANY

FORM OF PROXY FOR THE UNSECURED CREDITORS MEETING

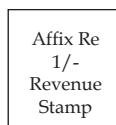
I/We, the undersigned unsecured creditor(s) of the above Applicant Company, do hereby appoint _____ of _____ and failing him/her _____ of _____ as my/our proxy, to act for me/us at the meeting of the Unsecured Creditors of the Applicant Company to be held at Modi hall, PHD Chambers of Commerce & Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi - 110 016, on Tuesday, the September 17, 2013, at 2.30 P.M., for the purpose of considering and if thought fit approving, with or without modification(s), the arrangements embodied in the Scheme of Arrangement of Cades Digitech Private Limited and Axis-IT&T Limited and their respective shareholders, and at such meeting and any adjournment thereon, to vote for me/us and in my/our name(s) _____ (here, if for, insert 'for', and if against, insert 'against') the said arrangement embodied in the Scheme and the resolution either with or without modifications, as my/our proxy may approve.

Dated this the __th Day of _____, 2013.

Name :

Address:

Signature of Unsecured Creditor



Signature across the Stamp

Signature of Proxy :

Notes:

1. Please affix Revenue Stamp before putting Signature.
2. All alterations made in the Form of Proxy should be initialed.
3. Proxy must be deposited at the registered office of the Applicant Company, not later than FORTY EIGHT hours before the commencement of the meeting.

AXIS-IT&T LIMITED

Registered Office: A-264 Second Floor, Defence Colony, New Delhi - 110 024.

Website: www.axisitt.com

ATTENDANCE SLIP

COURT-CONVENED MEETING - TUESDAY ON SEPTEMBER 17, 2013

PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF
THE AUDITORIUM

NAME AND ADDRESS OF THE UNSECURED CREDITOR/PROXY HOLDER (in block letters):

I hereby record my presence at the meeting of the Unsecured Creditors of the Company convened pursuant to the Order dated July 22, 2013 of the Hon'ble Delhi High Court on Tuesday, the September 17, 2013 at 2:30 P.M., at Modi Hall, PHD Chambers of Commerce & Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi -110 016

Signature of the Unsecured Creditor or Proxy: _____

* Applicable for shareholders holding shares in dematerialised form.

Notes:

1. Unsecured Creditor/Proxy holder wishing to attend Meeting must bring the Attendance Slip to the Meeting when he/she comes to the meeting and hand over it at the gate after fixing his/her signature on it.
2. Unsecured Creditor/Proxy holder desiring to attend the Meeting should bring his/her copy of the Notice for reference at the Meeting.

BOOK POST

If undelivered, please return to:
AXIS-IT&T LIMITED
D-30, Sector - 3, Noida - 201 301,
Uttar Pradesh (India)