

**FORM NO. NCLT 1
BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
BENCH, AT MUMBAI**

COMPANY SCHEME APPLICATION (C.A.A) NO. (MAH) of 2022

In the matter of the Companies Act, 2013

AND

In the matter of application under Sections
230 to 232 read with section 66 and other
applicable provisions of the Companies Act,
2013

AND

In the matter of Vakrangee Limited, a
Company incorporated under the provisions
of the Companies Act, 1956

AND

In the matter of VL E Governance & IT
Solutions Limited, a Company incorporated
under the provisions of the Companies Act,
2013

AND

In the matter of Scheme of Arrangement for
Demerger of E-Governance & IT/ITES Business
(Demerged undertaking) of VAKRANGEE
LIMITED into VL E-GOVERNANCE & IT
SOLUTIONS LIMITED and their respective
shareholders.



VL E-Governance & IT Solutions Limited, a)
Company incorporated under the Companies)



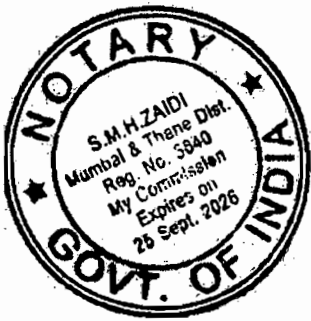
Act, 2013, having its registered office at)
 Vakrangee Corporate House, plot No. 93, Road)
 No. 16, MIDC Marol, Andheri East, Mumbai-) The Applicant /
 400093 Resulting Company
 Email- info@vakrangee.in

Vakrangee Limited, a Company incorporated und)
 the Companies Act, 1956, having its registered offi)
 at Vakrangee Corporate House, plot No. 93, Road N.)
 16, MIDC Marol, Andheri East, Mumbai- 400093)
 Email- info@vakrangee.in The Applicant /
 Demerged Company

JOINT APPLICATION UNDER SECTION 230, 232 READ ALONGWITH
 SECTION 66 OF THE COMPANIES ACT 2013 READWITH THE
 COMPANIES (COMPROMISE, ARRANGEMENTS AND
 AMALGAMATION) RULES, 2016 AND OTHER APPLICABLE PROVISIONS
 IF ANY, IN CONNECTION WITH THE SCHEME OF ARRANGEMENT FOR
 VAKRANGEE LIMITED AND VL E-GOVERNANCE & IT SOLUTIONS
 LIMITED.

MOST RESPECTFULLY SHOWETH:-

- A. That the present 1st motion joint application is being filed on behalf of
 both the applicants under the provisions of section 230, 232 read with
 Section 66 of the Companies Act, 2013, and the Companies
 (Compromise, Arrangement and Amalgamation) Rules 2016, the
 National Company Law Tribunal, Rule 2016 and other applicable
 provisions of Companies Act, 2013, if any, in connection with the
 proposed scheme of arrangement of Vakrangee Limited and VL E-



Governance & IT Solutions Limited to obtain appropriate orders to dispense with/convey meetings of equity shareholders, secured creditors and unsecured creditors of the aforesaid proposed scheme of arrangement.

B. I, Dinesh Nandwana, S/o Mr. Birdhilal Nandwana aged 58 years, Indian Inhabitant, Director Vakrangee Limited and VL E-Governance & IT Solutions Limited (hereinafter referred to as the Applicants) presently residing at 2502, Tivoli Co-op Housing Society Ltd, Central Avenue Road, Hiranandani Gardens Powai, Mumbai -400076 do hereby solemnly affirm and say as follows:

C. I am the Director of the Applicants (Vakrangee Limited and VL E-Governance & IT Solutions Limited) herein. I am duly authorized by the said Applicants (Vakrangee Limited and VL E-Governance & IT Solutions Limited) to make this Affidavit for and on their behalf. I am acquainted with all the facts and circumstances of this matter and am able to depose to the same. I am competent and authorized to make, sign, verify and affirm as the case may be, affidavits, applications, petitions, Vakalatnamas, etc. for and on behalf of the said Applicants and as such I have signed the Vakalatnama herein in favour of M/s. PRS Associates, Company Secretaries and making this Affidavit, I shall make, sign, affirm and verify other papers on behalf of the said Applicant Companies as and when the same shall be necessary.



JURISDICTION OF THE BENCH

FACTS OF THE CASE ARE GIVEN BELOW:



The name of the Demerged Company was changed from Vakrangee Investment and Consultancy Private Limited to Vakrangee Investment Limited and obtained a fresh certificate of incorporation dated 3rd April, 1992 consequent on change of name from the Registrar of Companies, Maharashtra, Mumbai.

The name of the Demerged Company was further changed from Vakrangee Investment Limited to Vakrangee Limited and obtained a fresh certificate of incorporation dated 31st March, 1995 consequent on change of name from the Registrar of Companies, Maharashtra, Mumbai. The name of the Demerged Company was further changed from Vakrangee Limited to Vakrangee Softwares Limited and obtained a fresh certificate of incorporation dated 24th August, 1999 consequent on change of name from the Registrar of Companies, Maharashtra, Mumbai.

The name of the Demerged Company was further changed from Vakrangee Software's Limited to its present name Vakrangee Limited and obtained a fresh certificate of incorporation dated 1st October, 2013 consequent on change of name from the Registrar of Companies, Maharashtra, Mumbai.

2.1

The CIN of the Company is L65990MH1990PLC056669. A copy of the Memorandum and Articles of Association of VL / Demerged Company now in force is annexed and marked as Annexure No.1.



REGISTERED OFFICE ADDRESS OF APPLICANT / DEMERGED COMPANY

- 2.2 That the Registered office of VL / Demerged Company is presently situated at Vakrangee Corporate House, plot No. 93, Road No. 16, MIDC Marol, Andheri East, Mumbai- 400093 and is within the jurisdiction of this Hon'ble NCLT Mumbai Bench, Mumbai.

OBJECTS AND NATURE OF BUSINESS OF APPLICANT / DEMERGED COMPANY

- 2.3 That the objects of the VL / Demerged Company are as set out in its Memorandum and Articles of Association are inter alia as follows: -

- To carry on business as manufactures, products, developers, processors, dealers, traders, importers, exporters, stockists, distributors or agents in software, information technology, e-commerce, e-mail, internet, multimedia, data processing, data management, telefilms, motion movies, web paging, telecommunication including peripherals computer data processing machine, systems and components thereof.
- To undertake designing & development, research of software systems, products and solutions in all areas of application including those in emerging niche segments like internet, website, applications solutions software, enterprise resource planning (ERP), ecommerce, value added products and other business applications



either for its own use or for sale in India or for export outside India and to design, develop such systems and application software for or on behalf of manufactures, owners and users of computer systems, telecom, digital, electronic equipment in India or elsewhere in world.

- To develop, provide, undertake design, import, export, distribute and deals in Systems and application software for microprocessor based information systems, offshore software development project, software project consultancy, development of computer languages and allied computer service and to own and/or operate data processing and service bureau centres in India and Abroad, and to invest in/manage/assist, overseas software companies for the fulfilment of above objectives and to develop, design, own T.V. Channel, media company.
- To advice and render services like staff and management recruitment, training and placements, technical analysis of data, electronic data processing, preparation of project reports, surveys and analysis for implementation of project and their progress review, critical path analysis, organization and methods studies and other economic, mathematical, statistical, scientific and modern management techniques and to establish and render any and all consultancy and other services of professional and technical nature and to undertake assignments, jobs and appointments.



- To carry on the business of adopting advance technological tools as well as modern enterprise management mechanism, and to establish and help organizations, government bodies, banks and financial institutions and their customers alike to conduct transactions electronically through secure electronic channels, inter-alia, biometric, smart card, magnetic card, EMV Card, one time password, bank pins or any combination of any of them so as to realize the full potential of technology and services and further the development of India's payment system industry, providing software application, data management, cash management, payment and/or transaction related services to any person, entity, firm, company, bank, government bodies or body corporate including developing, improving, designing, marketing, distributing or licensing software and programmed products and hardware and other infrastructure and facilities /services that aid the process of (without limitation) electronic data interchange, transaction initiation, processing, clearing or settlement services by physical or electronic means, whether by using inter-alia computers and Automated Teller Machines (ATMs)/ micro ATMs, Point Of Sale (POS), mobile devices or by any other modes of communication in financial and e-commerce and e-governance services for G2G/G2B/G2C/B2B/B2C/C2C activities and other products and services in India and abroad.



- To carry on the business of manufacturing, procuring, developing, processing, dealing in, stocking, distributing, acting as an agent, importing or exporting ATM machines and providing intermediary ATM Deployer (IAD) services, White labeled ATM operator (WLAO) services, including but not limited to setting up/owning/operation of ATM network, management and adjacent services including technology management (both EMV and non-EMV environment), cash Management, ATM device supply and maintenance services in India as per the Payment & Settlement System (PSS) Act, 2007 of RBI and any amendments made therein by RBI from time to time and in abroad adhering to the statutory requirements of the country of operation from time to time.
- To carry on the business of providing services in relation to payment card transactions for acquiring, switching and processing of Debit, credit and charge card related payment transaction and stored value card transactions for acquiring institutions and merchants, including without limitation to ADHAAR enabled payment system, NEFT, RTGS, IMPS, GIRO based retail payments, interoperable QR code based payment system, virtual payment card, digital online and offline payment system or any other such system as may be notified by the government in India and abroad, merchant sales, assessment, Technology management (both EMV and non-EMV environment), and adjacent service, Point Of Sale



(POS) terminal device supply and maintenance services in India as per the Payment & Settlement System (PSS) Act, 2007 of RBI and any amendments made therein by RBI from time to time and in abroad adhering to the statutory requirements of the country of operation from time to time and/or to act as dealers, distributors, agents, representative of Indian and foreign concerns/persons operating in the line of prepaid, postpaid and other payment system services and allied activities related thereto.

- To carry on the business of engaging in the development, distribution, licensing, management and operation, marketing and selling of processing software, switches and associated supply of maintenance and support services for card, POS, ATM to credit and debit card user companies and financial institutions (both EMV and non-EMV environment) in India as per the Payment & Settlement System (PSS) Act, 2007 of RBI and any amendments made therein by RBI from time to time and in abroad adhering to the statutory requirements of the country of operation from time to time.
- To carry on the business of providing payment card transactions for switching and credit, debit and stored value card account data processing services and back office processing services in relation to processing of debit and credit card payment transaction and related services including without limitation to ADHAAR enabled payment system, NEFT, RTGS, IMPS, GIRO based retail payments,



interoperable QR code based payment system, virtual payment card, digital online and offline payment system or any other such system as may be notified by the government in India and abroad to card issuer companies in India as per the Payment & Settlement System (PSS) Act, 2007 of RBI and any amendments made therein by RBI from time to time and in abroad adhering to the statutory requirements of the country of operation from time to time

- 24 That the Demerged Company is a well-established company and its a listed Company having its shares are listed on BSE limited (BSE) and National Stock Exchange of India Limited (NSE)

SHARE CAPITAL DETAILS OF APPLICANT / DEMERGED COMPANY

- 2.5 That the present Authorized, Issued, Subscribed and Paid Up Share Capital of VL/ Demerged Company as per the latest Audited Balance Sheet as at 31st March, 2021 is as under: -

| Share Capital | Amount in Rs. |
|---------------------------------------------|---------------|
| 125,00,00,000 Equity Shares of Re. 1/- Each | 125,00,00,000 |
| Total | 125,00,00,000 |
| Issued, Subscribed and Paid-Up Capital | |
| 105,94,05,640 Equity Shares of Re. 1/- each | 105,94,05,640 |
| Total | 105,94,05,640 |



A copy of the Audited Balance sheet of the VL/ Demerged Company as at 31st March, 2021 now in force is annexed hereto and marked as Annexure No.2.



- 2.6 That subsequent to 31st March, 2021, 94150 Equity Shares of Re.1/- each have been issued pursuant to exercise of Stock Options and thereby the paid up capital of the Company stand increase to 105,94,99,790 Equity Shares of face value of Re. 1/- each aggregating to Rs. 105,94,99,790.

LATEST FINANCIAL POSITION OF APPLICANT/ DEMERGED COMPANY

- 2.7 That the Accounts of the VL/ Demerged Company have been audited up to 31st March, 2021. I say that the Audited Balance Sheet as at 31st March, 2021 contains the Profit and Loss Account and the Board of Directors and Auditors Report thereon. As is clear from the said Report, the VL /Demerged Company has maintained proper books of accounts as required by law. The Company has prepared Provisional Un-audited Accounts for a period of 6 months commencing from 1st April, 2021 and ending on 30th September, 2021. The said Provisional Un-audited Accounts of the VL/Demerged Company as at 30th September, 2021 indicate the latest financial position of the VL/Demerged Company as under: -

- i. The VL /Demerged Company has not issued any debentures.
- ii. Apart from the Current Liabilities which are incurred and disposed off in the normal course of business, the Demerged Company has other Non - Current Liabilities.

The details of Shareholders Fund are as under: -



(Amount in Lakhs (Rs))

| | |
|------------------------------------------|--------------------|
| Paid Up Share Capital | 10,594.06 |
| Other Equity | 2,55,381.52 |
| Total | 2,65,975.58 |
| Represented by | |
| Non -Current Assets | 75,315.99 |
| Non- Current Investment | 2,935.85 |
| Deferred Tax Assets/Liabilities (Net) | (82.28) |
| Long Term Loans and Advances | 2,759.34 |
| Current Assets | 2,10,758.57 |
| Less Non- Current Liabilities | 418.47 |
| Less Current Liabilities | 25,293.42 |
| Excess of Assets over Liabilities | 2,65,975.58 |

2.8 That subsequent to the date of the aforesaid Provisional Un-audited Accounts and as on date, there has been no other substantial change in the Capital Structure or the Financial Position of the VL/ Demerged Company except those arising or resulting from the usual course of business. A copy of the Provisional Un-audited Accounts of the VL/Demerged Company as on 30th September, 2021 now in force is annexed hereto and marked as Annexure no.3.



2.9 That Mr. Lalit Kumar Dangi, Chartered Accountant and IBBI Registered Valuer, having their office at 104, M. K. Bhavan, 300, Shahid Bhagat Singh Road, Fort, Mumbai-400001 was entrusted with the work of determining Share swap ratio and have examined the relevant facts and have submitted their report dated 11th November, 2021 in that behalf. I crave leave to refer to and rely upon the said report dated 11th November, 2021 of the Chartered Accountant when produced. A copy of report determining share swap ratio is annexed hereto and marked as Annexure No.4.

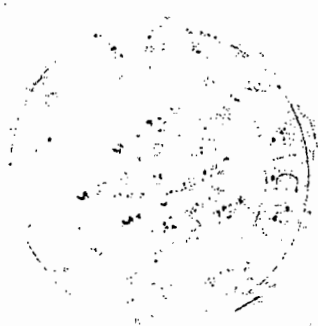
2.10 That the Board of Directors of applicant Demerged Company in the meeting held on 12th November, 2021, considered and unanimously approved the proposed Scheme of Arrangement between Vakrangee Limited (The Demerged Company) and VL E-Governance & Solutions Limited (The Resulting Company). A certified true copy of the resolution of Board of Directors of Applicant / Demerged Company and extracts of the minutes of the above mentioned Board meeting are annexed herewith and marked as Annexure No.5.

2.11 That a copy of the certificate issued by the statutory auditors of the VL/Demerged Company to the effect that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013, is annexed hereto and marked as Annexure No.6.



2.12 That the shares of the Demerged Company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) and accordingly received no objection from BSE Limited vide its letter No. DCS/AMAL/MJ/R37/2254/2021-22 dated 11th March, 2022 and NSE Limited vide its letter No. NSE/LIST/29038_II dated 11th March, 2022 for the proposed Scheme of Arrangement between Vakrangee Limited (The Demerged Company) and VL E-Governance & IT Solutions Limited (The Resulting Company). The Observations of SEBI / Stock Exchanges are as under.

- Company shall ensure that information if any submitted by the company after filing the Scheme with the stock exchanges, from the date of receipt of this letter is displayed on the websites of the listed company.
- Company shall duly comply with various provisions of the Circulars
- Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.
- Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.



- Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before the National Company Law Tribunal (NCLT) and the Company obliged to bring the observations to the notice of NCLT.
- It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments / observations on draft Scheme by SEBI / stock Exchange. Hence the company is not required to send notice for representation as mandated under Section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.

Accordingly, based on aforesaid comments offered by SEBI, the Company is hereby advised:

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

The copies of no objection letters received from BSE Limited and NSE Limited are hereto annexed and marked as Annexure 7 and 8 respectively.



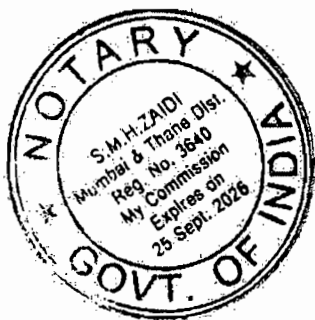
13 That the Applicant company has only one class of Shareholder i.e. Equity Shareholders. The Applicant / Demerged Company further submit that as on 11th March, 2022 the total number of shareholders



of the company are 2,03,635. The Company is a widely held Listed Public Limited company.

2.14 That the Applicant / Demerged Company further submits that in the circumstances aforesaid, the requisite meeting of the Equity Shareholders of the Applicant / Demerged Company should be convened to consider and approve the proposed Scheme of Arrangement and prays for necessary directions be passed in the present application for this purpose as under.

- a) The directions may be given for convening the meeting of the Equity Shareholders of Vakrangee Limited, the Applicant / Demerged Company for the purpose of considering and if thought fit approving with or without modification(s) the Scheme of Arrangement between Vakrangee Limited (The Demerged Company) and VL E-Governance & IT Solutions Limited (The Resulting Company).
- b) That the directions may be given for the appointment of Chairman of the meeting of the Equity Shareholders of the Applicant / Demerged Company and for said purpose be pleased to appoint Mr. ----- Director of the Applicant Company and failing him Mr. ----- Director of the Applicant Company and failing him ----- Director of the Applicant Company or such person as this Hon'ble Tribunal deems fit, be appointed as the Chairman of the aforesaid meeting of the Equity Shareholders.



- c) That the directions may be given regarding fixing of quorum for meeting of the Equity Shareholders of applicant / Demerged Company.
- d) That the directions may be given about the issuance of notices respectively to the Equity Shareholder of the applicant / Demerged Company.
- e) The Equity Shareholders of the Applicant Company shall vote in the meeting either themselves or through proxies or E-voting.
- f) That the directions may be given about the publication of Notices in The Free Press Journal in English Mumbai and Nav Shakti in Marathi, Mumbai Edition about the meeting of the Equity Shareholders of the Applicant / Demerged Company.
- g) That the publication of notices in Government Gazette for convening meeting of the Equity Shareholders of the Applicant / Demerged Company be waived and/or dispensed with.
- h) That the directions may be given to the Chairman of the meeting of Equity Shareholders for filing reports of the proceedings of the meeting.
- i) A notice of the aforesaid meeting of the Equity Shareholders of the Demerged Company shall also be sent to the Regional Director, Western Region, Mumbai (Central Government), the Registrar of Companies, Maharashtra, Mumbai the Income-tax authorities, BSE Limited, National Stock Exchange of India



Limited (NSE) and Securities and Exchange Board of India (SEBI)

- 2.15 That the Applicant Company has two classes of Creditors i.e. Secured Creditors and Unsecured Creditors. However, the present Scheme is an arrangement between the Applicant Company and its Shareholders as contemplated under Section 230(1) (b) and not in accordance with the provisions of Section 230 (1) (a) of the Companies Act, 2013 as there is no Compromise and/or Arrangement with the Creditors as no sacrifice is called for.
- 2.16 That the Applicant / Demerged Company further submits that as on date of provisional Balance Sheet ending 30th September, 2021, the total number of Secured Creditors of the company is One (1) having a value of Rs. NIL. However, the Company has availed working capital facility of Rs. 45.00 Crores from the said Secured Creditor. A list of Secured Creditor of Applicant Company and "No Objection Certificate" received from them is annexed hereto and marked as Annexure No.9.
- 2.17 That as far as the rights of Secured Creditors of the Applicant Company are concerned, they have given their consent, it also does not involve any compromise or arrangement with any creditors of the Applicant Company. In view of this, it is submitted that this Hon'ble Tribunal be pleased to order that meeting of the Secured Creditors be dispensed with. A copy of the NOC and list of Secured Creditors of Applicant Company is annexed hereto and marked as Annexure No.9 Colly.
- 2.18 That the Applicant / Demerged Company further submits that as on date of provisional Balance Sheet ending 30th September, 2021 the total of Unsecured Creditors of the company is having a value of Rs. 2,20,15,34,541/- Out of the above Rs.9,23,41,652/- pertains to statutory dues, 10,54,65,499/- for unclaimed dividend and provision for expenses and employee benefits of Rs. 14,07,20,999 which are paid from time to



time. The net amount of Unsecured Creditors after excluding statutory dues and provisions as stated above are Rs.1,86,30,06,390/-. A Certificate issued by A P Sanzgiri & Co, Chartered Accountants, Statutory Auditors of the Company certifying an amount of Unsecured Creditors is annexed and marked as Annexure No.10 hereto.

2.19 That as far as the rights of Unsecured Creditors of the Applicant Company are concerned, they will not be affected by the proposed Scheme of Arrangement since post Scheme, the assets of the Company will be sufficient to discharge its liabilities and further, it also does not involve any compromise or arrangement with any creditors of the Applicant Company. In view of this, it is submitted that this Hon'ble Tribunal be pleased to order that meeting of the Unsecured Creditors of the Applicant Company be Dispensed with.

2.20 That the Applicant Demerged Company has not issued any Bonds or Debentures.

2.21 That the Applicant Company (Demerged Company) further declares that they had not previously filed any application, writ petition or suit regarding the matter in respect of which the petition has been made, before any court of law or any other authority or any other Bench or the Board and any such application, writ petition or suit is pending before any of them.

That the Applicant Company is engaged in the business The Company currently has two Business divisions which are as follows -

- 1.1 Vakrangee Kendra Business
- 1.2 E-Governance & IT/ITES Business



2.22 Hence, no other Regulatory or Sectoral approval is required. The Applicant Company is not required to obtain approval from Competition Commission of India (CCI) as the Applicant Company is outside the purviews of the provisions of the Competition Act, 2002 as amended from time to time.

FOR APPLICANT RESULTING COMPANY

The Resulting Company (VL E-GOV) was incorporated as a Private Limited Company under the Companies Act, 2013, on 18th March, 2016 in the name of Vakrangee Logistics Private Limited in the State of Maharashtra.

The name of the Company was changed to VL E-Governance & IT Solutions Private Limited and obtained a fresh certificate of incorporation dated 22nd October, 2021 consequent on change of name from the Registrar of Companies, Maharashtra, Mumbai.

The name of the Resulting Company was further changed to VL E-Governance & IT Solutions Limited and obtained a fresh certificate of incorporation dated 01st November, 2021 consequent on change of name from the Registrar of Companies, Maharashtra, Mumbai.

The Resulting Company currently is an Unlisted Public Limited Company and the entire Issued, Subscribed and Paid up Equity Share



Capital is held by the Demerged Company. By virtue of the Shareholding pattern, the Resulting Company is a Wholly Owned Subsidiary of the Demerged Company.

- 3.1 The CIN of the Company is U74110MH2016PLC274618. A copy of the latest Memorandum and Articles of Association of the Resulting Company now in force is annexed hereto and marked as Annexure No.11.

REGISTERED OFFICE ADDRESS OF THE APPLICANT / RESULTING COMPANY

- 3.2 That the Registered office of the Applicant / Resulting Company is presently situated at Vakrangee Corporate House, plot No. 93, Road No. 16, MIDC Marol, Andheri East, Mumbai- 400093 and is within the jurisdiction of this Hon'ble NCLT Mumbai Bench, Mumbai.

OBJECTS AND NATURE OF BUSINESS

- 3.3 That the objects of the Applicant / Resulting Company are as set out in its Memorandum and Articles of Association. Pursuant to change in the name of the Resulting Company the object clause of the Memorandum of Association was also amended and presently the main object clauses of the Memorandum of Association authorizes the Resulting Company to do the following business activities;

1. To carry on business as manufactures, products, developers, processors, dealers, traders, importers, exporters, stockists, distributors or agents in software, information technology, e-commerce, e-mail,

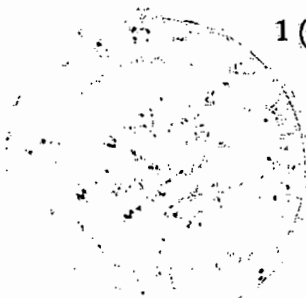


internet, multimedia, data processing, data management, telefilms, motion movies, web paging, telecommunication including peripherals computer data processing machine, systems and components thereof.

1(A) To undertake designing & development, research of software systems, products and solutions in all areas of application including those in emerging niche segments like internet, website, applications solutions software, enterprise resource planning (ERP), ecommerce, value added products and other business applications either for its own use or for sale in India or for export outside India and to design, develop such systems and application software for or on behalf of manufactures, owners and users of computer systems, telecom, digital, electronic equipment in India or elsewhere in world.

1(B) To develop, provide, undertake design, import, export, distribute and deals in Systems and Application software for microprocessor based information systems, offshore software development project, software project consultancy, development of computer languages and allied computer service and to own and/or operate data processing and service bureau centers in India and Abroad,

1 (C) To act as facilitator between service provider and end user of services to render governmental / non-governmental services, including but not limited to ticket booking services (IRCTC), postal services, facilitate



utility services, any other governmental services to promote general wellbeing of the public at large and other support services.

1(D) To manufacture, develop, procure, produce, import or engage any professional to manufacture, develop any software to make all the activities of the Company available in the form of an application or software available on any device such as mobile or computer or such other devices as may be found appropriate and to make the services of the Company available to the public at large in India and abroad.

3.4 The Applicant / Resulting Company is an Unlisted Public Limited Company and the equity shares of Applicant / Resulting Company are not listed on any Stock Exchange.

SHARE CAPITAL DETAILS OF APPLICANT / RESULTING COMPANY

3.5 The Authorized, Issued, Subscribed and Paid-Up Share Capital of the Applicant/ Resulting Company as per the Latest Audited Balance Sheet as at 31st March, 2021 is as under:

| Share Capital | Amount in Rs. |
|--------------------------------------------|---------------|
| Authorized Share Capital | |
| 1,50,00,000 Equity Shares of Rs. 10/- each | 15,00,00,000 |
| Total | 15,00,00,000 |
| Issued, Subscribed and Paid-Up Capital | |
| 1,20,00,000 Equity Shares of Rs. 10/- each | 12,00,00,000 |



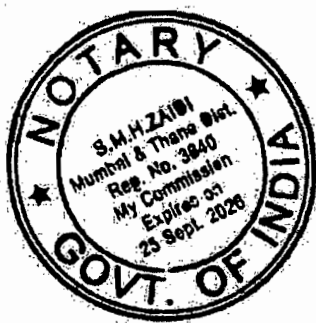
A copy of the Latest Audited Balance Sheet of the Applicant / Resulting Company as at 31st March, 2021 now in force is annexed and marked as Annexure No.12.

3.6 That subsequent to 31st March, 2021, there has been no change in the aforesaid share capital of the Applicant / Resulting Company.

LATEST FINANCIAL POSITION OF APPLICANT/ RESULTING COMPANY

3.7 That the Accounts of the Applicant / Resulting Company have been audited up to 31st March, 2021. I say that the Audited Balance Sheet as at 31st March 2021 contains the Profit and Loss Account and the Board of Directors and Auditors Report thereon. As is clear from the said Report, the Resulting Company has maintained proper Books of Accounts as required by law. The Company has also prepared a Audited Accounts for a period of 6 months commencing from 1st April 2021 and ending on 30th September, 2021. The said Audited Accounts of the Resulting Company as at 30th September, 2021 indicate the latest financial position of the Resulting Company as under:

- i. Resulting Company has not issued any Debentures.
- ii. Apart from the Current Liabilities, which are incurred and disposed off in the normal course of business, the Resulting Company has other Non- Current Liabilities.
- iii. The details of Shareholders Fund are as under: -



(Amount in Thousands)

| | |
|------------------------------------------|-----------------|
| Paid Up Share Capital | 1,20,000.00 |
| Other Equity | (27,971.04) |
| Total | 92028.96 |
| Represented by | |
| Non -Current Assets | 41.31 |
| Non- Current Investment | - |
| Deferred Tax Assets | 32.81 |
| Long Term Loans and Advances | - |
| Current Assets | 92,319.70 |
| Less Non- Current Liabilities | - |
| Less Current Liabilities/Provisions | 364.86 |
| Excess of Assets over Liabilities | 92028.96 |

3.8 That subsequent to the date of the aforesaid Audited Accounts and as on date, there has been no other substantial change in the Capital Structure or Financial Position of the Resulting Company except those arising or resulting from the usual course of business. A copy of the Audited Accounts of Resulting Company as at 30th September, 2021 now in force is annexed hereto and marked as Annexure No.13.

3.9 That Mr. Lalit Kumar Dangi, Chartered Accountant and IBBI Registered Valuer, having their office at 104, M. K. Bhavan, 300, Shahid Bhagat Singh Road, Fort, Mumbai-400001 was entrusted with the work of determining



Share swap ratio and have examined the relevant facts and have submitted their report dated 11th November, 2021 in that behalf. I crave leave to refer to and rely upon the said report dated 11th November, 2021 of the Chartered Accountant when produced.

3.10 That the Board of Directors of applicant/ Resulting Company in the meeting held 12th November, 2021, considered and unanimously approved the proposed Scheme of Arrangement for Demerger of E-Governance & IT/ITES Business (Demerged undertaking) of VAKRANGEE LIMITED into VL E-GOVERNANCE & IT SOLUTIONS LIMITED. Certified true copy of resolution passed by Board of Directors of Applicant /Resulting Company and extracts of the minutes of the above mentioned Board meeting are annexed herewith and marked as Annexure No.14.

3.11 That a copy of the certificate issued by the statutory auditors of the Resulting Company to the effect that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013, is annexed hereto and marked as Annexure No.15.

3.12 That the Applicant Company has only one class of Shareholder i.e. Equity Shareholders. The Applicant Company further submits that as on date, the total number of shareholders of the company is 7. The Company is a closely held public Limited company.



AT

**GROUND FOR DISPENSATION OF EQUITY SHAREHOLDERS
MEETING OF APPLICANT/RESULTING COMPANY**

3.13 It is submitted that the grounds on which the Applicant Company is seeking dispensation of the meeting of the Equity Shareholders are as follows: -

- i. The Applicant Company has Seven (7) Equity Shareholders. A list of Equity Shareholders of the Applicant Company as on date is annexed and marked as Annexure No.16 hereto.
- ii. It is further submitted that all the Equity Shareholders of the Applicant Company have given their no objection for the Scheme of Arrangement between Vakrangee Limited the Demerged Company and VL E-Governance & IT Solutions Limited the Resulting Company. The following is the list of Equity Shareholders of the Applicant Company and the consent letters of the same are annexed hereto and marked as Annexure No.17-A to 17-G.

| Sr. No. | Names of the Equity Shareholder | No. of Equity Shares held |
|---------|-----------------------------------------------------|---------------------------|
| 1. | Vakrangee Limited | 1,19,99,994 |
| 2. | Dinesh Nandwana (As a Nominee of Vakrangee Limited) | 1 |
| 3. | Nishikant Kishanrao Hayatnagarkar (As a Nominee | 1 |



| | | |
|--------------|--------------------------------------------------------------|--------------------|
| | of Vakrangee Limited) | |
| 4. | Jitendra Hemant Jog (As a Nominee of Vakrangee Limited) | 1 |
| 5. | Viral Mujumdar (As a Nominee of Vakrangee Limited) | 1 |
| 6. | Sachin Tukaram Khandekar (As a Nominee of Vakrangee Limited) | 1 |
| 7. | Ajay Jangid (As a Nominee of Vakrangee Limited) | 1 |
| Total | | 1,20,00,000 |

Hence it is submitted that the meeting of the Equity shareholders of the Applicant/Resulting Company be dispensed with.

3.14 That the Applicant/Resulting Company further submits that as on date of Audited Balance Sheet ending on 30th September, 2021 there are no Secured Creditors in the company. Hence the question of convening the meeting of Secured Creditors of the applicant company does not arise.

3.15 That the Applicant/Resulting Company has only one class of Creditors i.e. Unsecured Creditors. However, the present Scheme is an arrangement between the Applicant Company and its Shareholders as contemplated under Section 230(1) (b) and not in accordance with the provisions of Section 230 (1) (a) of the Companies Act, 2013 as there is no Compromise and/or Arrangement with the Creditors as no sacrifice is called for.



3.16 That the Applicant /Resulting Company further submits that as on date of Audited Balance Sheet ending 30th September, 2021, the total number of Unsecured Creditors of the company is 47 (Forty Seven) having a value of Rs. 1,59,222.36/-. A list of Unsecured Creditors of Applicant Company is annexed and marked as Annexure No.18 hereto. The certified true copy of the certificate issued by the statutory auditor of the Resulting Company confirming the list of Unsecured Creditors as on 30.09.2021 is annexed and marked as Annexure No.19. As far as the rights of Unsecured Creditors of the Applicant Company are concerned, they will not be affected by the proposed Scheme of Arrangement since post Scheme, the assets of the Company will be sufficient to discharge its liabilities and further, it also does not involve any compromise or arrangement with any creditors of the Applicant Company.

3.17 That as far as the rights of unsecured creditors of the Demerged Company are concerned, they will not be affected by the proposed Scheme of Arrangement since post Scheme, the assets of the Demerged Company will be sufficient to discharge its liabilities and further, it also does not involve any compromise or arrangement with any creditors of the Demerged Company. In view of this, it is submitted that this Hon'ble Tribunal be pleased to order that meeting of the unsecured creditors of the Demerged Company be dispensed with.



- 3.18 That the Applicant/Resulting Company has not issued any Bonds or Debentures.
- 3.19 That the Applicant Company (Resulting Company) further declares that they had not previously filed any application, writ petition or suit regarding the matter in respect of which the petition has been made before any court of law or any other authority or any other Bench or the Board and any such application, writ petition or suit is pending before any of them.
- 3.20 The Proposed Scheme of Arrangement does not envisage any buy back of shares.
- 3.21 That the Applicant / Resulting Company is engaged in the business of delivering systems integration and other IT/ITES services for India's e-Governance and other related activities. No other Regulatory or Sectoral approval is required. The Applicant / Resulting Company is not required to obtain approval from Competition Commission of India (CCI) as the Applicant / Resulting Company is outside the purviews of the provisions of the Competition Act, 2002 as amended from time to time.



That the object of this application is to ultimately file a Petition and obtain sanction of this Hon'ble National Company Law Tribunal, Mumbai Bench, Mumbai to a Scheme of Arrangement whereby and hereunder the Demerged Undertaking of Vakrangee Limited the



51

32

Demerged Company into VL E-Governance & IT Solutions Limited the Resulting Company. The copy of the Scheme of Arrangement is annexed hereto and marked as Annexure No.21.

- 5 That the Directors of the Demerged Company and Resulting Company are as under:-

• **Vakrangee Limited**

| | |
|---|--------------------------------|
| 1 | Mr. Dinesh B. Nandwana |
| 2 | Mr. Ramesh M. Joshi |
| 3 | Mr. Nishikant K. Hayatnagarkar |
| 4 | Mr. Sunil Agarwal |
| 5 | Mr. Babu Lal Meena |
| 6 | Mrs. Sujata Chattopadhyay |
| 7 | Mr. Avinash Vyas |
| 8 | Mr. Ranbir Datt |
| 9 | Mr. Hari Chand Mittal |

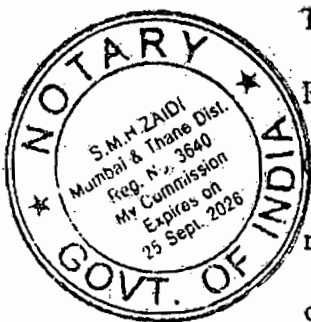
• **VL E- Governance & IT Solutions Limited**

| | |
|---|------------------------|
| 1 | Mr. Dinesh B. Nandwana |
| 2 | Mr. Jitendra H. Jog |
| 3 | Mr. Amit K. Sabarwal |

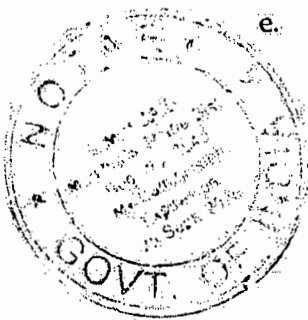
RATIONAL AND KEY OBJECTIVES FOR THE SCHEME OF ARRANGEMENT.

- 6 The rational for the Scheme of Arrangement are as under.

The Demerger of Demerged Undertaking and vesting of the same with Resulting Company would enable the Resulting Company to enhance Operational efficiencies, ensuring synergies through pooling of the financial, managerial, personnel capabilities, skills and expertise and the management is of the view that segregation of the Demerged Undertaking would lead to the following benefits;



- a. The transfer and vesting of the Demerged Undertaking of the Demerged Company to the Resulting Company through this Scheme is with a view to unlock the economic value of both the divisions.
- b. The Demerger is likely to enable the business and activities comprised in the demerged undertaking and remaining business and activities of VL to be pursued and carried on with greater focus and attention through two separate companies each having its own administrative set up. Independent management of each of the undertakings will ensure required depth and focus on each of the businesses and adoption of strategies necessary for the growth of respective businesses. The structure provides independence to the management in decisions regarding the use of their respective cash flows for dividends, capital expenditure or other reinvestment in their business.
- c. Vakrangee Kendra Business is Retail centric Consumer facing business whereby we are building the last mile physical distribution platform as well as a B2C E-Commerce focussed Mobile Super app Digital platform.
- d. Vakrangee Kendra Business (Physical as well as Digital) is an asset light, high return on Capital business and thereby will get proper representation post Demerger.
- e. E-Governance & IT/ITES Business is a capital intensive B2B business. It is Capex Heavy as well as Working capital Intensive. The E-Governance & IT/ITES Business segment requires different skill sets and focused approach towards time bound project execution capabilities as well as dedicated efforts



on collection of Debtors / Receivables, Vendor management and procurement of IT equipment's.

- f. The focus is on enhancing strategic flexibility to build a viable platform solely focusing on each of these businesses (Vakrangee Kendra business as well as E-Governance / IT & ITES).
- g. The Demerger will enable both the Companies to enhance business operations by streamlining operations more efficient management control and outlining independent growth strategies.
- h. Enable dedicated management focus, resources and skill set allocation to each business, which will in turn accelerate growth and unlock value for the shareholders.
- i. Each undertaking will be able to target and attract new customers corresponding to their own business.
- j. The demerger will unlock value of both business and result in shareholder value maximization.
- k. Pursuant to the scheme, the equity shares issued by the Resulting Company would be listed on BSE and NSE and will unlock the value of E-Governance and IT/ITES business for the shareholders of the Demerged Company. Further the existing Shareholders of the Demerged Company would hold the shares of two listed entities after the scheme becoming effective, giving them flexibility in managing their investments in the two businesses having differential dynamics.



1. The Scheme shall be in the beneficial interest of the shareholders of the companies. The Scheme shall not be in any manner prejudicial to the interest of the concerned members, creditors, employees or general public at large.

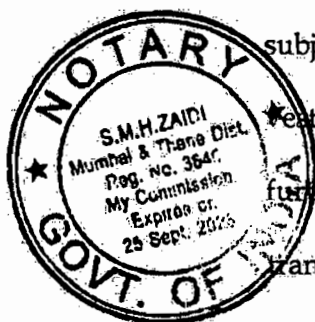
Accordingly, this Scheme provides for the transfer by way of a Demerger of the Demerged Undertaking of the Demerged Company to the Resulting Company and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company pursuant to Sections 230 to 232 read along with Section 66 and other relevant provisions of the Act and various other matters consequential to or otherwise integrally connected with the above in the manner provided for in this Scheme.

BRIEF SUMMARY OF SCHEME

7. A brief Summary of the Scheme of Arrangement is as under: -
 - (i) The Appointed Date as per the Scheme is 1st April, 2021
 - (ii) Vesting of an Undertakings

3. TRANSFER OF ASSETS

3.1. With effect from the Effective Date the Demerged Undertaking (including all the estate, assets, rights including claims, title, interest and authorities including accretions and appurtenances of the Demerged Undertaking) shall, subject to the provisions of this Clause in relation to the mode of transfer and vesting and pursuant to the provisions of Section 232(3) of the Act, without any further act or deed, be demerged from the Demerged Company and be transferred to and vested in and shall be deemed to be demerged from the

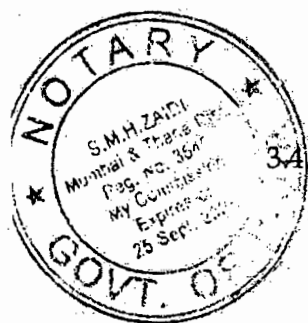


Demerged Company and transferred to and vested in the Resulting Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the Resulting Company, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions, if any.

3.2. In respect of such of the assets of the Demerged Undertaking as are movable in nature or are otherwise capable of transfer by delivery or possession or by endorsement and delivery, the same shall stand so transferred by the Demerged Company upon the coming into effect of the Scheme, and shall become the property of the Resulting Company as an integral part of the Demerged Undertaking with effect from the Appointed Date pursuant to the provisions of Section 232 of the Act without requiring any deed or instrument of conveyance for transfer of the same, subject to the provisions of this Scheme in relation to encumbrances in favour of banks and/or financial institutions.

3.3. In respect of such of the assets belonging to the Demerged Undertaking other than those referred to in sub-Clause 3.2 above, the same shall, without any further act, instrument or deed, be demerged from the Demerged Company and transferred to and vested in and/or be deemed to be demerged from the Demerged Company and transferred to and vested in the Resulting Company upon the coming into effect of Part II of the Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.

3.4. All assets, rights, title, licenses, interest and investments of the Demerged Company in relation to the Demerged Undertaking shall also, without any

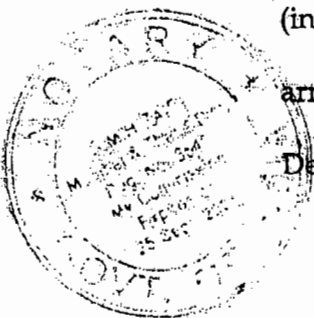


further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company upon the coming into effect of the Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.

4. CONTRACTS, DEEDS, ETC.

4.1 Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertaking, to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date shall continue in full force and effect on or against or in favour, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or oblige thereto or there under.

4.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of the Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary in order to



give formal effect to the provisions of this Scheme. The Demerged Company will, if necessary, also be a party to the above. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.

4.3 Without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of the Scheme, all consents, permissions, licenses, approvals, certificates, insurance covers, clearances, authorities given by, issued to or executed in favour of the Demerged Company in relation to the Demerged Undertaking shall stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Resulting Company.

4.4 Without prejudice to the aforesaid, it is clarified that if any assets (including estate, claims, rights, title, interest in or authorities relating to any asset) or any contracts, deeds, bonds, agreements, Schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking which the Demerged Company owns or to which the Demerged Company is a party to, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such assets, contracts, deeds, bonds, agreements, Schemes, arrangements or other instruments of whatsoever



nature in trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as the transfer is affected.

5. TRANSFER OF LIABILITIES

5.1 Upon the coming into effect of the Scheme, all debts, liabilities, duties and obligations (including the liabilities which arise out of the activities or operations of the Demerged Undertaking) of the Demerged Company as on the Appointed Date and relatable to the Demerged Undertaking shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Effective Date and shall become the debts, liabilities, duties and obligations of the Resulting Company.

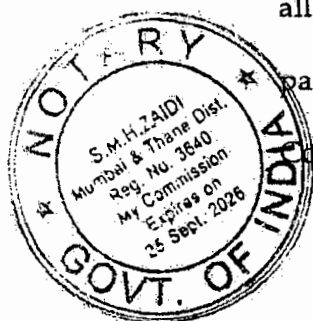
5.2 In so far as the existing Encumbrance in respect of the loans, borrowings, debts, liabilities, is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Demerged Undertaking which have been Encumbered in respect of the transferred liabilities as transferred to the Resulting Company pursuant to this Scheme. Provided that if any of the assets comprised in the Demerged Undertaking which are being transferred to the Resulting Company pursuant to this Scheme have not been Encumbered in respect of the transferred liabilities, such assets shall remain unencumbered and the



existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

5.3 For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business are concerned, the Encumbrance over such assets relating to the Transferred Liabilities shall, as and from the Effective Date without any further act, instrument or deed be released and discharged from the obligations and Encumbrance relating to the same. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred pursuant to this Scheme (and which shall continue with the Demerged Company), shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.

5.4 Without prejudice to the provisions of the foregoing Clauses and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company shall execute any instrument/s and/or document/s and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.



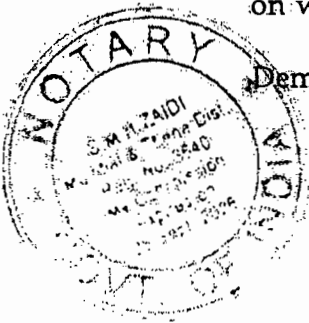
5.5 Upon the coming into effect of this Scheme, the Resulting Company alone shall be liable to perform all obligations in respect of the Transferred Liabilities, which have been transferred to it in terms of this Scheme, and the Demerged Company shall not have any obligations in respect of such Transferred Liabilities.

5.6 It is expressly provided that, save as mentioned in this Clause, no other term or condition of the liabilities transferred to the Resulting Company as part of the Scheme is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

5.7 Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

6. EMPLOYEES

6.1 Upon the coming into effect of this Scheme, all Employees of the Demerged Undertaking shall become the employees of the Resulting Company with effect from the Appointed Date, and, subject to the provisions hereof, on terms and conditions not less favourable than those on which they are engaged by the Demerged Company in relation to the Demerged Undertaking and without any interruption of or break in



service as a result of the transfer of the Demerged Undertaking. For the purpose of payment of any compensation, gratuity and other terminal benefits, the immediate past services of such Employees with the Demerged Company shall also be taken into account, and paid by the Resulting Company as and when the same become payable.

6.2 In so far as the provident fund and gratuity fund and any other funds or benefits if any created by the Demerged Company inter alia for the Employees are concerned (collectively referred to as the "Funds"), the funds and such investments made by the Funds which are relatable to the Employees in terms of sub-Clause 6.1 above shall be transferred to the Resulting Company and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. In the event that the Resulting Company does not have its own Funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds of the Demerged Company, until such time that the Resulting Company creates its own Funds, at which time the funds and the investments and contributions pertaining to the Employees shall be transferred to the Funds created by the Resulting Company.

6.3 In relation to any other fund created or existing for the benefit of the Employees being transferred to the Resulting Company, the Resulting Company shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make



contributions to the said funds in accordance with the provisions of such Scheme, funds, bye laws, etc. in respect of such Employees.

6.4 In so far as the existing benefits or funds created by the Demerged Company for the employees of the Remaining Business are concerned, the same shall continue and the Demerged Company shall continue to contribute to such funds and trusts in accordance with the provisions thereof, and such funds and trusts, if any, shall be held inter alia for the benefit of the employees of the Remaining Business.

6.5 Employee Stock Benefits

6.5.1 Upon Part II of the Scheme becoming effective, employees of the Demerged Company holding options, (whether vested or unvested) under the Vakrangee Limited Employee Stock Option Scheme 2014 (ESOP) as on the Effective Date, shall continue to hold such Vakrangee Limited ESOPs on the existing terms and conditions, except for such modifications as maybe required to give effect to this Clause 6.5.

6.5.2 Immediately upon Part II of the Scheme becoming effective, Vakrangee Limited ESOPs shall continue, subject to such adjustments towards the demerger of the E-Governance & IT/ITES business Division, as may be deemed appropriate by the relevant committee

of the Board of the Demerged Company in accordance with the pro



visions of the Vakrangee Limited ESOPs and in compliance with the applicable laws. The Board of the Demerged Company shall through its Nomination & Remuneration & Compensation Committee, decide the manner in which difference in the intrinsic value created pursuant to the demerger of the E-Governance & IT/ITES Division is to be compensated to the Vakrangee Limited ESOPs holders in compliance with the applicable laws and SEBI regulations.

6.5.3 The Boards of the Demerged Company and the Resulting Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of Clause 6.5.

7. LEGAL, TAXATION AND OTHER PROCEEDINGS

7.1. Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted any time thereafter and, in each case, relating to the Demerged Undertaking shall be continued and enforced by or against the Resulting Company with effect from the Effective Date. Except as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in



relation to any such legal, taxation or other proceedings against the Resulting Company. The Resulting Company shall be replaced/ added as party to such proceedings and shall prosecute or defend such proceedings at its own cost, in co-operation with the Demerged Company.

7.2. If any proceedings are taken against the Demerged Company in respect of the matters referred to in sub-Clause 7.1 above, it shall defend the same in accordance with any reasonable and prudent advice provided by the Resulting Company at the cost of the Resulting Company, and the latter shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

7.3. The Resulting Company undertakes to have all legal, taxation or other proceedings initiated by or against the Demerged Company in relation to Demerged Undertaking referred to in sub-Clause 7.1 above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company. Both companies shall make relevant applications in that behalf.

SECTION 3 - REMAINING BUSINESS

8. Save and except Demerged Undertaking and as expressly provided in this Scheme, nothing contained in this Scheme shall affect Retained Undertaking



(remaining business) of VL which shall continue to belong to and be vested in and be managed by VL. It is expressly clarified and provided that the Retained Undertaking shall continue to be so vested in VL and all liabilities, present or contingent, under the Income Tax Act, 1961 of VL as a whole, for the period prior to the Appointed Date shall be borne by VL with VL also being entitled to any and all tax refunds and other credits under the said acts for such prior period.

- 8.1 The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.
- 8.2 All legal, taxation or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company after the Effective Date. The Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceedings against the Demerged Company, which relates to the Remaining Business.
- 8.3 If proceedings are taken against the Resulting Company in respect of the matters referred to in sub-Clause 8.2 above, it shall defend the same in



accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.

8.4 With effect from the Appointed Date and up to and including the Effective Date:

8.4.1 the Demerged Company shall carry on and be deemed to have been carrying on all business and activities relating to the Demerged Undertaking for and on its own behalf;

8.4.2 all profits accruing to the Demerged Company thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits or losses, as the case may be, of the Demerged Company;

8.4.3 all assets and properties acquired by the Demerged Company in relation to the Remaining Business on and after the Appointed Date shall belong to and continue to remain vested in the Demerged Company;

SECTION 4 - CONSIDERATION

9. The provisions of this Section 4 of this Scheme shall operate notwithstanding anything to the contrary in this Scheme or in any other instrument, deed or Writing.



Upon this scheme coming into effect, in consideration of the transfer of the Demerged Undertaking by the Demerged Company to the Resulting



Company, in terms of this scheme, the Resulting Company shall, without any further act or deed, issue and allot to every member of the Demerged Company holding fully paid up equity shares in the Demerged Company and whose names appear in the Register of Members of the Demerged Company on the record date in respect of every Ten (10) Equity Shares of the face value of Re.1/- each fully paid up held by him / her / it in the Demerged Company One (1) new Equity share of the Resulting Company of the face value of Rs. 10/- each fully paid up;

9.2 The equity shares issued and allotted by the Resulting Company in terms of this Scheme shall rank *pari passu* in all respects with the existing equity shares of the Resulting Company.

9.3 The shares issued to the members of the demerged company pursuant to clause 9.1 above shall be issued in dematerialized form by the Resulting Company, unless otherwise notified in writing by the shareholders of the demerged company to the Resulting Company on or before such date as may be determined by the Board of Directors of the Resulting Company or a committee thereof. In the event that such notice has not been received by the Resulting Company in respect of any of the members of the Demerged Company, the shares shall be issued to such members in dematerialized form provided that the members of the Demerged Company shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required it is only



thereupon that the Resulting Company shall issue and directly credit the dematerialized securities to the account of such member with the shares of the Resulting Company. In the event that the Resulting Company has received notice from any member that shares are to be issued in certificate form or if any members has not provided the requisite details relating to the account with depository participant or other confirmations as may be required, then the Resulting Company shall issue shares in certificate form to such member.

9.4 The New Equity Shares to be issued in respect of the shares of the Demerged Company held in the unclaimed suspense account, if any, shall be issued to a new unclaimed suspense account created for the shareholders of the Resulting Company.

9.5 New Equity Shares to be issued by the Resulting Company pursuant to Clause 9.1 above in respect of such of the equity shares of the Demerged Company which are held in abeyance under the provisions of Section 125 of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by the Resulting Company.

9.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors or any committee thereof of the Demerged Company shall be empowered in appropriate cases, prior or even subsequent to the Record



Date, to effectuate such a transfer in the Demerged 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 of the shares in the Resulting Company and in relation to the shares issued by the Resulting Company after the effectiveness of this Scheme. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in Resulting Company on account difficulties faced in the transition period.

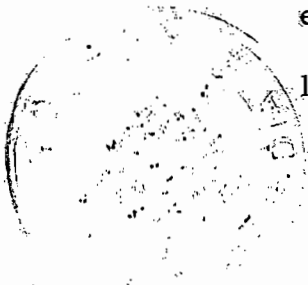
- 9.7 Unless otherwise determined by the Board of Directors or any committee thereof of the Demerged and Resulting Company, allotment of shares in terms of clause 9.1 of this part shall be done within 60 days from the effective date.
- 9.8 If any Eligible member becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of Equity shares by the Resulting Company in accordance with this Scheme, the Board of Directors of the Resulting Company shall consolidate all such fractional entitlement and shall, without any further application, act, instrument or deed issue and allot such consolidate shares directly to an individual trustee in a separate account nominated by the Resulting Company ('The Trustee'), who shall hold such equity shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heir, executors, administrators, successors for the specific purpose of selling such



shares in the open market at such price or prices and on such time or times within 60 days from the date of allotment, as the trustee may in its sole discretion decide and on such sale, pay to the Resulting Company, the net sale proceeds (after deducting the applicable taxes and cost incurred) thereof and any additions and accretions, whereupon the Resulting Company shall subject to the withholding tax, if any, distribute such sale proceeds to the concerned Eligible Members in proportion to their respective fractional entitlement.

9.9 Pursuant to and upon this Scheme becoming effective, the Resulting company shall take necessary steps to increase and alter its authorized share capital suitably to enable the Resulting company to issue and allot the Equity Shares in the Resulting Company to the shareholders of the Demerged Company in terms of this Scheme and as an integral part of this Scheme, the share capital of the Resulting Company shall be increased in the manner set out in Clause 15 below.

9.10 Equity Shares of the Resulting Company issued in terms of clause 9.1 above shall pursuant to the circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/49 dated 22nd December, 2020 issued by Securities and Exchange Board of India (SEBI) and in accordance with compliance with requisite formalities under applicable laws, be listed and / or admitted to trading on BSE Limited and National Stock Exchange of India Limited (NSE), the relevant stock exchange(s) where the existing equity shares of the Demerged Company are listed and / or admitted to trading in accordance with the compliance with



requisite formalities under applicable laws and the Demerged company and the Resulting Company shall enter into such agreement / arrangement and give 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 exchange (BSE Limited and National Stock Exchange of India Limited (NSE)).

- 9.11 The equity shares of the Resulting Company allotted pursuant to the scheme shall remain frozen in the depositories system till listing / trading permission is given by the designated stock exchange.
- 9.12 Till the listing of the equity shares of the Resulting Company, there will be no change in the pre-arrangement capital structure and shareholding pattern or controls in the Resulting Company which may affect status of the approval of the stock exchanges to this scheme.
- 9.13 Approval of the Scheme by the shareholders of VL E-GOV shall be deemed to be due compliance of the provisions of section 42, 62 if any and other relevant or applicable provisions of the Companies Act, 2013 and Rules made thereunder, the SEBI(LODR) Regulations, 2015 and the Articles of Association of the Resulting company and no other consent shall be required under the Act or the Articles of Association of the Resulting company for the issue and allotment of the Equity shares by VL E-GOV to the shareholders of VL as provided hereinabove.

SECTION 5 - REDUCTION OF SHARE CAPITAL OF THE RESULTING COMPANY



9.14 Simultaneously, with the issue and allotment of the new Equity Shares by the Resulting Company to the Equity Shareholders of the Demerged Company in accordance with clause 9.1 of the Scheme in the books of the Resulting Company the existing shareholding in the equity share capital of the Resulting Company shall stand cancelled as an integral part of this Scheme in accordance with the provisions of section 66 of the Companies Act, 2013.

9.15 Since the said reduction is an integral part of the Scheme under Section 230 to 232 and will be made effective pursuant to order(s) of the NCLT(e) sanctioning the Scheme in terms of Sections 230 to 232 of the Act, the provisions of Section 66 of the 2013 Act shall not be applicable unless the NCLT holds otherwise. In any event, it shall be deemed that the members of the Resulting Company who have approved the Scheme have also resolved and accorded all relevant consents under Section 66 of the Companies Act, 2013 or any other provisions of the Act to the extent the same may be considered applicable and that there will be no need to pass a separate shareholders' resolution as required under Section 66 of the Companies Act, 2013.

9.16 The order of NCLT sanctioning the Scheme shall be deemed to be an order under section 66 of the Act confirming reduction and no separate sanction under section 66 of the Act shall be necessary.

SECTION 5 - GENERAL TERMS AND CONDITIONS



ACCOUNTING TREATMENT

Upon the Scheme becoming effective, demerger of Demerged Undertaking of the Demerged Company into Resulting Company will be accounted for in accordance with the applicable accounting standards and Clause 10 and 11 (Accounting Treatment) of the Scheme.

10 ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY (VL)

On the Scheme becoming effective and with effect from the Appointed Date, the Demerged Company shall account for demerger in its books as under:

10.1 All the assets, liabilities and reserves of the Demerged Company pertaining to the Demerged Undertaking, being transferred to the Resulting Company, shall be reduced from the books of accounts of the Demerged Company at their respective book values / carrying values at the close of business on the day immediately preceding the Appointed Date.

10.2 The excess/deficit, if any, of the book value of the assets over the book value of the liabilities and reserves of the Demerged Company pertaining to the Demerged Undertaking, which have been transferred pursuant to this Scheme, shall be adjusted against the reserves in the financial statements of the Demerged Company as drawn up in compliance with the Scheme and applicable accounting standards/IND AS of the Demerged Company. Notwithstanding anything above, the Board of Directors of the



Demerged Company is authorized to account for any of the above-mentioned transactions or any matter not dealt with under this clause in accordance with the applicable accounting standards /IND AS and generally accepted accounting principles.

11. ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANY (VL E-GOV)

On the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company shall account for demerger in its books as under:

- 11.1 Demerger of Demerged Undertaking of the Demerged Company into Resulting Company shall be accounted for in the books of account of the Resulting Company in accordance with applicable accounting standards/IND AS and generally accepted accounting principles;
- 11.2 The Resulting Company shall record the assets, liabilities and reserves pertaining to the Demerged Undertaking vested in it pursuant to this Scheme, at their respective book values / carrying values in the books of the Demerged Company;
- 11.3 The identity of the reserves, shall be preserved, and they shall appear in the financial statements of the Resulting Company in the same form in which they appeared in the financial statements of the Demerged Company;
- 11.4 The inter-corporate borrowings, deposits / loans and advances outstanding, if any, between the Resulting Company and the Demerged Undertaking of the Demerged Company as on the Effective Date will stand cancelled and there shall be no further obligation in that behalf. Further, any other inter-



company payables and receivables between the Demerged Undertaking of the Demerged Company and the Resulting Company shall be cancelled and the Resulting Company shall accordingly credit the concerned payable against related receivables in its books and debit the concerned receivable against the related payables in its books;

- 11.5 The Resulting Company shall issue and allot equity shares to the shareholders of the Demerged Company in accordance with Clause 9 above and credit the aggregate face value of such equity shares to its share capital account.
- 11.6 The surplus / deficit, if any, of the net value of assets, liabilities and reserves of the Demerged Undertaking of the Demerged Company acquired and recorded by the Resulting Company over the amount recorded as share capital issued shall be credited or debited, as the case may be, to the reserves in the financial statements of the Resulting Company;
- 11.7 In case of any difference in the accounting policies between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail and the difference, if any, will be quantified and shall be adjusted in the Reserves, to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policy;
- 11.8 Upon the Scheme being effective, the existing shareholding in the Resulting Company shall stand cancelled. Upon cancellation, the Resulting Company shall debit to its Equity Share Capital Account, the aggregate face value of



existing equity shares held by the shareholders in the Resulting Company, which stand cancelled and the same shall be credited to the Capital Reserve of the Resulting Company.

- 11.9 Notwithstanding the above, the Board of the Resulting Company in consultation with its statutory auditors, is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit in accordance with the prescribed accounting standards, and applicable generally accepted accounting principles as applicable to the Resulting Company.

12. TAXES

All taxes (including income tax, minimum alternate tax, sales tax, excise duty, custom duty, service tax, GST, etc.) paid or payable by the Demerged Company in respect of the operations and/or the profits of the Demerged Undertaking before the Appointed Date, shall be on account of the Demerged Company and, insofar as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, sales tax, excise duty, custom duty, service tax, GST, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Demerged Company in respect of the profits or activities or operation of the Demerged Undertaking after the Appointed Date, the same shall be deemed to be the corresponding



item paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.

13. SCHEME CONDITIONAL ON

This Scheme is conditional upon and subject to:

- 13.1 Obtaining no-objection / observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 of SEBI (LODR) Regulations, 2015.
- 13.2 the Scheme being agreed to by the respective requisite majorities of the various classes of members and creditors of the Demerged Company and the Resulting Company as required under the Act and the requisite order of the National Company Law Tribunal, Mumbai Bench, Mumbai being obtained.
- 13.3 such other sanctions and approvals as may be required by law in respect of this Scheme being obtained; and
- 13.4 In the event of this Scheme failing to take effect by 30th September, 2022 or such later date as may be agreed by the respective Board of Directors, this Scheme shall stand revoked, cancelled and be of no effect and become null and void, and in that event, no rights and liabilities shall accrue to or be incurred inter se between the parties or their shareholders or creditors or employees or any other person. In such case, the Demerged Company shall bear all costs and expenses.



13.5 Para 10 of SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020 shall not be applicable to the Scheme.

13.6 such other sanctions and approvals as may be required by law in respect of this Scheme being obtained; and

13.7 the Certified copies of the NCLT orders referred to in this Scheme being filed with the Registrar of Companies, Maharashtra, Mumbai.

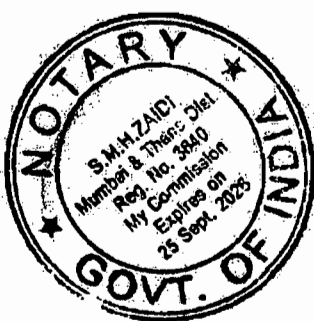
PART III - OTHER TERMS & CONDITIONS

SECTION 6 - OTHER TERMS AND CONDITIONS

14.1 The Demerged Company and the Resulting Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date, as applicable.

14.2 The Equity shares of the Resulting Company to be issued and allotted to the Equity shareholders of the Demerged Company as provided in clause 9 hereof shall be entitled to dividends from the date of allotment.

14.3 The holders of the shares of the Demerged Company and the Resulting Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends.



14.4 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Demerged Company and/or the Resulting Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Directors of the Demerged Company and the Resulting Company respectively, and subject to the approval, if required, of the shareholders of the Demerged Company and the Resulting Company respectively.

14.5 The holders of the shares of the Demerged Company and the Resulting Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends.

14.6 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Demerged Company and/or the Resulting Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the boards of directors of the Demerged Company and the Resulting Company respectively, and subject to the approval, if required, of the shareholders of the Demerged Company and the Resulting Company respectively



15. INCREASE IN THE AUTHORISED SHARE CAPITAL OF VL E-GOVERNANCE & IT SOLUTIONS LIMITED (VL E-GOV) CONSEQUENT ALTERATIONS IN THE MEMORANDUM OF ASSOCIATION

The Authorized Share Capital of VL E-GOVERNANCE & IT SOLUTIONS LIMITED shall be increased and reorganized, in the manner mentioned below, to cover the fresh issue of equity shares by VL E-GOV to the shareholders of the Demerged Company in terms of clause 9 of this Scheme:

The Authorised Share Capital of VL E-GOVERNANCE & IT SOLUTIONS LIMITED shall be increased and reorganized from Rs. 15,00,00,000/- (Rupees Fifteen Crores only) comprising of 1,50,00,000 (One Crore fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each to Rs. 110,00,00,000/- (Rupees One Hundred Ten Crores only) comprising of 11,00,00,000 (Eleven Crores Only) Equity Shares of Rs. 10/- (Rupee Ten) each.

In consequence of the increase in the Authorised Share Capital, as mentioned above, following new clause V shall be inserted in the Memorandum of Association of the Resulting Company (VL E-GOV) in place and stead of the existing clause V:

Clause V: - Memorandum of Association..

The Authorised share capital of the Company is Rs. 110,00,00,000/- (Rupees One Hundred Ten Crores only) comprising of 11,00,00,000 (Eleven Crores Only) Equity Shares of Rs. 10/- (Rupees Ten) each.



It is clarified that the relevant date for the increase of Authorised Share Capital of the Resulting Company shall be the effective date and the statutory time limit for filing of necessary documents with Registrar of Companies in connection with such increase in the Authorised Share Capital shall commence from the date the Scheme becomes effective. It is also clarified that the Resulting Company shall be required to pay the filing fee and stamp duty only on the increase in the Authorised Share Capital from Rs. 15,00,00,000/- to Rs. 110,00,00,000/- i.e. an increase of Rs 95,00,00,000/-.

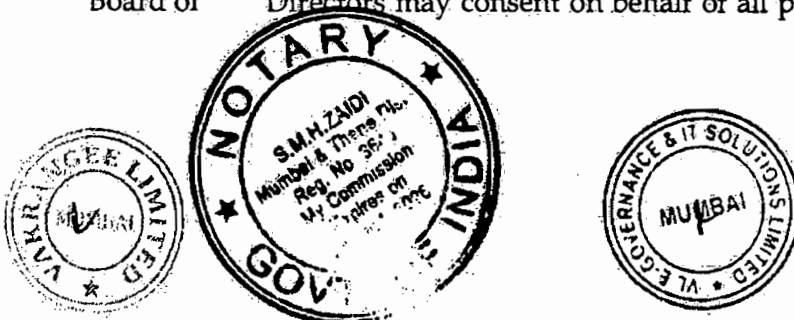
It is further clarified that the Resulting Company shall not be required to pass any resolution under section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 for increase in the Authorised Share Capital of the Resulting Company, as envisaged above and that the members of the Resulting Company shall be deemed to have accorded their consent under various provisions of the Companies Act, 2013 and Rules made there under to the increase in the share capital in terms of this Scheme.

16. APPLICATION TO NATIONAL COMPANY LAW TRIBUNAL

The Demerged Company and the Resulting Company shall make necessary applications before the National Company Law Tribunal, Mumbai Bench, Mumbai for the sanction of this Scheme under Sections 230 to 232 of the Act.

17. MODIFICATIONS OF SCHEME

- 17.1 The Demerged Company and the Resulting Company through their Board of Directors may consent on behalf of all persons concerned



to any modifications or amendments of this Scheme or to any conditions which the NCLT and/or any other authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme into effect.

17.2 However, no modifications and / or amendments to the Scheme can be carried out or effected by the Board of Directors without approval of the Tribunal / Court and the same shall be subject to powers of the NCLT under the Act.

17.3 For the purpose of giving effect to this Scheme or to any modifications thereof, the Directors of the Demerged Company and the Resulting Company are authorized to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

17.4 The Demerged Company and Resulting Company shall take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

18 NON-RECEIPT OF APPROVALS AND REVOCATION/WITHDRAWAL OF THIS SCHEME.

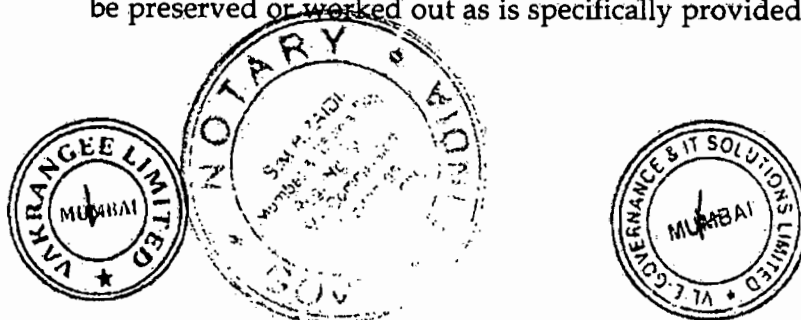
18.1 The Demerged Company and the Resulting Company acting jointly through their respective Boards shall each be at liberty to withdraw from



this Scheme.

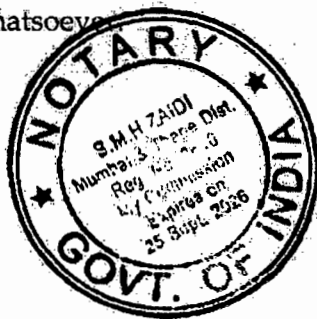
- 18.2 The Demerged Company and/or Resulting Company acting through their respective Boards shall each be at liberty to withdraw from this Scheme in case the Demerged Company or the Resulting Company is declared insolvent.
- 18.3 In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the Tribunal, and/or the order or orders not being passed as aforesaid on or before 30th September, 2022 or such later date from the date of approvals of the Scheme by respective Boards of the Parties or within such extended period as may be mutually agreed upon between the Demerged Company and the Resulting Company through their respective Boards or their authorized representatives, this Scheme shall become null and void and each party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.

In the event of revocation/withdrawal of the Scheme under Clause 18.1, 18.2 or 18.3 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Demerged Company and the Resulting Company or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or n.



accordance with the Applicable Law and in such case, each party shall bear its own costs, unless otherwise mutually agreed

- 9 That none of the Directors of the Demerged and Resulting Companies have any material interest in the said Scheme of Arrangement except as Directors and shareholders.
- 10 None of the Companies is registered under the Monopolies & Restrictive Trade Practices Act and no investigation is pending against either of these Companies under Sections 210 to 229 of Chapter XIV of the Companies Act, 2013. Further no proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 1956 against any of the Companies.
- 11 To the knowledge of the Companies, no winding up proceedings have been filed or are pending against them under the Companies Act, 2013 or the corresponding provisions of the Companies Act, 1956.
- 12 That it is confirmed the proposed Scheme of Arrangement does not envisage any corporate debt restructuring. There is no proposal to restructure very the debt obligation of Demerged Company and Resulting Company towards their respective creditors. The proposed Scheme of Arrangement will not adversely affect the rights of any of the creditors of the Demerged Company and the Resulting Company in any manner whatsoever.



- 13 The Proposed Scheme of Arrangement does not envisage any buy back of shares.
- 14 The Assets of the Demerged and Resulting Companies are sufficient to meet all their liabilities and the said scheme will not adversely affect the rights of any of the creditors of any of the Demerged and Resulting Companies in any manner whatsoever.
- 15 That the proposed Scheme of Arrangement is fair and reasonable and is not detrimental to the interest of the public. It is not prejudicial to any person.
- 16 That in view of the written Consents/NOC by way of affidavit given by equity shareholders and unsecured creditors of the Resulting Company which are enclosed as annexures to this application, no useful purpose will be served by convening their meeting under the supervision of this Hon'ble Tribunal for the purpose of considering and approving the proposed Scheme of Arrangement. Resulting has no secured creditors.
- 17 That the applicant Resulting Company is accordingly, seeking indulgence of this Hon'ble Tribunal to dispense with the requirement of convening meetings of shareholders and unsecured creditors of Resulting Company for the purpose of considering and approving the Scheme of Arrangement.



- 18 Since both the Demerged Companies and the Resulting Company has its registered office at Mumbai, the necessary application under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 has been made to the Hon'ble National Company Law Tribunal, Mumbai Bench, Mumbai having jurisdiction to entertain and dispose off the present application.
- 19 That the Applicants certify and confirm that various annexure and documents being filed along with the present Application are either original or the true photocopies of the original papers / documents.
- 20 That the applicant also confirms the genuineness of all the NOC/ Consents affidavits obtained by Resulting Company from the shareholders as the case may be which are enclosed with this application.
- 21 The Applicant Companies submits that Application is not barred by laws of Limitation.
- 22 This Application is being made bonafide and in the interest of justice.
- 23 The Applicant Companies states that the applicant relies upon documents referred and annexed to the present Application
- 24 The Applicant Companies submit that no one will be prejudiced if an order is made and/or directions are given as prayed for.



- 25 That the requisite fee for the present application is being paid through Bharat Kosh.
- 26 That the Applicant Companies be permitted to file Petition under provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 to this Hon'ble National Company Law Tribunal, Mumbai Bench, Mumbai for sanctioning the Scheme of Arrangement between Vakrangee Limited, the Demerged Company and VL E-Governance & IT Solutions Limited the Resulting Company.

27 Relief(s) Sought/Prayer(s)

The Applicant Demerged Company and Resulting Company, therefore, most humbly pray that this Hon'ble Tribunal may be pleased to:

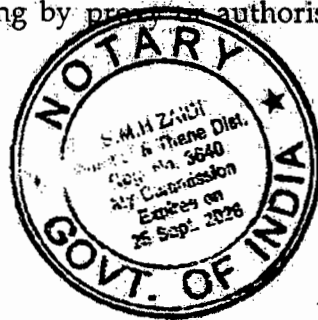
- a. dispense with the requirement of convening Notice(s) of the meetings of equity shareholders of Applicant Resulting Company.
- b. dispense with the requirement of convening meeting(s) of unsecured creditors of Applicant Resulting Company/Demerged Company.
- c. dispense with the requirement of convening meeting(s) of secured creditors of Applicant Resulting Company/Demerged Company.
- d. Convene separate meetings of equity shareholders, of the Demerged Company under the provisions of the Companies Act, 2013 be convened and necessary directions be given for convening the meeting on -----day the -----, 2022, at -----



Mumbai, as per the following schedule:

| Meeting of | Time |
|---------------------------------------------|------------|
| Equity shareholders of Demerged Company. | 11:00 a.m. |

- e. directions may be issued for appointment of chairman of the meeting of equity shareholders of the Applicant Demerged Company and for said purpose be pleased to appoint Mr. Dinesh Nandwana one of the Directors of Applicant Demerged Company and failing him Mr. Nishikan- Hayatnagarkar Director in Demerged Company or such other person as this Hon'ble Tribunal deem fits to be appointed as chairman to chair the aforesaid meetings to direct the chairman to file his reports on the meetings before this Hon'ble Tribunal. A common scrutinizer may also be appointed for the aforesaid meetings.
- f. directions may also be issued regarding fixing of quorum for meeting of Applicant Demerged Company. Further, if the quorum is not present in the meetings, the meetings adjourned for 30 minutes and the person(s) present in the meetings may be treated as proper quorum or such other quorum may be fixed as the Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case.
- g. That the voting shall be allowed on the proposed Scheme by voting in person, by proxy or through electronic means. The voting by proxy or authorised representative in case of body



corporate be permitted, provided that a proxy in the prescribed form/ authorisation duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant Company at its Registered Office of the Applicant / Demerged company not later than, 48 hours before the aforesaid meeting as required under Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

- h. direct publication of the notice of the proposed meetings in the "The Free Press Journal" in English and "Nav Shakti" in Marathi newspapers which are circulated in the district in which the respective registered office of the Applicant Companies are situated or in such other manner as the Hon'ble Tribunal may direct.
- i. direct dispatch of individual notices of the proposed meetings by Speed Post or registered post or Courier or Hand delivery or through e-mail or in such other manner as the Hon'ble Tribunal may direct.
- j. pass further appropriate directions for convening holding and conducting of the meetings as prayed above.
- k. direct service of notice to the present Application on (a) the Central Government through the office of the Regional Director, Western Region, Ministry of Corporate Affairs, (b) the Registrar of Companies, Maharashtra, Mumbai; (c) the Income Tax Department (d) BSE Limited (f) National Stock Exchange of India Limited and (g) Securities and Exchange Board of India (SEBI).
- l. necessary direction may be passed and the Applicant Companies may be permitted to present the Petition for



Arrangement without any further formalities in the Hon'ble NCLT and the Applicants pray accordingly.

AND/OR

- m. Pass such other / further order(s) as this Hon'ble Tribunal may deem fit and proper in present facts and circumstances.

28. Particulars of bank draft evidencing payment of fee for the application made are as under:

Branch of the bank on which drawn: Bharat Kosh

Name of the issuing branch: Online Payment

Payment Receipt No. -

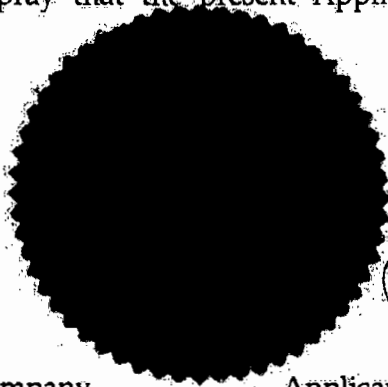
Date:

Amount Rs.5,000/- (Rupees Five Thousand only).

29. I therefore pray that the present Application be made absolute as prayed for.

Applicant/Demerged Company

Managing Director & Group CEO



Applicant/Resulting Company

Director



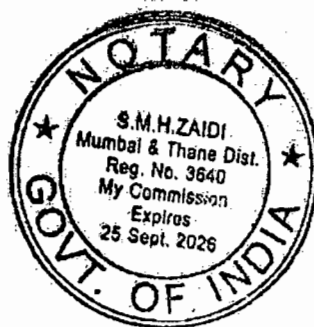
Date: 14/03/2022

Place: Mumbai

Sanjay Shringarpure

Sanjay Shringarpure
Partner
Membership no. FCS 2857
COP 6107

PRS Associates,
Company Secretaries
309, Omega Business Park
Opp. Kamgar Hospital,
Wagle Estate, Thane-400604
Tel. No.: 022-20814500
Mobile No.: 9820030276
Email: ss@prssec.com



BEFORE ME
S.M.H. ZAIDI
NOTARY 16/3/22
Government of India
Mumbai & Thane Dist

16 MAR 2022
NOTED & REGISTERED
Sr. No. 1506 Page No. 139
Book No. 10 Date.....

16 MAR 2022

