

**SCHEME OF AMALGAMATION**  
**UNDER SECTION 233 OF THE COMPANIES ACT, 2013**

**BETWEEN**

**SPHERE GLOBAL SERVICES LIMITED**  
**(TRANSFEEE COMPANY)**

**AND**

**ADROIT INFOTECH LIMITED**  
**(TRANSFEROR COMPANY)**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

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**(A) PREAMBLE OF THE SCHEME**

This Scheme of Amalgamation is presented under Sections 233 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, and it provides for the Amalgamation of Adroit Infotech Limited (Transferor Company) into Sphere Global Services Limited (Transferee Company) and Change of Name of the Transferee Company from Sphere Global Services Limited to Adroit Infotech Limited.

The Scheme also provides for various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme.

**(B) DESCRIPTION OF THE COMPANIES**

- Sphere Global Services Limited** was originally incorporated as a Public Limited Company under the name and style "Rusoday Mutual Funds Limited" in the erstwhile state of Andhra Pradesh (presently the state of Telangana) on 19<sup>th</sup> day of March, 1990, under the provisions of Companies Act, 1956, vide Certificate of Incorporation Number 01-11129 of 1989-90, issued by the Registrar of Companies, Andhra Pradesh. The Company obtained the Certificate of Commencement of Business on 23<sup>rd</sup> day of March, 1990. Subsequently, the Company change its name to "Rusoday Finance Limited", by following the due procedure laid down under the provisions of the Companies Act, 1956 and obtained a Fresh Certificate of Incorporation from the Registrar of Companies on 04<sup>th</sup> day of June, 1996. The Company once again changed its name to "Global Fiscals Limited", by following the due procedure laid down under the provisions of the Companies Act, 1956 and obtained a Fresh Certificate of Incorporation from the Registrar of Companies on 06<sup>th</sup> day of June, 1996. The Company, in the year 1997, once again changed its name to "Arham Fiscals Limited", by following the due procedure laid down under the provisions of the Companies Act, 1956 and obtained a Fresh Certificate of Incorporation from the Registrar of Companies on 28<sup>th</sup> day of April, 1997. Later, the name of the Company was once again changed to "Color Chips (India) Limited", in terms of provisions of the Companies Act, 1956 and a Fresh Certificate of Incorporation was obtained from



the Registrar of Companies on 05<sup>th</sup> day of January, 2000. In the year 2014, the Company once again changed its name to its present name "Sphere Global Services Limited", by following the due procedure laid down under the provisions of the Companies Act, 1956 and consequent upon change of name the Company obtained a Fresh Certificate of Incorporation from the Registrar of Companies on 01<sup>st</sup> day of October, 2014. The present Corporate Identity Number (CIN) of the Company is L72300TG1990PLC011129. The PAN of the Company is **AACCA9175H** (Hereinafter referred to as the "Transferee Company").

The shares of Transferee Company are presently listed and traded on BSE Limited (formerly known as 'Bombay Stock Exchange Ltd') bearing BSE Scrip Code 532172 and on National Stock Exchange of India Limited bearing symbol "SPHEREGSL".

**The Registered Office of the Transferee Company** is situated at Plot No. A-52, Journalist Colony, Jubilee Hills, Hyderabad 500033.

**The present main objects** of the Transferee Company are as follows:

- a) To carry on the business of Software designing, development, customization, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions, and to import, export, sell, purchase, distribute, host (in data centers or over the web) or otherwise deal in own and third party computer software packages, programs and solutions, and to provide internet / web based applications, services and solutions, provide or take up Information technology related assignments on sub-contracting basis, offering services on-site/ offsite or through development centres using owned/hired or third party infrastructure and equipment, providing recruitment and HR related services, providing and taking personnel /consultants/ human resources to / from other organizations, providing solutions/ Packages/ services through applications services provider mode via internet or otherwise, to undertake IT enabled services like SAP,ERP, CRM, call Centre Management, Medical and legal transcription, data processing, Back office processing, Accounting, HR and payroll processing, Insurance claims processing, credit card processing, loans and letters of credit processing, cheque processing, data warehousing and database management, to carry on the business of manufacturing, dealing and maintenance of computer hardware, computer systems and assemble data processors, program designs and to buy, sell or otherwise deal in such hardware and software packages and all types of tabulating machine, accounting machines, calculators, computerized telecommunication systems and network, their components, spare parts, equipment's and devices and to carry on the business of establishing, running and managing institutions, school, and academics for imparting education in computer technology, offering equipment, solutions and services for Networking and network management, data centre management and in providing consultancy services in all above mentioned areas.



- b) To develop, provide, undertake, design, import, export, distribute and deal in Systems and application software for microprocessor based information systems, off shore software development projects, internet service provider, and solutions in all areas of application including those in Emerging niche segments like Internet and Intranet website applications solutions software enterprise, resource planning, ecommerce, value added products and other business applications either for its own use for sale in India or for export outside India and to design and develop such systems and application software for and on behalf of manufacturers owners and users of computer, telecom, digital, electronic equipment's in India or elsewhere in the world.
- c) To manufacture, sell, export, import all kinds of electric & electronic components capable of being used in Electrical & mechanical and electronic Industries including Computers telecommunications to carryout software research and development, to design and develop system software, application software and any other software in India and abroad to start Integrated services Digital Local Network (ISDLAN ) dial for datacenters technology parks, wide area network Internet, user net, cybercafé services in India and abroad.
- d) To carry on the business of providing Logistics Services, material management, transportation, warehousing distribution and marketing of goods and to provide storage and protection of goods against rain, fire and other natural or manmade calamities and to act as representative, Agent, Sub Agent, Commission Agent of Indian and foreign Companies, Firms, persons, states and other bodies Corporate and to represent them before the different authorities Corporate bodies and to act as their Sales, purchase representatives and to render services to them for transporting warehousing, distributing, and maintaining all types of goods and equipment's in good conditions supplied by the Principals, to carry on Agency business including that of freight agents, steamer agents, chartering agents, clearing and forwarding agents, commission agents and bunkering agents and to work as Ship Broker and Charterers. To establish, organize, manage, run, charter, conduct, contract, develop, handle, own, operate and to do business as fleet carriers, transporters, in all its branches on land, air, water, & space, for transporting goods, in all modes including bulk and containers, articles, or things or heavy and over dimensional cargo, on all routes and lines on National and International level subject to law in force through all sorts of carries like trucks, lorries, trawlers, dumpers, coaches, tankers, tractors, haulers, jeeps, trailers, motor buses, omnibuses, motor taxies, railways, tramways, aircrafts, hovercrafts, rockers, space shuttles, ships, vessels, boats, barges and so on whether propelled by petrol, diesel, electricity, steam oil, atomic power or any other form of power. To establish, organize, manage, run, charter, conduct, contract, develop, handle, own operate material Handling equipment's and to carry on the business of clearing and forwarding agents, courier and cargo handlers, handling and haulage contractors, warehousemen, common carriers by land, rail, water and air, container agents, to handle goods and passengers within the country



and outside and to carry on the business of tour and travel operators and to act as customs agents, wharfingers, landing agents, stevedores and longshoremen.

The authorized, issued, subscribed and paid-up share capital of Transferee Company as on 31<sup>st</sup> March, 2017, is as follows:

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
3,93,15,000 Equity Shares of Rs.10/- each	39,31,50,000
<b>Total</b>	<b>39,31,50,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	
1,80,68,872 Equity Shares of Rs.10/- each	18,06,88,720
<b>Total</b>	<b>18,06,88,720</b>

The shareholding pattern of the Transferee Company as on 31<sup>st</sup> day of March, 2017, is as follows:

Category of shareholder	No. of shareholders	No. of fully paid u equity shares held	% of Shareholding
(A) Promoter & Promoter Group	3	1,15,07,404	63.69
(B) Public	10,161	65,61,468	36.31
(C) Non Promoter-Non Public	-	-	-
Grand Total	10,164	1,80,68,872	100.00

The Transferee Company is the Holding Company of the Transferor Company holding entire paid up equity share capital of the Transferor Company.

2. **Adroit Infotech Limited** was originally incorporated as a Private Limited Company under the name and style "Adroit Infotech Private Limited" in the state of Maharashtra on 14<sup>th</sup> day of December, 2000, under the provisions of Companies Act, 1956, vide Certificate of Incorporation Number 25-15633 of 2000, issued by the Registrar of Companies, Pune. Subsequently, the Company converted itself into a Public Limited Company by following the due procedure as laid down under the provisions of the Companies Act, 2013 and consequent upon conversion the word "Private" was removed from the name of the Company a Fresh Certificate of Incorporation was obtained from the Registrar of Companies, Andhra Pradesh and Telangana on 18<sup>th</sup> day of May, 2017. The Present Corporate Identity Number (CIN) of the Company is U72200TG2000PLC114224. The PAN of the Company is **AACCA3829J** (Hereinafter referred to as the "Transferor Company").

The Registered Office of the Transferor Company is presently situated at Plot No. A-52, Journalist Colony, Jubilee Hills, Hyderabad 500033.



The present main objects of the Transferor Company are as follows:

1. To take over the running business of the proprietorship - "AT & M WEB GRID" along with all its assets and liabilities and thereafter the said business shall stand dissolved.
2. To carry on the business of development, programming, installation, implementation, upgradation, re-engineering, consultancy, export of and to deal in computer hardware and software, information technology, telecommunication systems, ecommerce, network technology, satellite networking and web deal in computer software, application software and any other type of software including data processing, operations research and software solutions, and to establish, set up, organise, maintain, support, assist, conduct and run work stations, development centres, training classes and other educational institutions, to organise educational programmes, lectures, seminars, in respect of computer technology, development of hardware and software and to award degrees, diplomas and certificates to trainees, students, members and other persons and to carry on placement services, and agencies for computer software and hardware students, trainees and professionals.

The authorized, issued, subscribed and paid-up share capital of Transferor as on 31<sup>st</sup> day of March, 2017, is as follows:

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
1,00,000 Equity Shares of Rs.10/- each	10,00,000
<b>Total</b>	<b>10,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	
1,00,000 Equity Shares of Rs.10/- each	10,00,000
<b>Total</b>	<b>10,00,000</b>

The Transferor Company is the Wholly Owned Subsidiary Company of the Transferee Company and the entire paid up share capital of the Transferor Company is held by the Transferor Company.

The following is the extract of the register of equity shareholders of the Transferor Company showing the list of the equity shareholders of the Transferor Company as on 31<sup>st</sup> day of March, 2017:

Sl. No.	Name of the equity shareholder	No. of equity shares	Face value	Total equity capital	% of Holding
1.	Sphere Global Services Limited	99999	10	999990	99.99
2.	S Sudhakiran Reddy (Nominee of Sphere Global Services Limited)	1	10	10	0.001
	<b>Total</b>	<b>1,00,000</b>	<b>10</b>	<b>10,00,000</b>	<b>100.00</b>

**(C) RATIONALE, OBJECTIVE & PURPOSE OF THE SCHEME**

- a) The Scheme is presented under section 233 of the Companies Act, 2013 and it provides for amalgamation of Transferor Company into Transferee Company, resulting in consolidation of business of two Companies in one entity and thereby strengthening the position of the amalgamated entity by enabling it to harness and optimize the synergies of equipments and



human resources, which is in the best interest of both the Companies and their respective shareholders.

- b) The Transferor Company is wholly owned subsidiary of the Transferee Company and the management of both the Companies are one and the same. The Transferor Company is engaged in the business (Software designing, development, customization, implementation, Information and Technology) akin to that of the Transferee Company. In order to integrate the businesses carried on by both the companies, it is proposed to consolidate the Transferor Company and Transferee Company into a single company which will enable the combined entity to have greater and optimal use of resources. A consolidation of the Transferor Company and the Transferee Company by way of amalgamation would therefore lead to a more efficient utilization of capital, talent pooling and will result in creation of a single larger unified entity in place of various entities under the same management and control, thus resulting in efficient synergies of operations and streamlined business transactions.
- c) The proposed Amalgamation will lead to the benefits such as economies of scale, besides other synergetic advantages particularly in view of the fact that the Companies involved in the amalgamation are engaged in the businesses, which are akin and can be conveniently combined with one another for mutual benefit.
- d) The proposed amalgamation will reduce administrative costs and also result in reduction of overheads and other expenses, economies of scale, reduction in administrative and procedural work, enable the amalgamated company to effect internal economies and optimize profitability as also to reduce administrative inefficiencies by reducing duplication of functions.
- e) In order to achieve the objectives as mentioned in clause (a) to (d) above, the Boards of Directors of the Transferor Company and the Transferee Company have proposed to consolidate the Transferor Company and the Transferee Company into a Single Company by amalgamating the businesses carried on by the Transferor Company and the Transferee Company.
- f) The Scheme shall be beneficial and in the best interests of the shareholders, creditors and employees of the Transferor Company, the Transferee Company and to the interest of public at large and all concerned.

#### **(D) SCOPE OF THE SCHEME**

The Scheme of Amalgamation provides for:

1. Amalgamation of Transferor Company into Transferee Company.
2. Change of Name of the Transferee Company from Sphere Global Services Limited to Adroit Infotech Limited.



3. Various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme.
4. This Scheme of Amalgamation has been drawn up to comply with the conditions as specified under section 2(1B) of Income Tax Act, 1961, such that:
  - (a) All the properties of Transferor Company, immediately before the amalgamation, become the properties of Transferee Company by virtue of amalgamation.
  - (b) All the liabilities of Transferor Company, immediately before the amalgamation, become the liabilities of Transferee Company by virtue of amalgamation.

**(E) PARTS OF THE SCHEME:**

This Scheme of Amalgamation is explained by dividing it into the following parts:

**PART A:** Deals with Definitions, Effective and Operative Dates.

**PART B:** Deals with the Amalgamation of Transferor Company into Transferee Company.

**PART C:** Deals with the Change of Name of the Transferee Company from Sphere Global Services Limited to Adroit Infotech Limited.

**PART D:** Deals with General Terms and Conditions.

**PART-A**

**DEFINITIONS, EFFECTIVE AND OPERATIVE DATES**

**1. DEFINITIONS**

- 1.1 **“Act” or “the Act”** means the Companies Act, 2013 and every modification or re-enactment thereof and references to sections of the Act shall be deemed to mean and include reference to sections enacted in modification or replacement thereof.
- 1.2 **“Applicable Law(s)”** means any statute, notification, bye-laws, rules, regulations, guidelines, or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 1.3 **“Amalgamating Undertaking”** shall mean:
  - a) All the assets and properties of the Transferor Company as on the Appointed Date.
  - b) All the secured and unsecured debts, liabilities, whether short term or long term contingent liabilities or duties and obligations of the Transferor Company as on the Appointed Date.
  - c) Without prejudice to the generality of sub clause (a) above, the Undertaking of the Transferor Company shall include all the assets and properties, whether movable or immovable, real or



personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building, all fixed and movable plant and machinery, vehicles, fixed assets, plant and machinery, capital work in progress, current assets, investments, reserves, provisions, funds, licenses, franchises, registrations, certificates, permissions, consents, approvals, concessions (including but not limited to sales tax concessions, excise duty, services tax or customs, value added tax and other incentives of any nature whatsoever), remissions, remedies, subsidies, guarantees, bonds, copyrights, patents, trade names, trademarks, track record, good-will and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trademarks, leases, leave and license agreements, software licenses, software agreements, service level agreements, tenancy rights, premises, ownership flats, hire purchase, lending arrangements, benefits of security arrangements, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, website designing equipments, software development equipments and installations and utilities, electricity, water and other service connections, contracts and arrangements, powers, authorities, permits, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, preliminary expenses, benefit of deferred revenue expenditure, provisions, advances, receivables, deposits, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits, whether granted by state government or central government or any such other authority, (including but not limited to credits in respect of income-tax, tax on book profits, value added tax, sales tax, service tax, etc.), and other claims and powers, all books of accounts, documents and records of whatsoever nature and where so ever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date.

- d) All statutory licenses, franchises, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements / leases (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), of the Transferor Company's on the Appointed Date.
- e) All staff, workmen and employees engaged in the Transferor Company.
- f) All records, files, papers, information, computer programs, software applications, manuals, data, catalogues, quotations, advertising materials, lists of present and former customers, pricing information and other records, whether in physical form or electronic form of the Transferor Company.





- 1.4 **"Appointed date"** means **01.04.2017 (First day of April, Two Thousand and Seventeen)** or such other date as may be approved by the Hon'ble Regional Director at Hyderabad or such other competent authority having jurisdiction to sanction the Scheme.
- 1.5 **"Board of Directors" or "Board"** in relation to Transferor Company and Transferee Company, as the case may be, shall, unless it be repugnant to the context or otherwise, includes any Committee of Directors or any person authorized by the Board of Directors or such Committee of Directors.
- 1.6 **"Effective Date"** means the date on which the Hon'ble Regional Director at Hyderabad registers the Scheme of Amalgamation and issues a confirmation order to the Companies. Any references in the Scheme to the phrase **"upon the Scheme becoming effective"** or **"effectiveness of the Scheme"** or **"Scheme coming into effect"** shall mean the **"Effective Date"**.
- 1.7 **"Registrar of Companies"** means the Registrar of Companies at Hyderabad for the State of Telangana and Andhra Pradesh.
- 1.8 **"Regional Director"** means the office of the Regional Director of the south East Region at Hyderabad.
- 1.9 **"Scheme of Amalgamation" or "Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Amalgamation in its present form or with any modifications, imposed or approved or directed by the Board of Directors of Transferee Company and/ or Transferor Company, or by the members or creditors of the Companies involved and /or by the Regional Director, Registrar of Companies or by the Official Liquidator or by any other appropriate authority.
- 1.10 **"Shareholders"** means respectively the persons registered as holders of Equity Shares of the Company concerned.
- 1.11 **"Transferee Company"** means Sphere Global Services Limited, a Company incorporated under the provisions of Companies Act, 1956, bearing Corporate Identity Number (CIN) L72300TG1990PLC011129 and having its registered office situated at Plot No. A-52, Journalist Colony Jubilee Hills, Hyderabad 500033.
- 1.12 **"Transferor Company"** means Adroit Infotech Limited, a Company incorporated under the provisions of Companies Act, 1956, bearing Corporate Identity Number (CIN) U72200TG2000PLC114224 and having its registered office situated at Plot No. A-52, Journalist Colony Jubilee Hills, Hyderabad 500033.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961 or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.



## 2. EFFECTIVE DATE AND OPERATIVE DATE

The Scheme set out herein in its present form is subject to any modification(s) approved or imposed or directed by the Board of Directors of Transferee Company and / or Transferor Company, or by the members or creditors of the Companies involved and /or by the Regional Director, Registrar of Companies or by the Official Liquidator or by any other appropriate authority, unless otherwise specified in the Scheme, shall be operative from the Appointed Date but shall be effective from the Effective Date.

### PART-B

#### AMALGAMATION OF TRANSFEROR COMPANY INTO TRANSFEEE COMPANY

##### SECTION 1: TRANSFER & VESTING OF AMALGAMATING UNDERTAKING

### 3. Transfer of assets, properties, estates, claims, refunds, debts, duties, liabilities, obligations etc.,

3.1 Subject to the provisions of this Scheme as specified herein and with effect from the appointed date, the entire amalgamating undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- a) The Amalgamating Undertaking of the Transferor Company comprising of its business, all assets and liabilities of whatsoever nature and where-so-ever situated, shall, under the provisions of Sections 233 of the Companies Act, 2013 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in sub clauses (b) (c) and (d) below) be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the Undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.
- b) All the Immovable properties of the Transferor Company shall under the provisions of Sections 233 of the Companies Act, 2013, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the Properties of the Transferee Company.
- c) All the movable assets including but not limited to computers and equipments, office equipment, machineries, softwares, products, websites, portals, capital work in progress, cash in hand of the Transferor Company capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company.



- d) In respect of movables other than those specified in sub clause (c) above, including, outstanding loans and advances, Investments (whether current or non – current), trade receivables, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and /or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of Sections 233 of the Companies Act, 2013.
- e) In relation to all licenses, franchises, permissions, approvals, consents, entitlements, sanctions, permits, rights, privileges and licenses including rights arising from contracts, deeds, license instruments and agreements, if any, belonging to the Transferor Company, which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case maybe, as and when required.
- f) All secured and/or unsecured debts, if any, all liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of account and whether disclosed or undisclosed in the balance sheet of the Transferor Company shall also, under the provisions of Sections 233 of the Companies Act, 2013, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or restructuring by virtue of which such secured and/or unsecured debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub clause.

It is clarified that unless otherwise determined by the Board of Directors of the Transferee Company, in so far as the borrowings/debts and assets comprising the Transferor Company are concerned:

- (a) the security or charge, if any existing or created in future before the effective date, for the loans or borrowings of the Transferor Company shall, without any further act or deed continue to relate to the said assets after the Effective Date; and
- (b) the assets of the Transferee Company shall not relate to or be available as security in relation to the said borrowings of the Transferor Company;
- g) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including credit on account of tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), granted by any government body, local authority or by any other person and availed by the Transferor Company, the same shall vest with and be available to the Transferee Company on the same terms and conditions.



- 3.2 The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company, to implement and carry out all formalities and compliances, if required, referred to above.
- 3.3 All the properties or assets of the Transferor Company whether movable or immovable, being transferred pursuant to this Scheme, which are registered and standing in the name of Transferor Company shall, upon the scheme becoming effective, be registered in the name of the Transferee Company and the name of the Transferor Company shall be substituted with the name of the Transferee Company in all such certificates of registration, endorsements, records and in revenue/mutation records in case of immovable properties by such appropriate authorities.
- 3.4 Any tax liabilities under the Income-tax Act, 1961, service tax laws, customs law or other applicable laws/ regulations dealing with taxes/ duties / levies of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date, if any, shall be transferred to Transferee Company.
- 3.5 Any refund under the Income-tax Act, 1961, service tax laws or other applicable laws / regulations dealing with taxes/ duties / levies tax due to Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 3.6 On or after the Effective Date, all rights, entitlements and powers to revise returns and filings of the Transferor Company under the Income-tax Act, 1961, service tax laws and other laws, and to claim refunds and / or credits for taxes paid, etc. and for matters incidental thereto, shall be available to, and vest with the Transferee Company.
- 3.7 All tax assessment proceedings / appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and / or enforced until the Effective Date against the Transferor Company and from the Effective Date, the same shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.
- Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company into the Transferee Company or anything contained in the Scheme.
- 3.8 All the tax payments (including, without limitation payments under the Income-Tax Act, 1961 Service Tax law, and other laws) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any



tax deducted at source by Transferor Company on transactions with the Transferee Company, if any (from Appointed Date till Effective Date) shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings be dealt with accordingly.

- 3.9** Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company under the Income-tax Act, 1961, service tax laws, or other applicable laws / regulations dealing with taxes/ duties / levies shall be made or deemed to have been made and duly complied with by the Transferee Company.
- 3.10** This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the Income-Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961.

#### **4. Legal Proceedings**

- 4.1** Upon the Scheme becoming effective, all legal and other proceedings, including before any statutory or quasi-judicial authority or tribunal of whatsoever nature, if any, by or against the Transferor Company pending and/or arising at the Appointed Date, shall be continued and enforced by or against the Transferee Company only, to the exclusion of the Transferor Company in the manner and to the same extent as it would have been continued and enforced by or against the Transferor Company. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the Transferor Company in the same manner and to the same extent as it would or might have been initiated by the Transferor Company.
- 4.2** After the Appointed Date, if any proceedings are taken against the Transferor Company the same shall be defended by and at the cost of the Transferee Company.

#### **5. Contracts, deeds and other instruments**

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, leave and license agreements, licenses, engagements, certificates, benefits, privileges, entitlements, grants, sanctions, permissions, consents, approvals, concessions, any schemes under which the Transferor Company are registered with the government or any other authorities and incentives (including but not limited to benefits under the Income-Tax Act, 1961, service tax, and other laws), remissions, remedies, subsidies, guarantees, licences and other instruments, if any, of whatsoever nature to which the Transferor Company is a party and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force, and be effective against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee



Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company may enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite restructurings, confirmations or novations, to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

#### **6. Saving of concluded transactions**

The transfer of Amalgamating Undertaking under clause 3 above and the continuation of proceedings by or against the Transferee Company under clause 4 above and the effectiveness of the contracts and deeds under clause 5 shall not affect any transactions and proceedings or contracts or deeds already concluded by the Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all such acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

#### **7. Staff, workmen and employees**

- 7.1** On the Scheme coming into effect, all staff, workmen and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Effective Date without any break in their service and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date.
- 7.2** It is expressly provided that, in so far as the Gratuity Fund, Provident Fund, Super Annuation Fund, if applicable, Employee's State Insurance Corporation Contribution, Labour Welfare Fund or any other Fund created or existing for the benefit of the staff, workmen and employees of the Transferor Company is concerned, upon the Scheme coming into effect, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund or funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees of the Transferor Company under such Funds and Trusts shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.



**7.3** In so far as the Provident Fund, Gratuity Fund, Superannuation Fund, if applicable, or other Special Scheme(s) / Fund(s) created or existing for the benefit of the employees of the Transferor Company are concerned upon the coming into effect of this Scheme, balances lying in the accounts of the employees of Transferor Company in the said funds as on the Effective Date shall stand transferred from the trusts / funds of the Transferor Company to the corresponding trusts / funds set up by the Transferee Company.

**8. Clubbing of authorized share capital of Transferor Company with the authorized share capital of Transferee Company**

**8.1** Upon this Scheme becoming effective, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share capital of the Transferor Company amounting to Rs.10,00,000/- (Rupees Ten Lakh only) comprising 1,00,000 (One Lakh) equity shares of Rs.10/- (Rupees Ten only) each.

**8.2** For the purpose of sub clause 8.1 above, the stamp duties and fees paid on the authorized share capital of the Transferor Company by the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for clubbing the authorized share capital of the Transferor Company to that extent.

**8.3** The Memorandum of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purpose of effecting sub-clause 8.1 no further resolution(s) under Sections 13, 61, 64 of the Companies Act, 2013 and other applicable provisions of the Act would be required to be separately passed.

**8.4** Upon the coming into effect of this Scheme, Clause V of the Memorandum of Association shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 61, 64 of the Companies Act, 2013 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:

**"The Authorized Share Capital of the Company is Rs.39,41,50,000/- (Rupees Thirty Nine Crore Forty One Lakh and Fifty Thousand only) comprising 3,94,15,000 (Three Crore Ninety Four Lakh and Fifteen Thousand) equity shares of Rs.10/- (Rupees Ten only) each. The Share Capital of the Company (whether original, increased or reduced) may be sub-divided, consolidated or divided into such classes of shares as may be allowed under law for the time being in force relating to companies with such privileges or rights as may be attached and to be held upon such terms as may be prescribed by the regulations of the Company".**



**SECTION 2: CONDUCT OF BUSINESS**

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

- 9.1 The Transferor Company shall carry on and be deemed to have carried on its business and activities and shall stand possessed of Amalgamating Undertaking, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- 9.2 Any income or profit accruing or arising to the Transferor Company and all costs, charges, expenses and losses or taxes incurred by the Transferor Company shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Transferee Company and shall be available to the Transferee Company for being disposed off in any manner as it thinks fit.
- 9.3 All liabilities debts, duties, obligations which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Transferee Company.
- 9.4 The Transferor Company shall carry on its business with reasonable diligence and in the same manner as it had been doing hitherto and the Transferor Company shall not alter or substantially expand its business except with the written concurrence of the Transferee Company.
- 9.5 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the ancillary and incidental alterations, if any, to be carried out to the Memorandum of Association of the Company as may be required under the Act and there would be no further requirement of obtaining the members approval for such alterations arising pursuant to the sanctioned Scheme.

**SECTION 3: CONSIDERATION**

10. In view of the fact that the Transferor Company is a wholly owned subsidiary company of Transferee Company, upon the Scheme becoming effective, no shares will be issued / allotted under the Scheme by the Transferee Company to any person.
- 10.1 Further, upon the Scheme becoming effective, all the equity shares of the Transferor Company held by Transferee Company, shall stand cancelled and the investments of Transferee Company, as appearing on the Asset side of the Balance Sheet of Transferee Company, shall stand cancelled to the extent of book value of the equity shares of the Transferor Company.
- 10.2 On completion of the scheme, all equity shares of the Transferor Company held by Transferee Company shall stand cancelled and the share certificate held by Transferee Company shall be destroyed.





**SECTION 4: ACCOUNTING TREATMENT****11. Accounting Treatment in the Books of the Transferee Company:**

- 11.1** Upon the Scheme becoming effective, the Transferee Company shall record the assets and liabilities of the Transferor Company transferred to the Transferee Company pursuant to this Scheme and account for the amalgamation of the Transferor Company pursuant to this Scheme in accordance with Accounting Standard -14 as notified by the Companies (Accounting Standards) Rules, 2006, as amended from time to time.
- 11.2** Inter-corporate deposits/loans and advances, if any, outstanding between the Transferee Company and the Transferor Company inter-se shall stand cancelled and there shall be no further obligation / outstanding in that behalf. Any difference arising on such cancellation should be adjusted in the reserves of the Transferee Company.
- 11.3** Upon the Scheme become effective, the equity shares held by the Transferee Company as investments in the share capital of the Transferor Company shall stand cancelled.
- 11.4** The difference, if any, of the value of the assets over the value of the liabilities and reserves of the Transferor Company being vested in the Transferee Company pursuant to this Scheme and recorded in the books of account of the Transferee Company shall be adjusted in the Reserves in the Balance Sheet of the Transferee Company. In terms of the provisions of the Accounting Standard 14, any surplus/deficit arising out of Amalgamation shall be adjusted in the Reserves of the Transferee Company.
- 11.5** In case of any differences in accounting policy between the Transferor Company and Transferee Company, the accounting policies followed by Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted against Profit and Loss Account, to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 11.6** Notwithstanding the above, the Transferee Company in consultation with its Auditors, is authorized to account for any of this balances in any manner, whatsoever if considered appropriate.

**12. Dissolution of the Transferor Company**

On the Scheme coming into effect, the Transferor Company, i.e. Adroit Infotech Limited shall, without any further act or deed, stand dissolved without going through the process of winding up.



**PART – C****CHANGE OF NAME OF THE TRANSFEREE COMPANY FROM SPHERE GLOBAL SERVICES LIMITED TO  
ADROIT INFOTECH LIMITED****13. Change of Name of the Transferee Company**

- 13.1** On the Scheme coming into effect, upon the dissolution of the Transferor Company without going through the route of winding up and as an integral part of the Scheme without any further act, instrument or deed on the part of the Transferee Company, the name of the Transferee Company shall be automatically changed to Adroit Infotech Limited from Sphere Global Services Limited.
- 13.2** The Memorandum of Association and the Articles of Association of the Transferee Company (relating to the Name Clause) shall, without any further act, instrument or deed, be and stand altered, modified and amended so as to reflect the new name of the Transferee Company, and the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purpose of effecting sub-clause 13.1 above and no further resolution(s) under Sections 13, 14 of the Companies Act, 2013, or rules made thereunder and other applicable provisions of the Act would be required to be separately passed.
- 13.3** Upon approval of the Scheme by the Central Government, the Transferee Company shall file an application in Form, INC – 24 with the Registrar of Companies enclosing the certified copy of the Scheme and the certified copy of the order passed by the Central Government sanctioning the Scheme, for effecting the change in the name of the Transferee Company and upon receiving such application by the Registrar of Companies from the Transferee Company, the Registrar of Companies shall issue a fresh certificate of Incorporation to the Transferee Company subject to the availability of the proposed name.

**PART – D****GENERAL TERMS AND CONDITIONS****14. Impact of the Scheme on creditors**

This Scheme of Amalgamation, if approved by the appropriate authorities, shall not have any adverse impact on the creditors whether secured or unsecured, of Transferee Company and / or Transferor Company.

**15. Dividends**

- 15.1** Nothing contained in this Scheme shall be construed as restricting or restraining any of the Companies from being entitled to declare and pay dividends, whether interim or final, to their respective equity shareholders, whether during the pendency of the Scheme or otherwise.



**15.2** The holders of the Shares of respective Companies shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under the Articles of Association of the respective Companies concerned including the right to receive dividends.

**15.3** 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 any 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 respective Companies and subject to the approval of the shareholders of the respective Companies.

**16. Filing of applications/petitions with the Central Government – Regional Director**

The Transferee Company and the Transferor Company shall, jointly or severally, with all reasonable diligence, make and file all necessary applications, affidavits, petitions etc., before the Hon'ble Regional Director for obtaining the sanction to this Scheme of Amalgamation under Section 233 of the Companies Act, 2013 and each of them shall apply for all necessary approvals as may be required under law.

**17. Modification to the Scheme**

**17.1** The Transferee Company and Transferor Company by their respective Board of Directors or any Committee thereof or any Director authorized in that behalf (hereinafter referred to as the "Delegate") may assent to, or make, from time to time, any modifications or amendments or additions to this Scheme which the Regional Director, Registrar of Companies or Official Liquidator or any appropriate authority (ies) under law may deem fit to approve or impose and which Transferee Company and Transferor Company may in their discretion accept or such modifications or amendments or additions as Transferee Company and Transferor Company or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise for carrying out this Scheme, and Transferee Company and Transferor Company by their respective Boards of Directors or Delegate are hereby authorized to do, perform and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect. In the event that any conditions may be imposed by any authorities, which Transferee Company and Transferor Company find unacceptable for any reason, then Transferee Company and Transferor Company shall be at liberty to withdraw the Scheme. The aforesaid powers of Transferee Company and Transferor Company may be exercised by their respective Delegates.

**17.2** For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates (acting jointly) of Transferee Company and Transferor Company may give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or



implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders of the respective Companies), or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those conditions (to the extent permissible under law).

## **18. Scheme Conditional Upon**

**18.1** This Scheme is conditional upon and subject to:

- a) It being agreed to by the respective requisite majorities of the members and various classes of creditors (wherever applicable) of the Transferor Company and the Transferee Company as required under the Act and the requisite no objections from the Registrar of Companies and the Official Liquidator being obtained.
- b) the requisite sanctions and approvals, as may be required by law in respect of this Scheme being obtained; and

**18.2** In the event of this Scheme failing to take effect before 31<sup>st</sup> day of March, 2019, or such later date as may be agreed by the respective Boards of Directors of Transferee Company and Transferor Company, this Scheme shall stand revoked, cancelled and be of no effect and become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Companies or their shareholders or creditors or employees or any other person. In such case, both the Companies shall bear its own costs, charges and expenses or shall bear costs, charges and expenses as may be mutually agreed.

## **19. Validity of existing resolutions, etc. in respect of the prior acts**

Upon this Scheme becoming effective, the resolutions passed by the Transferor Company, as are considered necessary by the Board of the Transferee Company and which are valid and subsisting on the date of this Scheme becoming effective, shall continue to be valid and subsisting in respect of the relative acts performed / steps taken prior to the date of this Scheme becoming effective and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then said limits as are considered necessary by the Board of the Transferee Company shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

## **20. Effect of non-receipt of approvals**

In the event of any of the said sanctions and approvals referred to in clause 18 above not being obtained (unless otherwise decided by the Board of Directors) and / or the no objections of the Registrar of Companies and the Official Liquidator to the Scheme is not obtained, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have



arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

**21. Severability**

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall subject to the decision of Transferee Company and Transferor Company, not affect the validity or implementation of the other parts and / or provisions of this Scheme.

**22. Costs, charges, etc.**

All costs, charges, levies and expenses (including stamp duty) in relation to or in connection with or incidental to this Scheme or the implementation thereof shall be borne and paid by Transferee Company.

