



FORM NO. CAA. 2

[Pursuant to section 230 (3) and rules 6 and 7]

Company Scheme Application No. 230 of 2017

Electronic Payment and Services Private LimitedApplicant Company

Notice of meeting of the preference shareholders

Notice is hereby given that by an Order dated 22nd March, 2017 the Mumbai Bench of the National Company Law Tribunal has directed meetings to be held of preference shareholders of the respective companies for the purpose of considering, and if thought fit, approving with or without modification, the Scheme of Amalgamation of EPS ATM Services Private Limited with Electronic Payment and Services Private Limited and their respective shareholders ('the Scheme').

In pursuance of the said Order and as directed therein further notice is hereby given that a meeting of the preference shareholders of the said company will be held at 518-535, F Wing, 5th Floor, Solaris - I, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra on 10th May 2017 at 11:45 A.M at which time and place the said shareholders are requested to attend.

Copies of the Scheme and the statement under section 230 can be obtained free of charge at the registered office of the company or at the office of its Advocates, M/s Hemant Sethi & Co., 1602 Nav Parmanu, Behind Amar Cinema, Chembur, Mumbai – 400071.

Persons entitled to attend and vote at the respective meetings, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the registered office of the company at 518-535, F Wing, 5th Floor, Solaris - I, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra not later than 48 hours before the meeting.

Forms of proxy are available at the registered office of the Company and / or at the office of its Advocates, M/s Hemant Sethi & Co., 1602 Nav Parmanu, Behind Amar Cinema, Chembur, Mumbai – 400071.

The Tribunal has appointed Mr. Mani Mamallan and failing him, Mr. Sanjay Amrit Kapoor as Chairperson of the said meetings. The Scheme, if approved by the meeting, will be subject to the subsequent approval of the tribunal.

Dated this 07 day of April 2017.

Sd/-
Mr. Mani Mamallan
Chairperson

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENCH, AT MUMBAI
IN THE MATTER OF THE COMPANIES ACT, 2013**

And

In the matter of Sections 230 to 232 and any corresponding provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Scheme of Amalgamation of EPS ATM Services Private Limited with Electronic Payment and Services Private Limited and their respective shareholders.

Electronic Payment and Services Private Limited

...the Transferee Company

EXPLANATORY STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013

In this statement hereinafter, EPS ATM Services Private Limited is referred as 'EPS ATM' or 'the Transferor Company' and Electronic Payment and Services Private Limited is referred as 'EPS' or 'the Transferee Company'. The other definitions contained in the Scheme will apply to this Explanatory Statement also. The following statement as required under Section 230(3) of the Companies Act, 2013 sets forth the details of the proposed Scheme, its effects and, in particular any material interests of the Directors in their capacity as members.

1. Pursuant to an Order dated March 22, 2017 passed by the National Company Law Tribunal ('NCLT'), Mumbai Bench in the Company Scheme Application No. 230 (MAH) of 2017, a meeting of the Equity Shareholders of the Transferee Company is being convened and held at 518-535, F Wing, 5th Floor, Solaris - I, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra, on Wednesday, 10th May, 2017 at 11:00 A.M. and meeting of preference shareholders of the Transferee Company is being convened and held at 518-535, F Wing, 5th Floor, Solaris - I, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra, on Wednesday, 10th May, 2017 at 11:45 A.M. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed arrangement embodied in the Scheme of Amalgamation of EPS ATM Services Private Limited and Electronic Payment and Services Private Limited and their respective Shareholders.
2. The Transferor Company is directed to issue notice by R.P.A.D to all its Unsecured Creditors as required under section 230(3) of the Companies Act 2013 with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the Transferor Company.
3. The draft Scheme of Amalgamation was placed before the Board of Directors of the Transferee Company at their meeting held on September 8, 2016. The Board of Directors of the Transferee Company has come to the conclusion that the Scheme is in the best interest of the Company and its shareholders. Accordingly, the Board vide a resolution passed on September 8, 2016 approved the Scheme of Amalgamation of EPS

ATM Services Private Limited with Electronic Payment and Services Private Limited and their respective Shareholders.

4. A copy of the Scheme as approved by the Board of Directors of the respective companies is enclosed herewith.

5. **BACKGROUND OF THE COMPANIES INVOLVED IN THE SCHEME**

A. **EPS ATM Services Private Limited ('EPS ATM' or 'the Transferor Company')**

1. The Transferor Company was originally incorporated 17th day of August 2012 under the provisions of the Companies Act, 1956 under the name and style of 'CISB ATM Services Private Limited' with the Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of the Transferor Company was changed to 'EPS ATM Services Private Limited' with the Registrar of Companies, Maharashtra at Mumbai. Corporate Identification Number of the Transferor Company is U74120MH2012PTC234605.
2. The Registered Office of the Transferor Company is situated at 518-535, F Wing, 5th Floor, Solaris - I, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra. The e-mail id for the Transferor Company is sanjay@electronicpay.in.
3. The share capital of Transferor Company as at 31st day of March, 2016 is as under:

Particulars	Amount in Rupees
Authorised Capital	
10,000 equity shares of Rs.10 each	1,00,000
Issued, Subscribed and Paid-up	
10,000 equity shares of Rs.10 each	1,00,000
Total	1,00,000

There has been no change in the Capital Structure post 31st day of March, 2016. The entire share capital of Transferor Company is held by Transferee Company.

4. The shares of the Transferor Company are not listed on any stock exchange.
5. The objects of the Transferor Company are set out in its Memorandum of Association the Company. The main objects of the Transferor Company is as under:

1. *"To execute contract, in the capacity of an assignee, for the deployment of ATMs on an outsourcing model for 26 Public Sector Banks in the State of Maharashtra awarded to CIS Bureaus Facility Services Private Limited ("CISB" or "Parent"), pursuant to the Request For Proposal dated 15th March, 2012("Tender")."*

B. Electronic and Payment Services Private Limited ('EPS' or 'the Transferee Company')

1. The Transferee Company was incorporated as a private limited company under the name and style of Electronic Payment and Services Private Limited in the State of Maharashtra on September 29, 2011 vide Corporate Identity Number U72300MH2011PTC222535.
2. The Registered Office of the Transferee Company is situated at 518-535, F Wing, 5th Floor, Solaris - I, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra. The e-mail id for the Transferee Company is mani@electronicpay.in
3. The capital structure of the Transferee Company as on 31 March 2016 is as under:

	Amount in Rupees
Authorised Capital	
Equity Shares of Rs. 10/- each	1,30,00,000
Compulsorily convertible preference shares of Rs. 10 each	5,70,00,000
Total	7,00,00,000
Issued, Subscribed and Paid-up	
Equity Shares of Rs. 10/- each fully paid	56,78,750
Compulsorily convertible preference shares of Rs. 10 each fully paid up	5,14,77,370
Total	5,71,56,120

4. The shares of the Transferee Company are not listed on any stock exchange.
5. The objects of the Transferee Company are set out in its Memorandum of Association the Company. The main objects of the Transferee Company is as under:

1. *“To carry on the business of adopting advance technological tools as well as modern enterprise management mechanism, and to establish and help organizations, banks and financial institutions and their customers alike to conduct transactions electronically through secure electronic channels including cards and other devices, so as to realize the full potential of technology and services and further the development of India’s Payments system industry. It would include:*

- i. To provide payment technology solution and services for retail /wholesale banking needs for banking institutions*

- ii. To carry out the business of banking and retail terminals (Automatic Teller Machines or ATM/ Point of Sale or PoS) that includes owning and operating and/ or maintenance of ATMs/ PoS*

iii. To provide payment services for new generation customers by innovative means

2. *To establish and carry on in India/ abroad the business of providing software application, data management, payment and/ or transaction related services to any person, entity, firm, company, bank 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 computers, automated machines network, mobile devices or by any other modes of communication in financial and other products or services.*
3. *To carry on business of Pre paid instruments(PPI) payment instruments, offer semi closed wallet that facilitate purchase of goods and services against the value stored on such instruments (Added in extra ordinary general meeting held on 25th March 2016)*
4. *To carry on business of internet payment gateway of all kinds as an application service provider/ third party processors including bill payment and operating as Bharat Bill Payment System Operating Units (BBPOUs) under the Bharat Bill Payment System (BBPS), Immediate Payment Service (IMPS) which is an electronic funds transfer systems of India to transfer money instantly within banks across India through mobile, internet and ATM, Unified Payment Gateway License to send and receive money from smartphones without entering bank account details to various banks, financial institutions and other vertical Industries.”(Added in extra ordinary general meeting held on 25th March 2016).”*

6. BACKGROUND OF THE SCHEME

- 6.1. The Transferor Company is engaged in the business of providing services namely operation, maintenance, repairs, etc. covered under ATM Operations and management services.
- 6.2. The Transferee Company is engaged in the business of providing an integrated solution which includes operation, maintenance and management of ATMs in all developed as well as remote areas.
- 6.3. It is proposed to merge the Transferor Company with the Transferee Company without winding up of the former for the purposes of better, efficient and economical management, control and running of their businesses, achieve synergies in business activities, attaining economies of scale, for further development and growth of the business of the Transferee Company and to avoid and eliminate unnecessary duplication of costs of administration, etc. and for administrative convenience.
- 6.4. With effect from the Appointed Date, the entire business of EPS ATM including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature such as licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives if any or other licences issued by any Government Authorities or statutory body, and all other rights, title, interest, contracts, consent, approvals or powers of every kind nature and descriptions whatsoever shall under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Competent Authority sanctioning this

Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred and / or deemed to be transferred to and vested in Transferee Company so as to become the properties and assets of Transferee Company.

- 6.5. On the Scheme becoming effective, the Transferor shall stand dissolved without being wound-up without any further act or deed.

7. RATIONALE OF THE SCHEME

As a result of consolidation the following benefits will accrue to the Group:

- a) The consolidation of the activities by way of an amalgamation will lead to synergies of operations and a stronger and wider capital and financial base for future growth/expansion.
- b) The Amalgamation will result in economies of scale, reduction in overheads, administrative, managerial and other expenditure, operational rationalisation, organisational efficiency, and optimal utilisation of various resources.
- c) The managerial expertise of the companies will be combined giving additional strength to the Transferee Company. Consequently, the Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Company, facilitate resource mobilisation and achieve better cash flows.
- d) Duplication of administrative functions will be eliminated together with the multiple record-keeping, resulting in reduced expenditure.
- e) The Amalgamation will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor and the Transferee Companies.
- f) The banks, creditors and institutions, if any, are not affected by the proposed amalgamation as their security is maintained.
- g) The increased asset base of the Transferee Company and greater revenue inflow would be to the benefit of all the shareholders and creditors of the Transferor Company and the Transferee Company, who would continue to be associated with the Transferee Company.
- h) The Amalgamation shall result in the combination of manpower of both the companies and a single management structure for the companies.
- i) The combined managerial and technical expertise would enable the Transferee Company to develop a business model that would be competitive and cogent.

8. SALIENT FEATURES OF THE SCHEME

Salient features of the scheme are set out as below:

- 8.1. The Scheme is presented under Sections 230 to 232 and any corresponding provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 for amalgamation of the Transferor Companies with the Transferee Company.
- 8.2. National Company Law Tribunal, Mumbai Bench ("Tribunal") have admitted Application filed by the Transferor Companies and the Transferee Company under Section 230 read with Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for sanction of this Scheme and all matters ancillary or incidental thereto.

- 8.3. 'Appointed Date' for the Scheme is 1st April, 2016 or such other date as may be fixed or approved by the Competent Authority for approving the scheme of amalgamation under the relevant provisions of the Act.
- 8.4. 'Effective Date' means the date on which the certified copies of the Order of Competent Authority, sanctioning the Scheme is filed with the Registrar of Companies, Maharashtra, Mumbai.
- 8.5. Since the entire share capital of the Transferor Companies is held by the Transferee Company, on amalgamation, neither any consideration will be paid nor any shares shall be issued by the Transferee Company to any person in consideration of or consequent upon the amalgamation and the shares of the Transferor Companies held by the Transferee Company and its subsidiaries, being the Transferor Companies, shall stand extinguished upon the Scheme becoming effective.
- 8.6. Intercompany balances and investments, if any shall be cancelled.
- 8.7. This Scheme is conditional upon and subject to the following:
- 8.7.1. The requisite consent, approval or permission of the Central Government, State Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme;
 - 8.7.2. The Scheme being sanctioned by the Competent Authority under the provisions of the Act and obtaining the necessary Order;
 - 8.7.3. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Transferor Companies and the Transferee Company as may be directed by the Competent Authority;
 - 8.7.4. Certified or authenticated copy of the Order of the Competent Authority sanctioning the Scheme being filed with the Registrar of Companies at Maharashtra by the Transferor Companies and the Transferee Company.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the key provisions of the Scheme.

9. **APPROVALS**

The Company is in the process to notify Central Government (through Regional Director – Western Region, Mumbai), Official Liquidator, Registrar of Companies and Income-tax department to seek their approval to the Scheme of Amalgamation (as directed by the Tribunal).

10. **CAPITAL STRUCTURE PRE AND POST AMALGAMATION**

- 10.1. The capital structure of the Transferor Company Pre amalgamation is mentioned in paragraph 3 above.

- 10.2. The capital structure of the Transferee Company Pre and Post amalgamation as on 31 March 2017 is as below:-

Particulars	Pre Amalgamation		Post Amalgamation	
	No. of Share	Amount in Rupees	No. of Share	Amount in Rupees
Authorised Capital				
Equity Shares of Rs. 10/- each	13,00,000	1,30,00,000	13,10,000	1,31,00,000
Compulsorily convertible preference shares of Rs. 10 each	57,00,000	5,70,00,000	57,00,000	5,70,00,000
Total	70,00,000	7,00,00,000	70,10,000	7,01,00,000
Issued, Subscribed and Paid-up				
Equity Shares of Rs. 10/- each fully paid	6,99,788	69,97,880	6,99,788	69,97,880
Compulsorily convertible preference shares of Rs. 10 each fully paid up in cash	25,59,160	2,55,91,600	25,59,160	2,55,91,600
Total	32,58,948	3,25,89,480	32,58,948	3,25,89,480

11. PRE AND POST AMALGAMATION SHAREHOLDING PATTERN

- 11.1. The pre amalgamation shareholding pattern of the Transferor Company as on 31 March 2017 is as follows:

Sr. No.	Name of Shareholders	No of equity shares
1	Electronic Payment and Services Private Limited	9,999
2	Smt. Vidya Rani Mani Mamallan	1
	Total	10,000

- 11.2. The pre and post amalgamation Equity shareholding pattern of Transferee Company as on 31 March 2017 is as follows:

Sr. No.	Name of the Equity Shareholder	Pre amalgamation		Post amalgamation	
		No. of shares (Rs. 10/- each)	Percentage	No. of shares (Rs. 10/- each)	Percentage
1	Aavishkaar India II Company Limited	1,68,635	24.10	1,68,635	24.10

2	Aavishkaar Goodwell India Microfinance Development Company II Limited	1,05,038	15.01	1,05,038	15.01
3	Aavishkaar Venture Management Services Private Limited	1,097	0.16	1,097	0.16
4	Asia Participation B.V.	65,425	9.35	65,425	9.35
5	CIS Bureaus Facility Services Private Limited	7,895	1.13	7,895	1.13
6	Smt. Vidya Rani Mani Mamallan	90,000	12.86	90,000	12.86
7	Mr. Sanjay Kapoor	26,250	3.75	26,250	3.75
8	Dr. Gurusamy	15,000	2.14	15,000	2.14
9	Apis Growth 3 Ltd	2,20,448	31.50	2,20,448	31.50
Total		6,99,788	100	6,99,788	100

11.3. The pre and post amalgamation preference shareholding pattern – Series B - of Transferee Company as on 31 March 2017 is as follows:

Sr. No	Name of the Preference Shareholder	Pre amalgamation		Post amalgamation	
		No. of shares (Rs. 10/- each)	Percentage	No. of shares (Rs. 10/- each)	Percentage
1	Asia Participation B.V. (FMO)	58,635	100	58,635	100
Total		58,635	100	58,635	100

11.4. The pre and post amalgamation preference shareholding pattern – Series C - of Transferee Company as on 31 March 2017 is as follows:

Sr. No	Name of the Preference Shareholder	Pre amalgamation		Post amalgamation	
		No. of shares (Rs. 10/- each)	Percentage	No. of shares (Rs. 10/- each)	Percentage
1	Asia Participation B.V. (FMO)	25,00,525	100	25,00,525	100
Total		25,00,525	100	25,00,525	100

12. EXTENT OF SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

12.1. The Directors and Key Managerial Personnel (KMP) and their respective relatives, of the Transferor Companies and the Transferee Company may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in their respective companies (if any), or to the extent the said directors/KMP are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/or beneficiary of trust that hold shares in any of the companies. Save as aforesaid, none of the directors, managing director or the manager or KMP of the Transferor Company or the Transferee Company has any material interest in the Scheme.

- 12.2. As on date, the Transferor Company is a wholly owned subsidiaries of the Transferee Company. Details of common directors and promoters are as follows: (Please fill in)

Sr. No.	DIN	Name	Designation in Transferee Company	Designation in transferor companies
1.	03584512	Mani Mamallan	Managing Director	Managing Director

13. GENERAL

- 13.1. The Transferor Companies and the Transferee Company have made a joint application before the National Company Law Tribunal, Mumbai Bench for the sanction of the Scheme under Section 230 to 232 and any corresponding provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- 13.2. There are no Secured Creditors of the Transferor Company.
- 13.3. The amount due from the Transferor Company to its unsecured creditors as on 27 March 2017 is Rs. 39,75,80,956/-.
- 13.4. The amount due from the Transferee Company to its secured creditors as on 27 March 2017 is Rs. 107,54,33,006/-.
- 13.5. The amount due from the Transferee Company to its unsecured creditors as on 27 March 2017 is Rs. 40,50,26,245/-.
- 13.6. The rights and interests of creditors of either of the Transferor Company or the Transferee Company will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all called from them nor their rights sought to be modified in any manner and post the Scheme, the Transferee Company will be able to meet its liabilities as they arise in the ordinary course of business.
- 13.7. Except to the extent of the shares held by the Directors and KMP stated under paragraph 12 above, none of the directors, KMP of the Transferee Company or their respective relatives is in any way connected or interested in the aforesaid scheme.
- 13.8. The latest audited accounts for the year ended March 31, 2016 and latest unaudited accounts for the seven months ended October 31, 2016 of the Transferee Company indicates that it is in a solvent position and would be able to meet liabilities as they arise in the course of business. There is no likelihood that any creditor of the concerned companies would lose or be prejudiced as a result of this Scheme being passed since no sacrifice or waiver is at all called for from them nor are their rights sought to be modified in any manner. Hence, the amalgamation will not cast any additional burden on the shareholders or creditors of either company, nor will it affect the interest of any of the shareholders or creditors.

- 13.9. There are no winding up proceedings pending against the Transferee Company as of date.
- 13.10. No investigation proceedings are pending or are likely to be pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 in respect of the Transferee Company.
- 13.11. A copy of the Scheme has been filed by the Transferor Company and the Transferee Company with the Registrar of Companies, Maharashtra on 6th April, 2017.
- 13.12. The Transferor Company and the Transferee Company are required to seek approvals/ sanctions/ no objections from certain regulatory and governmental authorities for the Scheme such as the Registrar of Companies, Regional Director, Official Liquidator and will obtain the same at the relevant time.
- 13.13. Names and addresses of the directors and promoters of the Transferor Company and Transferee Company are as under:

Transferor Company

Sr. No.	DIN	Name	Address
Directors			
1	03584512	Mani Mamallan	D 303 Powai Park CHS, High Street, Hiranandani Gardens Powai, Mumbai 400076
2	02672428	Vidya Rani Mani Mamallan	D 303 Powai Park CHS, High Street, Hiranandani Gardens Powai, Mumbai 400076
Promoters			
1	CIS Bureaus Facility Services Pvt. Ltd		609, Golden Chambers, New Link Road, Opp. Fun Republic, Andheri West, Mumbai-400060
2	Electronic Payment and Services Pvt Ltd		518-535,F Wing, 5th Floor, Solaris - I, Saki Vihar Road, Andheri (East)- Mumbai 400072

Transferee Company

Sr. No.	DIN	Name	Address
Directors			
1	03584512	Mani Mamallan	D 303 Powai Park CHS, High Street, Hiranandani Gardens Powai, Mumbai 400076
2	03584520	Sanjay Kapoor	Hiranandani Garden Eden III, A-Wing Flat No 601, Powai Iit, Mumbai 400076
3	00606290	Vineet Rai	101-D Wing, Bldg.No.6, Emp 48 Halley, Evershine Thakur Village, Kandivali (E), Mumbai 400101

4	02272595	Noshir Colah	5-8 Spenta, B G Kher Marg, Mumbai-400006
5	07399005	Udayan Goyal	Flat 16, Burnham Court, Moscow Road London, W24SW, United Kingdom
Promoters			
1	Vidya Rani Mani Mamallan		D 303 Powai Park CHS, High Street, Hiranandani Gardens Powai, Mumbai 400076
2	Sanjay Kapoor		Hiranandani Garden Eden III, A-Wing Flat No 601, Powai Iit, Mumbai 400076
3	Dr. Ramakrishnan Gurusamy		8-Audumbar Apartment, Opp. IIT Main Gate, Powai, Mumbai 400076.

- 13.14. The Board of Directors of the Transferor Company approved the Scheme on 17 November 2016. Details of directors of the Transferor Company who voted in favor / against / did not participate in the meeting of the Board of Directors the Transferor Company are given below: (please fill in)

Sr. No.	Name	Voted in favour / against / did not participate
1	Mani Mamallan	Voted in favour
2	Vidya Rani Mani Mamallan	Voted in favour

- 13.15. The Board of Directors of the Transferee Company approved the Scheme on 8 September 2016. Details of directors of the Transferee Company who voted in favour / against / did not participate in the meeting of the Board of Directors of the Transferee Company are given below: (please fill in)

Sr. No.	Name	Voted in favour / against / did not participate
1	Mani Mamallan	Voted in favour
2	Sanjay Kapoor	Voted in favour
3	Noshir Colah	Voted in favour
4	Vineet Rai	Voted in favour
5	Udayan Goyal	Voted in favour

- 13.16. The Transferee Company does not have any depositors, debenture holders, deposit trustee and debenture trustee. The Scheme will not have any impact on the employees of the Transferee Company as they would continue to be in employment of the Transferee Company without any change in their terms of employment on account of the Scheme. Further, no change in the Board of Directors of the Transferee Company is envisaged on account of the Scheme.
- 13.17. This statement may be treated as an Explanatory Statement under Section 230(3) read with Section 102 of the Companies Act, 2013.
- 13.18. Inspection of the following documents specified under Rule 6(3)(ix) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 [viz; Copy of the Order dated

March 22, 2017 of the Hon'ble Tribunal passed in Company Scheme Application No. 230 of 2017, Pre and Post Merger Capital Structure and Shareholding Pattern of the Transferee Company, Memorandum and Articles of Association of the Transferor Company and the Transferee Company, Audited Financial Statements of the Transferor Company and the Transferee Company for last three financial years ended March 31, 2016, March 31, 2015 and March 31, 2014, contracts or agreements material to the Scheme, may be carried out by the Equity Shareholders / Creditors of the Transferee Company at the Registered Office of the Transferee Company on any working days prior to the date of the meeting between 11.00 am and 2.00 pm.

This Statement may be treated as the Statement under Section 230(3) of the Companies Act, 2013. A copy of this Scheme, Explanatory Statement may be obtained free of charge on any working days prior to the date of the meeting, from the Registered Office of the Transferor Company situated at 518-535, F Wing, 5th Floor, Solaris - I, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra or at the office of its Advocates M/s Hemant Sethi & Co, 1602, A Wing, Nav Parmanu, Behind Amar Cinema, Chembur, Mumbai – 400071.

Sd/-

Mr. Mani Mamallan
Chairperson appointed for the meeting of Equity Shareholders
DIN : 03584512

Place : Mumbai

Date : 7th April, 2017

SCHEME OF AMALGAMATION

UNDER SECTION 230 TO 233 READ WITH OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013

BETWEEN

EPS ATM SERVICES PRIVATE LIMITED

AND

ELECTRONIC PAYMENT AND SERVICES PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

PART-I

PRELIMINARY

- A. This Scheme of Amalgamation provides for the amalgamation of ‘EPS ATM Services Private Limited’(formerly known as ‘CISB ATM Services Private Limited’) i.e. the Transferor Company, having its registered office at 518-535, F Wing, 5th Floor, Solaris - I, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra **WITH** ‘Electronic Payment and Services Private Limited’ i.e. the Transferee Company, having its registered office at 518-535, F Wing, 5th Floor, Solaris - I, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra, pursuant to the relevant provisions of the Companies Act, 2013.
- B. The Transferor Company is a private limited company which was originally incorporated under the name and style of ‘CISB ATM Services Private Limited’ in the State of Maharashtra on August 17, 2012 vide Corporate Identity Number U74120MH2012PTC234605. Subsequently, it changed its name to ‘EPS ATM Services Private Limited’ and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Maharashtra on March 1, 2016.
- C. The Transferor Company is involved in the business of providing services namely operation, maintenance, repairs, etc. covered under ATM Operations and management services. The main objects are set out in the Memorandum of Association. They are briefly as under:-

1. *“To execute contract, in the capacity of an assignee, for the deployment of ATMs on an outsourcing model for 26 Public Sector Banks in the State of Maharashtra awarded to CIS Bureaus Facility Services Private Limited (“CISB” or “Parent”), pursuant to the Request For Proposal dated 15th March, 2012(“Tender”).”*

D. The Transferee Company was incorporated as a private limited company under the name and style of Electronic Payment and Services Private Limited in the State of Maharashtra on September 29, 2011 vide Corporate Identity Number U72300MH2011PTC222535.

E. The Transferee Company is involved in the business of providing an integrated solution which includes operation, maintenance and management of ATMs in all developed as well as remote areas. The main objects are set out in the Memorandum of Association. They are briefly as under:-

1. *“To carry on the business of adopting advance technological tools as well as modern enterprise management mechanism, and to establish and help organizations, banks and financial institutions and their customers alike to conduct transactions electronically through secure electronic channels including cards and other devices, so as to realize the full potential of technology and services and further the development of India’s Payments system industry. It would include:*

i. To provide payment technology solution and services for retail /wholesale banking needs for banking institutions

ii. To carry out the business of banking and retail terminals (Automatic Teller Machines or ATM/ Point of Sale or PoS) that includes owning and operating and/or maintenance of ATMs/PoS

iii. To provide payment services for new generation customers by innovative means

2. *To establish and carry on in India/abroad the business of providing software application, data management, payment and/or transaction related services to any person, entity, firm, company, bank 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 computers, automated machines network, mobile devices or by any other modes of communication in financial and other products or services.*

3. *To carry on business of Pre paid instruments(PPI) payment instruments, offer semi closed wallet that facilitate purchase of goods and services against the value stored on such instruments (Added in extra ordinary general meeting held on 25th March 2016)*

4. *To carry on business of internet payment gateway of all kinds as an application service provider/third party processors including bill payment and operating as Bharat Bill Payment System Operating Units (BBPOUs) under the Bharat Bill Payment System (BBPS), Immediate Payment Service (IMPS) which is an electronic*

funds transfer systems of India to transfer money instantly within banks across India through mobile, internet and ATM, Unified Payment Gateway License to send and receive money from smartphones without entering bank account details to various banks, financial institutions and other vertical Industries.”(Added in extra ordinary general meeting held on 25th March 2016)

- F. The Promoter of the Transferor Company is CIS Bureaus Facility Services Private Limited (Address: 609, Golden Chambers, New Link Road, Opp. Fun Republic, Andheri West, Mumbai-400060) and Electronic Payment and Services Private Limited (Address: 518-535,F Wing, 5th Floor, Solaris - I, Saki Vihar Road, Andheri (East)- Mumbai 400072).
- G. The Promoter of the Transferee Company are Vidya Rani Mani Mamallan (Address: D 303 Powai Park CHS, High Street, Hiranandani Gardens Powai, Mumbai 400076), Sanjay Kapoor (Address: Hiranandani Garden Eden III, A-Wing Flat No 601, Powai Iit, Mumbai 400076) and Dr. Ramakrishnan Gurusamy (Address: 8-Audumbar Apartment, Opp. IIT Main Gate, Powai, Mumbai 400076).
- H. The present directors of the Transferor Company are Mr. Mani Mamallan (Address: D-303, Powai Park CHS, Hiranandani Gardens, Powai, Mumbai - 400076) and Vidya Rani Mani Mamallan (Address: D 303 Powai Park CHS, High Street, Hiranandani Gardens Powai, Mumbai 400076)
- I. The present directors of the Transferee Company are Mr. Mani Mamallan (Address: D-303, Powai Park CHS, Hiranandani Gardens, Powai, Mumbai - 400076), Mr. Sanjay Amrit Kapoor (Address: Hiranandani Garden Eden III, Powai IIT, Mumbai 400076), Mr. Vineet Chandra Rai (Address: 101, D Wing Bldg No. 6, Thakur Village, Kandivali, Mumbai – 400101), Mr. Noshir Dady Colah (Address: 5-8, Spenta, BG Kher Marg, Mumbai – 400006) and Mr. Udayan Goyal (Address: Flat 16, Burnham Court, Moscow Road, London, W24SW,United Kingdom)
- J. The Scheme does not affect the rights of the Creditors of the Transferor Company and the Transferee Company. There will not be any reduction in amounts payable to the Creditors of the Transferor Company and the Transferee Company post sanctioning of the Scheme.
- K. The Key Managerial Personnel (“KMPs”) and the employees of the Transferor Company shall be deemed to have become the KMPs and employees of the Transferee Company without interruption in their service. Further, the terms and conditions of their employment with the Transferor Company (i.e. cost-to-company basis, in monetary terms) shall not be less favourable than those applicable to them with reference to their employment with the Transferor Company

- L. The Key Managerial Personnel (“KMPs”) and the employees of the Transferee Company in service shall be KMPs and employees in the Transferee Company post sanctioning of the Scheme without any interruption in their service. Further, the terms and conditions of their employment with the Transferee Company (i.e. cost-to-company basis, in monetary terms) shall not be less favourable than those applicable to them with reference to their employment prior to the sanctioning of the Scheme.
- M. There are no proceedings/investigation pending against the Transferor Company and the Transferee Company.
- N. By the Scheme of Amalgamation it is proposed to merge the Transferor Company with the Transferee Company without winding up of the former for the purposes of better, efficient and economical management, control and running of their businesses, achieve synergies in business activities, attaining economies of scale, for further development and growth of the business of the Transferee Company and to avoid and eliminate unnecessary duplication of costs of administration, etc. and for administrative convenience. The proposed amalgamation between the Transferor and the Transferee Companies will result in the following, benefits, amongst others, to both companies, their respective members and creditors.
- (a) The consolidation of the activities by way of an amalgamation will lead to synergies of operations and a stronger and wider capital and financial base for future growth/expansion.
 - (b) The Amalgamation will result in economies of scale, reduction in overheads, administrative, managerial and other expenditure, operational rationalisation, organisational efficiency, and optimal utilisation of various resources.
 - (c) The managerial expertise of the companies will be combined giving additional strength to the Transferee Company. Consequently, the Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Company, facilitate resource mobilisation and achieve better cash flows.
 - (d) Duplication of administrative functions will be eliminated together with the multiple record-keeping, resulting in reduced expenditure.
 - (e) The Amalgamation will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor and the Transferee Companies.
 - (f) The banks, creditors and institutions, if any, are not affected by the proposed amalgamation as their security is maintained.

- (g) The increased asset base of the Transferee Company and greater revenue inflow would be to the benefit of all the shareholders and creditors of the Transferor Company and the Transferee Company, who would continue to be associated with the Transferee Company.
- (h) The Amalgamation shall result in the combination of manpower of both the companies and a single management structure for the companies.
- (i) The combined managerial and technical expertise would enable the Transferee Company to develop a business model that would be competitive and cogent.

PART-II

IN CONSIDERATION OF THE RECIPROCAL PROMISES, THIS SCHEME, BETWEEN THE TRANSFEROR COMPANY, THE TRANSFEE COMPANY, THEIR RESPECTIVE SHAREHOLDERS IS BEING PROPOSED IN ACCORDANCE WITH THE TERMS SET OUT HEREUNDER:

1. DEFINITIONS AND INTERPRETATIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1 “**Act**” or “The Act” means the Companies Act, 2013, or any amendments, modifications or re-enactment thereof from time to time.
- 1.2 “**Appointed Date**” means the commencement of business on the 1st day of April 2016.
- 1.3 “**Board of Directors**” in relation to the transferor company and the transferee company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the Board of Directors or such Committee of Directors.
- 1.4 “**Competent Authority**” means the Tribunal (i.e.) the National Company Law Tribunal (“NCLT”) or any other authority as constituted and authorized by the Central Government as per the provisions of the Companies Act, 2013 for approving any scheme of amalgamation under the relevant provisions of the Act.
- 1.5 “**Effective Date**” means the Appointed Date as defined in section 232 (6) of the Companies Act, 2013 Reference in this Scheme to the date of “upon the Scheme becoming effective” or “effectiveness of the Scheme” shall mean the Appointed Date subject to fulfillment of conditions under Clause **Error! Reference source not found.** of this Scheme.

- 1.6 **“Order”** means the order of the Competent Authority, sanctioning the Scheme of Amalgamation.
- 1.7 **“Scheme”** or **“The Scheme”** means this Scheme of Amalgamation in its present form as approved by the Board of Directors of the Transferor Company and Transferee Company subject to such modification(s) made under Clause 16 of this Scheme as the Competent Authority may impose on the Transferor Company and the Transferee Company respectively and such modifications which the Transferor Company and the Transferee Company may deem necessary subject to the approval of the same by the Competent Authority.
- 1.8 **“Transferee Company”** means Electronic Payment and Services Private Limited, (email id: mani@electronicpay.in), (CIN No. U72300MH2011PTC222535), (PAN No.AACCE8316J) a private limited company incorporated under the Companies Act, 1956 having its registered office at 518-535, F Wing, 5th Floor, Solaris - I, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra.
- 1.9 **“Transferor Company”** means EPS ATM Services Private Limited, (email id: sanjay@electronicpay.in), (CIN No. U74120MH2012PTC234605), (PAN No. AAEC9469N) a private limited company incorporated under the Companies Act, 1956, having its registered office at 518-535, F Wing, 5th Floor, Solaris - I, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra.
- 1.10 **“Undertaking of the Transferor Company”** means the business of the Transferor Company and includes:
- (a) all the assets of the Transferor Company as on the Appointed Date;
 - (b) all liabilities of the Transferor Company as on the Appointed Date;

Without prejudice to the generality of the above, the Undertaking of the Transferor Company shall include all rights, privileges, powers and authorities and all property, movable or immovable, real or personal, corporeal or incorporeal of whatsoever nature, in possession or reversion, present or contingent of whatever nature and where so ever situated in India or overseas, and where so ever situate belonging to or in the ownership, power or possession and/or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company including in particular, but without being limited to fixed assets, capital work-in-progress, current assets, debts, receivables, investments, software, technologies, belonging to or in the ownership, power or possession and/or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, powers, authorities, allotments, approvals, permissions, licenses, consents, exemptions, registrations, statutory licenses, no-objection certificates and certifications, contracts,

engagements, arrangements, rights, title, interest, quotas, benefits and advantages of whatsoever nature and where ever situated, liberties, easements, advantages, exemptions, benefits, leases, leasehold rights, licenses, tenancy rights, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, power lines, communication lines and other services, reserves, deposits, provisions, funds, benefits of all agreements, subsidies, grants, sales-tax, turnover tax, excise, permits, quotas, rights, entitlements, tenancies, roof rights, brand, all copyrights, trademarks, service marks, know-how, technical know-how, trade names, descriptions, trading style, franchise, labels, label, designs, colour schemes, utility models, holograms, bar codes, designs, patents, copyrights, and other industrial or intellectual property rights of any nature whatsoever and licenses in respect thereof, privileges and any rights, title or interest in intellectual property rights, benefits of contracts, agreements and all other rights including lease rights, licenses including those relating to trademarks, or service marks, powers and facilities of every kind, nature and description whatsoever of the Transferor Company or to which the Transferor Company is entitled and all the debts, liabilities including contingent liabilities, duties, responsibilities and obligations of Transferor Company on the Appointed Date and all other obligations of whatsoever kind including liabilities for payment of gratuity, pension benefits, provident fund or compensation in the event of retrenchment and all other interests arising to the Transferor Company and any accretions or additions thereto after the Appointed Date;

The Scheme does not affect the rights of the Creditors of the Transferor Company and the Transferee Company. There will not be any reduction in amounts payable to the Creditors of the Transferor Company and the Transferee Company post sanctioning of the Scheme.

- 1.11 Reference in the Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective Date.
- 1.12 **“Transition period”** means period starting from the date immediately after the Appointed Date till the last of the date on which all the conditions stipulated in Clause 16 of this Scheme are fulfilled.
- 1.13 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 Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1966 and 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. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Competent Authority or made as per Clause 16 of the Scheme, shall be effective from the respective Appointed Date but shall be operative from the Effective Date.

3. SHARE CAPITAL

3.1. The Share Capital of the Transferor Company as on 31 March, 2016 is as under:

Particulars	Amount in Rs.
Authorised capital	
10,000 equity shares of Rs.10 each	1,00,000
Issued subscribed and paid-up capital	
10,000 equity shares of Rs.10 each	1,00,000

There has been no change in the share capital of EPS ATM Services Private Limited post 31st March, 2016.

The entire share capital of Transferor Company is held by Transferee Company.

3.2. The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 31 March 2016 is as under:

Particulars	Amount in Rs.
Authorised share capital	
13,00,000 equity shares of Rs.10. each	1,30,00,000
57,00,000 compulsorily convertible preference shares of Rs. 10 each	5,70,00,000
Issued, subscribed and paid-up share capital	
5,67,875 equity shares of Rs.10. each	56,78,750
51,47,737 compulsorily convertible preference shares of Rs. 10 each fully paid up in cash	5,14,77,370

4. AMALGAMATION OF COMPANIES

4.1 TRANSFER AND VESTING OF ASSETS

4.1.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme including in relation to the mode of transfer and vesting, all of the assets, both movable and immovable, tangible and intangible, investments, rights, title and interests comprised in the Undertaking of Transferor Company shall pursuant to Section 232 of the Act and without any further act or deed, be and stand transferred to and vested in and/or be deemed to have been and stand

transferred to and vested in the Transferee Company so as to become as and from the Appointed Date, the estate, assets, rights, title and interest of the Transferee Company.

- 4.1.2 All Patents, Copyrights, Designs, Trademarks, Service marks, know-how, technical know-how, trade names, descriptions, trading style, franchise, labels, label designs, colour schemes, utility models, holograms, bar codes, patents, copyrights, and other industrial or intellectual property rights of any nature whatsoever and licenses, privileges in respect thereof, of every kind, nature and description whatsoever of the Transferor Company or to which the Transferor Company is entitled or which may accrue to the Transferor Company shall, pursuant to the provisions of Section 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date, the Patents, Copyrights, Designs, Trademarks, Service marks, know-how, technical know-how, trade names, descriptions, trading style, franchise, labels, label designs, colour schemes, utility models, holograms, bar codes, patents, copyrights, and industrial or intellectual property rights, licenses and privileges of the Transferee Company and shall remain valid, effective and enforceable by the Transferee Company on the same terms and conditions.
- 4.1.3 All the licenses, permits, quotas, approvals, permissions, incentives, sales tax deferrals, loans, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued, which may accrue to the Transferor Company shall, pursuant to the provisions of Section 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date the licenses, permits, quotas, approvals, permissions, incentives, sales tax deferrals, loans, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under law.
- 4.1.4 Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme and receipt of third party consents if necessary, all contracts, deeds, bonds, agreements, arrangements including but not limited to all direct and indirect tax exemptions and/or deferral benefits and/or any other direct or indirect tax benefits and all other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and

effectually as if, instead of Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. The Transferee Company shall, wherever necessary, enter into and/or issue and/or execute deeds, writings or confirmations, enter into any tripartite arrangements, confirmations or novation to which Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this clause. Similarly, the exemption privilege and benefits under direct and indirect taxes availed/ enjoyed currently by the Transferee Company shall continue to be available in the hands of the merged entity unhindered even after/upon coming into effect of this Scheme.

- 4.1.6 All the profits or incomes accruing or arising to the Transferor Company, or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.1.7 It is clarified that all assets and receivables whether contingent or otherwise of the Transferor Company as on start of business on the Appointed Date whether provided for or not, in the books of accounts and all other assets or receivables which may accrue or arise on or after the Appointed Date but which relate to the period up to the Appointed Date shall be the assets and receivables or otherwise as the case may be of the Transferee Company
- 4.1.8 The aforesaid transfer/vesting, shall be, subject to the existing validly created charge/mortgage/hypothecation over the said assets or any part of it, provided however, that any reference in any security documents to which the Transferor Company is a party, to such assets of the Transferor Company, offered or agreed to be offered as security for any financial assistance both availed and to be availed up to any limit for which sanctions have already been obtained by the Transferor Company or obligations, to the Secured Creditors of the Transferor Company shall be construed as references only to the assets pertaining to the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clause 4.1.1 of the Scheme to the end and intent that such security, mortgage and/or charge shall not extend or deemed to extend to any of the assets or to any of the other units or divisions or undertakings of the Transferee Company, unless specifically and in writing agreed to by the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company either on *pari passu* basis or otherwise, as may be agreed to by the Transferee Company and the secured creditors. The secured creditors of the Transferee Company shall continue to have a charge over the assets of Transferee Company and such charge shall not extend to the assets of the Transferor Company transferred to the Transferee Company pursuant to the Scheme.

In respect of the floating charges created by the Transferor Company in favour of its lenders for all the movable assets, documents of title to goods, receivables, claims and other current assets that are acquired by the Transferor Company from the Appointed Date till the Effective Date shall be deemed to be the Security and shall be available as security for the loans, cash credits and other working capital facilities, both fund based and non-fund based, which were sanctioned by the lenders of the Transferor Company, either utilised fully or partly or unutilised by the Transferor Company, subject to the limits sanctioned by the lenders.

4.2 TRANSFER OF LIABILITIES

Upon coming into effect of the Scheme and with effect from the Appointed Date:

4.2.1 All secured and unsecured debts, (whether in Rupees or in foreign currency) all liabilities, duties and obligations of the Transferor Company (hereinafter referred to as the “said Liabilities”) shall also be and stand transferred or be deemed to be and stand transferred, without any further act, instrument or deed, to the Transferee Company, pursuant to the provisions of Section 232 of the Act so as to become as and from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company such that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. Provided always that nothing in this clause shall or is intended to enlarge the security for any loan, deposit or other indebtedness created by the Transferor Company prior to the Appointed Date which shall be transferred to and be vested in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be required or obliged in any manner to create any further or additional security thereof after the Appointed Date or otherwise. The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation in favour of the creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which either of the Transferor Company is a party or any writings, as may be necessary, in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

4.2.2 Any loans or other obligations due between or amongst the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability or debt in that behalf.

It is clarified that all debts, liabilities, duties, responsibilities and obligations of the Transferor Company as on start of business on the Appointed Date whether provided for or not in the books of accounts and all other liabilities etc. which may accrue or arise on or

after the Appointed Date but which relates to the period up to the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company.

- 4.2.3 Upon the coming into effect of this Scheme in accordance with the provisions hereof, the borrowings, if any, of the Transferee Company as of the Appointed Date, the Transferee Company, without any further act or deed on the part of the Transferee Company shall stand enhanced by the borrowing of the Transferor Company, and if so required, these limits as enhanced may be increased from time to time by the Transferee Company.
- 4.2.4 It is hereby clarified that merely the increase in the size and turnover of the Transferee Company subsequent to this Scheme shall not have the effect of increasing any liability or penalty on the Transferee Company for any matters that arise prior to the Appointed Date.
- 4.2.5 It is clarified that all taxes paid for and on behalf of the Transferor Company including any advance tax paid, service taxes, TDS certificates received by the Transferor Company, MAT credits, service tax credits etc. be treated and be deemed to be and accrue as taxes paid by the Transferee Company.
- 4.2.6 The existing provident fund, gratuity fund, and pension and / or superannuation fund or trusts created by the Transferor Company or any other special funds created or existing for the benefit of the employees of the Transferor Company shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time shall be maintained separately.
- 4.2.7 Except as specifically provided for herein, the Transferee Company, if necessary shall take steps for suitable alterations in the Memorandum and Articles of Association so as to enable it to implement this Scheme as may be required.

4.3 CONTRACT, DEEDS, BONDS AND OTHER INSTRUMENTS.

Subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which either of the Transferor Company is a party subsisting or having effect immediately before the Amalgamation, shall be, in full force and effect, against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and effectively as if instead of the Transferor Company the Transferee Company had been a party thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmation or enter into any tripartite arrangement, confirmations or novations to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required or it becomes necessary.

4.4 TREATMENT OF TAXES PAID BY THE TRANSFEROR COMPANY:

All taxes, levies, cess etc. (whether direct or indirect) that might have been paid by the Transferor Company (whether before the Appointed Date or after the Appointed Date) during the period when the merger has not become effective for any tax liability that arises after the Appointed Date shall be deemed to be tax paid by the Transferee Company and credit in respect thereof shall be given to the Transferee Company accordingly.

4.5 TREATMENT OF SCHEME FOR THE PURPOSES OF THE INCOME TAX ACT, 1961.

This Scheme has been drawn up to comply and come within the definition and conditions relating to "Amalgamation" as specified under Section 2(1B) and Sec. 47 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 Sections of the Income Tax Act, 1961, at a later date, including resulting from an amendment of law or for any other reason whatsoever, the Scheme shall stand modified/ amended to the extent determined necessary to comply and come within the definition and conditions relating to "Amalgamation" as specified in the Income Tax Act, 1961. In such an event the clauses which are inconsistent shall be read down or if the need arises be deemed to be deleted and such modification/reading down or deemed deletion shall however not affect the other parts of the Scheme.

5. TRANSFER OF EMPLOYEES

Upon the Scheme coming into effect:-:

5.1 The services of all the employees of the Transferor Company shall stand transferred to the Transferee Company on the terms and conditions not less beneficial to such employees than those subsisting with reference to the Transferor Company. The position, rank, and designation of the employees would be decided by the Transferee Company.

5.2 The services of such employees shall not be treated as broken or interrupted for the purposes of bonus, provident fund, gratuity, superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Company, as the case may be.

5.3 The Transferee Company shall have the right to transfer such employees to any unit, division, profit/cost centre or department of the Transferee Company situated anywhere in India or abroad if warranted and as may be deemed necessary from time to time.

5.4 In regard to Provident Fund, Gratuity Fund, Superannuation fund or any other special fund created or existing for the benefit of such employees of the Transferor Company, upon the Scheme becoming effective, Transferee Company shall stand substituted for the

Transferor Company for all purposes whatsoever relating to the administration or operation of such schemes or funds in relation to the obligations to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective Trust Deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company and if necessary the names of the aforesaid funds or schemes will be suitably changed. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid schemes, fund, Trusts, etc. In the event that the Trustees/Funds are constituted as holders of any securities, Trust funds of Trust monies, in relation to any Provident Fund Trust, Gratuity Trust or Superannuation Trust of the Transferor Company, such funds/securities/ monies shall be transferred by such Funds/ Trustees of the Trusts of the Transferor Company, to such Funds/Trustees of the Trusts of the Transferee Company as may be existing or set up for the same purpose and object and such transfer shall be deemed to be a transfer of trust property from one set of Trustees to another set of Trustees in accordance with the provisions of the relevant labour laws, Indian Trusts Act, 1882 and the Indian Income Tax Act, 1961 and relevant stamp legislation as applicable. In such case appropriate Deeds of Trusts and/or documents for transfer of Trust properties shall be executed simultaneously upon the sanction of the Scheme in accordance with the terms hereof by the Trustees of such Trusts in favour of the Trusts of the Transferee Company so as to continue the benefits of the employees. For this purpose such funds or schemes of the Transferor Company may be continued and/or amalgamated with and/or transferred to the similar funds/schemes of the Transferee Company, if the Transferee Company considers so desirable or deemed fit for the smooth administration, management, operation and uniformity of such funds/schemes so however, that such funds/schemes do not become less favourable to the employees of the Transferor Company with reference to those on the date preceding the Effective Date. The Trustees including the Board of Directors of the Transferee Company shall be entitled to adopt such course in this regard as may be advised provided however that there shall be no discontinuation or breakage in the service of the employees of the Transferor Company.

- 5.5 It is clarified that with regard to such employees of the Transferor Company who have ceased to be the employees of the Transferor Company on account of reasons other than any disciplinary action that may have been taken against such employees by the Transferor Company, from the Appointed Date, the Transferee Company shall assume all the responsibilities and obligations of the Transferor Company towards such employees until the said responsibilities and obligations stand duly discharged in law.

6. CONSIDERATION FOR AMALGAMATION AND REORGANISATION OF CAPITAL

6.1 As the Transferor Companies are wholly owned subsidiaries of the Transferee Company, no shares will be issued pursuant to this Scheme

7. ALTERATIONS/ AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEE COMPANY

With respect to the Transferee Company, upon this scheme being effective:

7.1 Upon sanction of this Scheme, the authorized share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of 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. 1,00,000 (Rupees One Lac only comprising of 10,000 Equity Shares of Rs. 10/- each) and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorized capital of 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 increase in the authorized share capital to that extent.

7.2 Consequent upon the Scheme becoming effective, the authorized share capital of Transferee Company will be as under:

Particulars	Amount in Rupees
Authorized Capital	
13,10,000 Equity Shares of Rs. 10/- each	1,31,00,000
57,00,000 Preference Shares of Rs. 10/- each	5,70,00,000

Total	7,01,00,000
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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 alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

8. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

- 8.1 With effect from the Appointed Date and during the Transition period the Transferor Company shall be deemed to have been carrying on and shall carry on all its business (es) and activity/activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the assets of the Transferor Company for and on account of and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 8.2 With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company shall carry on its business and activities with reasonable diligence, business prudence in the ordinary course of business and shall not (without the prior written consent of the Transferee Company) alienate, charge, mortgage, encumber or otherwise deal with or dispose off any of its units/undertakings or any part thereof except pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date.
- 8.3 With effect from the Appointed Date and up to and including the Effective Date all the profits or income accruing to the Transferor Company or expenditure or losses arising or incurred or suffered by Transferor Company shall pursuant to coming into effect of the Scheme for all purposes be treated and be deemed to be and accrue as the income or profits or losses or expenditure, as the case may be, of the Transferee Company.
- 8.4 The Transferor Company shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, as are necessary for such consents, approvals and sanctions which the Transferee Company may require.
- 8.5 The Transferee Company shall carry on the business of the Transferor Company after the Effective Date.

9. CONCLUDED MATTERS

The transfer and vesting of the assets and the liabilities in the Transferee Company and the continuance of contracts or proceedings by or against the Transferee Company as

provided in this Scheme shall not affect any contract or proceedings relating to the assets and the liabilities, fully performed and completed by the Transferor Company before the Appointed Date and the Transferee Company accepts and adopts all such acts, deeds, matters and things done and or executed by the Transferor Company in this regard.

10. DISSOLUTION WITHOUT WINDING UP OF TRANSFEROR COMPANY

On the Scheme becoming effective EPS ATM Services Private Limited (Transferor Company) shall stand dissolved without being wound up without further acts by parties and its name shall be struck off from the list of Companies maintained by the Registrar of the Companies, Maharashtra.

11. ACCOUNTING TREATMENT

- 11.1 The Transferee Company shall account for amalgamation in accordance with the 'Pooling of Interest Method of Accounting' laid down by Accounting Standard 14 (Accounting for Amalgamation).
- 11.2 The Transferee Company shall, upon the Scheme becoming operative, record the assets and liabilities of the Transferor Company vested in it pursuant to this Scheme, at the respective book value in accordance with the applicable accounting standards.
- 11.3 Inter-company balances, if any, will stand cancelled.
- 11.4 In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the respective Appointed Date will be treated in accordance with Accounting Standard (AS) 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.
- 11.5 Upon the Scheme becoming effective, as explained in Clause 13, the equity shares held by the Transferee Company and its Nominees in the Transferor Company shall be cancelled and the resulting balance representing the difference between the investment value in the books of the Transferee and the share capital of the transferor company shall be set off and deducted from the securities / share premium account of the Transferee Company as integral part of the Scheme and order of the Competent Authority sanctioning the Scheme shall be deemed to be the order under Section 66(3) of the Companies Act, 2013 confirming reduction.

12. PENDING LEGAL PROCEEDINGS

If any suit, appeal or other proceeding of whatever nature by or against Transferor Company be pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the amalgamation by anything contained in this

Scheme, but the said suit, appeal or other legal proceedings may be continued prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made. Therefore, upon this Scheme coming into effect, all legal actions, suits, writs or other proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company, as the case may be, as effectually as if the same had been pending and/or arising by or against the Transferee Company.

13. CANCELLATION OF SHARES

Since the Transferor Company is the wholly owned subsidiary of the Transferee Company, upon the Scheme being sanctioned by the Hon'ble Court and the transfer having been effected as provided hereinabove, all the equity shares held by the Transferee Company and its Nominees in the Transferor Company shall be cancelled and extinguished as on the Appointed Date. Accordingly, there will be no issue and allotment of equity shares of the Transferee Company to the Shareholders of the Transferor Company upon this Scheme becoming effective. Also, order of the Competent Authority sanctioning the Scheme shall be deemed to be order under Section 66(3) of the Companies Act, 2013 confirming reduction.

14. APPLICATION TO THE COMPETENT AUTHORITY

The Transferee Company and the Transferor Company shall, with all reasonable dispatch, make applications to the Competent Authority, where the registered office of the Companies are situated, for sanctioning this Scheme under Sections 230 to 233 of the Act and for an Order or Orders thereof, for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up under the provisions of law.

15. MODIFICATIONS/AMENDMENTS TO THE SCHEME

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

15.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s)/ representative(s) of the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

16. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

16.1 The Scheme is conditional on and subject to:

- a) Approval of the Scheme by the requisite majority of the respective members of and such class of persons of the Transferor Company and Transferee Company as may be directed by the Competent Authority on applications made for directions under section 230 of the Act.
- b) Sanctions of the Competent Authority under the provisions of Sections 230 to 233 of the Act being obtained by the Transferor Company and Transferee Company.
- d) All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

16.2 This Scheme, although to come into effect from the Appointed Date, shall not become effective until the last of the following dates, namely:

- a) That on which the last of the aforesaid consents, approvals, permissions, resolutions, assignments and orders as mentioned in clause 15.1 shall be obtained or passed.
- b) That on which all necessary certified copies of Orders sanctioning the Scheme under Sections 230 to 233 of the Act shall be duly filed with the appropriate Registrar of Companies.

16.3 IT IS CLARIFIED THAT the Scheme as set out herein or with any modification(s) and amendment(s) made as provided herein shall be effective from the Appointed Date but shall be operative from the Effective Date.

17. COSTS

All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or court's Order including this Scheme or in relation to or in connection with negotiations leading up to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of

arrangement in pursuance of this Scheme shall be borne and paid by the Transferee Company.

18. EFFECT OF NON_RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in clause 16 above not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the Competent Authority and/or Order or Orders not being passed as aforesaid before or within such further period or periods as may be agreed upon between the Boards of Directors of the Transferor Company and the Transferee Company (who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s) or for any other reason this Scheme cannot be made effective, this Scheme shall stand revoked, cancelled, be of no effect and be null and void. No rights and liabilities shall accrue to or be incurred inter-se by the parties in terms of the Scheme, 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 may otherwise arise in law. Further the Boards of Directors of the Transferor Company and Transferee Company shall be entitled to revoke, cancel and declare the Scheme to be of no effect if such boards are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up Orders with any authority could have serious financial implication on the Transferor Company and the Transferee Company or any of the aforesaid companies. And in such of any of the aforesaid events, each party shall bear their respective costs, charges and expenses in connection with this Scheme.

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POSTAL BALLOT FORM

(please read carefully the instructions printed overleaf before exercising the vote

Serial No.....

1.	Name(s) of First Named Member(s) (in block letters)	:	
2.	Registered address of the Member	:	
3.	Name of the Joint Member(s), if any	:	
4.	I. Registered Folio No.	:	
	II. DP ID No. / Client ID No. (Applicable to investors holding shares in dematerialized form)	:	
5.	I / We hereby exercise my/our vote in respect of the Resolutions to be passed through Postal Ballot for the business stated in the Notice of the Company dated 07 th April, 2017 by recording my/our assent or dissent to the said Resolution by placing the tick (“√”) mark at the appropriate box below:		

Description	No. of shares	(For)	(Against)
		I/We assent to the resolution	I/We dissent to the resolution
Approval of scheme of amalgamation for merger of EPS ATM Services Private Limited with Electronic Payment and Services Private Limited			

Place:

Date:

(Signature of Member / Beneficial Owner)

Note: Last date for receipt of Postal Ballot Forms by the Scrutinizer is 9th May upto 5.00 P.M.



INSTRUCTIONS

1. The relative explanatory statement pursuant to Section 102(2) of the Companies Act, 2013 setting out material facts is annexed hereto.
2. Pursuant to the provisions of Section 110 of the Companies Act, 2013 read with rule 22 of the Companies (Management and Administration) Rules, 2014, the assent or dissent of the Members in respect of the Resolution contained in the Postal Ballot Notice dated 6th April 2017 is being determined through Postal Ballot.
3. The Board has appointed Dilip Bramhecha & Associates, Chartered Accountant as the Scrutinizer for the purpose of conducting business through Postal Ballot.
4. A member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it directly to the Scrutinizer in the attached preprinted self-addressed envelope. No postage is required to be paid by the Shareholder as the prepaid self-addressed postal envelope is enclosed. Envelope containing Postal Ballots Forms, if deposited with the Company in person or, if sent by courier/registered post at the expense of the registered Shareholder, shall also be accepted by the Company.
5. Assent or dissent to the proposed resolution may be recorded by placing a tick mark (“√”) in the appropriate column. Postal Ballot Form bearing tick mark (“√”) in both the column will render the form invalid.
6. Any incomplete, unsigned, incorrectly completed, incorrectly ticked, defaced, torn, mutilated, over-written, wrongly signed Postal Ballot Form will be rejected. The Postal Ballot shall not be exercised by a proxy.
7. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours 5.00 P.M. on 9th May 2017. Postal Ballot Forms received after that date will be strictly treated as if reply from such member has not been received.



8. This form should be completed and signed by the member as per the specimen signatures registered with the Company. In case of joint holdings, this form should be completed and signed (as per the Specimen Signature registered with the Company) by first named Shareholder and in his absence, by the next named joint holder. In case the Form is signed by persons other than individual members, this form should be signed by an authorized signatory whose signature is already registered with the Company/Depository Participant.
9. In case of shares held by Companies, Trust, Societies etc., duly completed Postal Ballot Form should also be accompanied by a certified copy of the Board Resolution/Other Authority together with the attested specimen signatures of the duly authorized person exercising the voting by Postal Ballot.
10. If any extraneous paper is found in such envelop the same would not be considered by the Scrutinizer and would be destroyed.
11. There will be one Postal Ballot Form for every Folio/Client ID irrespective of the number of joint holders.
12. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
13. The Scrutinizer shall submit his report to the Chairman of the Company or in his absence to the Executive Director or in his absence to any one of Chief Financial Officer or Company Secretary of the Company after completion of the scrutiny of the postal ballots including votes casted electronically. The result of the voting on the resolutions will be announced on 10th May 2017 and published in the newspapers and displayed at the Registered Office of the Company and also communicated to the stock exchanges and shall also be posted on the website of the Company at www.electronicpay.in