

**SCHEME OF ARRANGEMENT OF  
SESHACHAL TECHNOLOGIES LIMITED  
AND  
IT'S SHAREHOLDERS**

(Under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956)

**1. PREAMBLE**

**1.1 SESHACHAL TECHNOLOGIES LIMITED** (hereinafter referred to as "Company"), the corporate particulars in respect of which are given in clauses 3, 4 and 5 is engaged in the business of development of computer software and allied activities.

**1.2** The Breakup of Accumulated Losses of the Company as on 31.03.2014 is as follows:

Amount in

Rupees

As on	Depreciation (Loss)	Business (Loss)/Profit	Capital (Loss)	Total (Loss)/Profit	Cumulative (Loss)/Profit
31.03.2014	(114,401)	(8,38,58,033)	3,01,23,635	(8,39,72,434)	(6,29,68,394)

**1.3** In view of the complete erosion of its Net worth, the Company is not in a position to undertake operations in a reasonable way. The Company was also not able to raise any loans from Financial Institutions, which is essential for continuing / expanding / diversifying its business activities.

**1.4** In view of the above circumstances, the Company proposes to undertake a corporate restructuring exercise in the manner as provided below:

- a) Out of its total accumulated losses of Rs. 6,29,68,394/- (Rupees Six Crore Twenty Nine Lakh Sixty Eight Thousand Three Hundred and Ninety Four only), the Company seeks to set off a loss of Rs. 6,24,92,400/- (Rupees Six Crores Twenty Four Lakhs Ninety Two Thousand Four Hundred only) out of its total accumulated losses of Rs. 6,29,68,394/- (Rupees Six Crore Twenty Nine Lakh Sixty Eight Thousand Three

1

For SESHACHAL TECHNOLOGIES LIMITED

*Sh. Anita*

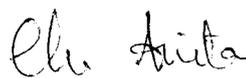
Managing Director

Hundred and Ninety Four only) against its Paid Up Capital of Rs. 6,94,36,000/- (Six Crore Ninety Four Lakh Thirty Six Thousands only) resulting in a reduction of Rs. 6,24,92,400/- (Rupees Six Crores Twenty Four Lakhs Ninety Two Thousand Four Hundred only) from its Paid Up Capital.

- b) Upon setting off the accumulated losses, the issued, subscribed and paid up capital of the Company shall be Rs. 69,43,600/- (Rupees Sixty Nine Lakhs Forty Three Thousand Six Hundred only) divided into 69,43,600 (Sixty Nine Lakhs Forty Three Thousand Six Hundred only) Equity Shares of Re. 1/- (Rupee One Only) each. The said issued, subscribed and paid up share capital of the company shall further consolidated into 69,43,600/- (Rupees Sixty Nine Lakhs Forty Three Thousand Six Hundred only) divided into 6,94,360 (Six Lakh Ninty Four Thousand and Three Sixty only) Equity Shares of Re.10/- (Rupee Ten Only) each.
- c) Every shareholder of the Company, whose name appears on the Register of Members on the Record Date, shall receive 1 (One) Equity Share of Rs.10/- (Rupees Ten Only) in lieu of every 10 Equity Shares of Rs. 10/- (Rupees Ten only) each, held earlier in the Company. For example a person who is holding 100 (Hundred) Equity Shares of Rs. 10/- (Rupees Ten Only) each aggregating to Rs. 1000/- (Rupees One Thousand only) shall hold (after the reduction and consolidation) 10 Equity Shares of Rs.10/- (Rupees Ten) each aggregating to Rs. 100/-.(Rupees One Hundred only).
- d) The reconstruction / restructuring of capital shall not cause any shareholder to hold any fractional shares in the Company. In respect of the fractional shares, if any, caused by the reconstruction / restructuring of capital, the same shall be transferred, without requiring any further action either on behalf of such shareholder or the Company, to a Trust formed for this purpose and the fractional shares shall be consolidated. The Independent Directors of the Company shall manage this Trust and the Compliance Officer / Company Secretary of the Company shall be the Secretary of the Trust and shall assist the Independent Directors in managing the affairs of the Trust. This Trust shall sell the consolidated shares in the market at the best available price in one or more lots. The decision of the Trust as to the timing and method of the sale and the price at which such sale has been given effect to, in that behalf shall be final and binding on all concerned. The Trust shall hold the net sale proceeds of all such shares after defraying there from all costs, charges and

For SESHACHAL TECHNOLOGIES LIMITED

2

  
Managing Director

expenses of such sale and shall thereafter distribute such sale proceeds to the members of the Company in proportion to their fractional entitlements.

## **2. OBJECTS / BENEFITS ARISING OUT OF THE SCHEME:**

- i. The Company has incurred heavy losses and completely eroded its Net Worth. The Scheme will result in making its Net Worth positive.
- ii. The Scheme will enable the Company to overcome its financial difficulties and improve its working in the future.
- iii. The improved financial resources of the Company would ensure enhancement of its shareholders' value.
- iv. The Scheme will help the revival of the Company, which will be in the interests of its employees, shareholders, the National and State Exchequer and the Society in general.

## **3. DEFINITIONS:**

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings.

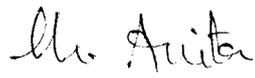
- 3.1 "Act" shall mean the Companies Act, 1956/ Companies Act, 2013 or any statutory modification or reenactment thereof.
- 3.2 "Appointed Date" means the date from which this Scheme shall become operative viz., 1<sup>st</sup> April 2014 or if the Boards of Directors of the Company require any other date prior or subsequent to 1<sup>st</sup> April 2014 and/or the High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh modifies the Appointed Date to such other date, then the same shall be the Appointed Date.
- 3.3 "Company" shall mean SESHACHAL TECHNOLOGIES LIMITED, a company limited by shares incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at D.No 15-93/5, Aganampudi, B C Colony, Gajuwaka, Visakhapatnam – 530046, Andhra Pradesh.
- 3.4 "Accumulated Losses" shall mean losses amounting to Rs. 6,29,68,394/- (Rupees Six Crore Twenty Nine Lakh Sixty Eight Thousand Three Hundred and Ninety Four

only), proposed to be set-off against the issued, subscribed and paid up capital of the Company..

- 3.5 "Court" shall mean the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh and shall include National Company Law Tribunal or any other appropriate forum or authority empowered to approve the Scheme as per the law for the time being in force.
- 3.6 "Effective Date" for the Scheme of Arrangement shall mean the date on which the certified copies of the order of the Hon'ble High Court of Andhra Pradesh under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956, if any, are filed with the Registrar of Companies, Andhra Pradesh ("ROC") and if the certified copies are filed on different dates, the last of such dates.
- 3.7 "Record Date" means the date to be fixed by the Board of Directors or a committee of the Company for the purpose of allotment of shares pursuant to this Scheme.
- 3.8 Reference in the Scheme to "coming into effect of the Scheme" or "effectiveness of the Scheme" shall mean the Effective Date.
- 3.9 "**Scheme of Arrangement**" or "**Scheme**" or "**The Scheme**" or "**This Scheme**" means this Scheme of Arrangement in its present form or with any modification(s) approved, imposed, or directed by the Court..
- 3.10 The words "Shareholder" and "Member" are used to denote the same meaning and are used interchangeably in this Scheme.
- 3.11 Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed.

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

For SESHACHAL TECHNOLOGIES LIMITED 4

  
Managing Director

**2. EFFECTIVE DATE AND OPERATIVE DATE**

The Scheme though operative from the Effective Date shall be effective from the Appointed Date.

**3. INCORPORATION:**

**SESHACHAL TECHNOLOGIES LIMITED** (hereinafter referred to as 'STL' or Transferee Company) incorporated under the Act, in the State of Gujarat vide Certificate of Incorporation No. 04-023588 under the name and style "SupanSyntech Limited" issued by the Registrar of companies on 15th November 1994 (Fifteenth Day of November Nineteen Ninety Four). Later on the Company has changed its name to "Parichay Education Limited" on 6th June, 2001. Later on the Company has changed its name to "Javelin Technologies Limited" on 28th May, 2002. On 7th August, 2003 the Company changed its registered office from Gujarat to Karnataka. Later on the Company changed its name to Seshachal Technologies Limited on 31st October, 2007. On 21st September 2009, the Company changed its registered office address to Andhra Pradesh. The Company is in the business of Software Development & Consulting. The Registered Office of the Company is situated at D.No 15-93/5, Aganampudi, B C Colony, Gajuwaka, Visakhapatnam – 530046, Andhra Pradesh. The company is listed in Bombay Stock Exchange Limited.

**4. CAPITAL STRUCTURE**

The Authorised, Issued, Subscribed and Paid-up Share Capital of the Company (STL) as on date of the presentation of the Scheme are as under:

Particulars	Amount (Rs)
Share Capital	
Authorised	
1,50,00,000 Equity Shares of Rs. 10/- each	15,00,00,000
Issued, Subscribed & Paid Up	
69,43,600 Equity Shares of Rs. 10/- each	6,94,36,000

**5 MAIN OBJECTS OF THE COMPANY:**

The main objects of the Company are as follows:

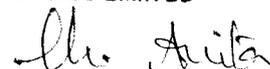
For **SESHACHAL TECHNOLOGIES LIMITED**



**Managing Director**

1. To undertake development and/or trade in sale, import, export of Computer software and all varieties of Information Technology services in the field of internet, video, teleconferencing, communications including telecommunications & satellite communications, computer aided designing, mapping, animation, database services, networking and all other developments in the field of Internet and Software Services along with Geo Information Systems/Geo positioning Systems mapping, data entries, Date conversions, Internet Services, Intranet Services, Networking like Wan, LAN and its related protocols, E-commerce, Forex operations relating to software, hardware consultancy, hiring, installation sale, Export, Import, Maintenance of computer hardware, Platform changing, peripherals and relaxed services either on direct contract or sub-contract basis and running and maintaining institute/school providing computer education, Training, Information Technologies and training covering inter-alia, financial services including Leasing and Hire Purchase related to software and hardware and general management in relation to all aspects thereof.
2. To establish and run Computer Training Institutes, Date Processing Centers, Internet Services and offer consultancy and other services that are normally offered by DataP4ocessing ND Computer centers to industrial, Commercial and Business and other types of customers to impart training on computer hardware and software, electronic data processing to customers and to other to others to develop export and software for computer system and data processing, data acquisition, data transmission and industrial instrumentation and process control quality control, and tom act as agents for all types of placement services including requirement, training and Human Resources Development in India and abroad.
3. To carry on the business of Research and development, designing, manufacturing and trading in all types of computer software and hardware in all areas including Management Information systems, Database Services, Date ware housing, Industrial applications, Office systems, Automation systems. Artificial intelligence and sybernautics, simulation, Desktop Publishing Communications. Including telecommunication and Satellite communication CAD/CAM, Animation, Operating Systems Utilities and all other developments in the field of Computers and information technology.
4. To render consultancy services and services in the field of software development, turnkey projects and solutions, software exports, information

For **SESHACHAL TECHNOLOGIES LIMITED**

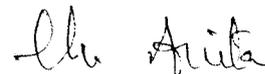


**Managing Director**

and data processing and computer systems communications and Operation research and technical services including commercial exploitations export import and to act as distributors, dealers, authorized representatives, installers and commissioning gents the same, To depute personnel design and develop solution software in India and abroad and to establish Technology park and offices in India and abroad and to broadly undertake all activities encompassing the field of information technology as may be permitted by law. And to carry on the business in India or elsewhere providing the constancy and infrastructure, trading and customer services associated with telecommunication networks including voice, date and video network services, Information technology systems and services, internet and multimedia works and services, data entry, call centers and teleprocessing systems and services.

5. To carry on in India or abroad business to develop, import, export, transfer, lease or carry on research in the field of molecular modeling for various applications in the field of bio-technology or any other stream of basic/complex science and to develop, create, manage, market, encourage the establishment on manufacturing facilities/research centers for various application of bio technology in the fields of development of medicines for human, plant or animal uses.
6. To promote, establish, organize, maintain, operate, manage in India or abroad centers engaged in the filed of bio-informatics and to carry on advanced research in the fields of molecular or gene technology for various commercial or non commercial applications, to enter into joint venture, to take or grant licenses for applications of research and other rights attained by the Company in related areas of operation.
7. To set up laboratories develop extract, import export, buy sell deal in hire the technology, process methods, systems, and to manufacture import buy sell, deal in, hire the equipment, instruments chemical enzymes, drugs, bulk drugs pharmaceuticals, medicines, patents, formulations of kinds, types, nature and description of including ayurvedic, unani, allopathic, homeopathic and nature cure of whatsoever purpose such as prevention, curation, prophylactic, nourishment beauty aids and hygienic and any items which are capable of being used in the fields of genetic engineering and any other methodology / process developed from time to time for manufacturing vaccines and other related products.

For **SESHACHAL TECHNOLOGIES LIMITED**



**Managing Director**

6. **THE SCHEME:**

Upon the Scheme coming into effect, the share capital structure shall be restructured, reorganized, sub-divided and consolidated in the following manner:

**REDUCTION OF PAID UP CAPITAL AGAINST ACCUMULATED CAPITAL LOSSES.**

- i. The Company seeks to set off a loss of Rs. 6,24,92,400/- (Rupees Six Crores Twenty Four Lakhs Ninety Two Thousand Four Hundred only) ("**Accumulated Losses**"), out of its total accumulated losses of Rs. 6,29,68,394/- (Rupees Six Crore Twenty Nine Lakh Sixty Eight Thousand Three Hundred and Ninety Four only) ("**Total Accumulated Losses**"), against its Paid Up Capital of Rs. 6,94,36,000/- (Six Crore Ninety Four Lakh Thirty Six Thousands only) resulting in a reduction of Rs. 6,24,92,400/- (Rupees Six Crores Twenty Four Lakhs Ninety Two Thousand Four Hundred only) from its Paid Up Capital.
- ii. As a result of the aforesaid set off Rs. 6,24,92,400/- (Rupees Six Crores Twenty Four Lakhs Ninety Two Thousand Four Hundred only), the Paid-up Share Capital of the Company shall stand reduced from Rs. 6,94,36,000/- (Six Crore Ninety Four Lakh Thirty Six Thousands only) divided into 69,43,600 (Sixty Nine Lakhs Forty Three Thousand Six Hundred Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 69,43,600/- (Rupees Nine Lakhs Forty Three Thousand Six Hundred Only) ("**Remaining Capital**") divided into 69,43,600 (Sixty Nine Lakhs Forty Three Thousand Six Hundred Only) Equity Shares of Re. 1/- (Rupee One Only) each.
- iii. Simultaneously, every 10 (Ten) of such Equity Share of the reduced face value of Re. 1/- (Rupee One Only) each shall stand consolidated into Rs. 69,43,600/- (Rupees Sixty Nine Lakhs Forty Three Thousand Six Hundred Only) divided into 6,94,360 (Six Lakh Ninty Four Thousand Three Hundred and Sixty only) Equity Shares of Re.10/- (Rupee Ten Only) each., thus making the reduced Paid Up Capital of the Company to Rs. 69,43,600/- (Rupees Sixty Nine Lakhs Forty Three Thousand Six Hundred Only Sixty Nine Lakhs Forty Three

8

**For SESHACHAL TECHNOLOGIES LIMITED**



**Managing Director**

Thousand Six Hundred Only) divided into 6,94,360 (Six Lakh Ninty Four Thousand Three Hundred and Sixty only) Equity Shares of face value of Rs.10/- (Rupee Ten Only) each.

- iv. Consequently, every shareholder of the Company, whose name appears on the Register of Members on the Record Date, shall receive 1 (One) Equity Share of Rs.10/- (Rupees Ten Only) in lieu of every 10 Equity Shares of Rs. 10/- (Rupees Ten Only) each, held earlier in the Company.

For example a person who is holding 100 (Hundred) Equity Shares of Rs. 10/- (Rupees Ten Only) each aggregating to Rs. 1000/- (Rupees One Thousand only) shall hold (after the reduction and consolidation) 10 Equity Shares of Rs.10/- (Rupees Ten) each aggregating to Rs. 100/-.(Rupees One Hundred only).

- v. The reconstruction / restructuring of capital shall not cause any shareholder to hold any fractional shares in the Company. In respect of the fractional shares, if any, caused by the reconstruction / restructuring of capital, the same shall be transferred, without requiring any further action either on behalf of such shareholder or the Company, to a Trust formed for this purpose and the fractional shares shall be consolidated. The Independent Directors of the Company shall manage this Trust and the Compliance Officer / Company Secretary of the Company shall be the Secretary of the Trust and shall assist the Independent Directors in managing the affairs of the Trust. This Trust shall sell the consolidated shares in the market at the best available price in one or more lots. The decision of the Trust as to the timing and method of the sale and the price at which such sale has been given effect to, in that behalf shall be final and binding on all concerned. The Trust shall hold the net sale proceeds of all such shares after defraying there from all costs, charges and expenses of such sale and shall thereafter distribute such sale proceeds to the members of the Company in proportion to their fractional entitlements.
- vi. For the purpose as aforesaid, the Company / Trust shall, if and to the extent required, apply for and obtain any approvals including that of

For **SESHACHAL TECHNOLOGIES LIMITED**

  
**Managing Director**

the Reserve Bank of India and other concerned authorities, for the transfer of the fractional shares to the Trust and to pay the proportionate net sale proceeds of fractional entitlement as provided above.

- vii. The re-organisation of the issued, subscribed and paid-up share capital of the Company as above shall be deemed to be in accordance with the provisions of Sections 100 to 104 of the Companies Act, 1956 and the same does not involve any financial outlay/outgoings on the part of the Company. The order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Companies Act, 1956 confirming the reduction without imposing a condition on the Company to add to its name the words, "and reduced". The provisions of Section 101 of the Companies Act, 1956 shall not be applicable.

## 7. EFFECT OF THE SCHEME

The proposed reconstruction / restructuring of capital by reduction of paid up capital against capital accumulated losses pursuant to the Scheme shall be reflected in the books of Accounts of the Company, on the effective date, in the following manner.

Particulars	Prior to the Scheme of Arrangement	Proposed Reduction of capital against capital losses as per Scheme	Paid up capital post reduction and prior to consolidation	Paid up capital post reduction and after consolidation into Rs.10/- each
No of Equity Shares	69,43,600	69,43,600	69,43,600	6,94,360
Value of each share	10	9	1	10.00
Total paid up share Capital	6,94,36,000	6,24,92,400	69,43,600	69,43,600
Profit & Loss A/c (Dr. Bal):	(6,29,68,394)	(6,24,92,400)	(4,75,994)	(4,75,994)

8. The share holding pattern of the Company, upon the approval of Scheme shall be in the following manner:

Particulars	Prior to the Scheme of Arrangement		After the implementation of the Scheme of Arrangement. (As on effective date)	
	No. of Shares (Rs.10 each)	% to total	No. of Shares (Rs.10 each)	% to total
Promoter's & Group	19,29,003	27.78	1,92,900	27.78

Institutions/ Mutual Funds etc	0	0	0	0
NRIs /OCBs	56,344	0.81	5634	0.81
Domestic Co.,	1,87,859	2.71	18,786	2.71
Public holding	47,70,394	68.70	4,77,040	68.70
<b>Total</b>	<b>69,43,600</b>	<b>100.00</b>	<b>6,94,360</b>	<b>100.00</b>

9. The Scheme, which is an arrangement between the Company and its Members under Section 391 and 394 of the Companies Act, 1956, does not envisage transfer or vesting of any properties and / or liabilities to or in favour of the Company as contemplated in Section 394 of the Companies Act, 1956.

10. The Scheme does not involve any conveyance of transfer of any property and consequently, the order of the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh approving the Scheme will not attract any stamp duty, under the Andhra Pradesh Stamp Act, in this regard.

11. The Company shall make all applications / petitions as may be required under Section 391 and 394 of the Companies Act, 1956 to the High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh, for convening and holding the meeting of the Equity Shareholders of the Company and for obtaining the sanction of the Court of this Scheme of Arrangement for reconstruction / restructuring of capital, under Section 391 and 394 of the Companies Act, 1956 and for such orders for carrying this Scheme into effect.

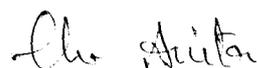
**12. CHANGE OF NAME**

With Effect from Effective Date the name of Seshachal Technologies Limited shall stand changed to "**Chitturi Corporation limited**" or such other name as may be approved by the concerned Registrar of Companies. Further the name of Seshachal Technologies Limited wherever it occurs in the memorandum and Articles of Association be substituted by Chitturi Corporation Limited or such other name as may be approved by Registrar of Companies, Hyderabad.

**13. IMPACT OF THE SCHEME ON EMPLOYEES/ WORKERS**

The Scheme shall not have any adverse impact on the employees/workers of the Company and they would, in fact be generally benefited as the infusion of fresh funds

**For SESHACHAL TECHNOLOGIES LIMITED**



**Managing Director**

into the Company would help it to deploy the same in its business and thereby improve its financial position.

**14. IMPACT OF THE SCHEME ON SECURED CREDITORS / BANKS / FINANCIAL INSTITUTIONS.**

The Company does not have any Secured loans.

**15. LEGAL PROCEEDINGS**

The Scheme would not affect any legal or other proceedings by or against the Company.

**16. APPLICATION TO THE HIGH COURT**

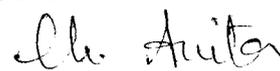
Approvals of the shareholders and of the High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh, pursuant to this Scheme under Section 391 and 394 of the Companies Act, 1956 are being sought as a measure of legal compliance, transparency and prudence.

**17. MODIFICATIONS / AMENDMENTS OF THE SCHEME**

The Company, by its Directors (including a Committee of Directors constituted for this purpose), may effect or assent to any modification or amendment of the Scheme which the Court and/or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable by the Board of Directors of the Company for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme or otherwise as may be considered by the Board to be in the best interest of the Company and its members and do all acts, deeds and things as may be necessary, desirable or expedient for giving effect to the Scheme.

If any Part of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Company that such Part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part shall cause this Scheme to become materially adverse to the Company, in which case the

**For SESHACHAL TECHNOLOGIES LIMITED**



**Managing Director**

Company shall attempt to bring about a modification in the Scheme, as will best preserve the benefits and obligations of the Scheme, including but not limited to such Part.

**18. THIS SCHEME IS SPECIFICALLY CONDITIONAL UPON AND SUBJECT TO:**

- 18.1 The approval of an agreement to the Scheme by the requisite majorities of such classes of persons of the Company as may be directed by the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh on the applications made or directions under Section 391 of the Companies Act, 1956 for calling meetings and necessary resolutions being passed under the said Act for the purpose;
- 18.2 The sanction of the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh being obtained under Section 391 and 394 of the Companies Act, 1956 and any other applicable provisions, if any, by the Company.
- 18.3 The Scheme shall come into effect in accordance to the sequence as provided below:
- a) The writing/setting off of the Accumulated Losses against the issued, subscribed and paid up share capital of the Company.
  - b) The consolidation of the issued, subscribed and paid-up share capital of the Company

**19. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS**

- 19.1 In the event of any of the aforesaid sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the High Court at Andhra Pradesh and/or the order or orders not being passed as aforesaid, the Scheme shall become null and void and Company shall bear and pay the costs, charges and expenses for/or in connection with the Scheme.
- 19.2 If, in the opinion of the Board of Directors of the Company, any part of the Scheme is found to be unworkable for any reason whatsoever, the same shall not affect the validity or implementation of other parts or provisions of the Scheme.

For SESHACHAL TECHNOLOGIES Limited

  
Managing Director

**20. EXPENSES CONNECTED WITH THE SCHEME**

All Costs, charges, expenses, taxes, duties levies and fees, if any, arising out of or incurred in carrying out and implementing the provisions of and giving effect to this Scheme, shall be borne and paid by the Company.

**21. CANCELLATION OF SHARES**

Upon this Scheme becoming finally effective, all the shareholders, if so required by the Company, shall surrender their share certificates for cancellation thereof. Notwithstanding anything to the contrary, upon the issue of the new share certificates in the Company to the Shareholders whose names shall appear in the Register of Members of the Company on such Record Date fixed as aforesaid, the old share certificates held by them in the Company shall be deemed to have been automatically cancelled and cease to be negotiable and be of no commercial or legal value, on and from the Record Date. The Company may instead of requiring the surrender of the old share certificates, as above, directly issue and dispatch the new share certificates of the Company in lieu thereof. In the case of shares held in dematerialized and electronic form, the required procedure for reflecting the change in the holdings of the members of the Company, as a consequence of the sanctioning of this Scheme, shall be adopted for making the necessary alterations in the Depository Accounts of the shareholders.

**22. LISTING OF SHARES:**

Notwithstanding the reduction of Capital of the Company and issue of new Equity Shares in pursuance of this Scheme, the listing benefit of the Company, for the existing shares as well as the new shares being issued in pursuance of this Scheme, on all or any of the Stock Exchanges where the existing Equity Shares of the Company are listed shall continue.

**23.** Notwithstanding the reduction of capital of the Company in pursuance of this Scheme, the Company shall not be required to add the words "And Reduced" to its name as the last words thereof.

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**For SESHACHAL TECHNOLOGIES LIMITED**

  
**Managing Director**