

**QUESS CORP LIMITED**

**CIN: L74140KA2007PLC043909**

**Registered Office: 3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru- 560103**

**Tel No.: 080- 6105 6000; Fax No.: 080- 6105 6406**

**Email ID: investor@quesscorp.com; Website: www.quesscorp.com**

**NOTICE OF THE MEETING OF THE UNSECURED CREDITORS OF QUESS CORP LIMITED CONVENED PURSUANT TO THE ORDER DATED OCTOBER 22, 2024 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH**

**MEETING DETAILS:**

|            |  |
|------------|--|
| Day        | Monday   |
| Date       | December 09, 2024  |
| Time       | 12:00 P.M.   |
| Venue/Mode | As per the directions of the Hon'ble National Company Law Tribunal, Bengaluru Bench, the meeting is being conducted through video conference (VC) and/or other audio and visual means (OAVM) |

**REMOTE E-VOTING:**

|                                      |  |
|--------------------------------------|--|
| <b>Remote e-voting commencing on</b> | Thursday, December 05, 2024 at 9:00 AM (IST) |
| <b>Remote e-voting ending on</b>     | Sunday, December 08, 2024 at 5:00 PM (IST)   |

**E-VOTING DURING THE MEETING:**

E-voting through VC/OAVM facility shall also be available to the unsecured creditors of Quess Corp Limited during the Meeting.

## INDEX

| Sl. No           | Contents  | Page No. |
|------------------|---|----------|
| 1.               | Notice convening meeting of the unsecured creditors of Qness Corp Limited (the “ <b>Company</b> ”) or (“ <b>Demerged Company</b> ”) (“ <b>Notice</b> ”)   | 4        |
| 2.               | Explanatory Statement under Sections 102, 230(3), 232(1), 232(2) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013  | 10       |
| <b>Annexures</b> |   |          |
| 3.               | Composite scheme of arrangement between the Demerged Company, Digitide Solutions Limited (“ <b>Resulting Company 1</b> ”) and Bluspring Enterprises Limited (“ <b>Resulting Company 2</b> ”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions, of the Companies Act, 2013 and the rules framed thereunder (“ <b>Scheme</b> ”), enclosed as <b>Annexure 1</b>                           | 39       |
| 4.               | Reports of the Scheme adopted by the Board of Directors of the Demerged Company, Resulting Company 1 and Resulting Company 2 pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013, enclosed as <b>Annexure 2 series</b>   | 109      |
| 5.               | Resolutions of the Board of Directors of the Demerged Company, Resulting Company 1 and Resulting Company 2 for approving the Scheme in their meetings held on February 16, 2024 and February 25, 2024 respectively, enclosed as <b>Annexure 3 series</b>  | 126      |
| 6.               | Report dated February 16, 2024 adopted by the Audit Committee of the Demerged Company, enclosed as <b>Annexure 4</b>  | 142      |
| 7.               | Report dated February 16, 2024 adopted by the Committee of Independent Directors of the Demerged Company, enclosed as <b>Annexure 5</b>   | 150      |
| 8.               | Share entitlement ratio report dated February 16, 2024 (“ <b>Share Entitlement Ratio Report</b> ”) issued by Bansi S. Mehta Valuers LLP, registered valuer with the Insolvency and Bankruptcy Board of India ( <i>IBBI Registration Number: IBBI/RV- E/06/2022/172</i> ), enclosed as <b>Annexure 6</b>   | 158      |
| 9.               | Fairness opinion dated February 16, 2024 (“ <b>Fairness Opinion</b> ”) issued by RBSA Capital Advisors LLP, a Category I Merchant Banker registered with SEBI for providing a fairness opinion on the valuation carried out by the registered valuer in the Share Entitlement Ratio Report, enclosed as <b>Annexure 7</b>   | 174      |
| 10.              | Pre and post-scheme shareholding pattern of the Demerged Company enclosed as <b>Annexure 8</b>  | 185      |
| 11.              | Pre and post-scheme shareholding patterns of Resulting Company 1 and Resulting Company 2, enclosed as <b>Annexure 9 series</b>  | 203      |
| 12.              | Observation letter dated July 31, 2024 issued by BSE Limited (“ <b>BSE</b> ”) and observation letter dated August 01, 2024 issued by National Stock Exchange of India Limited (“ <b>NSE</b> ”) conveying no objection for filing the Scheme with the Bengaluru Bench of Hon’ble National Company Law Tribunal (“ <b>NCLT</b> ”), enclosed as <b>Annexure 10 series</b>  | 237      |
| 13.              | Complaints reports dated April 04, 2024 and April 05, 2024 submitted by the Demerged Company to BSE and NSE respectively, enclosed as <b>Annexure 11 series</b>   | 246      |
| 14.              | Details of investigation or proceedings, pending against the Company including ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken against the Demerged Company, its promoters and directors, enclosed as <b>Annexure 12</b>   | 250      |
| 15.              | Unaudited standalone and consolidated financial results (limited reviewed) of the Demerged Company for the second quarter and half year ended September 30, 2024, enclosed as <b>Annexure 13</b>  | 258      |
| 16.              | Unaudited financial results of Resulting Company 1 and Resulting Company 2 for the second quarter and half year ended September 30, 2024, enclosed as <b>Annexure 14 series</b>   | 276      |
| 17.              | Information pertaining to Resulting Company 1 and Resulting Company 2 involved in the Scheme as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with SEBI circular dated February 4, 2022 along with certificate issued by ICICI Securities Limited, an Independent SEBI Registered Merchant Bank, enclosed as <b>Annexure 15 series</b> | 280      |

| Sl. No | Contents   | Page No. |
|--------|--|----------|
| 18.    | Certificates from the statutory auditor of the Demerged Company (issued by M/s Deloitte Haskins & Sells LLP (Firm No. 117366W/W-100018)), statutory auditor of Resulting Company 1 (issued by <b>Deloitte Haskins &amp; Sells</b> (Firm No. 008072S) and statutory auditor of Resulting Company 2 (issued by <b>Deloitte Haskins &amp; Sells</b> (Firm No. 008072S) to the effect that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013, enclosed as <b>Annexure 16 series</b> | 304      |
| 19.    | The undertaking dated February 16, 2024 given by the Demerged Company as prescribed under Paragraph (A) (10) (c) of Part I of the SEBI Scheme Circular ( <i>defined below</i> ) stating the reasons for non-applicability of Paragraph (A) (10) (b) along with the certificate dated February 16, 2024 from M/s. Deloitte Haskins & Sells LLP, statutory auditor of the Demerged Company, certifying the said undertaking, enclosed as <b>Annexure 17 series</b>   | 313      |
| 20.    | Compliance report under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Demerged Company addressed to BSE and NSE, enclosed as <b>Annexure 18</b>  | 319      |
| 21.    | Form GNL-1 filed with the Registrar of Companies by the Demerged Company, Resulting Company 1 and Resulting Company 2, enclosed as <b>Annexure 19 series</b>   | 322      |
| 22.    | Additional information and/or documents as submitted in relation to Query 18 dated March 11, 2024 to BSE and Annexure M to NSE enclosed as <b>Annexure 20 series</b>   | 334      |

*This Notice of the Meeting, Explanatory Statement under Sections 102, 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable MCA Circulars (defined below), SEBI Circulars (defined below) and Annexure 1 to Annexure 20 of this Notice and Explanatory Statement constitute a single and complete set of documents and should be read in conjunction with each other, as they form an integral part of this document.*

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

AT BENGALURU

IN THE MATTER OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

AND

IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT BETWEEN QUESS CORP LIMITED, DIGITIDE SOLUTIONS LIMITED AND BLUSPRING ENTERPRISES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

CA (CAA) No.36/BB/2024

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QUESS CORP LIMITED

CIN: L74140KA2007PLC043909

3/3/2, Bellandur Gate, Sarjapur

Main Road, Bengaluru 560103

...COMPANY / DEMERGED COMPANY

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FORM NO. CAA. 2

Pursuant to Section 230(3) of the Companies Act, 2013 and Rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

**NOTICE CONVENING THE MEETING OF UNSECURED CREDITORS OF QUESS CORP LIMITED**

To,

The Unsecured Creditors of

Quess Corp Limited,

1. Notice is hereby given that by an order dated **October 22, 2024** ("Order") passed by the Bengaluru Bench of Hon'ble National Company Law Tribunal (hereinafter referred as "NCLT"), whereby the NCLT has directed the Demerged Company to convene of a meeting of its unsecured creditors for the purpose of considering, and if thought fit, approving with or without modification the composite scheme of arrangement between Quess Corp Limited ("**Demerged Company**"), Digitide Solutions Limited ("**Resulting Company 1**") and Bluspring Enterprises Limited ("**Resulting Company 2**") and their respective shareholders and creditors (hereinafter referred to as the "**Scheme**") under Sections 230 to 232, and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (the "**Act**").
2. In pursuance of the said Order and as directed therein, further Notice is hereby given that a meeting of the unsecured creditors of the Demerged Company, will be held on **Monday, December 09, 2024, at 12:00 P.M.**, through video conference (VC) and/or other audio and visual means (OAVM) for the purpose of considering, and if thought fit, approving the proposed Scheme following the operating procedures referred to in General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 8, 2021, General Circular No. 3/2022 dated May 5, 2022, General Circular No. 11/2022 dated 28 December 2022 and General Circular No. 09/2023 dated 25 September, 2023 and General Circular No. 09/2024 dated 19 September, 2024, issued by the Ministry of Corporate Affairs, Government of India, in each case, as amended from time to time (collectively referred to as "**MCA Circulars**") read with circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023,

Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 issued by the Securities and Exchange Board of India, in each case, as amended from time to time, ["SEBI"] (referred as "SEBI Circulars").

3. **TAKE NOTICE** that the following resolution is proposed under Sections 230 to 232 of the Act and the Companies (Compromise, Arrangement and Amalgamation), Rules 2016 (the "Rules") and the National Company Law Tribunal Rules, 2016 framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of the Memorandum of Association and Articles of Association of the Demerged Company, for the purpose of considering, and if thought fit, approving the Scheme:

*'RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended or re-enacted from time to time ("Act"), the master circular bearing no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 'Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957' dated June 20, 2023, as amended from time to time or any other circulars issued by the Securities and Exchange Board of India ("SEBI") prescribing the compliance requirements for schemes of arrangement involving listed companies, in each case, as amended from time to time, (collectively, the "SEBI Scheme Circular"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Section 2(19AA) and other relevant provisions of the Income-tax Act, 1961, and relevant provisions of the Memorandum of Association and Articles of Association of the Company, read with the observation letters issued by the BSE Limited and National Stock Exchange of India Limited on July 31, 2024 and August 01, 2024 respectively and subject to sanction by the Hon'ble National Company Law Tribunal, Bengaluru Bench ("NCLT") and other requisite concerns and approvals, if any, being obtained and subject to such terms and conditions and modification(s) as may be imposed, prescribed or suggested by the Hon'ble Tribunal or other appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), composite scheme of arrangement between the Quess Corp Limited ("Demerged Company"), Digitide Solutions Limited ("Resulting Company 1") and Bluspring Enterprises Limited ("Resulting Company 2", and together with Resulting Company 1, the "Resulting Companies" and the Resulting Companies, together with the Demerged Company shall be referred to as the "Companies") and their respective shareholders and creditors ("Scheme") as enclosed with the notice of the NCLT convened meeting of the unsecured creditors, be and is hereby approved.'*

*'RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to make any modification(s) or amendment(s) to the Scheme at any time and for any reason whatsoever, and to accept such modification(s), amendment(s), limitation(s) and/or condition(s), if any, which may be required and / or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any question(s) or doubt(s) or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper, without being required to seek any further approval of the unsecured creditors and the unsecured creditors shall be deemed to have given their approval thereto expressly by authority under this resolution.'*

4. **TAKE FURTHER NOTICE** that in accordance with the said Order and provisions of Sections 108 and 230(4) and other applicable provisions of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended; Secretarial Standard-2 on General Meetings; MCA Circulars, SEBI Circulars and Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations"), the Demerged Company has engaged the services of Central Depository Services (India) Limited ('CDSL') for the purpose of providing facility of remote e-voting prior to the Meeting and e-voting during the meeting through VC/OAVM. Accordingly, voting by unsecured creditors of the Demerged Company shall be carried out through (a) remote e-voting prior to the Meeting, and (b) e-voting during the Meeting through VC/OAVM.
5. **TAKE FURTHER NOTICE** that the unsecured creditors shall have the facility and option of e-voting during the meeting and in addition to the same, the unsecured creditors shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes through remote e-voting prior to the meeting during the period commencing from Thursday, December 05, 2024 at 09:00 A.M (IST) and ending on Sunday, December 08, 2024 at 05:00 P.M. (IST). The voting rights of unsecured creditors shall be in proportion to their outstanding balance as on cut-off date i.e., March 31, 2024 ("Cut-off Date"). This cut-off is taken as per the list of unsecured creditors as on March 31, 2024 submitted with the Hon'ble NCLT. The unsecured creditors opting to cast their votes by remote e-voting or e-voting during the Meeting through VC/OAVM are requested to read the instructions in the Notes of this Notice for further details on remote e-voting and e-voting during the Meeting.
6. **TAKE FURTHER NOTICE** that pursuant to the Order of the NCLT, the Demerged Company has exercised the option to convene the Meeting of unsecured creditors by VC/OAVM, and there is no requirement of appointment of proxies as per General Circular

No. 14/2020 dated April 8, 2020 issued by the Ministry of Corporate Affairs, India. Accordingly, the facility of appointment of proxies by unsecured creditors under Section 105 of the Act will not be available for the said Meeting. However, in pursuance of Section 112 and Section 113 of the Act read with Rule 10 of the of the Rules, where a body corporate is a creditor, authorized representatives of the body corporate may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided a certified true copy of the resolution the board of directors/ designated partners (in case of Company/LLP) or a Letter of Authorization (in case of partnership firm and others) authorizing such representative to attend and vote at the said Meeting through VC/ OAVM as its representative, who are authorized to vote is emailed to the Demerged Company at [cosecretary@quesscorp.com](mailto:cosecretary@quesscorp.com) not later than 48 (forty-eight) hours before the time scheduled for holding the Meeting.

7. A copy of the Scheme, the Explanatory Statement under Sections 230(3), 232(1), 232(2) and 102 of the Act read with Rule 6 of the Rules, along with the enclosures as indicated in the Index, are enclosed herewith. Further, additional information as required under the SEBI Scheme Circular and the observation letters of BSE and NSE dated July 31, 2024 and August 01, 2024 respectively are also annexed. In compliance with the Order and the MCA Circulars and SEBI Circulars, the Notice of this Meeting, together with the documents accompanying the same, is being sent through electronic mode to those unsecured creditors of the Demerged Company whose e-mail addresses are registered with the Demerged Company, and by registered post, speed post, or courier to the unsecured creditors of the Demerged Company whose email addresses are not registered with the Demerged Company.
8. A copy of this Notice and the accompanying documents will be hosted on the website of the Company at [www.quesscorp.com](http://www.quesscorp.com) and will also be available on the website of BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively and also on the website of CDSL at [evoting@cdslindia.com](mailto:evoting@cdslindia.com) and the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in). A copy of the Scheme along with the Explanatory Statement can be obtained free of charge, between 10.00 a.m. to 5.00 p.m. on any day (except Saturday, Sunday and public holidays) upto one day prior to the date of the Meeting from the registered office of the Demerged Company or by sending a request by e-mail at [cosecretary@quesscorp.com](mailto:cosecretary@quesscorp.com)
9. In accordance with the provisions of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the unsecured creditors only if the Scheme is approved by majority of persons representing three-fourth in value of the unsecured creditors of the Demerged Company, voting through remote e-voting and e-voting facility made available during the Meeting through VC/ OAVM.
10. The NCLT has appointed Ms. Krishna Anmol Singh, Advocate as the Chairperson and Shri Dushyanth Kumar, Practicing Company Secretary as the Scrutinizer of the said Meeting.
11. The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the NCLT and such other approval(s), permission(s) and sanction(s) of regulatory or other authorities, as may be necessary.

**Sd/-**  
**Guruprasad Srinivasan**  
**Executive Director & Group CEO**  
**DIN: 07596207**  
**Quess Corp Limited**

**Dated this 5<sup>th</sup> day of November, 2024 at Bengaluru**

**Registered Office:**

3/3/2, Bellandur Gate, Sarjapur

Main Road, Bengaluru 560103

CIN: L74140KA2007PLC043909

Website: [www.quesscorp.com](http://www.quesscorp.com)

Email: [investor@quesscorp.com](mailto:investor@quesscorp.com)

Tel No.: 080- 6105 6000; Fax No.: 080- 6105 6406

## NOTES:

1. Pursuant to the Order dated October 22, 2024, in Company Application No. CA (CAA) No.36/BB/2024, passed by the NCLT, the meeting of the unsecured creditors of the Demerged Company is being convened on Monday, December 09, 2024 at 12:00 P.M. (IST) through VC/OAVM without the physical presence of the unsecured creditors at a common venue, at the option of the Demerged Company and as per applicable procedure (with requisite modifications as may be required) referred to in MCA Circulars and SEBI Circulars for the purpose of considering, and if thought fit, approving the Scheme, pursuant to the provisions of Sections 230 to 232, and other applicable provisions of the Act. In accordance with the MCA Circulars and SEBI Circulars, provisions of the Act and the Listing Regulations, the Meeting is being held through VC/OAVM. As per the Order, MCA Circulars and SEBI Circulars, since the Meeting is held through VC/OAVM, the deemed venue of the Meeting shall be registered office of the Demerged Company.
2. Only registered unsecured creditors of the Demerged Company can attend and vote at the Meeting (either in person or by an authorised representative). As mentioned above, where a body corporate is an unsecured creditor, authorized representatives of the body corporate may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided a certified true copy of the resolution the board of directors/ designated partners (in case of Company/LLP) or a Letter of Authorization (in case of partnership firm and others) authorizing such representative to attend and vote at the said Meeting through VC/ OAVM as its representative, who are authorized to vote is emailed to the Demerged Company at [cosecretary@quesscorp.com](mailto:cosecretary@quesscorp.com) not later than 48 (forty-eight) hours before the time scheduled for holding the Meeting. Although pursuant to the provisions of the Act, an unsecured creditor entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be an unsecured creditor of the Demerged Company, but since this Meeting is being held pursuant to the MCA Circulars and SEBI Circulars through VC/OAVM, the requirement of physical attendance of unsecured creditor has been dispensed with. Accordingly, the facility for appointment of proxies by the unsecured creditors will not be available for this Meeting and hence the proxy form, attendance slip and route map of this Meeting are not annexed to this Notice.
3. The Cut-off Date to determine the eligibility to attend and vote by remote e-voting or e-voting through VC/OAVM during the Meeting shall be as per applicable law. The unsecured creditors whose name is recorded with the Demerged Company as on the Cut-off Date i.e., March 31, 2024, shall be entitled to avail the facility of remote e-voting or e-voting during the Meeting through VC/OAVM, as the case may be.
4. Only those unsecured creditors who will be present at the Meeting through VC/OAVM facility and have not cast their vote by remote e-voting prior to the Meeting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the Meeting. However, the unsecured creditors who have cast their votes by remote e-voting prior to the Meeting will be eligible to participate at the Meeting but shall not be eligible to cast their vote again during the Meeting.
5. Each unsecured creditor can opt for only one mode of voting i.e. (a) remote e-voting prior to the Meeting or (b) and e-voting through VC/OAVM during the Meeting as arranged by CDSL on behalf of the Demerged Company. If an unsecured creditor casts votes by both modes, then voting done through remote e-voting shall prevail. Once the vote on a resolution is cast, the unsecured creditor shall not be allowed to change the same subsequently or cast the vote again. Only the persons whose name appears in the list of unsecured creditors of the Company as on the Cut-off Date (specified in the Notice) only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an unsecured creditor as on the Cut-off Date, should treat the Notice for information purposes only. The voting right of the unsecured creditors shall be in proportion to the value of their share in the outstanding debt of the Demerged Company as of the Cut-off Date.
6. The Explanatory Statement pursuant to Sections 230(3), 232(1), 232(2) and Section 102 of the Act, and Rule 6 of the Rules setting out the material facts concerning the business and details of the Scheme is annexed hereto.
7. All the documents referred to in the accompanying Notice and Explanatory Statement, shall be available for inspection through electronic mode, basis the request being sent, on the websites of the stock exchanges where the shares of the Demerged Company are listed, i.e., BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, the website of CDSL at [evoting@cdslindia.com](mailto:evoting@cdslindia.com) being the depository appointed by the Demerged Company to provide remote e-voting/ e-voting and other facilities for the Meeting, the Demerged Company's website at [www.quesscorp.com](http://www.quesscorp.com), and the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in).
8. The unsecured creditors attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. As per the Order, the quorum for the said Meeting is shall be 30% (thirty percent) in total value of the unsecured creditors present. As per the Order, for the purpose of completing the quorum, the valid authorized representatives shall also be considered. In case the requisite quorum is not present at the commencement of the Meeting, the Meeting shall be adjourned by 30 minutes, and thereafter, the persons present and voting shall be deemed to constitute the quorum.

10. The NCLT has appointed Ms. Krishna Anmol Singh, Advocate as the Chairperson of the said meeting and Shri Dushyanth Kumar, Practicing Company Secretary as the Scrutinizer (Membership No. 6662 and CP No. 6003), to scrutinize votes cast electronically through remote e-voting and e-voting through VC/OAVM during the Meeting in a fair and transparent manner. The Scrutinizer shall submit a consolidated report on votes cast to the Chairperson of the Meeting or to the person so authorised by the Chairperson. The Scrutinizer's decision on the validity of the votes cast electronically shall be final.
11. The remote e-voting period commences on Thursday, December 05, 2024 (9:00 AM) and ends at 5.00 PM. (IST) on Sunday, December 08, 2024. During the remote e-voting period, unsecured creditors of the Demerged Company, as on the cut-off date, i.e., March 31, 2024 may cast their vote electronically. The remote e-voting module shall be disabled for voting on Sunday, December 08, 2024 at 5.00 PM IST. The detailed instructions for joining the Meeting through VC/OAVM and process and manner of remote e-voting form part of this Notice.
12. The Notice convening the aforesaid meeting, day, date, time and link of the meeting to be conducted through VC/ OAVM as aforesaid, along with the Explanatory Statement amongst others, will be published through advertisement in the following newspapers, namely, (i) "Financial Express" in English language; and (ii) "Hosa Digantha" in Kannada language.
13. Unsecured creditors are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting and manner of casting vote through electronic means.
14. **Declaration of results on the resolution**
  - (i) The Scrutinizer shall, after the conclusion of the Meeting, submit a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution and invalid votes, if any made by unsecured creditors of the Demerged Company through remote e-voting and e-voting at the meeting, and submit the same to the Chairperson of the Meeting or a person authorized by Chairperson in writing who shall countersign the same.
  - (ii) The result of the voting shall be announced by the Chairperson of the Meeting or a person authorized by the Chairperson in writing within 2 (two) working days from the conclusion of the Meeting upon receipt of the Scrutinizer's report. The results declared, along with the Scrutinizer's report, shall be displayed on the notice board of the Demerged Company at its registered office and also hosted on the Demerged Company's website at [www.quescorp.com](http://www.quescorp.com) and on the website of CDSL at [evoting@cdslindia.com](mailto:evoting@cdslindia.com) immediately after the results are declared. The Demerged Company shall also simultaneously forward the results along with the Scrutinizer's report to BSE and NSE, the stock exchanges where the Demerged Company's equity shares are listed.
  - (iii) The Chairperson shall report the result of the meeting to the NCLT in Form No. CAA 4, as per Rule 14 of the Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 within 07 (seven) days of the conclusion of the Meeting.
  - (iv) Subject to the receipt of requisite majority of votes in favour of the Scheme, the resolution shall be deemed to be passed on the date of the Meeting, i.e., on December 09, 2024.
15. A copy of the Explanatory Statement, the Scheme and other enclosures are enclosed and form part of this Notice.
16. **Instructions for attending the meeting through VC/OAVM and process and manner for remote e-voting are as under:**  
**INSTRUCTIONS FOR REMOTE E-VOTING FOR UNSECURED CREDITORS:**
  - i. The remote e-voting period would commence from Thursday, December 05, 2024 at 9:00 A.M. (IST) and ends on Sunday, December 08, 2024 at 5.00 P.M. (IST). The remote e-voting module shall be disabled by CDSL for voting thereafter.
  - ii. The Unsecured Creditors would log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
  - iii. Click on "Shareholders/Members" tab.
  - iv. Enter your User ID (which would be sent to the respective Unsecured Creditors at their e-mail address registered with the Company)
  - v. Next enter the Image Verification / Captcha as displayed on the screen and click on Login.
  - vi. Enter your password (which would be sent to the respective Unsecured Creditors at their e-mail address registered with the Company)
  - vii. After entering these details appropriately, click on the "SUBMIT" tab.
  - viii. Select the EVSN of Quess Corp limited on which you choose to vote.
  - ix. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - x. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
  - xi. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - xii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - xiii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

**INSTRUCTIONS FOR UNSECURED CREDITORS ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:**

- a. Unsecured Creditors will be provided with a facility to attend the Meeting through VC/OAVM through the CDSL e-Voting system. Unsecured Creditors may access the same at [www.evotingindia.com](http://www.evotingindia.com) under 'Shareholders / Members' login using Remote e-voting credentials. The link for VC/OAVM will be available after successful login where the EVSN of the Company will be displayed.
- b. Unsecured Creditors can join the Meeting through VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
- c. Unsecured Creditors are encouraged to join the Meeting through Laptops / IPads instead of mobile devices for better experience.
- d. Further Unsecured Creditors will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- e. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- f. Unsecured Creditors who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, address, PAN, email id, mobile number at [cosecretary@quesscorp.com](mailto:cosecretary@quesscorp.com). The Unsecured Creditors who do not wish to speak during the Meeting but have queries may send their queries in advance 7 days prior to meeting mentioning their name, address, PAN, email id, mobile number at [cosecretary@quesscorp.com](mailto:cosecretary@quesscorp.com). These queries will be replied to by the company suitably by email. Unsecured Creditors who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting for a maximum time of 3 (three) minutes each, once the floor is open for queries. Unsecured Creditors are requested to restrict their questions/views only on the Scheme.

**INSTRUCTIONS FOR UNSECURED CREDITORS FOR E-VOTING DURING THE MEETING ARE AS UNDER:**

- i. The procedure for e-Voting on the day of the Meeting is same as the instructions mentioned above for Remote e-voting.
- ii. Only those Unsecured Creditors, who are present in the Meeting through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the Meeting.
- iii. If any Votes are cast by the Unsecured Creditors through the e-voting available during the Meeting and if the same Unsecured Creditors have not participated in the meeting through VC/OAVM facility, then the votes cast by such Unsecured Creditors shall be considered invalid as the facility of e-voting during the meeting is available only to the Unsecured Creditors attending the meeting.
- iv. Unsecured Creditors who have voted through Remote e-Voting will be eligible to attend the Meeting. However, they will not be eligible to vote at the Meeting.
- v. If you have any queries or issues regarding attending Meeting & e-Voting from the e-Voting System, you may write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
- vi. As stated in the notice of meeting shared with you earlier, request you to provide a certified copy of the resolution passed by your board of directors or other governing body authorizing such representative to attend and vote at the meeting, or authorization letter or power of attorney is emailed to the Scrutinizer/Company at [cosecretary@quesscorp.com](mailto:cosecretary@quesscorp.com)

**Sd/-**  
**Guruprasad Srinivasan**  
**Executive Director & Group CEO**  
**DIN: 07596207**  
**Quess Corp Limited**

**Dated this 5<sup>th</sup> day of November, 2024 at Bengaluru**

**Registered Office:**

3/3/2, Bellandur Gate, Sarjapur  
Main Road, Bengaluru 560103  
CIN: L74140KA2007PLC043909  
Website: [www.quesscorp.com](http://www.quesscorp.com)  
Email: [investor@quesscorp.com](mailto:investor@quesscorp.com)  
Tel No.: 080- 6105 6000;  
Fax No.: 080- 6105 6406

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

AT BENGALURU

IN THE MATTER OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

AND

IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT BETWEEN QUESS CORP LIMITED, DIGITIDE SOLUTIONS LIMITED AND BLUSPRING ENTERPRISES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

CA (CAA) No.36/BB/2024

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QUESS CORP LIMITED

CIN: L74140KA2007PLC043909

3/3/2, Bellandur Gate, Sarjapur

Main Road, Bengaluru 560103

COMPANY / DEMERGED COMPANY

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EXPLANATORY STATEMENT UNDER SECTIONS 102, 230 AND 232 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE MEETING OF UNSECURED CREDITORS OF QUESS CORP LIMITED CONVENED PURSUANT TO THE ORDER DATED OCTOBER 22, 2024 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH ("NCLT")

I. Meeting for the Scheme

This is a statement accompanying the Notice convening the Meeting of unsecured creditors of Quess Corp Limited ("**Demerged Company**"), for the purpose of their considering and if thought fit, approving, with or without modification(s), the composite scheme of arrangement between the Demerged Company, Digitide Solutions Limited ("**Resulting Company 1**") and Bluspring Enterprises Limited ("**Resulting Company 2**") and their respective shareholders and creditors ("**Scheme**").

The Scheme provides, *inter-alia* for:

- (i) the demerger of Demerged Undertaking 1 (*as defined in the Scheme*) (comprising of the Transferred Business 1 (*as defined in the Scheme*)) into Resulting Company 1 and in consideration, the consequent issuance of New Equity Shares 1 (*as defined in the Scheme*) by Resulting Company 1 to the equity shareholders of the Demerged Company in accordance with the Share Entitlement Ratio 1 (*as defined in the Scheme*);
- (ii) the demerger of Demerged Undertaking 2 (*as defined in the Scheme*) (comprising of the Transferred Business 2 (*as defined in the Scheme*)) into Resulting Company 2 and in consideration, the consequent issuance of New Equity Shares 2 (*as defined in the Scheme*) by Resulting Company 2 to the equity shareholders of the Demerged Company in accordance with the Share Entitlement Ratio 2 (*as defined in the Scheme*); and
- (iii) matters consequential or connected therewith pursuant to Sections 230 to 232 of the Act and other applicable provisions thereof read with Section 2(19AA) of the Income-tax Act, 1961 and SEBI master circular bearing no. SEBI/HO/CFD/POD-2/P/ CIR/2023/93 'Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957' dated June 20, 2023, as amended from time to time or any other circulars issued by SEBI applicable to schemes of arrangement from time to time ("**SEBI Scheme Circular**"), in the manner provided for in the Scheme.

A copy of the Scheme which has been, *inter alia*, approved by the Audit Committee, Committee of Independent Directors and the Board of Directors ("**Board**") of the Demerged Company on February 16, 2024 and the Board of Directors of the Resulting Companies on February 25, 2024, is enclosed as **Annexure 1**.

Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.

## II. Date, time and mode of meeting

Pursuant to an Order dated October 22, 2024, passed by the NCLT in Company Application CA (CAA) No.36/BB/2024, the Meeting of the unsecured creditors of the Demerged Company, will be held for the purpose of their considering and, if thought fit approving, with or without modification(s), the said Scheme through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') on Monday, December 09, 2024 at 12:00 P.M. (IST). The Company is providing the facility to vote at the Meeting by electronic means, i.e., remote e-voting and e-voting at the Meeting.

## III. Need and rationale of the Scheme, benefits of the Scheme as perceived by the Board of Directors of the Companies, synergies of business of the Companies involved in the Scheme, impact of the Scheme on the shareholders and cost benefit analysis of the Scheme.

1. The Demerged Company was established in the year 2007, with a focus on providing business services, leveraging its extensive domain knowledge and future-ready digital platforms to drive client productivity through outsourced solutions.
2. Over the past 17 (seventeen) years, the Demerged Company has been a pioneering leader and has expanded its geographic presence and scale. The Demerged Company currently has offices across India, Southeast Asia, North America and Middle East.
3. The Demerged Company's business portfolio is spread across various business services platforms including Workforce Management, Global Technology Solutions, Operating Assets Management and Product-Led Business. These businesses are carried out directly by the Demerged Company as well as through its subsidiaries or associate companies.
4. The nature of technology, operations, customer landscape, risk, competition and operations involved in each of these businesses is distinct, and consequently, each business is capable of addressing independent business opportunities, deploying different technologies, and attracting different sets of talent, customers, investors, strategic partners, lenders and stakeholders.
5. In order to strengthen the value proposition for customers, unlock significant long-term valuation and upside value creation for the shareholders (through focused management, clearer choices of capital allocation, etc.) and to provide investors, strategic partners, lenders and stakeholders the flexibility to participate in some or all of these distinct businesses, the Demerged Company proposes to re-organise and segregate its business portfolio in the manner contemplated under this Scheme, as detailed below:
  - (i) the transfer of the Demerged Undertaking 1 (i.e., the undertaking engaged in Transferred Business 1) to Resulting Company 1; and
  - (ii) the transfer of the Demerged Undertaking 2 (i.e., the undertaking engaged in Transferred Business 2) to Resulting Company 2.
6. The Scheme will ensure long-term value creation and is in the best interest of the Companies and their respective shareholders, employees, creditors and other stakeholders.
7. The proposed restructuring pursuant to this Scheme, is expected, *inter alia*, to result in the following benefits:
  - (i) simplification of organisational and operating structure to enable sharper management focus on individual platforms and business requirements, thereby allowing management of each of the business undertakings to pursue independent growth strategies. The proposed restructuring will result in separation of the current diversified businesses under the Demerged Company to each of the Resulting Companies focusing on similar type of businesses and independent management of each of the businesses will be able to ensure the required depth and focus on each of the businesses and the adoption of strategies necessary for the growth of respective businesses;
  - (ii) facilitating the pursuit of scale and independent growth plans (organically and inorganically) of all segments with more focused management, flexibility and liquidity for the shareholders, following the listing of equity shares of the Resulting Companies, pursuant to the Scheme;
  - (iii) insulating and de-risking the businesses from one another;
  - (iv) unlocking value for the over-all business portfolio through better price discovery of individual platforms. Consequently, the proposed restructuring is expected to open-up windows to unlock value through potential divestments and acquisitions to achieve the scale of business in respective subsidiaries as well;

- (v) reinforcing strong stewardship through more value-focused capital allocation strategies and ensuring that existing and potential investors are able to realise full returns on their investments;
- (vi) facilitating creation of value for the shareholders through a segregated corporate structure by realigning the business portfolio of the Companies to attract specific investors for each of the businesses, and consequently, encouraging stronger capital market outcomes, and creating the ability to achieve valuation based on respective risk returns profile and cash flows;
- (vii) facilitating diversification by allowing investors to invest separately in different businesses with different investment characteristics thereby enabling them to select investments that best suit their investment strategies and risk profiles;
- (viii) creating an even stronger internal foundation for performance management and accountable ownership aligned with long-term shareholder value creation; and
- (ix) providing scope for mitigation of overlapping services, and enhancing the focus on independent business growth strategies and expansion for each of the business undertakings.

#### **Cost benefit analysis of the Scheme**

Although the Scheme would lead to incurring some costs by each of the Companies towards its implementation, the benefits of the Scheme over a longer period would far outweigh such costs for the stakeholders of the Companies in terms of improved competitiveness, operational efficiency and other benefits as specified under need & rationale of the Scheme. It will be beneficial for the Demerged Company and Resulting Companies.

#### **IV. Background of the Companies:**

##### **Particulars of the Demerged Company (Quess Corp Limited) as per Rule 6(3) of the Rules**

1. Quess Corp Limited/ the Demerged Company is a public listed company, limited by shares, incorporated under the Companies Act, 1956 bearing Corporate Identity No. L74140KA2007PLC043909. The Demerged Company was incorporated *vide* certificate of incorporation dated September 19, 2007 as "IRIS Human Capital Solutions Private Limited". Thereafter, *vide* fresh certificates of incorporation dated October 15, 2007 and July 02, 2013, the name of the Demerged Company was changed to "IKYA Human Capital Solutions Private Limited", and upon conversion to a public limited company, "IKYA Human Capital Solutions Limited" respectively. The name of the Demerged Company was changed to its current name i.e., "Quess Corp Limited" *vide* fresh certificate of incorporation dated January 02, 2015 with CIN: L74140KA2007PLC043909 and PAN: AABC17601M. The email address of the Demerged Company is [investors@quesscorp.com](mailto:investors@quesscorp.com) and the website is [www.quesscorp.com](http://www.quesscorp.com). The equity shares of the Demerged Company are listed on the BSE and the NSE. The registered office is at 3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore, Karnataka, India 560103.

There has been no change in the name, registered office and objects of the Demerged Company during the last 5 (five) years.

2. **The main objects of the Demerged Company:** The main objects of the Demerged Company as set out in its Memorandum of Association are, *inter alia*, as follows:
  1. *To carry on the business of human resource consultants, human resource recruitment and executive search service providers, contingency and temporary staff providers, human resource process outsources, pay roll management service providers, compliance management consulting services, finance, legal, & outsourced accounting services, outsourced statutory compliance services, services in managing corporate governance and corporate compliances, corporate social responsibility, strengthening corporate democracies, and the business of Education Certificate Verification, Professional License Certificate Verification, Pre- Employment Verification, Criminal Record Verification, Personal or Professional Reference Check, Address Verification. Court Record Retrieval, Immigration Screening, Military Record Check, Database Search, Civil and Criminal Litigation Search. Pre/Post Employment Monitoring / Lifestyle Check and all types of verification and checks, host for web based job boards, establish and run training and development centres/institutes, conduct performance assessments and tests for staff of customers including companies, central and state government departments, local authorities, education and research institutions and other organizations and to run training centers, technical centers, online education / e-learning portals.*
  2. *To carry on or undertake to recruit, arrange for training personnel in hardware and software platforms and to second the personnel for all kinds of business houses, offices, companies, firms and to do data preparation, processing. conversions centre for technical and business data, to develop processes and enter into contracts to provide services for e-commerce, online customer care, e-mail support, business process support, IT helpdesk, IT enabled services, Internet Application development, data warehousing, customer service consulting, technical support, data entry and*

*processing, medical transcription and electronic publishing, insurance data processing and to undertake to any of the following activities relating to Computer Software, namely system study and software feasibility analysis including analysis of existing stems, business analysis, project definition, conceptual design and prototyping and designing, developing and implementing customized software including collection and analyzation of client requirements, design of desired system, development and implementation of the system to the client's satisfaction and design, setup and administration of data base including understanding client data and procedures, designing of labels using structured methodology like entity relationship diagrams, installation, performance tuning and database administration, Computer Hardware namely assembly of computer hardware components, sale and distribution of computer Hardware, maintenance of computer hardware systems including servicing and any other activity relating to computer hardware and development of internet and internet solutions including selection and implementation of the right solutions, development of static, dynamic content and CGI from concept to installation and development of specialized quality assurance methodology including development of the optimum testing procedures for all levels of testing including module and regression testing, automation of test procedures based on client requirements and setup and management of help desks deriving innovative help desk solutions for all support related work.*

3. *To carry on the business of all types of facility management services such as housekeeping, man power supply, civil, carpentry, repair, electrical, plumbing, painting, landscaping and gardening, water supply, event management services, food preparation, food supply services, kitchen maintenance services, cafeteria and catering services, laundry and linen management services, pest control services, staffing services, mail management and distribution services, waste management services, document management and retrieval services, computer hardware and software installation and maintenance services, employee and goods transportation services, vehicle and fleet management services, guest house and residence maintenance and upkeep services, stationery procurement, distribution and maintenance services, daily coffee/tea distribution services, manned guarding services, cash and valuables guarding and transportation services, cash management services, employee welfare, communication (fixed mobile and landline) facilities, installation and maintenance services, air conditioning and clean room services, carpet cleaning and floor management and for this purpose running professional training organization in the areas of electrical, plumbing, carpentry, painting, gardening, maintenance works, event management and facility management services, facilitate collection of tolls, fees, cess, rents, from users of various facilities.*
4. *To carry on the business of industrial asset management, electrical engineers, electro mechanical engineers, and to provide integrated property management services to all kinds of residential and commercial establishments including landscaping, fire, safety & security auditing, E. H. S audit, vehicle fleet management, engineering services, air- conditioning system cleaning, air and water purification solution, captive power generation plant, DG sets, fire detection & fire fighting systems, telephones and intercoms, data and voice communication, structured cabling, water management, drainage system maintenance, civil services, elevator maintenance, oil & gas plant maintenance services, west management, secretarial services, canteen and pantry services and other operational maintenance, and to establish, maintain, run and operate workshops and engineering units for manufacturing and/ or repairing and refurbishing industrial machineries, equipments, engineering goods and materials, tools and appliances and to design and manufacture and supply the advanced systems, high precision components, spares, components, tools and patterns required for production of high precision cast components & integrated systems, and other related parts for industry, and to establish run industrial laboratories including condition monitoring laboratories to facilitate diagnostic and preventive maintenance, to buy, sell, import, export and deal with all kinds of railway passenger information systems, their accessories spares and components and to sell space and time for advertising in display devices or systems.*
5. *To undertake activities for education, training, skill development, to establish, maintain, run and operate workshops and engineering units, to train personnel in industries, companies, offices and business and to set up and run colleges, educational institutions, consultancy courses in management, business process outsourcing, domestic and or cross border/global business practices, corporate governance, leadership skills, special skills based team development programme, career development and orientation programmers and to act as franchisers or franchisees and to act as management consultants, technical, commercial, industrial, advisors, market investigators, sales promoters, industrial engineers, business houses, export houses for finance, technical, production, administration, planning, administrative, marketing, labour, software, hardware and such other area required for the purpose of carrying on business.*
6. *To carry on in India and abroad the business to provide all kinds and types of security as services, including but not limited to, security services, monitoring services, surveillance services, protection services, guarding services, manned guarding services, sentinel services, training services, and other similar services, for all movable and immovable properties, assets, goods, chattels, buildings, roads, housing, residential, commercial and industrial complexes, telecom, complexes, telecom towers, base stations, defense establishments, windmills, solar farms and*

other establishments, airport, naval base, army camps and stations malls, stadiums, theatres, and all other premises; whether with or without manpower or with use of electronic devices and using all kinds of technologies, whether existing or that may be invented in future, including audio, video, data, net, Intellectual Property, satellite, microwave, robotics, central monitoring stations, video monitoring stations, and other similar monitoring stations or facilities, security protection and management systems, cameras, access cards, remote monitoring, control panel, access control and biometric systems, intrusion detection systems, security gadgets, parking control, badging systems, communication and data systems and other similar systems, equipments and gadgets; or through security personnel at various levels, including guards, supervisors, officers, managers, and providing manpower response through patrol team, beat marshals, battalion or like, whether on hire, outright basis, or otherwise; and to manufacture, make, produce, assemble, customize, process, buy, purchase, sale, transfer, barter, exchange, import, export, hire, licence, use, dispose off, operate, distribute, acquire, market, install, uninstall, connect, disconnect, arm, disarm, maintain, repair, service, condition, recondition and otherwise to deal in any manner, in all kinds and types of security systems, intelligent systems, control panels and systems, whether automated, manual, electronic, microprocessor based, intelligent, robotised, electrical, physical, or otherwise; and all kinds and types of their apparatuses, equipments, control panels, accessories, spares and parts, C.C.T.V.s., speakers, lights, sensors, smart cards or any other type of cards containing digitized, data recording and like, whether for use in industrial, commercial, government, semi-government, institutional, domestic and household, wholesale, retail, residential, agricultural, defense, media, communication, telecommunication, hydrocarbon, or for any other sectors or otherwise, for the purposes of or relating to providing of safety, security, surveillance, control, monitor, watch, supervise, diligence, e-governance, alarming, signal, communication, create barriers or other similar purposes; and to provide all the above services using the various combinations of equipments, gadgets, tools, systems and manpower.

7. To carry on the business of all logistics services and logistics service solutions, freight forwarding, cargo handling, shipping, transport and allied logistics services either by road, rail, air in India and abroad and to setup, develop, acquire, deal-in, manage warehousing, logistics, industrial infrastructures including industrial warehouse(s), industrial park(s), logistic park(s) and such other warehousing, logistic facilities and for that purpose, to enter into transactions to buy, acquire, own, purchase, lease, source, develop, construct, build, alter, convert, improve, design, erect, establish, equip, cut to size, dismantle, pull down, turn to account, furnish, level, decorate, fabricate, install, finish, repair, maintain, search, survey, examine, inspect, locate, modify, operate, protect, promote, provide, participate, file bids, and participate in auctions, reconstruct, grout, dig, excavate, pour, renovate, remodel, rebuild, undertake, contribute, assist, handover or deal in any other form and types of lands, buildings, properties.
3. **Summary of main business of the Demerged Company:** The Company provides a host of technology-enabled staffing and managed outsourcing services across processes such as sales & marketing, customer care, after-sales service, back office operations, telecom operations, manufacturing operations, facilities and security management, HR & F&A operations, IT & mobility services, etc.
4. **Details of the capital structure of the Company including authorised, issued, subscribed and paid up share capital:** The authorised, issued, subscribed and paid-up share capital as on September 30, 2024 was as follows:

| Details  | Amount (Rs.)   |
|--|----------------|
| <b>Authorized Share Capital</b>  |                |
| 39,38,50,000 (Thirty-Nine Crores Thirty-Eight Lakhs and Fifty Thousand) equity shares of Rs. 10/- (Indian Rupees Ten only) each                            | 3,93,85,00,000 |
| <b>Total</b>   | 3,93,85,00,000 |
| <b>Issued, Subscribed and Paid-up Share Capital</b>  |                |
| 14,86,25,678 (Fourteen Crores Eighty-Six Lakhs Twenty Five Thousand Six Hundred and Seventy Eight) equity shares of Rs. 10/- (Indian Rupees Ten only) each | 1,48,62,56,780 |

The Demerged Company has been authorised to grant up to 36,50,000 (Thirty-Six Lakhs and Fifty Thousand), restricted stock units to its employees pursuant to the QSOP 2020. Of this, as on March 31,2024, 7,37,507 (Seven lakh Thirty-Seven Thousand Five Hundred and Seven) restricted stock units have been exercised, and the remaining 29,12,493 (Twenty-Nine Lakhs Twelve Thousand Four Hundred and Ninety-Three) restricted stock units are yet to be granted and/or exercised. The restricted stock units yet to be granted and/or exercised may get exercised before the Effective Date resulting in an increase in the number of equity shares and issued, subscribed and paid-up share capital of the Demerged Company from time to time. The total number of equity shares that can be issued under the QSOP 2020 upon exercise of such 29,12,493 (Twenty-Nine Lakhs Twelve Thousand Four Hundred and Ninety-Three) restricted stock units, shall not exceed 29,12,493 (Twenty-Nine Lakhs Twelve Thousand Four Hundred and Ninety-Three) equity shares, i.e., 1.96% (one point nine six per cent) of the

issued, subscribed and paid-up share capital of the Demerged Company as on March 31, 2024. For avoidance of doubt, it is clarified that any variation in the issued, subscribed and paid-up share capital of the Demerged Company, on account of exercise of the aforementioned outstanding restricted stock units granted to the employees pursuant to the QSOP 2020 before the Effective Date will not warrant any change in the Share Entitlement Ratio 1 and/or Share Entitlement Ratio 2.

5. The unaudited standalone and consolidated financial results (limited reviewed) of the Demerged Company for the second quarter and half year ended September 30, 2024, is enclosed as **Annexure 13**, and are also available on the Company's website at [www.quescorp.com](http://www.quescorp.com) and are available for inspection at the registered office of the Company.
6. **The details of Promoters and Directors of the Company as on September 30, 2024 along with their addresses are mentioned herein below:**

The details of the promoters of the Company are as follows:

| Sr. No | Name                                      | Category       | Address  |
|--------|---|----------------|--|
| 1      | Ajit Isaac                                | Promoter       | 242, 3rd Main, 4th Cross, 1st Block Koramangala, Bengaluru, Karnataka 560034                           |
| 2      | Isaac Enterprises LLP                     | Promoter Group | New No 29, Old No 33, X Block, 5th Street, Chennai 600040  |
| 3      | Net Resources Investments Private Limited | Promoter Group | New No.29, Old No.33, X block, 5th Street, Annanagar, Chennai, Tamil Nadu 600040                       |
| 4      | Fairbridge Capital (Mauritius) Limited    | Promoter       | Deutsche Bank AG, DB house, Hazarimal Somani Marg, P.O. Box No. 1142, Fort, Mumbai 400001              |
| 5      | Hwic Asia Fund Class A Shares             | Promoter Group | Deutsche Bank AG, DB house, Hazarimal Somani Marg, P.O. Box No. 1142, Fort, Mumbai 400001              |
| 6      | Thomas Cook (India) Limited               | Promoter Group | 11th Floor, Marathon Futurex, NM Joshi Marg, Lower Parel East, Mumbai City, Mumbai, Maharashtra 400013 |

The details of the directors of the Company are as follows:

| Sr. No | Name of Director               | Designation   | Address  |
|--------|--------------------------------|---|--|
| 1      | Mr. Ajit Isaac                 | Non-Executive - Non Independent Director- Chairperson | 242, 3rd Main, 4th Cross, 1st Block Koramangala, Bengaluru, Karnataka 560034   |
| 2      | Mr. Guruprasad Srinivasan      | Executive Director and Group CEO                      | 145, Gurukrupa Nilaya, 3rd Floor, 4th Main, BEML Layout 5th Stage, Rajarajeshwari Nagar. Bangalore-560098, Karnataka |
| 3      | Mr. Chandran Ratnaswami        | Non-Executive - Non Independent Director              | 177, Mckee Avenue, Ontario, Toronto, M2N 4C6   |
| 4      | Mr. Gopalakrishnan Soundarajan | Non-Executive - Non Independent Director              | 35, Balmuto St., Suite 2301, Toronto, Canada - M4Y0A3  |
| 5      | Ms. Revathy Ashok              | Non-Executive Independent Director                    | 139/6-2, Domlur Layout, Bangalore-560071   |
| 6      | Mr. Sanjay Anandaram           | Non-Executive Independent Director                    | Villa 36, Prestige Ozone, Hagadur Main Road, Off Whitefield Main Road, Behind Nexus Value Mall, Bangalore-560066     |
| 7      | Mr. K R Girish                 | Non-Executive Independent Director                    | 272, 2nd Main Laughing Waters, Varthur Road, Whitefield, Bengaluru 560066  |
| 8      | Mr. Gaurav Mathur              | Non-Executive Independent Director                    | 801, Sumer Trinity Tower 1, Prabhadevi, Mumbai - 400025  |

#### **Particulars of Resulting Company 1 (Digitide Solutions Limited) as per Rule 6(3) of the Rules**

1. Digitide Solutions Limited/ Resulting Company 1 is an unlisted public company, limited by shares, and was incorporated on February 10, 2024 under the provisions of the Companies Act, 2013 with Registrar of Companies, Karnataka. The shares

of the Resulting Company 1 are held by the Demerged Company and its nominees, making it a wholly owned subsidiary of the Demerged Company. The CIN of Resulting Company 1 is U62099KA2024PLC184626 and PAN: AAKCD6353Q. The registered office is at 3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore, Karnataka, India 560103. The email ID of Resulting Company 1 is: [cosecretary@quesscorp.com](mailto:cosecretary@quesscorp.com).

There has been no change in the name, registered office and objects of Resulting Company 1 during the last 5 (five) years.

2. **The main objects of Resulting Company 1:** The main objects of Resulting Company 1 as set out in its Memorandum of Association are, *inter alia*, as follows:

- (a) *To engage, directly or indirectly, and to appoint any agents, dealers, consultants or other persons/entities to engage on behalf of the Company, in the business of provision of business process outsourcing services through any mode (whether through individual-to-individual interaction, telecommunication interface or through internet or audio/video broadcast medium), to establish, maintain and provide services via an integrated call center including but not limited to customer/client relationship management services, technical and other support services, sales administration services, marketing, promotion and advertising services, telemarketing, collection services, credit research and verification, creation, maintenance, updating and storage of databases and information of any kind and nature, surveys, market research, web-site navigation support, preparation, printing and dissemination of reports, analyses, notes, statements and any other kind of documents or information, transaction processing services (including but not limited to maintenance and updating of accounting and/or costing and/or management records and books, accounts and records reconciliation, maintain insurance policies in electronic form (e insurance policies) and act as an Insurance Repository, insurance documentation processing, loan/mortgage processing, order processing, accounts receivables management, accounts payable management, processing, preparation and dissemination of payment instruments, record keeping and indexing, bill/invoice processing, data processing), provision of fraud prevention/management services and corporate data management.*
- (b) *To carry on or undertake to recruit, arrange for training personnel in hardware and software platforms and to second the personnel for all kinds of business houses, offices, companies, firms and to do data preparation, processing, conversions centre for technical and business data, to develop processes and enter into contracts to provide services for e-commerce, online customer care, e-mail support, business process support, IT helpdesk, IT enabled services, Internet Application development, data warehousing, customer service consulting, call centre, technical support, data entry and processing, medical transcription and electronic publishing, insurance data processing and to undertake to any of the following activities relating to Computer Software, namely system study and software feasibility analysis including analysis of existing stems, business analysis, project definition, conceptual design and prototyping and designing, developing and implementing customized software including collection and analyzation of client requirements, design of desired system, development and implementation of the system to the client's satisfaction and design, setup and administration of data base including understanding client data and procedures, designing of labels using structured methodology like entity relationship diagrams, installation, performance tuning and database administration, Computer Hardware namely assembly of computer hardware components, sale and distribution of computer Hardware, maintenance of computer hardware systems including servicing and any other activity relating to computer hardware and development of internet and internet solutions.*
- (c) *To buy, sell, market, lease or deal in all manner computer hardware, software, peripherals, communication equipment's, computer accessories, training materials, components, spare parts and other electronic items in India and abroad, including internet and intranet systems, satellites and the like and such other products arising out of technological advancements in these areas.*

3. **Summary of main business of Resulting Company 1:** Resulting Company 1 is engaged in the business of business process outsourcing services such as customer/client relationship management services, technical and other support services, sales administration services, marketing, promotion, etc.

4. **Details of the capital structure of Resulting Company 1 including authorised, issued, subscribed and paid up share capital:** The authorized, issued, subscribed and paid-up share capital as on September 30, 2024 was as follows:

| Details   | Amount (Rs.)     |
|---|------------------|
| <b>Authorized Share Capital</b>   |                  |
| 1,00,000 (One Lakh) equity shares of Rs. 10/- (Indian Rupees Ten only) each   | 10,00,000        |
| <b>TOTAL</b>  | <b>10,00,000</b> |
| <b>Issued, Subscribed and Paid-up Share Capital</b>                           |                  |
| 10,000 (Ten Thousand) equity shares of Rs. 10/- (Indian Rupees Ten only) each | 1,00,000         |

5. The unaudited financial results of Resulting Company 1 for the second quarter and half year ended September 30, 2024, enclosed as **Annexure 14A**, and is available for inspection at the registered office of Resulting Company 1.
6. **The details of Promoters and Directors of Resulting Company 1 as on September 30, 2024 along with their addresses are mentioned herein below:**

The details of the promoters of Resulting Company 1 are as follows:

| Sr. No | Name   | Category | Address  |
|--------|--|----------|--|
| 1      | Quess Corp Limited (holding 100% equity along with its nominees) | Promoter | 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru - 560103 |

*As on the date of this Notice, the Demerged Company holds the entire shareholding of Resulting Company 1 along with its 6 (six) nominee shareholder's holding 1 (one) equity share each. The beneficial interest of such equity shares is held by the Demerged Company. Upon the Scheme becoming effective, the shareholders of Demerged Company will be allotted New Equity Shares 1 of Resulting Company 1 in accordance with Clause 14 of the Scheme, and therefore, all the shareholders of Demerged Company will become shareholders of Resulting Company 1. The Promoter and Promoter Group of Demerged Company shall become the Promoter and Promoter group of Resulting Company 1 in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Further, the value of existing share capital held by Demerged Company in Resulting Company 1 will be cancelled pursuant to Clause 34 of the Scheme.*

The details of the directors of the Resulting Company 1 are as follows:

| S r . No | Name of Director          | Designation            | Address   |
|----------|---------------------------|------------------------|---|
| 1        | Mr. Guruprasad Srinivasan | Non-Executive Director | 145, Gurukrupa Nilaya, 3rd Floor, 4th Main, BEML Layout 5th Stage, Rajarajeshwari Nagar. Bangalore-560098, Karnataka      |
| 2        | Mr. Kamal Pal Hoda        | Non-Executive Director | 1E 306, Divyasree Elan Homes, Opp. Total Mall, Sarjapur Road, Bangalore, Karnataka-560035                                 |
| 3        | Ms. Ruchi Ahluwalia       | Non-Executive Director | A-301, Gopalan Habitat Splendour, ITPL Main Road, Next To CMRIT, Kundalahalli, Doddanekkundi, Bangalore, Karnataka-560037 |

#### **Particulars of the Resulting Company 2 (Bluspring Enterprises Limited) as per Rule 6(3) of the Rules**

1. Bluspring Enterprises Limited/ Resulting Company 2 is an unlisted public company, limited by shares, and was incorporated on February 11, 2024 under the provisions of the Companies Act, 2013 with Registrar of Companies, Karnataka. The shares of Resulting Company 2 are held by the Demerged Company and its nominees, making it a wholly owned subsidiary of the Demerged Company. The CIN of Resulting Company 2 is U81100KA2024PLC184648 and PAN: AAMCB3236E. The Registered Office is at 3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore, Karnataka, India 560103. The email ID of Resulting Company 2 is: [cosecretary@quesscorp.com](mailto:cosecretary@quesscorp.com).

There has been no change in the name, registered office and objects of Resulting Company 2 during the last 5 (five) years.

2. **The main objects of Resulting Company 2:** The main objects of Resulting Company 2 as set out in its Memorandum of Association are, *inter alia*, as follows:
  - (a) *To carry on the business of all types of facility management services such as housekeeping, man power supply, civil, carpentry, repair, electrical, plumbing, painting, landscaping and gardening, water supply, event management services, food preparation, food supply services, kitchen maintenance services, cafeteria and catering services, laundry and linen management services, pest control services, staffing services, mail management and distribution services, waste management services, document management and retrieval services and maintenance services, employee and goods transportation services, vehicle and fleet management services, guest house and residence maintenance and upkeep services, stationery procurement, distribution and maintenance services, daily coffee/tea distribution services, manned guarding services, cash and valuables guarding and transportation services, cash management services, employee welfare, communication (fixed mobile and landline) facilities, installation and maintenance services, air conditioning and clean room services, carpet cleaning and floor management and for this purpose running professional training organization in the areas of electrical, plumbing, carpentry, painting, gardening, maintenance works, event management and facility management services, facilitate collection of tolls,*

fees, cess, rents, from users of various facilities.

- (b) To carry on the business of Industrial and/or Operating Asset Management, electrical engineers, electro mechanical engineers, and to provide Integrated Property Management Services to all kinds of Residential and commercial establishments including Landscaping, Fire, Safety & Security Auditing, E. H. S Audit, Vehicle fleet management, Engineering services, Air- conditioning System cleaning, Air & water purification solution, Captive Power Generation plant, DG sets, Fire detection & fire-fighting systems, Telephones and Intercoms, Data and voice communication, Structured cabling, Water management, Drainage system maintenance, Civil Services, Elevator maintenance, oil & gas plant maintenance services, West management, Secretarial Services, Canteen & Pantry Services and other operational maintenance including contract manufacturing and deal with all kinds of Railway Passenger information Systems, their accessories spares and components and to sell space and time for advertising in display devices or systems.
- (c) To carry on in India and abroad the business to provide all kinds and types of security as services, including but not limited to, security services, monitoring services, surveillance services, protection services, guarding services, manned guarding services, sentinel services, training services, and other similar services, for all movable and immovable properties, all establishments, airport, naval base, army camps and stations malls, stadiums, theatres, and all other premises whether with or without manpower or with use of electronic devices and using all kinds of technologies.
- (d) To act as management consultants, technical, Commercial, Industrial, Advisors, Market Investigators, Sales Promoters, Industrial Engineers, business houses, export houses for finance, technical, production, administration, planning, administrative, marketing, labour, software, hardware and such other area required for the purpose of carrying on business.
3. **Summary of main business of Resulting Company 2:** Resulting Company 2 is engaged in providing facility management services such as housekeeping, manpower supply, civil, carpentry, repair, electrical, plumbing, painting, landscaping etc.
4. **Details of the capital structure of Resulting Company 2 including authorised, issued, subscribed and paid up share capital:** The authorised, issued, subscribed and paid-up share capital as on September 30, 2024 was as follows:

| Details   | Amount (Rs.)     |
|---|------------------|
| <b>Authorised Share Capital</b>   |                  |
| 1,00,000 (One Lakh) equity shares of Rs. 10/- (Indian Rupees Ten only) each   | 10,00,000        |
| <b>TOTAL</b>  | <b>10,00,000</b> |
| <b>Issued, Subscribed and Paid-up Share Capital</b>                           |                  |
| 10,000 (Ten Thousand) equity shares of Rs. 10/- (Indian Rupees Ten only) each | 1,00,000         |

5. The unaudited financial results of Resulting Company 2 for the second quarter and half year ended September 30, 2024, enclosed as **Annexure 14B**, and is available for inspection at the registered office of Resulting Company 2.
6. **The details of Promoters and Directors of Resulting Company 2 as on September 30, 2024 along with their addresses are mentioned herein below:**

The details of the promoters of Resulting Company 2 are as follows:

| Sr. No | Name   | Category | Address  |
|--------|--|----------|--|
| 1      | Quess Corp Limited (holding 100% equity along with its nominees) | Promoter | 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru - 560103 |

As on the date of this Notice, the Demerged Company holds the entire shareholding of Resulting Company 2 along with its 6 (six) nominee shareholder's holding 1 (one) equity share each. The beneficial interest of such equity shares is held by the Demerged Company. Upon the Scheme becoming effective, the shareholders of Demerged Company will be allotted New Equity Shares of Resulting Company 2 in accordance with Clause 25 of the Scheme, and therefore, all the shareholders of Demerged Company will become shareholders of Resulting Company 2. The Promoter and Promoter Group of Demerged Company shall become the Promoter and Promoter group of Resulting Company 2 in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Further, the value of existing share capital held by Demerged Company in Resulting Company 2 will be cancelled pursuant to Clause 34 of the Scheme.

The details of the directors of Resulting Company 2 are as follows:

| Sr. No | Name of Director          | Designation            | Address   |
|--------|---------------------------|------------------------|---|
| 1      | Mr. Guruprasad Srinivasan | Non-Executive Director | 145, Gurukrupa Nilaya, 3rd Floor, 4th Main, BEML Layout 5th Stage, Rajarajeshwari Nagar. Bangalore-560098, Karnataka      |
| 2      | Mr. Kamal Pal Hoda        | Non-Executive Director | 1E 306, Divyasree Elan Homes, Opp. Total Mall, Sarjapur Road, Bangalore, Karnataka-560035                                 |
| 3      | Ms. Ruchi Ahluwalia       | Non-Executive Director | A-301, Gopalan Habitat Splendour, ITPL Main Road, Next To CMRIT, Kundalahalli, Doddanekkundi, Bangalore, Karnataka-560037 |

#### V. Salient features of the Scheme, including Effective Date, Appointed Date, Record Date and Consideration

The salient features of the Scheme are, inter-alia, are extracted below. The capitalized terms used herein shall have the same meaning as ascribed to them in the Scheme:

*“The Scheme provides inter alia for:*

- (i) *the demerger of Demerged Undertaking 1 to Resulting Company 1;*
- (ii) *the consequent issuance of the New Equity Shares 1 by Resulting Company 1 to the equity shareholders of the Demerged Company;*
- (iii) *the demerger of Demerged Undertaking 2 to Resulting Company 2;*
- (iv) *the consequent issuance of the New Equity Shares 2 by Resulting Company 2 to the equity shareholders of the Demerged Company; and*
- (v) *matters consequential or connected therewith;*

*pursuant to Sections 230 to 232 of the Act and other applicable provisions thereof read with Section 2(19AA) of the Income-tax Act, 1961, and the SEBI Scheme Circular.*

#### 1. Definitions

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

*“Appointed Date” means the opening of business hours on April 01, 2024 or such other date as approved by the NCLT.*

*“Demerged Undertaking 1” means all the businesses, undertakings, activities, operations and properties of the Demerged Company, of whatsoever nature and kind and wheresoever situated, in each case, forming part of or necessary or advisable for the conduct of, or the activities or operations, pertaining to Transferred Business 1, as a going concern without any break or interruptions in the operations thereof, including but not limited to, the following:*

- (i) *all immovable properties and rights thereto i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including roads, drains and culverts, bunk houses, civil works, foundations for civil works, buildings, warehouses, offices, etc., which form part of Transferred Business 1 (including freehold and lease hold properties) whether or not recorded in the books of accounts of the Demerged Company and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest, benefits and interests of rental agreements for lease or license or other rights to use of premises, in connection with the said immovable properties;*
- (ii) *all assets as are movable or immovable in nature forming part of Transferred Business 1, whether present or future or contingent, tangible or intangible, in possession or not, corporeal or incorporeal, in each case, wherever situated (including plant and machinery, capital work in progress, furniture, fixtures, fixed assets, computers, air conditioners, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventories, stock in trade, stores and spares, packing material, raw material, tools and plants), actionable claims, earnest monies, security deposits paid or deemed to have been paid and sundry debtors, prepaid expenses, bills of exchange, promissory notes, financial assets, shares, securities and/ or investments in entities/ branches undertaken by Transferred Business 1, outstanding loans and advances, recoverable in cash or in kind or for value to be received, receivables,*

*funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other Persons, dividends declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates, the benefits of any bank guarantees, performance guarantees and Tax related assets/credits, which relate to Transferred Business 1, including but not limited to GST input credits, service tax input credits, central value added tax credits, value added/ sales tax/ entry tax credits or set-offs, advance tax, credit of withholding tax/ TDS, Taxes collected at source, Taxes withheld/ paid in a foreign country, self-assessment tax, regular tax, dividend distribution tax, securities transaction tax, deferred tax assets/ liabilities, Tax refunds, rights of any claim not made by the Demerged Company in respect of any refund of Tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Demerged Company and any interest thereon, with regard to any law, act or rule or scheme made by the Appropriate Authority;*

- (iii) *goods, equipments, and other tangible property of every kind, nature and description, and all other assets pertaining to Transferred Business 1 including all of the aforementioned items as recorded in the fixed assets register of the Demerged Company in relation to Transferred Business 1;*
- (iv) *all goodwill of the Demerged Company in relation to Transferred Business 1;*
- (v) *all inventories, stock-in-trade or stock – in-transit and merchandise including raw materials, supplies, finished goods, wrapping supply and packaging items of Transferred Business 1 along with the marketing and distribution channels of Transferred Business 1;*
- (vi) *investments, cash and bank balances, financial assets, insurances, provisions, funds, equipments, book debts and debtors and any related capitalized items and other tangible property of every kind, nature and description, and all other assets pertaining to Transferred Business 1;*
- (vii) *all Permits, quotas, rights, entitlements, licenses, permissions, right of way, approvals, authorisations, clearances, consents, benefits, registrations, pre-qualifications, eligibility criteria, credits, certificates, awards, sanctions, allotments, no objection certificates, exemptions, pre-qualifications, bid acceptances, concessions, subsidies, Tax deferrals, incentives and exemptions and other benefits (in each case including the benefit of any applications made for the same), income tax benefits and exemptions (including the certificates obtained under Section 197(1) of the IT Act) including the right to deduction for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the deduction is available in law, if any, liberties and advantages, approval for commissioning of project and other benefits, lease rights, licenses or clearances granted/ issued/ given by any governmental, statutory or regulatory or local or administrative bodies, organizations or companies for the purpose of carrying on Transferred Business 1 or in connection therewith including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that form part of Transferred Business 1;*
- (viii) *all earnest moneys and/or security deposits and/or advances paid by the Demerged Company in relation to Transferred Business 1 and benefit of any deposits;*
- (ix) *all Contracts, agreements, purchase orders, service orders, operation and maintenance contracts, memoranda of understanding, undertakings, memoranda of agreed points, bids, tenders, tariff policies, expressions of interest, letters of intent, hire and purchase arrangements, equipment purchase agreements, lease/ license agreements, tenancy rights, agreements/ panchnamas for right of way, agreement with customers, purchase and other agreements with the supplier/ manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether vested or potential and written, oral or otherwise and all rights, title, interests, assurances, claims and benefits thereunder forming part of Transferred Business 1;*
- (x) *all insurance policies pertaining to Transferred Business 1;*
- (xi) *all Intellectual Property rights, applications (including hardware, software, licenses, source codes, para meterisation and scripts), registrations, goodwill, trade names, service marks, copyrights, patents, project designs, marketing authorization, approvals, marketing intangibles, Permits, permissions, incentives, privileges, special status, domain names, designs, trade secrets, research, quotations, sales and marketing materials, manuals, credit and pricing information and studies, technical knowhow, confidential information, other information on the customer base, customer relationship, customer behaviour, and other benefits (in each case including the benefit of any applications made for the same) and all such rights of whatsoever description and nature that form part of Transferred Business 1;*
- (xii) *all rights to use and avail telephones, facsimile, email, internet, leased line connections and installations, utilities,*

*electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, Contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Demerged Company forming part of Transferred Business 1 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Demerged Company and forming part of Transferred Business 1;*

- (xiii) *all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/ supplier pricing information, and all other books and records, whether in physical or electronic form that form part of Transferred Business 1;*
- (xiv) *the Transferred Liabilities 1;*
- (xv) *the employees of Transferred Business 1 including their liabilities with respect to restricted stock options in terms of the QSOP 2020, payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise, as on the Effective Date;*
- (xvi) *all legal or other proceedings of whatsoever nature that form part of Transferred Business 1, which are capable of being continued by or against Resulting Company 1 under Applicable Law; and*
- (xvii) *any assets, liabilities, agreements, undertakings, activities, operations or properties that are determined by the Boards of the Demerged Company and Resulting Company 1 as relating to or forming part of Transferred Business 1 or, which are necessary for conduct of, or the activities or operations of Transferred Business 1.*

*It is hereby clarified that if any question arises as to whether any particular asset (tangible or intangible), property (movable or immovable), liability and/ or employee pertains to Demerged Undertaking 1 or whether or not it arises out of or connected to the activities or operations of Demerged Undertaking 1, the same shall be decided mutually by the Boards of the Demerged Company and Resulting Company 1 and such mutual decision shall be conclusive and binding on the Demerged Company and Resulting Company 1.*

*“Demerged Undertaking 2” means all the businesses, undertakings, activities, operations and properties of the Demerged Company, of whatsoever nature and kind and wheresoever situated, in each case, forming part of or necessary or advisable for the conduct of, or the activities or operations, pertaining to Transferred Business 2, as a going concern without any break or interruptions in the operations thereof, including but not limited to, the following:*

- (i) *all immovable properties and rights thereto i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including roads, drains and culverts, bunk houses, civil works, foundations for civil works, buildings, warehouses, offices, etc., which form part of Transferred Business 2 (including freehold and lease hold properties) whether or not recorded in the books of accounts of the Demerged Company and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest, benefits and interests of rental agreements for lease or license or other rights to use of premises, in connection with the said immovable properties;*
- (ii) *all assets as are movable or immovable in nature forming part of Transferred Business 2, whether present or future or contingent, tangible or intangible, in possession or not, corporeal or incorporeal, in each case, wherever situated (including plant and machinery, capital work in progress, furniture, fixtures, fixed assets, computers, air conditioners, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventories, stock in trade, stores and spares, packing material, raw material, tools and plants), actionable claims, earnest monies, security deposits paid or deemed to have been paid and sundry debtors, prepaid expenses, bills of exchange, promissory notes, financial assets, shares, securities and/ or investments in entities/ branches undertaken by Transferred Business 2, outstanding loans and advances, recoverable in cash or in kind or for value to be received, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other Persons, dividends declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates, the benefits of any bank guarantees, performance guarantees and Tax related assets/credits, which relate to Transferred Business 2, including but not limited to GST input credits, service tax input credits, central*

- value added tax credits, value added/ sales tax/ entry tax credits or set-offs, advance tax, credit of withholding tax/ TDS, Taxes collected at source, Taxes withheld/ paid in a foreign country, self-assessment tax, regular tax, dividend distribution tax, securities transaction tax, deferred tax assets/ liabilities, Tax refunds, rights of any claim not made by the Demerged Company in respect of any refund of Tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Demerged Company and any interest thereon, with regard to any law, act or rule or scheme made by the Appropriate Authority;*
- (iii) *goods, equipments, and other tangible property of every kind, nature and description, and all other assets pertaining to Transferred Business 2 including all of the aforementioned items as recorded in the fixed assets register of the Demerged Company in relation to Transferred Business 2;*
  - (iv) *all goodwill of the Demerged Company in relation to Transferred Business 2;*
  - (v) *all inventories, stock-in-trade or stock – in-transit and merchandise including raw materials, supplies, finished goods, wrapping supply and packaging items of Transferred Business 2 along with the marketing and distribution channels of Transferred Business 2;*
  - (vi) *investments, cash and bank balances, financial assets, insurances, provisions, funds, equipments, book debts and debtors and any related capitalized items and other tangible property of every kind, nature and description, and all other assets pertaining to Transferred Business 2;*
  - (vii) *all Permits, quotas, rights, entitlements, licenses, permissions, right of way, approvals, authorisations, clearances, consents, benefits, registrations, pre-qualifications, eligibility criteria, credits, certificates, awards, sanctions, allotments, no objection certificates, exemptions, pre-qualifications, bid acceptances, concessions, subsidies, Tax deferrals, incentives and exemptions and other benefits (in each case including the benefit of any applications made for the same), income tax benefits and exemptions (including the certificates obtained under Section 197(1) of the IT Act) including the right to deduction for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the deduction is available in law, if any, liberties and advantages, approval for commissioning of project and other benefits, lease rights, licenses or clearances granted/ issued/ given by any governmental, statutory or regulatory or local or administrative bodies, organizations or companies for the purpose of carrying on Transferred Business 2 or in connection therewith including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that form part of Transferred Business 2;*
  - (viii) *all earnest moneys and/or security deposits and/or advances paid by the Demerged Company in relation to Transferred Business 2 and benefit of any deposits;*
  - (ix) *all Contracts, agreements, purchase orders, service orders, operation and maintenance contracts, memoranda of understanding, undertakings, memoranda of agreed points, bids, tenders, tariff policies, expressions of interest, letters of intent, hire and purchase arrangements, equipment purchase agreements, lease/ license agreements, tenancy rights, agreements/ panchnamas for right of way, agreement with customers, purchase and other agreements with the supplier/ manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether vested or potential and written, oral or otherwise and all rights, title, interests, assurances, claims and benefits thereunder forming part of Transferred Business 2;*
  - (x) *all insurance policies pertaining to Transferred Business 2;*
  - (xi) *all Intellectual Property rights, applications (including hardware, software, licenses, source codes, para meterisation and scripts), registrations, goodwill, trade names, service marks, copyrights, patents, project designs, marketing authorization, approvals, marketing intangibles, Permits, permissions, incentives, privileges, special status, domain names, designs, trade secrets, research, quotations, sales and marketing materials, manuals, credit and pricing information and studies, technical knowhow, confidential information, other information on the customer base, customer relationship, customer behaviour, and other benefits (in each case including the benefit of any applications made for the same) and all such rights of whatsoever description and nature that form part of Transferred Business 2;*
  - (xii) *all rights to use and avail telephones, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, Contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Demerged Company forming part of Transferred Business 2 and all other interests of whatsoever nature belonging to or in the ownership, power,*

*possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Demerged Company and forming part of Transferred Business 2;*

- (xiii) *all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/ supplier pricing information, and all other books and records, whether in physical or electronic form that form part of Transferred Business 2;*
- (xiv) *the Transferred Liabilities 2;*
- (xv) *the employees of Transferred Business 2 including their liabilities with respect to restricted stock options in terms of the QSOP 2020, payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise, as on the Effective Date;*
- (xvi) *all legal or other proceedings of whatsoever nature that form part of Transferred Business 2, which are capable of being continued by or against Resulting Company 2 under Applicable Law; and*
- (xvii) *any assets, liabilities, agreements, undertakings, activities, operations or properties that are determined by the Boards of the Demerged Company and Resulting Company 2 as relating to or forming part of Transferred Business 2 or, which are necessary for conduct of, or the activities or operations of Transferred Business 2.*

*It is hereby clarified that if any question arises as to whether any particular asset (tangible or intangible), property (movable or immovable), liability and/ or employee pertains to Demerged Undertaking 2 or whether or not it arises out of or connected to the activities or operations of Demerged Undertaking 2, the same shall be decided mutually by the Boards of the Demerged Company and Resulting Company 2 and such mutual decision shall be conclusive and binding on the Demerged Company and Resulting Company 2.*

*“Effective Date” means the date on which the last of the conditions and matters referred to in Clause 39 occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme. References in this Scheme to the “date of coming into effect of this Scheme” or “upon the Scheme becoming effective” or “effectiveness of the scheme” shall mean the effective date.*

*“Record Date” shall be the date to be fixed by the Board of the Demerged Company, for the purpose of determining the equity shareholders of the Demerged Company who are entitled to be issued New Equity Shares 1 and New Equity Shares 2, pursuant to this Scheme.*

*“Remaining Business” means the business undertaking of the Demerged Company that provides:*

- (i) *human resources services (including recruitment and staffing, core skills training and development);*
- (ii) *IT and staff augmentation services (including IT staffing solutions and workforce management tools);*
- (iii) *digital hiring services for blue and grey collar workforce, mobile-first vernacular workforce management and productivity platform, and benefits and engagement platform for blue and grey collar workforce;*
- (iv) *sale services (including in-store execution, feet on street execution and outbound and inbound logistics); and*
- (v) *marketing services (including market activation, visual merchandising, product promotion, and field campaigns).*

*“Remaining Undertaking” means all the businesses, undertakings, activities, operations and properties of the Demerged Company, of whatsoever nature and kind and wheresoever situated, other than those comprised in the Demerged Undertaking 1 and Demerged Undertaking 2 and including, for the avoidance of doubt, all the businesses, undertakings, activities, operations and properties of the Demerged Company relating to the Remaining Business, including all Intellectual Property relating to or containing the ‘Quess’ mark including but not limited to in the form of wordmark, logo, corporate name.*

*“Transferred Business 1” means the business undertaking of the Demerged Company that provides:*

- (i) *platform business services (including payroll processing and HRO, and InsurTech insurance processing platform);*
- (ii) *customer lifecycle management services (including omnichannel CRM, CRM digitisation, and tele-sales support);*

- (iii) *non-voice business process outsourcing services (including collections and finance and accounting outsourcing); and*
- (iv) *information technology services (including automation and RPA, cyber security, IT infra management and information technology).*

“Transferred Business 2” means the business undertaking of the Demerged Company that provides:

- (i) *services for integrated facilities management, food, landscaping and integrated security solutions;*
- (ii) *services for maintenance of client assets (including asset management, industrial O&M, IoT-based solutions, telecom network design, implementation and optimisation, and meter reading and billing); and*
- (iii) *services for recruiters/corporates (including database assess, job posting, employer branding, assisted search, virtual career fairs) and services for job seekers (including advanced job search, resume, custom job recommendation, virtual career fairs and assessments).*

“Transferred Liabilities 1” includes:

- (i) *the Liabilities which relate to or arise out of the activities or operations of Demerged Undertaking 1;*
- (ii) *the specific loans or borrowings raised, incurred and utilized solely for the activities or operations of Demerged Undertaking 1;*
- (iii) *liabilities pertaining to the Demerged Undertaking 1 together with the security interest in respect of such liabilities;*
- (iv) *in cases other than those referred to in Clauses (i), (ii) or (iii) of this definition, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the net current assets transferred to Resulting Company 1 pursuant to this Scheme bear to the total value of the net current assets of the Demerged Company immediately prior to the Appointed Date.*

“Transferred Liabilities 2” includes:

- (i) *the Liabilities which relate to or arise out of the activities or operations of Demerged Undertaking 2;*
- (ii) *the specific loans or borrowings raised, incurred and utilized solely for the activities or operations of Demerged Undertaking 2;*
- (iii) *liabilities pertaining to the Demerged Undertaking 2 together with the security interest in respect of such liabilities;*
- (iv) *in cases other than those referred to in Clauses (i), (ii) or (iii) of this definition, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the net current assets transferred to Resulting Company 2 pursuant to this Scheme bear to the total value of the net current assets of the Demerged Company immediately prior to the Appointed Date.*

#### **14. CONSIDERATION FOR THE DEMERGER OF DEMERGED UNDERTAKING 1**

14.1 Upon the effectiveness of this Scheme and in consideration of the transfer and vesting of Demerged Undertaking 1 into Resulting Company 1 pursuant to provisions of this Scheme, Resulting Company 1 shall, without any further act or deed, issue and allot equity shares to the equity shareholders of the Demerged Company, whose names are recorded in the register of members and records of the depository as members of the Demerged Company, on the Record Date, in the following ratio:

*“For every 1 (one) equity share of face and paid-up value of Rs 10/- (Indian Rupees Ten only) each held in the Demerged Company, 1 (one) equity share of face and paid-up value of Rs. 10/- (Indian Rupees Ten only) each of Resulting Company 1 to be issued to the equity shareholders of the Demerged Company.” (“Share Entitlement Ratio 1”)*

14.2 The equity shares referred to in Clause 14.1 are hereinafter referred to as “New Equity Shares 1”.

14.3 No New Equity Shares 1 shall be allotted in respect of fractional entitlements by Resulting Company 1 to which the equity shareholders of the Demerged Company may be entitled on allotment pursuant to this Scheme. If any equity shareholder of the Demerged Company is entitled to fractional entitlements on account of the Share Entitlement Ratio 1 as applicable to him/ her/ it, subject to receipt of appropriate approvals, if any, Resulting Company 1 shall consolidate such fractional entitlements and thereupon allot the New Equity Shares 1 in lieu thereof to a trust to be constituted by Resulting Company 1 in this regard, who shall hold the New Equity Shares 1 in trust on behalf of the equity shareholders of the Demerged Company entitled to fractional entitlements with the express understanding that the trust shall sell the New Equity Shares 1

so allotted on the Stock Exchanges at such time or times and at such price or prices and to such Person, as the trust deems fit (which sale shall be undertaken within 90 (ninety) days from the date of allotment of such New Equity Shares 1 to the trust), and shall distribute the net sale proceeds, subject to Tax deductions and other expenses as applicable, to the equity shareholders of the Demerged Company in proportion to their respective fractional entitlements. In case the number of such New Equity Shares 1 to be allotted to the trust by virtue of consolidation of fractional entitlements is a fraction, it shall be rounded off to the next higher integer.

- 14.4 The New Equity Shares 1 to be issued and allotted as provided in Clause 14.1 shall be subject to the memorandum and articles of association of Resulting Company 1 and shall rank *pari passu* in all respects with the then existing equity shares of Resulting Company 1 after the Record Date including with respect to dividend, bonus entitlement, rights shares entitlement, voting rights and other corporate benefits.
- 14.5 The New Equity Shares 1 to be issued pursuant to Clause 14.1 shall be issued in dematerialized form by Resulting Company 1, provided that the equity shareholders of Resulting Company 1 shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required at least 7 (seven) days before the Record Date to the Demerged Company and/or its registrar. Any equity shareholder who holds shares of the Demerged Company in physical form shall also receive the New Equity Shares 1 in dematerialized form provided that the details of their account with the depository participant are intimated in writing to the Demerged Company and/or its registrar at least 7 (seven) days before the Record Date to the Demerged Company and/or its registrar. The Resulting Company 1 shall deal with physical shares in such manner as it deems fit and in the best interest of the eligible shareholder.
- 14.6 In the event any eligible shareholder fails to submit the relevant details within the timelines prescribed in Clause 14.5, the New Equity Shares 1 shall be issued in dematerialized form to a trustee nominated by the Board ("Trustee 1") of the Resulting Company 1 who shall hold these New Equity Shares 1 in trust for the benefit of such eligible shareholder. Provided however, if the eligible shareholder fails to share the relevant details within the timelines as prescribed under SEBI master circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 on "Master Circular for Registrars to an Issue and Share Transfer Agents", as amended from time to time, the New Equity Shares 1 shall stand transferred by Trustee 1 to the suspense escrow demat account, opened and maintained by Resulting Company 1 in this regard, and will be remitted to such eligible shareholders when the details of such shareholder's demat account are intimated in writing to Resulting Company 1.
- 14.7 Any unclaimed New Equity Shares 1, along with the dividend accrued on such unclaimed New Equity Shares 1 (if any) shall be treated as 'unclaimed shares' and 'unclaimed dividend' for the purposes of the Act, including for the purposes of Section 124 and Section 125 of the Act, and shall be treated in the manner prescribed under the Act for 'unclaimed shares' and 'unclaimed dividend'.
- 14.8 The New Equity Shares 1 issued and /or allotted pursuant to Clause 14.1, in respect of such of the equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act shall, pending settlement of dispute by order of court or otherwise, be also held in abeyance by Resulting Company 1.
- 14.9 The New Equity Shares 1 issued pursuant to Clause 14.1, which Resulting Company 1 are unable to allot due to Applicable Laws (including, without limitation, the failure to receive approvals of an Appropriate Authority as required under Applicable Law) or any regulations or otherwise shall, pending allotment, be held in abeyance by Resulting Company 1 and shall be dealt with in the manner as may be permissible under the Applicable Law and deemed fit by the Board of Resulting Company 1. If the above cannot be effected for any reason, Resulting Company 1 shall ensure that this does not delay implementation of the Scheme and shall take all such appropriate actions as may be necessary under Applicable Laws. Resulting Company 1 and/ or the depository shall enter into such further documents and take such further actions as may be necessary or appropriate in this regard and to enable actions contemplated therein.
- 14.10 In the event of there being any pending share transfers, whether lodged or outstanding, of any equity shareholders of the Demerged Company, the Board of the Demerged Company shall be empowered, prior to or even subsequent to the Record Date, to effectuate such transfers in the Demerged Company as if such changes in registered holders were operative as on the Record Date. In order to remove any difficulties arising to the transferors of the shares in relation to the shares issued by Resulting Company 1 after this Scheme comes into effect. The Board of the Demerged Company shall be empowered to remove such difficulties that may arise in the course of implementation of this Scheme and registration of new shareholders in Resulting Company 1 on account of difficulties faced in the transition period.
- 14.11 The issue and allotment of the New Equity Shares 1 in terms of this Scheme shall be deemed to have been carried out as if the procedure laid down under Section 62, Section 42 and any other applicable provisions of the Act or the allied rules have been complied with.

- 14.12 *Post effectiveness of the Scheme, Resulting Company 1 shall apply for and procure the listing of its New Equity Shares 1 on the Stock Exchanges in terms of and in compliance with the SEBI Scheme Circular. The New Equity Shares 1 allotted by Resulting Company 1 pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.*
- 14.13 *There shall be no change in the shareholding pattern of Resulting Company 1 between the Record Date and the listing which may affect the basis on which approval is received from the Stock Exchanges.*
- 14.14 *The New Equity Shares 1 to be issued in lieu of the shares of the Demerged Company held in the unclaimed suspense account, if any, shall be issued to a new unclaimed suspense account created for equity shareholders of Resulting Company 1.*
- 14.15 *Where any securities are to be allotted to the heirs, executors, administrators, legal representatives or other successors in title, as the case may be, of any security holders, the concerned heirs, executors, administrators, legal representatives or other successors in title shall be obliged to produce evidence of title, satisfactory to the Board of Resulting Company 1 as a condition to such allotment.*

## **25. CONSIDERATION FOR THE DEMERGER OF DEMERGED UNDERTAKING 2**

- 25.1 *Upon the effectiveness of this Scheme and in consideration of the transfer and vesting of Demerged Undertaking 2 into Resulting Company 2 pursuant to provisions of this Scheme, Resulting Company 2 shall, without any further act or deed, issue and allot equity shares to the equity shareholders of the Demerged Company, whose names are recorded in the register of members and records of the depository as members of the Demerged Company, on the Record Date, in the following ratio:*
- “For every 1 (one) equity share of face and paid-up value of Rs 10/- (Indian Rupees Ten only) each held in the Demerged Company, 1 (one) equity share of face and paid-up value of Rs. 10/- (Indian Rupees Ten only) each of Resulting Company 2 to be issued to the equity shareholders of the Demerged Company.” (“Share Entitlement Ratio 2”)*
- 25.2 *The equity shares referred to in Clause 25.1 are hereinafter referred to as “New Equity Shares 2”.*
- 25.3 *No New Equity Shares 2 shall be allotted in respect of fractional entitlements by Resulting Company 2 to which the equity shareholders of the Demerged Company may be entitled on allotment pursuant to this Scheme. If any equity shareholder of the Demerged Company is entitled to fractional entitlements on account of the Share Entitlement Ratio 2 as applicable to him/ her/ it, subject to receipt of appropriate approvals, if any, Resulting Company 2 shall consolidate such fractional entitlements and thereupon allot the New Equity Shares 2 in lieu thereof to a trust to be constituted by Resulting Company 2 in this regard, who shall hold the New Equity Shares 2 in trust on behalf of the equity shareholders of the Demerged Company entitled to fractional entitlements with the express understanding that the trust shall sell the New Equity Shares 2 so allotted on the Stock Exchanges at such time or times and at such price or prices and to such Person, as the trust deems fit (which sale shall be undertaken within 90 (ninety) days from the date of allotment of such New Equity Shares 2 to the trust), and shall distribute the net sale proceeds, subject to Tax deductions and other expenses as applicable, to the equity shareholders of the Demerged Company in proportion to their respective fractional entitlements. In case the number of such New Equity Shares 2 to be allotted to the trust by virtue of consolidation of fractional entitlements is a fraction, it shall be rounded off to the next higher integer.*
- 25.4 *The New Equity Shares 2 to be issued and allotted as provided in Clause 25.1 shall be subject to the memorandum and articles of association of Resulting Company 2 and shall rank pari passu in all respects with the then existing equity shares of Resulting Company 2 after the Record Date including with respect to dividend, bonus entitlement, rights shares entitlement, voting rights and other corporate benefits.*
- 25.5 *The New Equity Shares 2 to be issued pursuant to Clause 25.1 shall be issued in dematerialized form by Resulting Company 2, provided that the equity shareholders of Resulting Company 2 shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required at least 7 (seven) days before the Record Date to the Demerged Company and/or its registrar. Any equity shareholder who holds shares of the Demerged Company in physical form shall also receive the New Equity Shares 2 in dematerialized form provided that the details of their account with the depository participant are intimated in writing to the Demerged Company and/or its registrar at least 7 (seven) days before the Record Date to the Demerged Company and/or its registrar. The Resulting Company 2 shall deal with physical shares in such manner as it deems fit and in the best interest of the eligible shareholder.*
- 25.6 *In the event any eligible shareholder fails to submit the relevant details within the timelines prescribed in Clause 25.5, the New Equity Shares 2 shall be issued in dematerialized form to a trustee nominated by the Board (“Trustee 2”) of the*

*Resulting Company 2 who shall hold these New Equity Shares 2 in trust for the benefit of such eligible shareholder. Provided however, if the eligible shareholder fails to share the relevant details within the timelines as prescribed under SEBI master circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 on "Master Circular for Registrars to an Issue and Share Transfer Agents", as amended from time to time, the New Equity Shares 2 shall stand transferred by Trustee 2 to the suspense escrow demat account, opened and maintained by Resulting Company 2 in this regard, and will be remitted to such eligible shareholders when the details of such shareholder's demat account are intimated in writing to Resulting Company 2.*

- 25.7 *Any unclaimed New Equity Shares 2, along with the dividend accrued on such unclaimed New Equity Shares 2 (if any) shall be treated as 'unclaimed shares' and 'unclaimed dividend' for the purposes of the Act, including for the purposes of Section 124 and Section 125 of the Act, and shall be treated in the manner prescribed under the Act for 'unclaimed shares' and 'unclaimed dividend'.*
- 25.8 *The New Equity Shares 2 issued and /or allotted pursuant to Clause 25.1, in respect of such of the equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act shall, pending settlement of dispute by order of court or otherwise, be also held in abeyance by Resulting Company 2.*
- 25.9 *The New Equity Shares 2 issued pursuant to Clause 25.1, which Resulting Company 2 are unable to allot due to Applicable Laws (including, without limitation, the failure to receive approvals of an Appropriate Authority as required under Applicable Law) or any regulations or otherwise shall, pending allotment, be held in abeyance by Resulting Company 2 and shall be dealt with in the manner as may be permissible under the Applicable Law and deemed fit by the Board of Resulting Company 2. If the above cannot be effected for any reason, Resulting Company 2 shall ensure that this does not delay implementation of the Scheme and shall take all such appropriate actions as may be necessary under Applicable Laws. Resulting Company 2 and/ or the depository shall enter into such further documents and take such further actions as may be necessary or appropriate in this regard and to enable actions contemplated therein.*
- 25.10 *In the event of there being any pending share transfers, whether lodged or outstanding, of any equity shareholders of the Demerged Company, the Board of the Demerged Company shall be empowered, prior to or even subsequent to the Record Date, to effectuate such transfers in the Demerged Company as if such changes in registered holders were operative as on the Record Date. In order to remove any difficulties arising to the transferors of the shares in relation to the shares issued by Resulting Company 2 after this Scheme comes into effect. The Board of the Demerged Company shall be empowered to remove such difficulties that may arise in the course of implementation of this Scheme and registration of new shareholders in Resulting Company 2 on account of difficulties faced in the transition period.*
- 25.11 *The issue and allotment of the New Equity Shares 2 in terms of this Scheme shall be deemed to have been carried out as if the procedure laid down under Section 62, Section 42 and any other applicable provisions of the Act or the allied rules have been complied with.*
- 24.12 *Post effectiveness of the Scheme, Resulting Company 2 shall apply for and procure the listing of its New Equity Shares 2 on the Stock Exchanges, in terms of and in compliance with the SEBI Scheme Circular. The New Equity Shares 2 allotted by Resulting Company 2 pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.*
- 25.13 *There shall be no change in the shareholding pattern of Resulting Company 2 between the Record Date and the listing which may affect the basis on which approval is received from the Stock Exchanges.*
- 24.14 *The New Equity Shares 2 to be issued in lieu of the shares of the Demerged Company held in the unclaimed suspense account, if any, shall be issued to a new unclaimed suspense account created for equity shareholders of Resulting Company 2.*
- 25.15 *Where any securities are to be allotted to the heirs, executors, administrators, legal representatives or other successors in title, as the case may be, of any security holders, the concerned heirs, executors, administrators, legal representatives or other successors in title shall be obliged to produce evidence of title, satisfactory to the Board of Resulting Company 2 as a condition to such allotment.*

#### **34 CANCELLATION OF EXISTING SHARES OF THE RESULTING COMPANIES AND REDUCTION OF SHARE CAPITAL OF THE RESULTING COMPANIES**

- 34.1 *Immediately upon the issue and allotment of New Equity Shares 1 by Resulting Company 1 and New Equity Shares 2 by Resulting Company 2 to the equity shareholders of the Demerged Company in accordance with Clause 14 and Clause 25 of this Scheme, and pursuant to provisions of Section 230-232 of the Act, the existing shareholding of the Demerged Company and its nominees in the Resulting Companies, as applicable, will stand cancelled, extinguished and annulled which shall be regarded as reduction of share capital of the respective Resulting Companies, without any further act, instrument or*

*deed. The consequent reduction of share capital of the Resulting Companies shall be an integral part of this Scheme and the Companies shall not be required to follow the process under Section 66 of the Act or any other provisions of Applicable Law separately. It is clarified that such cancellation is in consideration of the Demerged Undertaking 1 and Demerged Undertaking 2 being transferred to Resulting Company 1 and Resulting Company 2 respectively pursuant to the Scheme, and no new shares shall be issued and no payment shall be made in cash whatsoever by the Resulting Companies in lieu of such cancelled shares of the Demerged Company.*

- 34.2. *On effecting the reduction in the share capital and cancellation of shares, as stated in Clause 34.1, the cancelled shares of Resulting Company 1 and Resulting Company 2 held by their respective holders, shall also deemed to have been extinguished and cancelled without any further act, instrument or deed (including sending appropriate instructions to the depository participants).*
- 34.3. *The reduction of capital of the Resulting Companies as above does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.*
- 34.4. *On the Effective Date, Resulting Company 1 and Resulting Company 2 shall debit their respective share capital accounts with the aggregate face value of the shares cancelled pursuant to this Clause 34.*
- 34.5. *Notwithstanding the reduction of the existing share capital of the Resulting Companies above, the Resulting Companies shall not be required to add "and reduced" as a suffix to their names*

### **35. CHANGE IN CAPITAL STRUCTURE OF THE COMPANIES**

*In the event of any such change in share capital of either the Demerged Company or any of the Resulting Companies whether by way of increase (including by issue of equity shares on a rights basis or issue of bonus shares), decrease, reduction, reclassification, sub-division or consolidation, re-organisation of share capital, or in any other manner before the issuance of the New Equity Shares 1 or the New Equity Shares 2 to the equity shareholders of the Demerged Company pursuant to Clause 14 or Clause 25 (as applicable), the Share Entitlement Ratio 1 and / or the Share Entitlement Ratio 2 (as applicable) shall be appropriately adjusted to take into account the effect of such issuance or corporate actions.*

### **39. CONDITIONS PRECEDENT**

39.1 *The effectiveness of this Scheme is and shall be conditional upon and subject to:*

39.1.1 *the sanction or approval of the Appropriate Authorities and other sanctions and approvals (as may be required by Applicable Law) in respect of this Scheme being obtained in respect of any of the matters in respect of which such sanction or approval is required or on the expiry of any statutory time period pursuant to which such approval is deemed to have been granted;*

39.1.2 *approval of the Scheme by the requisite majority of each class of shareholders / creditors of the Companies as may be required under the Act and SEBI Scheme Circular or as may be directed by the NCLT. The Demerged Company will comply with the provisions of the SEBI Scheme Circular, including seeking approval of its shareholders through e-voting, as applicable.;*

39.1.3 *receipt of such other approvals, sanctions and fulfillment of conditions as may be agreed in writing amongst the Companies;*

39.1.4 *the Sanction Order being obtained by the Companies from the NCLT; and*

39.1.5 *certified/ authenticated copy of the Sanction Order, being filed with the Registrar of Companies by the Companies in relation to this Scheme.*

39.2 *It is hereby clarified that submission of the Scheme to the NCLT and to Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that the Companies (as applicable) may have under or pursuant to Applicable Law.*

39.3 *On the approval of this Scheme by the shareholders of the Companies, such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the demergers as set out in this Scheme, related matters and this Scheme itself."*

**Note: The unsecured creditors are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.**

## VI. Relationship subsisting between parties to the Scheme

- The Demerged Company beneficially holds 100% (hundred per cent) of the issued, subscribed and paid-up equity share capital of Resulting Company 1 and Resulting Company 2, thereby making them its wholly owned subsidiaries.
- Mr. Guruprasad Srinivasan is serving on the board of directors of the Demerged Company and the Resulting Companies. He is the Executive Director & Group CEO of the Demerged Company and Non-Executive Director of the Resulting Companies. Similarly, Mr. Kamal Pal Hoda and Ms. Ruchi Ahluwalia are part of Senior Management of Demerged Company and are Non-Executive Directors of the Resulting Companies.

## VII. Board approvals and details of voting

The Board approved the Scheme at its meeting dated February 16, 2024. All the directors participated and voted, and the details of the manner in which the directors voted at this meeting are as follows:

| S. No. | Name of Director               | Voted in favor/ against/ abstained |
|--------|--------------------------------|------------------------------------|
| 1.     | Mr. Ajit Isaac                 | In favour                          |
| 2.     | Mr. Guruprasad Srinivasan      | In favour                          |
| 3.     | Mr. Chandran Ratnaswami        | In favour                          |
| 4.     | Mr. Gopalakrishnan Soundarajan | In favour                          |
| 5.     | Ms. Revathy Ashok              | In favour                          |
| 6.     | Mr. Sanjay Anandaram           | In favour                          |
| 7.     | Mr. K R Girish                 | In favour                          |
| 8.     | Mr. Gaurav Mathur              | In favour                          |

The Board of Directors of Resulting Company 1 approved the Scheme at its meeting dated February 25, 2024. All the directors participated and voted, and the details of the manner in which the directors voted at this meeting are as follows:

| S. No. | Name of Director          | Voted in favor/ against/ abstained |
|--------|---------------------------|------------------------------------|
| 1.     | Mr. Guruprasad Srinivasan | In favour                          |
| 2.     | Mr. Kamal Pal Hoda        | In favour                          |
| 3.     | Ms. Ruchi Ahluwalia       | In favour                          |

The Board of Directors of Resulting Company 2 approved the Scheme at its meeting dated February 25, 2024. All the directors participated and voted, and the details of the manner in which the directors voted at this meeting are as follows:

| S. No. | Name of Director          | Voted in favor/ against/ abstained |
|--------|---------------------------|------------------------------------|
| 1.     | Mr. Guruprasad Srinivasan | In favour                          |
| 2.     | Mr. Kamal Pal Hoda        | In favour                          |
| 3.     | Ms. Ruchi Ahluwalia       | In favour                          |

## VIII. Interest of Directors, Key Managerial Personnel (“KMPs”) and their relatives and debenture trustees:

None of the directors, the KMPs of the Demerged Company and Resulting Companies and their respective relatives have any interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Demerged Company and Resulting Companies, if any, and/or to the extent the said directors/KMPs are common directors of the Demerged Company and Resulting Companies (as applicable). The effect of the Scheme on the material interests of the directors and KMPs of the Demerged Company and Resulting Companies and their respective relatives, is not any different from the effect on other stakeholders of the Demerged Company.

The details of the shareholding of directors, KMPs of the Demerged Company and their respective relatives as on date of Notice is as follows:

| S. No. | Name                           | Designation                                       | No. of shares |
|--------|--------------------------------|---|---------------|
| 1.     | Mr. Ajit Isaac                 | Non-Executive - Non Independent Director-Chairman | 1,75,19,613   |
| 2.     | Mr. Guruprasad Srinivasan      | Executive Director & - CEO                        | 1,61,702      |
| 3.     | Mr. Chandran Ratnaswami        | Non-Executive Non-Independent Director            | Nil           |
| 4.     | Mr. Gopalakrishnan Soundarajan | Non-Executive Non-Independent Director            | Nil           |
| 5.     | Ms. Revathy Ashok              | Non-Executive Independent Director                | Nil           |
| 6.     | Mr. Sanjay Anandaram           | Non-Executive Independent Director                | Nil           |
| 7.     | Mr. K R Girish                 | Non-Executive Independent Director                | Nil           |
| 8.     | Mr. Gaurav Mathur              | Non-Executive Independent Director                | Nil           |
| 9.     | Mr. Kamal Pal Hoda             | Group Chief Financial Officer                     | 4,608         |
| 10.    | Mr. Kundan K Lal               | Company Secretary & Compliance Officer            | 8,070         |

The details of the shareholding of directors and KMPs of Resulting Company 1 and their respective relatives as on date of Notice is as follows:

| S. No. | Name                       | Designation            | No. of shares |
|--------|----------------------------|------------------------|---------------|
| 1.     | Mr. Guruprasad Srinivasan* | Non-Executive Director | 1             |
| 2.     | Mr. Kamal Pal Hoda         | Non-Executive Director | Nil           |
| 3.     | Ms. Ruchi Ahluwalia*       | Non-Executive Director | 1             |

*\*as a Nominee of Qess Corp Limited*

The details of the shareholding of Directors and KMPs and their respective relatives of Resulting Company 2 as on date of Notice is as follows:

| S. No. | Name                       | Designation            | No. of shares |
|--------|----------------------------|------------------------|---------------|
| 1.     | Mr. Guruprasad Srinivasan* | Non-Executive Director | 1             |
| 2.     | Mr. Kamal Pal Hoda         | Non-Executive Director | Nil           |
| 3.     | Ms. Ruchi Ahluwalia*       | Non-Executive Director | 1             |

*\*as a Nominee of Qess Corp Limited*

The Demerged Company and the Resulting Companies have not issued any debentures and hence, do not have any debenture trustees.

## IX. Effect of the scheme on Stakeholders

### (i) Demerged Company

|                                |   |
|--------------------------------|---|
| Shareholders                   | The effect of the Scheme on the shareholders, promoters, non-promoter shareholders, Key Managerial Personnel and Directors of the Demerged Company is given in the report adopted by the Board of Directors of the Demerged Company pursuant to the provisions of Section 232(2)(c) of the Act which is attached as <b>Annexure 2A</b> to this Explanatory Statement. |
| Promoters                      |   |
| Non-Promoter Members           |   |
| Key Managerial Personnel (KMP) |   |
| Directors                      |   |
| Depositors                     | There are no depositors. Hence this is not applicable.  |
| Creditors                      | The Scheme will ensure long-term value creation and is in the best interest of the Demerged Company and its respective shareholders, employees, creditors and other stakeholders.   |

|                                       |   |
|---------------------------------------|---|
| Debenture holders                     | There are no debenture holders. Hence this is not applicable  |
| Deposit holders and debenture trustee | As on date of this Notice, the Demerged Company has no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustees does not arise. Similarly, there are no debenture trustee. Hence this is not applicable |
| Employees of the Demerged Company     | The Scheme will ensure long-term value creation and is in the best interest of the Demerged Company and their respective shareholders, employees, creditors and other stakeholders.   |

**(ii) Resulting Company 1**

|                                       |  |
|---------------------------------------|--|
| Shareholders                          | The effect of the Scheme on the shareholders, promoters, non-promoter shareholders, Key Managerial Personnel and Directors of Resulting Company 1 is given in the report adopted by the Board of Directors of Resulting Company 1 pursuant to the provisions of Section 232(2)(c) of the Act which is attached as <b>Annexure 2B</b> to this Explanatory Statement.  |
| Promoters                             |  |
| Non-Promoter Members                  |  |
| Key Managerial Personnel (KMP)        |  |
| Directors                             |  |
| Depositors                            | There are no depositors. Hence this is not applicable.   |
| Creditors                             | There are no creditors. Hence this is not applicable.  |
| Debenture holders                     | There are no debenture holders. Hence this is not applicable   |
| Deposit holders and debenture trustee | As on date of this Notice, Resulting Company 1 has no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustees does not arise. Similarly, there are no debenture trustee. Hence this is not applicable   |
| Employees of Resulting Company 1      | As on date of this Notice, Resulting Company 1 has no employees. However, upon the Scheme becoming effective, all employees engaged in or in relation to the Demerged Undertaking 1 as on the Effective Date shall become the employees of Resulting Company 1 on terms and conditions which are not less favourable than those applicable to them with reference to their employment in Demerged Company in accordance with the Scheme. |

**(iii) Resulting Company 2**

|                                       |  |
|---------------------------------------|--|
| Shareholders                          | The effect of the Scheme on the shareholders, promoters, non-promoter shareholders, Key Managerial Personnel and Directors of Resulting Company 2 is given in the report adopted by the Board of Directors of Resulting Company 2 pursuant to the provisions of Section 232(2)(c) of the Act which is attached as <b>Annexure 2C</b> to this Explanatory Statement.  |
| Promoters                             |  |
| Non-Promoter Members                  |  |
| Key Managerial Personnel (KMP)        |  |
| Directors                             |  |
| Depositors                            | There are no depositors. Hence this is not applicable.   |
| Creditors                             | There are no creditors. Hence this is not applicable.  |
| Debenture holders                     | There are no debenture holders. Hence this is not applicable   |
| Deposit holders and debenture trustee | As on date of this Notice, Resulting Company 2 has no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustees does not arise. Similarly, there are no debenture trustee. Hence this is not applicable   |
| Employees of Resulting Company 2      | As on date of this Notice, Resulting Company 2 has no employees. However, upon the Scheme becoming effective, all employees engaged in or in relation to the Demerged Undertaking 2 as on the Effective Date shall become the employees of Resulting Company 2 on terms and conditions which are not less favourable than those applicable to them with reference to their employment in Demerged Company in accordance with the Scheme. |

**X. Details of investigation or proceedings, if any, pending against the Demerged Company, including ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Demerged Company, its promoters and directors**

Details of investigation or proceedings, pending against the Demerged Company including ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken against the Demerged Company, its promoters and directors, are enclosed as **Annexure 12**. Upon effectiveness of the Scheme, the litigations initiated by or against the Demerged Company with respect to Demerged Undertaking 1 and Demerged Undertaking 2 will be transferred to Resulting Company 1 and Resulting Company 2 respectively in accordance with Clause 13 and Clause 24 of the Scheme.

There are no investigation or proceedings instituted or pending against the Resulting Companies under the Act and as per Rule 6(3)(viii) of the Rules.

**XI. Amounts due to Unsecured Creditors**

The amount due to unsecured creditors by the respective companies, as on September 30, 2024 is as follows:

| Sl No | Particulars                   | Amount in Rs. |
|-------|-------------------------------|---------------|
| 1     | Quess Corp Limited            | 582 million   |
| 2     | Digitide Solutions Limited    | NIL           |
| 3     | Bluspring Enterprises Limited | NIL           |

**XII. Details of Share Capital/Debt Restructuring, if any**

**Share Capital Restructuring:**

Please refer to Paragraph IX (*Effect on Stakeholders, i.e., creditors*) and Paragraph XVI (*Pre and Post Scheme capital structure of Demerged Company*) of this Explanatory Statement.

**Debt Restructuring:**

There shall be no debt restructuring of the Demerged Company and Resulting Companies pursuant to the Scheme.

**XIII. Summary of the Share Entitlement Ratio Report**

- (i) Share entitlement ratio report dated February 16, 2024 ("**Share Entitlement Ratio Report**") issued by Bansi S. Mehta Valuers LLP, registered valuer with the Insolvency and Bankruptcy Board of India (*IBBI Registration Number: IBBI/RV-E/06/2022/172*) determined the Share Entitlement Ratio 1 and Share Entitlement Ratio 2 set out in the Scheme. The Share Entitlement Ratio Report shall also be available for inspection at the registered offices of the Company.
- (ii) Upon implementation of the Scheme, Resulting Company 1 and Resulting Company 2 will both issue shares to the shareholders of the Demerged Company as on the Record Date, such that all the shareholders of the Demerged Company would become shareholders of Resulting Company 1 and Resulting Company 2 in the same proportion resulting in a mirror image shareholding. Therefore, there is no change in shareholding as illustrated in Paragraph A(4)(d) of the SEBI Scheme Circular. Therefore, the valuer did not carry out a valuation of the entities under the generally accepted principles of valuation.
- (iii) The SEBI Scheme Circular requires the valuation report for a scheme of arrangement to provide certain requisite information in a specified format. The proposed demerger did not trigger the requirement for valuation under the specified format.
- (iv) For the purpose of arriving at the recommended Share Entitlement Ratio 1 and Share Entitlement Ratio 2, the Share Entitlement Ratio Report was obtained by all the three Companies involved in the Scheme in terms of the SEBI Scheme Circular.
- (v) The independent registered valuer appointed to determine the recommended Share Entitlement Ratio 1 and Share Entitlement Ratio 2 for the proposed demerger pursuant to the Scheme and has not expressed any difficulty while determining the same.

**XIV. Summary of Fairness Opinion**

- (i) The Fairness Opinion issued by RBSA Capital Advisors LLP certifies the Share Entitlement Ratio 1 and Share Entitlement Ratio 2 recommended by the valuer in the Share Entitlement Ratio Report as being fair to the shareholders from a financial point of view and has been approved by the Board of Directors of the Companies, the Audit Committee and the Committee

of Independent Directors of the Demerged Company, and also does not indicate any special valuation difficulties.

- (ii) The recommendation of the Share Entitlement Ratio 1 and Share Entitlement Ratio 2 for the proposed demerger pursuant to the Scheme has been certified as being fair and has been approved by the Board of Directors of the Company, the Audit Committee of the Demerged Company and the Committee of Independent Directors of the Demerged Company.

**XV. Information pertaining to unlisted companies involved in the Scheme in the format specified for abridged prospectus**

Information pertaining to the unlisted companies involved in the Scheme, i.e. the Resulting Companies in the format specified for abridged prospectus as provided in SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated 4 February, 2022 read with Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with certificates issued by ICICI Securities Limited, an Independent SEBI Registered Merchant Banker certifying the adequacy of disclosures are **annexed as 'Annexure 15 series**.

**XVI. Shareholding Pattern and Capital Structure:**

The pre/ post-scheme shareholding pattern of the parties to the Scheme is enclosed as **Annexure 8 and 9 series**.

**The Capital Structure (pre and post) are as follows:**

**Pre and Post Scheme capital structure of Demerged Company**

| Details  | Amount (Rs.)   |
|--|----------------|
| <b>Authorized Share Capital</b>  |                |
| 39,38,50,000 (Thirty-Nine Crores Thirty-Eight Lakhs and Fifty Thousand) equity shares of Rs. 10/- (Indian Rupees Ten only) each                            | 3,93,85,00,000 |
| <b>TOTAL</b>   | 3,93,85,00,000 |
| <b>Issued, Subscribed and Paid-up Share Capital</b>  |                |
| 14,86,25,678 (Fourteen Crores Eighty-Six Lakhs Twenty Five Thousand Six Hundred and Seventy Eight) equity shares of Rs. 10/- (Indian Rupees Ten only) each | 1,48,62,56,780 |

**Post-Scheme capital structure of the Demerged Company:** Upon the Scheme becoming effective, the shareholders of the Demerged Company will be allotted New Equity Shares 1 of Resulting Company 1 as per Share Entitlement Ratio 1 and New Equity Shares 2 of Resulting Company 2 as per Share Entitlement Ratio 2 in accordance with Clause 14 and Clause 25 of the Scheme respectively, and therefore, all the shareholders of the Demerged Company will become shareholders of Resulting Company 1 and Resulting Company 2. The Promoter and Promoter Group of the Demerged Company shall become the Promoter and Promoter group of Resulting Company 1 and Resulting Company 2 in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Immediately upon the issue and allotment of New Equity Shares 1 by Resulting Company 1 and New Equity Shares 2 by Resulting Company 2 to the equity shareholders of the Demerged Company in accordance with Clause 14 and Clause 25 of the Scheme respectively, the existing shareholding of the Demerged Company and its nominees in the Resulting Companies, as applicable, will stand cancelled, extinguished and annulled which shall be regarded as reduction of share capital of the respective Resulting Companies, without any further act, instrument or deed in accordance with Clause 34 of the Scheme. There shall be no change in the shareholding pattern or control in Resulting Company 1 and Resulting Company 2 between the Record Date and the listing which may affect the status of approvals received from the Stock Exchanges, other than as provided in the Scheme.

**Pre Scheme capital structure of Resulting Company 1:**

| Details   | Amount (Rs.)     |
|---|------------------|
| <b>Authorised Share Capital</b>   |                  |
| 1,00,000 (One Lakh) equity shares of Rs. 10/- (Indian Rupees Ten only) each   | 10,00,000        |
| <b>TOTAL</b>  | <b>10,00,000</b> |
| <b>Issued, Subscribed and Paid-up Share Capital</b>                           |                  |
| 10,000 (Ten Thousand) equity shares of Rs. 10/- (Indian Rupees Ten only) each | 1,00,000         |

**Post Scheme capital structure of Resulting Company 1:**

| Details  | Amount (Rs.)   |
|--|----------------|
| <b>Authorized Share Capital</b>  |                |
| 39,38,50,000 (Thirty-Nine Crores Thirty-Eight Lakhs and Fifty Thousand) equity shares of Rs. 10/- (Indian Rupees Ten only) each                            | 3,93,85,00,000 |
| <b>TOTAL</b>   | 3,93,85,00,000 |
| <b>Issued, Subscribed and Paid-up Share Capital</b>  |                |
| 14,86,25,678 (Fourteen Crores Eighty-Six Lakhs Twenty Five Thousand Six Hundred and Seventy Eight) equity shares of Rs. 10/- (Indian Rupees Ten only) each | 1,48,62,56,780 |

**Pre Scheme capital structure of Resulting Company 2:**

| Details   | Amount (Rs.)     |
|---|------------------|
| <b>Authorised Share Capital</b>   |                  |
| 1,00,000 (One Lakh) equity shares of Rs. 10/- (Indian Rupees Ten only) each   | 10,00,000        |
| <b>TOTAL</b>  | <b>10,00,000</b> |
| <b>Issued, Subscribed and Paid-up Share Capital</b>                           |                  |
| 10,000 (Ten Thousand) equity shares of Rs. 10/- (Indian Rupees Ten only) each | 1,00,000         |

**Post Scheme capital structure of Resulting Company 2:**

| Details  | Amount (Rs.)   |
|--|----------------|
| <b>Authorized Share Capital</b>  |                |
| 39,38,50,000 (Thirty-Nine Crores Thirty-Eight Lakhs and Fifty Thousand) equity shares of Rs. 10/- (Indian Rupees Ten only) each                            | 3,93,85,00,000 |
| <b>TOTAL</b>   | 3,93,85,00,000 |
| <b>Issued, Subscribed and Paid-up Share Capital</b>  |                |
| 14,86,25,678 (Fourteen Crores Eighty-Six Lakhs Twenty Five Thousand Six Hundred and Seventy Eight) equity shares of Rs. 10/- (Indian Rupees Ten only) each | 1,48,62,56,780 |

**XVII. Auditors Certificate on conformity of accounting treatment in the Scheme with accounting standards**

Certificates from the statutory auditor of the Demerged Company (issued by M/s Deloitte Haskins & Sells LLP (Firm No. 117366W/W-100018)), statutory auditor of Resulting Company 1 (issued by M/s Deloitte Haskins & Sells (Firm No. 008072S) and statutory auditor of Resulting Company 2 (issued by M/s Deloitte Haskins & Sells (Firm No. 008072S)) to the effect that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act and other Generally Accepted Accounting Principles in India, is enclosed as **Annexure 16 series**.

**XVIII. Details as per the Observation Letters issued by Stock Exchanges:**

- (a) **Details of Assets, liabilities, net worth and revenue of the companies involved pre & post scheme (details of which are disclosed are covered in the letter dated March 14, 2024 and March 08, 2024 respectively submitted by the Company to BSE and NSE and enclosed as Annexure 20 series)**

**Standalone Financials as on September 30, 2023:**

(Amount in INR crores)

|             | Demerged Company<br>(Qess Corp Ltd) |                   | Demerged<br>Undertaking<br>1 | Demerged<br>Undertaking<br>2 | Resulting Company 1<br>(Digitide Solutions Ltd) |                   | Resulting Company 2<br>(Bluspring Enterprises<br>Ltd) |                   |
|-------------|-------------------------------------|-------------------|------------------------------|------------------------------|---|-------------------|---|-------------------|
|             | Pre-<br>demerger                    | Post-<br>demerger | Pre-<br>demerger             | Pre-<br>demerger             | Pre-<br>demerger                                | Post-<br>demerger | Pre-<br>demerger                                      | Post-<br>demerger |
| Assets      | 5,316.5                             | 2,311.8           | 1,555.7                      | 1,449.1                      | 0.01  | 1,555.7           | 0.01  | 1,449.1           |
| Liabilities | 2,770.0                             | 1,594.0           | 631.2                        | 544.7                        | -   | 631.2             | -   | 544.7             |
| Revenue     | 7,570.3                             | 5,766.4           | 840.8                        | 963.1                        | -   | 840.8             | -   | 963.1             |
| Networth    | 2,546.5                             | 717.8             | 924.5                        | 904.4                        | 0.01  | 924.5             | 0.01  | 904.4             |

Consolidated Financials as on September 30, 2023:

(Amount in INR crores)

|             | Demerged Company<br>(Ques Corp Ltd) |                   | Demerged<br>Undertaking<br>1 | Demerged<br>Undertaking<br>2 | Resulting Company 1<br>(Digitide Solutions Ltd) |                   | Resulting Company 2<br>(Bluspring Enterprises<br>Ltd) |                   |
|-------------|-------------------------------------|-------------------|------------------------------|------------------------------|---|-------------------|---|-------------------|
|             | Pre-<br>demerger                    | Post-<br>demerger | Pre-<br>demerger             | Pre-<br>demerger             | Pre-<br>demerger                                | Post-<br>demerger | Pre-<br>demerger                                      | Post-<br>demerger |
| Assets      | 6,393.7                             | 2,699.5           | 1,813.1                      | 1,897.3                      | 0.01  | 1,813.1           | 0.01  | 1,897.3           |
| Liabilities | 3,529.6                             | 1,762.3           | 846.3                        | 937.2                        | -   | 846.3             | -   | 937.2             |
| Revenue     | 9,348.5                             | 6,373.9           | 1,345.6                      | 1,659.7                      | -   | 1,345.6           | -   | 1,659.7           |
| Networth    | 2,703.3                             | 940.1             | 895.8                        | 867.4                        | 0.01  | 895.9             | 0.01  | 867.4             |

(b) **Impact of scheme on revenue generating capacity of the Demerged Company.**

The proposed demerger is expected to unlock value in each of the business segments in the Demerged Company thereby enhancing its business growth and operations with more efficient management control, sharper capital allocation and independent business strategies thereby positively impacting revenue generating capacity of each of the divisions. The businesses presently undertaken by the Demerged Company (directly and indirectly) operates under different operating environments and are run fairly independent of each other as separate businesses platforms/business lines. The segregation of the demerged undertakings therefore would not impact the revenue generating capacity of the remaining business of the Demerged Company related to Staffing business.

(c) **Need and rationale of the scheme, synergies of business of the companies involved in the scheme, impact of the scheme on the shareholders and cost benefit analysis of the scheme.** Please refer to Paragraph III of this explanatory statement.

(d) **Value of assets and liabilities of Demerged Company that are being transferred to Resulting Company**

(Amount in INR crores)

|   | Demerged Company<br>(Ques Corp Ltd) |                   | Resulting Company 1<br>(Digitide Solutions Ltd) |                   | Resulting Company 2<br>(Bluspring Enterprises<br>Ltd) |                   |
|---|-------------------------------------|-------------------|---|-------------------|---|-------------------|
|   | Pre-<br>demerger                    | Post-<br>demerger | Pre-<br>demerger                                | Post-<br>demerger | Pre-<br>demerger                                      | Post-<br>demerger |
| <b>Assets:</b>                            |                                     |                   |   |                   |   |                   |
| Tangible and intangible assets            | 577.1                               | 120.8             | -   | 382.6             | -   | 73.7              |
| Goodwill                                  | 343.8                               | 0.6               | -   | 66.6              | -   | 276.6             |
| Cash and bank balances                    | 257.2                               | 73.2              | 0.01  | 143.4             | 0.01  | 40.6              |
| Trade receivable and other current assets | 2,365.3                             | 1,333.7           | -   | 426.1             | -   | 605.5             |
| Other non-current assets                  | 1,773.1                             | 783.5             | -   | 537.0             | -   | 452.7             |
| <b>Total Assets (a)</b>                   | <b>5,316.5</b>                      | <b>2,311.8</b>    | <b>0.01</b>                                     | <b>1,555.7</b>    | <b>0.01</b>   | <b>1,449.1</b>    |
| <b>Liabilities:</b>                       |                                     |                   |   |                   |   |                   |
| Borrowings                                | 417.2                               | 244.5             | -   | 46.8              | -   | 125.8             |
| Lease liabilities                         | 381.4                               | 88.0              | -   | 276.3             | -   | 17.1              |
| Trade and other payables                  | 1,971.4                             | 1,261.5           | -   | 308.1             | -   | 401.8             |
| <b>Total Liabilities (b)</b>              | <b>2,770.0</b>                      | <b>1,594.0</b>    | <b>-</b>  | <b>631.2</b>      | <b>-</b>  | <b>544.7</b>      |
| <b>Networth (a-b)</b>                     | <b>2,546.5</b>                      | <b>717.8</b>      | <b>0.01</b>                                     | <b>924.5</b>      | <b>0.01</b>   | <b>904.4</b>      |

(Amount in INR crores)

|   | Demerged Company<br>(Quess Corp Ltd) |                   | Resulting Company1<br>(Digitide Solutions Ltd) |                   | Resulting Company2<br>(Bluspring Enterprises Ltd) |                   |
|---|--------------------------------------|-------------------|--|-------------------|---|-------------------|
|   | Pre-<br>demerger                     | Post-<br>demerger | Pre-<br>demerger                               | Post-<br>demerger | Pre-<br>demerger                                  | Post-<br>demerger |
| <b>Assets:</b>                            |                                      |                   |  |                   |   |                   |
| Tangible and intangible assets            | 757.3                                | 112.0             | -  | 511.6             | -   | 133.7             |
| Goodwill                                  | 1,040.7                              | 235.7             | -  | 231.8             | -   | 573.2             |
| Cash, bank and liquid investments         | 610.5                                | 164.5             | 0.01   | 316.4             | 0.01  | 129.6             |
| Trade receivable and other current assets | 3,141.9                              | 1,617.2           | -  | 582.2             | -   | 958.2             |
| Other non-current assets                  | 843.3                                | 570.1             | -  | 171.1             | -   | 102.6             |
| <b>Total Assets(a)</b>                    | <b>6,393.7</b>                       | <b>2,699.5</b>    | <b>0.01</b>                                    | <b>1,813.1</b>    | <b>0.01</b>                                       | <b>1,897.3</b>    |
| <b>Liabilities:</b>                       |                                      |                   |  |                   |   |                   |
| Borrowings                                | 472.6                                | 246.7             | -  | 91.6              | -   | 134.3             |
| Lease liabilities                         | 488.6                                | 90.8              | -  | 337.1             | -   | 60.7              |
| Trade and other payables                  | 2,568.4                              | 1,424.8           | -  | 417.6             | -   | 742.2             |
| <b>Total Liabilities (b)</b>              | <b>3,529.6</b>                       | <b>1,762.3</b>    | <b>-</b>                                       | <b>846.3</b>      | <b>-</b>  | <b>937.2</b>      |
| <b>Non-controlling interests (c)</b>      | <b>160.8</b>                         | <b>(2.9)</b>      | <b>-</b>                                       | <b>70.9</b>       | <b>-</b>  | <b>92.7</b>       |
| <b>Networth (a-b-c)</b>                   | <b>2,703.3</b>                       | <b>940.1</b>      | <b>0.01</b>                                    | <b>895.9</b>      | <b>0.01</b>                                       | <b>867.4</b>      |

- (e) **Contents of the observation letters issued by the BSE and NSE on July 31, 2024 and August 01, 2024:** The observation letters are enclosed as **Annexure 10 series** respectively.
- (f) **Additional information submitted to the stock exchanges as per Annexure M of NSE checklist and documents requested as part of Query no. 18 dated March 11, 2024 to BSE:** Enclosed as **Annexure 20 series**.
- (g) A copy of the Scheme has been filed by the Demerged Company with the Registrar of Companies, Bengaluru in Form No GNL-1.

**XIX. Inspection:** The following documents will be available for obtaining extract from or for making or obtaining copies of or for inspection at the registered office of the Demerged Company on any working day (except Saturday, Sunday and Public Holiday) prior to the date of the meeting between 10.00 A.M. to 4.00 PM. An advance notice should be given by e-mail to the Company at [cosecretary@quesscorp.com](mailto:cosecretary@quesscorp.com), if it is desired to obtain copies of the Notice from the registered office of the Company. Alternatively, a request for obtaining an electronic/soft copy of the Notice may be made by writing an email to [cosecretary@quesscorp.com](mailto:cosecretary@quesscorp.com)

- (a) Order dated October 22, 2024 passed by the Hon'ble NCLT in Company Application No CA (CAA) No.36/BB/2024, directing the convening of the meetings of equity shareholders and unsecured creditors of the Demerged Company.
- (b) Copy of the Scheme, enclosed as **Annexure 1**.
- (c) Share entitlement ratio report dated February 16, 2024 issued by Banshi S. Mehta Valuers LLP, valuer registered with the Insolvency and Bankruptcy Board of India (IBBI Registration Number: IBBI/RV-E/06/2022/172), determining the Share Entitlement Ratio 1 and Share Entitlement Ratio 2 in connection with the proposed Scheme, enclosed as **Annexure 6**.
- (d) Fairness opinion dated February 16, 2024 issued by RBSA Capital Advisors LLP, a Category I Merchant Banker registered with SEBI, for providing a fairness opinion on the valuation carried out by the registered valuer in the Share Entitlement Ratio Report i.e., with respect to the Share Entitlement Ratio 1 and Share Entitlement Ratio 2 in connection with the proposed Scheme, enclosed as **Annexure 7**.
- (e) Certificates from the statutory auditor of the Demerged Company (issued by M/s Deloitte Haskins & Sells LLP (Firm No. 117366W/W-100018)), statutory auditor of Resulting Company 1 (issued by **Deloitte Haskins & Sells** (Firm No. 008072S)) and statutory auditor of Resulting Company 2 (issued by **Deloitte Haskins & Sells** (Firm No. 008072S)) to the effect that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013, enclosed as **Annexure 16 series**.

- (f) The undertaking dated February 16, 2024 given by the Demerged Company as prescribed under Paragraph (A) (10) (c) of Part I of the SEBI Scheme Circular (*defined below*) stating the reasons for non-applicability of Paragraph (A) (10) (b) along with the certificate dated February 16, 2024 from M/s. Deloitte Haskins & Sells LLP, statutory auditor of the Demerged Company, certifying the said undertaking, enclosed as **Annexure 17 series**.
- (g) Contracts or agreements material to the Scheme: There are no contracts or agreements material to the Scheme. Hence, not applicable;
- (h) Memorandum and Articles of Associations of the Demerged Company, Resulting Company 1 and Resulting Company 2.
- (i) Unaudited standalone and consolidated financial results (limited reviewed) of the Demerged Company for the second quarter and half year ended September 30, 2024, enclosed as **Annexure 13**.
- (j) Copy of the Audit Committee Report dated February 16, 2024 of the Demerged Company, enclosed as **Annexure 4**.
- (k) Report dated February 16, 2024 adopted by the Committee of Independent Directors of the Demerged Company, enclosed as **Annexure 5**.
- (l) Copies of the resolutions passed by the board of directors of the Demerged Company dated February 16, 2024 and the Resulting Companies dated February 25, 2024, approving the Scheme, enclosed as **Annexure 3 series**.
- (m) Observation letters dated July 31, 2024 and August 01, 2024 issued by BSE and NSE, respectively to the Demerged Company, enclosed as **Annexure 10 series**.
- (n) Copies of the reports adopted by the Board of Directors of the Demerged and Resulting Companies as per the provisions of Section 232(2) (c) of the Act, enclosed as **Annexure 2 series**.
- (o) Pre and post-scheme shareholding pattern of the Demerged Company enclosed as **Annexure 8**.
- (p) Pre and post-scheme shareholding patterns of Resulting Company 1 and Resulting Company 2, enclosed as **Annexure 9 series**.
- (q) Complaints reports dated April 04, 2024 and April 05, 2024 submitted by the Demerged Company to BSE and NSE respectively, enclosed as **Annexure 11 series**.
- (r) Details of investigation or proceedings, pending against the Company, including ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken against the Demerged Company, its promoters and directors, enclosed as **Annexure 12 series**.
- (s) Unaudited financial results of Resulting Company 1 and Resulting Company 2 for the second quarter and half year ended September 30, 2024, enclosed as **Annexure 14 series**.
- (t) Information pertaining to Resulting Company 1 and Resulting Company 2 involved in the Scheme as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with SEBI circular dated February 4, 2022 along with certificate issued by ICICI Securities Limited, an Independent SEBI Registered Merchant Bank, enclosed as **Annexure 15 series**.
- (u) Compliance report under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Demerged Company addressed to BSE and NSE, enclosed as **Annexure 18**.
- (v) Form GNL-1 filed with the Registrar of Companies by the Demerged Company, Resulting Company 1 and Resulting Company 2, enclosed as **Annexure 19 series**.
- (w) Additional information and/ or documents as submitted in relation to Query 18 dated March 11, 2024 to BSE and Annexure M to NSE.

**XX. Details of approvals, sanctions or no-objection(s) from regulatory or any other governmental authorities required, received or pending for the purpose of the Scheme:**

- (i) In terms of Regulation 37 of the Listing Regulations, BSE and NSE, by their respective letters dated July 31, 2024 and August 01, 2024, have issued their observations on the Scheme to the Company conveying their no adverse observations/no objection to the Scheme. Copy of the observation letters dated as received from BSE and NSE are enclosed as **Annexure 10 series**.
- (ii) As required by the SEBI Scheme Circular, the Company has filed its complaint reports dated April 04, 2024 and April 05,

2024 with BSE and NSE, respectively. Copies of the complaint reports filed by the Company are enclosed as **Annexure 11 series**.

- (iii) The Scheme was filed by the Demerged Company with the NCLT on August 08, 2024. The NCLT has passed directions to convene Meetings(s) of equity shareholders and unsecured creditors of the Demerged Company *vide* an Order pronounced on October 22, 2024.
  - (iv) The Scheme is subject to approval by the requisite majority of the shareholders and unsecured creditors of the Demerged Company in terms of the applicable provisions of the Act and the Rules. Since, the Demerged Company has obtained the NOC from all the secured creditors, the meeting of secured creditor has been dispensed. Similarly, since Resulting Company 1 and Resulting Company 2 have obtained NOC from their equity shareholders, the meeting of equity shareholders of Resulting Company 1 and Resulting Company 2 have been dispensed with. There are no secured creditors and unsecured creditors in the Resulting Companies, therefore, the need to obtain their consent/ convene a meeting does not arise.
  - (v) The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.
- XXI.** In the opinion of the Board, the said Scheme will be of advantage and beneficial to the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Demerged Company recommend the Scheme for approval of the unsecured creditors.
- XXII.** This statement may be treated as an Explanatory Statement under Section 230(3), 232(1), 232(2) and 102 of the Act and the statement for the purposes of Rule 6 of the Rules.
- XXIII.** After the Scheme is approved by the unsecured creditors of the Demerged Company, it will be further subject to the approval by the NCLT.

**Sd/-**  
**Guruprasad Srinivasan**  
**Executive Director & Group CEO**  
**DIN: 07596207**  
**Quess Corp Limited**

**Dated this 5<sup>th</sup> day of November, 2024 at Bengaluru**

**Registered Office:**

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