



PCS TECHNOLOGY LIMITED

CIN: L74200MH1981PLC024279

Registered Office: Office no. 1, Gat no. 478, Alandi Markaal Road, Taluka Khed, Alandi, Pune– 412106.

Corporate Office: 302-304, Regent Chambers, Nariman Point, Mumbai 400021.

Phone: +91-22-2282 2621 /2562; **Fax:** +91- 22-2285 1489

Email: investorgrievances@pcstech.com, **Website:** www.pcstech.com

COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS AND POSTAL BALLOT AND E-VOTING

Day :	Friday
Date :	January 23, 2015
Time :	12 noon
Venue :	Conference Hall, Ginger Hotel, Kala Khadak, Near Indira College, Wakad Naka, Wakad, Pune – 411 057.

Sr. No.	Contents	Page No.
1.	Notice of Court Convened Meeting of the Equity Shareholders of PCS Technology Limited (PTL) under the provisions of Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013	2-3
2.	Notice of Postal Ballot and E-Voting pursuant to SEBI Circular dated February 4, 2013, May 21, 2013 and April 17, 2014.	4-6
3.	Explanatory Statement under Section 393 (1)(a) of the Companies Act, 1956 and Section 102 of the Companies Act, 2013	7-12
4.	Scheme of Amalgamation and Arrangement under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013	13-19
5.	Fairness opinion by SPA Capital Advisors Limited	20
6.	Complaint report dated August 5, 2014 filed by PTL	21
7.	No objection letters dated 28th August, 2014 and 5th August, 2014 received from BSE and PSE respectively	22-24
8.	Form of proxy	25
9.	Attendance slip	27
10.	Postal Ballot form with instructions - Loose leaf insertion	

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 887 OF 2014**

In the matter of :
the Companies Act, 1956 (1 of 1956) and the Companies Act, 2013 (18 of 2013);

AND

In the matter of :
Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013;

AND

In the matter of :
the Scheme of Amalgamation and Arrangement between PCS International Limited, Mauritius (**'the Transferor Company'**) and PCS Technology Limited (**'the Transferee Company'**)

AND

Their respective Shareholders

PCS TECHNOLOGY LIMITED, a company incorporated under the)
Companies Act, 1956 having its registered office at office No. 1,)
Gat No. 478, Alandi Markaal Road, Taluka Khed, Alandi District,)..... The Applicant Company
Pune - 412106, Maharashtra)

NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS OF PCS TECHNOLOGY LIMITED

To,

The Equity Shareholders of PCS Technology Limited ("the Applicant Company" or "the Transferee Company")

TAKE NOTICE that by an Order made on 12th December, 2014, in the above mentioned Company Summons for Direction, the Hon'ble High Court of Judicature at Bombay has directed that a meeting of the Equity Shareholders of the Applicant Company, be convened and held at Conference Hall, Ginger Hotel, Kala Khadak, Near Indira College, Wakad Naka, Wakad, Pune – 411 057 on Friday, 23rd January 2015 at 12.00 noon, for the purpose of considering, and, if thought fit, to approve, with or without modification(s), the Scheme of Amalgamation and Arrangement between PCS International Limited, Mauritius ('the Transferor Company') and PCS Technology Limited ('the Transferee Company' or 'the Company') and their respective shareholders pursuant to Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 ('the Scheme'), to transact the following special business:

To consider and, if thought fit, approve with or without modification(s), the following resolution for approval.

"RESOLVED THAT the Scheme of Amalgamation and Arrangement between PCS International Limited, Mauritius ('the Transferor Company') and PCS Technology Limited ('the Transferee Company' or 'the Company') and their respective shareholders pursuant to Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 ("Scheme") as placed before this meeting and duly initialed by the Chairman of the meeting for the purpose of indentification to be effective from 1st day of April, 2014 be and is hereby approved without any modification, subject to sanction of the Scheme by the Honourable High Court of Judicature at Bombay under Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company (which includes any committee formed by the Board) be and is hereby authorized to accept and incorporate any modification in the Scheme that may be required, imposed or ordered by the Honourable High Court of Judicature at Bombay while sanctioning the Scheme, Central Government, Regional Director or any other authority or person, as it deems in its absolute discretion necessary, fit or expedient.

RESOLVED FURTHER THAT the Board of Directors of the Company (which includes any committee formed by the Board) be and is hereby authorized to do all such acts, deeds, matters and things and execute such deed and documents as it deems in its absolute discretion necessary, fit or expedient for implementation of the Scheme or removal of doubts or otherwise howsoever in relation to the Scheme."

TAKE FURTHER NOTICE that in pursuance of the said Order as directed therein, a meeting of the Equity Shareholders of the Applicant Company will be held at Conference Hall, Ginger Hotel, Kala Khadak, Near Indira College, Wakad Naka, Wakad, Pune – 411 057 at 12.00 noon on Friday, 23rd January 2015, at which time and place you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the Registered Office of PCS Technology Limited, the Applicant Company at office No. 1, Gat No. 478, Alandi Markaal Road, Taluka Khed, Alandi District, Pune - 412106, Maharashtra, not later than 48 hours before the commencement of the meeting.

The Hon'ble Bombay High Court has appointed Mr. H . C. Tandon, Managing Director & CEO and failing him Mr. M. P. Jain, CFO and failing him Mr. Bhaskar Patel, Company Secretary of the Applicant Company to be the Chairman of the said Meeting.

A copy of each of the Scheme of Amalgamation and Arrangement, the Explanatory Statement under Section 393 of Companies Act, 1956 and Section 102 (2) of the Companies Act, 2013 and a Form of Proxy and Attendance slip are enclosed.

Sd/-

H C Tandon

Chairman appointed for the meeting

Place: Mumbai

Dated this 13th day of December 2014

Notes:

1. All alterations made in the Form of Proxy should be initialed.
2. Only registered Shareholders of the Applicant Company may attend and vote (either in person or by proxy) at the Equity Shareholders' meeting.
3. The authorised representative of a body corporate which is a registered Equity Shareholder of the Applicant Company may attend and vote at the Equity Shareholders' meeting provided a certified true copy of the resolution of the board of directors or other governing body of the body corporate authorising such a representative to attend and vote at the Equity Shareholders' meeting is deposited at the Corporate Office / Registered Office of the Applicant Company.
4. Registered equity shareholders who hold shares in dematerialised form are requested to bring their Client ID and DP ID for easy identification of the attendance at the meeting.
5. Registered equity shareholders are informed that in case of joint holders attending the meeting, joint holder whose name stands first in the Register of Members and in his/her absence by the next named Member of the Applicant Company in respect of such joint holding will be entitled to vote.
6. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH MEMBER NEED NOT BE A MEMBER OF THE COMPANY. The Form of Proxy duly completed should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

Enclosure: As above

NOTICE OF POSTAL BALLOT AND E-VOTING TO THE EQUITY SHAREHOLDERS OF THE COMPANY

(Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 further read with Circulars bearing numbers CIR/CFD/DIL/5/2013 dated February 4, 2013, CIR/CFD/DIL/8/2013 dated May 21, 2013 and CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014, issued by the Securities and Exchange Board of India ("SEBI"))

To,

The Equity Shareholders of PCS Technology Limited ("the Company" or "Transferee Company"),

NOTICE is hereby given that pursuant to the provisions of Section 110(1) of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time ("Ballot Rules") and circulars bearing numbers CIR/CFD/DIL/5/2013 dated February 4, 2013, CIR/CFD/DIL/8/2013 dated May 21, 2013 and CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014, issued by SEBI (together referred to as "SEBI Circulars"), approval of the Shareholders of PCS Technology Limited ("the Company") is sought through Postal Ballot and e-voting for (1) Scheme of Amalgamation and Arrangement ("the Scheme") which inter alia provides for the Amalgamation of PCS International Limited, Mauritius with PCS Technology Limited ("the Company"); and (2) Utilization of Securities Premium Account as detailed in Clause 11 of the Scheme.

The Company seeks the consent of the Shareholders for the aforesaid proposals through Resolutions appended below which are proposed to be passed by way of postal ballot and e-voting. The equity shareholders' approval to the resolution 1 is being sought as required by the SEBI Circulars and the equity shareholders' approval to the resolution 2 is being sought within the meaning of Sections 100 to 103 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013. The Explanatory Statement pertaining to the said Resolutions setting out the material facts and the reasons thereof is annexed hereto along with a Postal Ballot Form (the "Form") for your consideration. The Company has appointed, Mr. M. M. Sheth of M/s. M. M. Sheth & Co., Practicing Company Secretaries as the Scrutinizer for conducting the postal ballot and e-voting process in a fair and transparent manner.

You are requested to carefully read the instructions printed overleaf of the Form and return the Form duly completed, in the attached self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer on or before the close of working hours i.e. 5:00 p.m. on 18th January, 2015. Postal Ballot Forms received after this date will be considered invalid. The Shareholders also have an option to exercise their vote electronically (E-voting). For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited to enable shareholders to vote electronically (E-voting) instead of in the physical mode. Shareholders desirous of exercising their vote electronically are requested to read the instructions printed overleaf of the Form.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny of the postal ballots including e-voting. The result of the Postal Ballot will be announced by the Chairman/ Director or the Company Secretary of the Company on 24th January, 2015 and will be placed on the website of the Company at www.pctech.com for information of shareholders and will also be published in the newspapers, besides being communicated to BSE Limited and Pune Stock Exchange Limited, on which the shares of the Company are listed.

RESOLUTIONS

Resolution 1: The Scheme of Amalgamation and Arrangement between PCS International Limited, Mauritius and PCS Technology Limited and their respective shareholders:

1. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 and circulars bearing numbers CIR/CFD/DIL/5/2013 dated February 4, 2013, CIR/CFD/DIL/8/2013 dated May 21, 2013 and CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 issued by the Securities and Exchange Board of India and relevant provisions of all applicable laws; the sanction of the Hon'ble High Court of Judicature at Bombay or such other competent authority/institution, as may be necessary the consent be and is hereby accorded to the Scheme of Amalgamation and Arrangement between PCS International Limited, Mauritius ("PIL Mauritius") and PCS Technology Limited ("PTL" or "the Company") and their respective shareholders ("the Scheme").

RESOLVED FURTHER THAT any Director of the Company or Mr. A.K. Patni, Vice Chairman or Mr. H. C. Tandon, Managing Director and CEO or Mr. M. P. Jain, CFO or Mr. Bhaskar J. Patel, Company Secretary of the Company be and is hereby severally authorized to do and perform all such acts, deeds, matters and things as are considered requisite or necessary to effectively implement the arrangement embodied in the Scheme and to accept such modifications and/or conditions, if any, which may be required and/or imposed by the Hon'ble High Court of Judicature at Bombay or by any other Regulatory Authority(ies), while sanctioning the arrangement embodied in the Scheme or as may be required for the purpose of resolving any doubts or difficulties that may arise in carrying out the Scheme."

Resolution 2: Utilization of Securities Premium Account:

2. To consider and if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 and Article 8 of the Articles of Association of the Company and subject to the sanction of the Scheme of Amalgamation and Arrangement between PCS International Limited, Mauritius ("PIL Mauritius") and PCS Technology Limited ("PTL" or "the Company") and their respective shareholders ("the Scheme") by the Hon'ble High Court of Judicature at Bombay under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, the consent of the shareholders of the Company be and is hereby accorded for the utilization of Securities Premium Account not exceeding INR 65 crores, as detailed in Clause 11 of the Scheme.

RESOLVED FURTHER THAT any Director of the Company or Mr. A.K. Patni, Vice Chairman or Mr. H. C. Tandon, Managing Director and CEO or Mr. M. P. Jain, CFO or Mr. Bhaskar J. Patel, Company Secretary of the Company be and is hereby severally authorized to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper and to settle any question or difficulty that may arise with regard to utilization/adjustment of the Securities Premium Account as aforesaid including passing of such accounting entries and/or making such other adjustments in the books of accounts as are considered necessary to give effect to the above Resolution or to carry out such modifications /directions as may be ordered by the Hon'ble High Court of Judicature at Bombay to implement the aforesaid Resolution."

By Order of the Board of Directors
For PCS Technology Limited

Sd/-
H. C. Tandon
 Managing Director & CEO

Place: Mumbai

Dated this 13th day of December 2014

Notes:

1) Voting through electronic means

Pursuant to the provisions of Section 110 of the Companies Act, 2013, read with Rule 22 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the members to cast their votes electronically. For this purpose the Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facility to members of the Company.

The instructions for members for voting electronically are as under:-

The voting period begins on 20th day, December, 2014 at 10.00 a.m. and ends on 18th day, January 2015, at 5.00 p.m.. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 12th December, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The instructions for members for voting electronically are as under:-

(A) In case of members receiving e-mail:

Log on to the e-voting website www.evotingindia.com

- (i) Click on "Shareholders" tab.
- (ii) Now, select the "PCS TECHNOLOGY LIMITED" from the drop down menu and click on "SUBMIT"
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the serial number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. • In case the serial number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> 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.
- (xiv) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(B) In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xiv) above to cast vote.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

(C) General:

- (a) In case of any queries regarding e-voting you may refer to the 'user manual for shareholders to cast their votes' available at www.evotingindia.com under 'HELP'.
- (b) If you are already registered with CDSL for e-voting then you can use your password for casting your vote.
- (c) The e-voting period commences on 20th day, December, 2014 at 10.00 a.m. and ends on 18th day, January, 2015 at 5.00 p.m. During the e-voting period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 12th December, 2014, may cast their votes electronically. Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- (d) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 12th December, 2014.
- (e) Mr. M. M. Sheth of M/s. M. M. Sheth & Co., Practising Company Secretary, Mumbai, has been appointed as Scrutinizer to scrutinize the postal ballot and e-voting process in a fair and transparent manner.
- (f) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the meeting.
- (g) The results of the postal ballot and e-voting along with the scrutinizer's report shall be placed on the Company's website, www.pcstech.com. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 887 OF 2014**

In the matter of :

the Companies Act, 1956 (1 of 1956) and the Companies Act, 2013 (18 of 2013);

AND

In the matter of :

Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013;

AND

In the matter of :

the Scheme of Amalgamation and Arrangement between PCS International Limited, Mauritius (**'the Transferor Company'**) and PCS Technology Limited (**'the Transferee Company'**)

AND

Their respective Shareholders

PCS TECHNOLOGY LIMITED, a company incorporated under the Companies Act, 1956 having its registered office at office No. 1, Gat No. 478, Alandi Markaal Road, Taluka Khed, Alandi District, Pune - 412106, Maharashtra)
)
)..... The Applicant Company

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956 AND SECTION 102(2) OF THE COMPANIES ACT, 2013 TO THE NOTICES OF THE COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF PCS TECHNOLOGY LIMITED AND POSTAL BALLOT AND E-VOTING

1. In this statement PCS Technology Limited is referred to as "PTL" or "the Transferee Company" or "the Company" and PCS International Limited, Mauritius is referred to as "PIL Mauritius" or "the Transferor Company". The other definitions contained in the Scheme (defined hereinafter) will apply to this statement under Section 393 of the Companies Act, 1956 and Section 102(2) and other applicable provisions of the Companies Act, 2013 ("Explanatory Statement").
2. Pursuant to an Order dated 12th December, 2014 passed by the Hon'ble High Court of Judicature at Bombay in the Company Summons for Direction referred to hereinabove, a meeting of the Equity Shareholders of, the Transferee Company, is being convened at Conference Hall, Ginger Hotel, Kala Khadak, Near Indira College, Wakad Naka, Wakad, Pune – 411 057 at 12.00 noon on Friday, 23rd January, 2015, for the purpose of considering and if thought fit, approving, with or without modifications, the Scheme of Amalgamation and Arrangement between PIL Mauritius and PCS Technology Limited and shareholders of PTL under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 ("the Scheme").
3. Apart from the Court Convened Meeting of the Equity Shareholders of the Transferee Company, to seek their approval for the proposed Scheme of Amalgamation and Arrangement between PCS International Limited, Mauritius and PCS Technology Limited and its shareholders under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013. The approval of Equity Shareholders of the Transferee Company is also sought by passing a resolution pursuant to Section 110 of the Companies Act, 2013 and a special resolution pursuant to Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 by way of postal ballot and e-voting, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, ("Ballot Rules") and the Securities and Exchange Board of India ("SEBI") Circular CIR/CFD/DIL/5/2013 dated 4th February, 2013, Circular CIR/CFD/DIL/8/2013 dated 21st May 2013 and Circular CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014 (hereinafter collectively referred to as "SEBI Circulars").
4. In terms of the SEBI Circulars, the Scheme shall be acted upon only if the votes cast by the public shareholders (i.e. shareholders other than promoter and promoter group shareholders) in favour are more than the number of votes cast by the public shareholders against.
5. A copy of the Scheme setting out in detail the terms and conditions of the proposed Scheme which has been approved by the Board of Directors of the Company is attached.

6. OVERVIEW

The Board of Directors of PTL vide its Board Meeting held on 21st May, 2014 had approved the Scheme of Amalgamation & Arrangement between PCS International Limited, Mauritius and PCS Technology Limited and its shareholders under sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 ("the Scheme"). BSE and PSE vide letters dated 28th August, 2014 & 5th August, 2014 respectively had given their approval to the said scheme.

The Scheme provides for the amalgamation of PIL Mauritius with the Company with effect from 1st day of April 2014 (the "Appointed Date").

7. **BACKGROUND**

PCS Technology Limited

- 7.1 The Company was incorporated on 22nd April 1981, under the name and style of "PCS Data Products Private Limited" the name of which was first changed to PCS Data Products Limited on 22nd July 1987, then PCS Industries Limited on 25th March 1994 and lastly to PCS Technology Limited on 25th October 2004.
- 7.2 PTL is primarily engaged in the business activities i.e. Computer Hardware, IT and IT enabled services.
- 7.3 The Registered Office of PTL is situated at Office no.1, Gat no. 478, Alandi Markaal Road, Taluka Khed, Alandi District, Pune-412106, Maharashtra.
- 7.4 The share capital as per the latest audited financial statement of the Company as on 31st March 2014 is as under:

Particulars	Amount (Rs.)
Authorized Share Capital	
21,025,000 Equity Shares of Rs. 10/- each	210,250,000
3,975,000 Redeemable, Non-Convertible & Non-Cumulative Preference Shares of Rs. 10/- each	39,750,000
Total	250,000,000
Issued, Subscribed and Paid-up Capital	
20,950,677 Equity Shares of Rs. 10/- each	209,506,770
3,975,000 9% Redeemable, Non-Convertible & Non-Cumulative Preference Shares of Rs. 10/- Each	39,750,000
Total	249,256,770

Subsequent to 31st March, 2014, there has been no change in the Authorized, Issued, Subscribed and Paid-up Capital of PTL.

- 7.5 The Equity Shares of the Company are listed on the BSE Limited ('BSE') (Scrip Code: 517119) and Pune Stock Exchange Limited ('PSE') (Scrip code no. 11179) Symbol: PCS).

8. **BACKGROUND**

PCS International Limited, Mauritius (PIL Mauritius) :

- 8.1 PIL Mauritius was incorporated on 3rd September, 1999 under the name and style of PCS International Limited under the Mauritius Companies Act, 1984, and holds a Category 2 Global Business Licence issued by the Financial Services Commission.
- 8.2 PIL Mauritius is primarily engaged in the business activities i.e. Computer Hardware, IT and IT enabled services.
- 8.3 The Registered Office of PIL Mauritius is situated at C/o. Multiconsult Limited, Rogers House, 5 President John Kennedy Street, Port Louis, Mauritius.
- 8.4 The share capital of PIL Mauritius as per the latest audited financial statement as on 31st March, 2014 is as under:

Particulars	Amount (Rs.)
Authorized Share Capital	
1,11,000 Equity Shares of USD 10/- each	47,088,450
Total	47,088,450
Issued, Subscribed and Paid-up Share Capital	
1,11,000 Equity Shares of USD 10/- each fully paid up	47,088,450
Total	47,088,450

Subsequent to 31st March, 2014, there has been no change in the Authorized, Issued, Subscribed and Paid-up Capital of PIL Mauritius.

- 8.5 As on date, the entire share capital of PIL Mauritius is held by PTL and its nominees.
- 8.6 In terms of the laws prevalent in Mauritius, a company incorporated in Mauritius and holding Category 2 Global Business License can merge with one or more companies incorporated under the laws of jurisdiction other than that of Mauritius.

9. **Rationale and benefits:**

- 9.1 The Transferor Company is wholly owned subsidiary of the Transferee Company engaged in similar business activities i.e. Computer Hardware, IT and IT enabled services.
- 9.2 The amalgamation of the Transferor Company with the Transferee Company will result in simplification of corporate structure leading to elimination of duplication in administrative cost and eliminating the overlapping business or businesses which are no longer pursued by the Transferor Company.
- 9.3 The proposed consolidation will, inter-alia, result in the following benefits:
- Better administration of the businesses; and
 - Concentrated effort and focus by the senior management to grow the business by eliminating duplicative communication and burdensome co-ordination efforts across multiple entities and countries

Further, the Transferee Company had initiated a financial restructuring with respect to its unproductive activities. There continues to remain certain stressed assets in respect of the said activities and accordingly the financials of the Transferee Company require restructuring. For achieving the restructuring as aforesaid, in addition to taking over the business assets and liabilities of the Transferor Company, it is also proposed to write off some of the assets which are either unserviceable or not required for the rest of the business of the Transferor Company or may not be realizable as explained in this Scheme.

10. The salient features of the Scheme are as follows:

- 10.1 The Appointed Date of the Scheme will be 1st day of April, 2014.
- 10.2 With effect from the Appointed Date and upon the Scheme becoming effective, the entire business of the Transferor Company as a going concern including all its assets like investments and other movable assets of whatsoever nature and all liabilities shall under the provisions of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 and pursuant to the orders of the Bombay High Court sanctioning this Scheme and without any further act or deed be transferred and/or deemed to be transferred to and vested in the Company so as to become the properties and liabilities of the Company, as provided under Clause 4 of the Scheme.
- 10.3 There are no legal proceedings pending against the Transferor Company as provided under Clause 6 of the Scheme.
- 10.4 All contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto, as provided in Clause 7 of the Scheme.
- 10.5 The Transferor Company shall conduct its business and activities for and on account of and in trust for the Transferee Company with effect from April 1, 2014 till the Effective Date of the Scheme, in terms of Clause 5 of the Scheme.
- 10.6 Pursuant to the Scheme coming into effect, all the investments in equity share capital of the Transferor Company held by the Transferee Company (either held directly and/or nominee(s)) shall stand cancelled from the effective date.
- 10.7 The Transferor Company is directly wholly owned by the Transferee Company and therefore, there would be no issue of shares by the Transferee Company in this regard. Therefore, the pre arrangement and post arrangement shareholding of the Transferee Company shall remain unchanged.
- 10.8 As the Transferor Company is managed by its Directors only, there will not be any involvement requiring transfer of the staff, workmen or employees, in terms of Clause 10 of the Scheme.
- 10.9 Upon the Scheme coming into effect and with effect from April 1, 2014, on amalgamation of PIL Mauritius with the Transferee Company, the difference, if any, between the value of assets and liabilities of the Transferor Company taken over, after cancellation of shares held in PIL Mauritius and after adjusting for certain assets of the Transferee Company as may be decided by the Management, be adjusted against the Securities Premium Account, Capital Reserve Account, General Reserve Account and surplus available in Profit & Loss Account (including profits for the year of the Company), in the same sequence, as detailed in Clause 11 of the Scheme.
- 10.10 The application and reduction of Securities Premium Account, as above shall be effected as an integral part of the Scheme without having to follow the process under Section 52 of the Companies Act, 2013 and Sections 100, 102 and 103 of the Companies Act, 1956 separately and the order of the High Court sanctioning the Scheme shall be deemed to be also the order under Section 102 of the Companies Act, 1956 confirming the reduction. The reduction would not involve either diminution of liability in respect of unpaid share capital or payment of paid up share capital and provisions of Section 101 of the Companies Act, 1956 will not be applicable.

The proposed utilization/ adjustment of Securities Premium Account is only a book entry and has no financial implications whatsoever. Such reduction and adjustment would not in any way adversely affect the ordinary operations of the Company or the ability of the Company to honour its commitments or to pay its debts in the ordinary course of business. Since the reduction would not involve either diminution of liability in respect of unpaid share capital or payment to any shareholders of any paid up share capital and, therefore, the provisions of Section 101 of the Companies Act, 1956 will not be applicable and consequently, only the passing of a separate special resolution for approving the reduction of securities premium account of the Company in the meeting of the Equity Shareholders of the Company is required. Accordingly, it is proposed that a separate special resolution shall be passed by the Equity Shareholders of the Company, approving the reduction of securities premium account of the Company by way of postal ballot and/or e-voting. The said special resolution shall be subject to the sanction of the Hon'ble High Court of Judicature or any other statutory authorities at Bombay.
- 10.11 Upon the Scheme coming into effect, the Transferor Company shall be dissolved without being wound up subject to and in accordance with the Applicable Laws of Relevant Jurisdictions, as detailed in clause 15 of the Scheme.
- 10.12 All charges and expenses incurred in carrying out and implementing the provisions of this Scheme and incidentals thereto shall be borne by the Transferee Company, as detailed in clause 17 of the Scheme.
- 10.13 The Scheme is conditional upon and subject to the approvals and/or sanctions laid down in Clause 14 of the Scheme.

The members are requested to read the entire text of the Scheme to get better acquainted with the provisions thereof. As stated above, the aforesaid are only salient features of the Scheme.

11. The rights and interests of the members of the Company will not be prejudicially affected by the Scheme. The promoter group share holding is given below:

Shares held through	As on September 30, 2014	
	No. of shares	%
Rajnikanta G Patni	23,86,116	11.39
PCS Finance Ltd	19,01,560	9.08
Ashoka Computer Systems Pvt Ltd	19,01,560	9.08
PCS Cullinet Pvt Ltd	19,01,560	9.08
Sadhana A Patni	16,52,122	7.89
Vasundhara Apoorva Patni	10,00,000	4.77
Poonam Narendrakumar Patni	6,01,547	2.87
Gajendrakumar S Patni	5,79,685	2.77
Ashokkumar S Patni	5,75,995	2.75
Anirudh Narendrakumar Patni	5,59,270	2.67
Apoorva Ashok Kumar Patni	3,89,676	1.86
Arihant Gajendra Kumar Patni	2,83,056	1.35
Amit Kumar Patni	2,61,899	1.25
Ruchi Amit Kumar Patni	1,52,540	0.73
Sobhagmal Patni	1,30,936	0.62
Apoorva Ashok Kumar Patni	1,11,069	0.53
Arihant Gajendrakumar Patni	1,01,130	0.48
Narendra Kumar Patni	94,079	0.45
Kanchanbai S Patni	60,286	0.29
Sadhana A Patni	42,814	0.20
Rajnikanta G Patni	4,965	0.02
Aakriti Amitkumar Patni	2,830	0.01
Ayushi Amitkumar Patni	2,830	0.01
Kanchanbai Patni	1,000	0.00
Rajkumar Barjatya	760	0.00
Sooraj Barjatya	145	0.00
Rajrani Gangwal	128	0.00
Pankaj Patni	86	0.00
Meeta Devi Gangwal	64	0.00
Munish Kumar Gangwal	64	0.00
Meeta Devi Gangwal	56	0.00
Rajrani Gangwal	56	0.00
Rajrani Gangwal	56	0.00
Munish Kumar Gangwal	56	0.00
Total	1,46,99,995	70.16

12. Pursuant to the amalgamation of the Transferor Company with the Company, there is no likelihood that any secured or unsecured creditor would lose or be prejudiced as a result of the Scheme being approved nor are their rights sought to be modified in any manner. Hence, the amalgamation of the Transferor Company will not cast any additional burden on the shareholders of the Transferee Company and the Transferor Company, nor will it affect the interest of any of the shareholders PTL.
13. No investigation proceedings are pending under Section 237, Section 250, Section 250A, Section 251 of the Companies Act, 1956 and Section 210, Section 214 to Section 217, Section 219, Section 220, Section 223 to Section 225 of the Companies Act, 2013 to the extent notified, in respect of the Company.
14. The Company has obtained a Valuation Report from M/s MZSK & Associates, Chartered Accountants, Mumbai and Fairness Opinion on Scheme of Amalgamation and Arrangement from SPA Capital Advisors Limited; a SEBI registered Merchant Banker, as prescribed by SEBI.
15. The Company has obtained the approval of the Scheme in terms of the Clause 24(f) of the Listing Agreement from BSE and PSE vide their letters dated 28th August, 2014 and 5th August, 2014 respectively approving the Scheme.
16. The Company has also complied with all the revised requirements for Listed Companies regarding the Scheme as required under the SEBI Circulars.
17. The Audit Committee of the Company at its meeting held on 21st May, 2014 examined the Scheme and had recommended the Scheme for consideration by the Board of Directors of the Company. Thereafter, the Board of Directors of the Company had approved the Scheme on 21st May, 2014.

18. The capital structure and the shareholding pattern of the Company is as under:

Particulars	As on March 31, 2014 (Rs.)
Authorized Share Capital	
21,025,000 Equity Shares of Rs. 10/- each	210,250,000
3,975,000 Redeemable, Non-Convertible & Non-Cumulative Preference Shares of Rs. 10/- each	39,750,000
Total	250,000,000
Issued, Subscribed and Paid-up Capital	
20,950,677 Equity Shares of Rs. 10/- each	209,506,770
3,975,000 9% Redeemable, Non-Convertible & Non-Cumulative Preference Shares of Rs. 10/- each	39,750,000
Total	249,256,770

Pre and Post-Arrangement (Expected) Shareholding Pattern:

Category of Shareholder		As on September 30, 2014	
		No. of Shares	Percentage
(A)	Promoter and Promoter Group	14699995	70.16
Total Promoter and Promoter Group (A)		14699995	70.16
(B)	Public Shareholding		
1	Institutions		
(a)	Mutual Funds / UTI	131583	0.63
(b)	Financial Institutions / Banks	995	0.00
(c)	Venture Capital Funds	0	0
(d)	Insurance Companies	213383	1.02
(e)	Foreign Institutional Investors	700	0.00
Sub-Total (B) (1)		346661	1.65
2	Non-Institutions		
(a)	Bodies Corporate	224562	1.07
(b)	Individuals	5483568	26.17
(c)	Any Other		
	i. Clearing Members	60573	0.29
	ii. Directors and relatives	748	0.00
	iii. Non Resident Indian	33770	0.16
	iv. Overseas Body Corporate	100800	0.48
Sub-total (B) (2)		5904021	28.18
Total Public Shareholding (B) = (B)(1)+(B)(2)		6250682	29.84
TOTAL (A)+(B)		20950677	100.00

19. Following are the common Directors on the Board of the Transferee Company and the Transferor Company:

Name of the Director	PTL	PIL Mauritius
Ashok Kumar Sobhagmal Patni	Vice Chairman	Director
Harish Chandra Tandon	MD & CEO	N A
Gajendra Kumar Patni	Chairman	Director

20. The Directors of the Company and the Transferor Company may be deemed to be concerned and /or interested in the Scheme only to the extent of the shares that may be held by them or by the companies, firms, institutions, trusts of which they are Directors, Partners, Members or Trustees in the Company or the Transferor Company, or to the extent the said directors are common directors in the companies. None of the Directors of the Company and/or the Transferor Company have any material interest in the Scheme except as shareholders to the extent, which will appear from the Register of Director's Shareholding maintained by the Company and the Transferor Company respectively. The shareholding of the present Directors of the Company and the Transferor Company, either individually as first holders, joint holders or as nominee of the Company and/or the Transferor Company, in either the Company or the Transferor Company, as on 31st March, 2014 is as below:

- A. The details of the present Directors of PTL and their shareholding in PTL and PIL Mauritius either individually as first holders, joint holders or as nominee are as follows:

Sr. No.	Name of the Director	No. of Equity Shares held in	
		PTL	PIL Mauritius
1	Gajendra Kumar Sobhagmal Patni	579685	NIL
2	Ashok kumar Sobhagmal Patni	575995	NIL
3	Girish Mohanlal Dave	NIL	NIL
4	Harish Chandra Tandon	432	NIL
5	Dadi Bejonji Engineer	NIL	NIL
6	Kamal Kumar Barjatya	316	NIL
7	Satish Ajmera	NIL	NIL
8	Apoorva Ashok Kumar Patni	500745	NIL
	Total	1657173	NIL

- B. The details of the present Directors of PIL Mauritius and their shareholding in PTL and PIL Mauritius either individually as first holders, joint holders or as nominee are as follows:

Sr. No.	Name of the Director	No. of Equity Shares held in	
		PTL	PIL Mauritius
1.	Gajendra Kumar Patni	579685	NIL
2.	Ashok Kumar Patni	575995	NIL
3.	Amit Kumar Patni	261899	NIL
4	Gyaneshwarnath Gowrea	NIL	NIL
5	Aveenash Ramtohul	NIL	NIL
	Total	1417579	NIL

Copies of the below documents are available for inspection at the Registered Office and Corporate Office of the Company, during business hours i.e. 11.00 a.m. to 5.00 p.m. up to 22nd January, 2015 on week days only (excluding public holidays):

- Scheme of Amalgamation and Arrangement;
- Memorandum and Articles of Association of the Company and the Transferor Company;
- The Audited Accounts of the Company and the Transferor Company as on 31st March, 2014;
- Valuation Report dated May 21, 2014 issued by MZSK & Associates, Chartered Accountants.
- Fairness opinion on the Scheme of Amalgamation and Arrangement of PIL Mauritius being wholly owned subsidiary of PTL with its holding company i.e. PTL issued by SPA Capital Advisors Ltd.
- Register of Directors' shareholdings of the Company;
- Complaint report dated August 5, 2014 filed by PTL, the Transferee Company..
- No objection letters dated 28th August, 2014 and 5th August, 2014 received from BSE and PSE respectively; and
- Order dated 12th December, 2014 passed by the Hon'ble High Court of Judicature at Bombay in Company Summons for Direction No. 887 of 2014 for the Transferee Company.

The above proposal is in the interest of the Company and your Directors recommend this Resolution for the approval by the Shareholders.

By Order of the Board of Directors
For PCS Technology Limited

Sd/-

H. C. Tandon

Chairman Appointed for the Meeting

Place: Mumbai

Dated this 13th day of December 2014

Registered Office:

Office no. 1, Gat no. 478, Alandi Markaal Road,
Taluka Khed, Alandi, District Pune- 412106

Corporate Office:

302-304, Regent Chambers,
Nariman Point, Mumbai – 400021
Tel.: +91-22-2282 2621/2562 Fax: +91-22-2285 1489
Email : investorgrievances@pcstech.com
website: www.pcstech.com

CIN - L74200MH1981PLC024279

**SCHEME OF AMALGAMATION AND ARRANGEMENT
BETWEEN
PCS INTERNATIONAL LIMITED, MAURITIUS
(‘THE TRANSFEROR COMPANY’)
AND
PCS TECHNOLOGY LIMITED
(‘THE TRANSFEREE COMPANY’)
AND
THEIR RESPECTIVE SHAREHOLDERS**

UNDER SECTIONS 391 TO 394 READ WITH SECTIONS 100 TO 103 OF THE COMPANIES ACT, 1956 AND SECTION 52 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956 AND THE COMPANIES ACT, 2013

I. PREAMBLE

This Scheme of Amalgamation and Arrangement (“Scheme”) (more particularly described hereinafter) is presented pursuant to Sections 391 to 394 read with Section 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 1956 and the Companies Act, 2013.

Following are the parties to the Scheme:

Sr. No.	Name of the Company
1	PCS International Limited, Mauritius (hereinafter referred to as “the Transferor Company” or “PIL Mauritius”) - a Company incorporated under the Mauritius Companies Act, 1984, and holds a Category 2 Global Business Licence issued by the Financial Services Commission. Its registered office at C/o. Multiconsult Limited, Les Cascades Building, Edith Cavell Street, Port Louis, Mauritius.
2.	PCS Technology Limited (hereinafter referred to as “the Transferee Company” or “PTL”) - a Company incorporated under the Companies Act, 1956, having its registered office at Office No. 1, Gat No. 478, Alandi Markaal Road, Taluka Khed, Alandi District, Pune – 412106, Maharashtra. PTL is listed on Bombay Stock Exchange and Pune Stock Exchange.

This Scheme provides for the transfer to and vesting in the Transferee Company of the PIL Mauritius Undertaking of the Transferor Company (described in this Scheme), in accordance with the Applicable Laws in the Relevant Jurisdictions (as defined hereinafter).

This Scheme also makes provisions for various other matters consequential or related thereto and otherwise integrally connected therewith, with the end and intent of increasing shareholder value.

II. RATIONALE AND PURPOSE OF THE SCHEME

The Transferor Company is a wholly owned subsidiary of the Transferee Company engaged in similar business activities i.e. Computer Hardware, IT and IT enabled services.

The amalgamation of the Transferor Company with the Transferee Company will result in simplification of corporate structure leading to elimination of duplication in administrative cost and eliminating the overlapping business or businesses which are no longer pursued by the Transferor Company.

The proposed consolidation will, inter-alia, result in the following benefits:

- i. Better administration of the businesses;
- ii. Concentrated effort and focus by the senior management to grow the business by eliminating duplicative communication and burdensome co-ordination efforts across multiple entities and countries.

Further, the Transferee Company had initiated a financial restructuring with respect to its unproductive activities. There continues to remain certain stressed assets in respect of the said activities and accordingly the financials of the Transferee Company require restructuring. For achieving the restructuring as aforesaid, in addition to taking over the business assets and liabilities of the Transferor Company, it is also proposed to write off some of the assets which are either unserviceable or not required for the rest of the business of the Transferor Company or may not be realizable as explained in this Scheme

III. EFFECTIVE DATE:

This Scheme shall become effective on and from the date on which all the conditions referred to in Clause 14 of this Scheme have been fulfilled.

The Scheme relates to the merger of the Transferor Company with the Transferee Company on terms as set out below:

1. DEFINITIONS

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

- 1.1 **“Act”** means the Companies Act, 1956, including any statutory modifications, re-enactments or amendments thereof from time to time.
- 1.2 **“Appropriate Authority”** means any governmental, statutory, regulatory, departmental or public body or authority of the Relevant Jurisdiction, including Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, Pune and Mauritius, as the case may be and courts of India.
- 1.3 **“Appointed Date”** means the 1st day of April, 2014 or such other date as may be approved by the High Court of Judicature at Bombay.
- 1.4 **“Applicable Law(s)”** means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions, law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 1.5 **“Assets”** shall mean and include the entire business of the Transferor Company and shall include without limitation the following:
- (a) all properties wherever situated, whether movable or immovable, tangible or intangible, corporeal or incorporeal, intellectual property, whether in possession or reversion, present or contingent, advances for assets, debtors, current assets, investments, deposits, claims, bank accounts and all cash appertaining or relating to the Transferor Company as on the Appointed Date and such additional assets pertaining to the Transferor Company acquired since the Appointed Date;
 - (b) all permits, rights, entitlements including import quotas, industrial and other licenses, sales tax and excise duty licenses, and licenses with export-import authority including advance licenses and all other licenses, duty entitlement pass books, duty refund against export obligations, rights of way, powers, authorities, allotments, approvals and consents, permits, quotas, subsidies and incentives, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power, use or possession and in the control of or vested in or granted in favor of or enjoyed by the Transferor Company, including but without being limited to all patents, trade marks, trade names, copy rights, brands, goodwill and other commercial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases of land properties, tenancy rights, ownership flats, authorizations, registrations and entitlements like electricity, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water, gas connections, other fuel and power, and electronic and other services, reserves, provisions, funds, financial assets, benefits of all agreements and deposits, any tax benefits direct or indirect including advance tax paid or any tax deducted in respect of any income received and all other interests belonging to or in the ownership, power or possession or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company as on the Appointed Date; and
 - (c) all records, files, papers, computer programmes, manuals, data, catalogues, quotations, sales and advertising materials, sales/ credit/ pricing information, and other records, whether in physical form or electronic form in connection with or relating to the Transferor Company as on the Appointed Date.
- 1.6 **“Board of Directors”** or **“Board”** means the Board of Directors of the Transferor Company and the Transferee Company, as the case may be and shall include a duly constituted committee thereof.
- 1.7 **“High Court”** means the High Court of Judicature at Bombay and shall be deemed to include the National Company Law Tribunal, wherever and when applicable.
- 1.8 **“Liabilities”** in relation to the Transferor Company shall mean and include all debts, liabilities, loans, borrowings, bills payable, public deposits, security deposits, interest accrued, contingent liabilities and all other liabilities, duties, undertakings, contractual obligations, guarantees given and obligations of the Transferor Company as on the Appointed Date along with any charge, encumbrance, lien or security thereon including:
- (a) liabilities on account of loans and advances from unsecured creditors, contingent liabilities not provided in the books of the Transferor Company, and such additional liabilities pertaining to the Transferor Company incurred since the Appointed Date.
 - (b) obligations of whatsoever kind including liabilities for payment of gratuity, pension benefits, provident fund or compensation in the event of retrenchment.
- 1.9 **“Mauritius Act”** means the Mauritius Companies Act 1984 or any statutory modification or re-enactment thereof for the time being in force.
- 1.10 **“New Act”** means the Companies Act, 2013, rules and regulations there under, to the extent notified, and as may be applicable from time to time
- 1.11 **“PIL Mauritius Undertaking”** means the activity / business of the PCS International Limited, Mauritius on a going concern basis and shall also include Assets / Liabilities of PCS International Limited, Mauritius.
- 1.12 **“Relevant Jurisdiction”** means the territories of the Republic of India and Mauritius.
- 1.13 **“Scheme of Amalgamation and Arrangement”** or **“this Scheme”** or **“the Scheme”** means this Scheme of Amalgamation and Arrangement in its present form submitted to the High Court or any other Appropriate Authority in the Relevant Jurisdiction with modification(s) thereof made under clause 16 of this Scheme or with such other modification(s) / amendment(s) as the High Court/Registrar of Companies, Mauritius or any other Appropriate Authority may direct, but subject to the requirements of any other Applicable Law.
- 1.14 **“SEBI”** means Securities and Exchange Board of India

Any references of this Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” or “coming into effect of this

Scheme" shall mean the Effective Date. The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meanings ascribed to them under the Act, the New Act (to the extent notified and applicable) and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification, or re-enactment thereof, from time to time and in particular, wherever reference is made to the High Court in this Scheme, the reference would include, if appropriate, reference to the National Company Law Tribunal or such other forum or authority, as may be vested with any of the powers of the High Court under the Act and the New Act.

This Scheme has been drawn up to comply with the conditions relating to 'Amalgamation' as specified under Section 2(1B) of the Income-tax Act, 1961. If any term(s) or provision(s) of this Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961 shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme, except to the extent required to give effect to the Scheme.

In this Scheme, unless the context otherwise requires:

- i. words denoting the singular shall include the plural and vice versa;
- ii. words importing any gender include every gender;
- iii. headings and bold typefaces are only for convenience and shall be ignored for the purpose of interpretation;
- iv. references to the word "include" or "including" shall be construed without limitation;
- v. references to dates and times shall be construed to be reference to Indian dates and times;
- vi. reference to an article, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, section, paragraph of this Scheme;
- vii. reference to a document includes an amendment or supplement to, or replacement or novation of that document; and
- viii. for the purposes of financial calculations amounts are converted from USD to INR at rates prevailing as on the Appointed Date.

2. OPERATIVE DATE

- 2.1 This Scheme, set out herein in its present form shall be Effective from the Appointed Date, but shall be operative from the Effective Date.

3. SHARE CAPITAL

- 3.1 The authorized, issued, subscribed and paid-up share capital of PIL Mauritius as shown in the Annual Report for the Year 2012-2013 is as under:

Particulars	Amount in INR
Authorized capital	
1,11,000 Equity Shares of par value of USD 10 each	47,088,450
Issued, Subscribed and Paid-up capital	
1,11,000 Equity Shares of par value of USD 10 each	47,088,450

There is no change in the issued, subscribed and paid-up share capital of PIL Mauritius after the aforesaid date. The entire Issued, Subscribed and Paid-up Share Capital of PIL Mauritius is held by PTL .

- 3.2 The authorized, issued, subscribed and paid-up share capital of PTL as on 31st March 2013 is as under:

Particulars	Amount in INR
Authorized capital	
21,025,000 Equity Shares of Rs. 10/- each	210,250,000
3,975,000 Redeemable, Non-Convertible & Non-Cumulative Preference Shares of Rs. 10 each	39,750,000
Total	250,000,000
Issued, Subscribed and Paid-up capital	
20,950,677 Equity Shares of Rs. 10/- each fully paid-up	209,506,770
3,975,000 9% Redeemable, Non-Convertible & Non-Cumulative Preference Share of Rs. 10 each	39,750,000
Total	249,256,770

There is no change in the issued, subscribed and paid-up share capital of PTL after the aforesaid date.

4. TRANSFER AND VESTING OF UNDERTAKING

- 4.1 On and with effect from the Appointed Date and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, the Undertaking of PIL Mauritius as a going concern shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:
 - (a) with effect from the Appointed Date, the whole of the business and the Undertaking of the Transferor Company including all its properties and assets (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present,

future or contingent) of whatsoever nature such as registrations, licenses, lease, tenancy rights, if any, and all other rights, title, interest, contracts, consents, approvals, or powers of every kind, nature and descriptions and wheresoever situated, shall, under the provisions of Sections 391 to 394 read with Sections 100 to 103 of the Act and Section 52 of the New Act and all other applicable provisions, if any, of the Act and the New Act and pursuant to the orders of the High Court of Judicature at Bombay sanctioning this Scheme and upon compliance of any requirements under the Mauritian law without any further act or deed, but subject to the charges affecting the same as on the Effective Date be transferred and/or deemed to be transferred to and vested in the Transferee Company on a “going concern” basis so as to become, as from the Appointed Date, the assets and liabilities, if any, of the Transferee Company and to vest all the right, title and interest therein to the Transferee Company.

- (b) the Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation/ notice in favour of any other party to any contract or arrangement to which the Transferor Company is a party, as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.
 - (c) with effect from the Appointed Date, all liabilities, debts, duties, obligations of every kind, nature and description of the Transferor Company shall, under the provisions of Sections 391 and 394 read with Sections 100 to 103 of the Act and Section 52 of the New Act and under the relevant provisions of the Mauritius Act, and other applicable law, without any further act or deed be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date, the liabilities, debts, duties, obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities, debts, duties and obligations have arisen, in order to give effect to the provisions of this clause.
- 4.2 The transfer and vesting of the whole of the Undertaking of PIL Mauritius pursuant to Clause 4.1 of this Scheme shall mean the transfer and vesting of such Undertaking in accordance with Applicable Laws in Relevant Jurisdiction.
- 4.3 There are inter – company balances between the Transferor Company and the Transferee Company, the obligations in respect thereof shall, on and from the Appointed Date, come to an end and suitable effect shall be given in the books of accounts and records of the Transferee company if required, for such adjustments of debts or liabilities, as the case may be. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of any such inter-company balances between the Transferor Company and the Transferee Company.
- 4.4 With effect from the Effective Date, the Transferee Company shall continue to carry on the existing business of the Transferor Company.
- 4.5 All the licenses, approvals, permits, registration and membership of the Transferor Company of any governmental or regulatory agencies, any trade associations, chambers of commerce or any charitable or other trusts as trustee or beneficiary shall be transferred to, to the extent that they are capable of being transferred under the Applicable Laws, and vested in and become the licenses, approvals, permits and registration and membership of the Transferee Company and the Transferee Company shall continue to enjoy the benefits, rights and be liable for all obligations and liabilities as are available to or binding upon the Transferor Company in whose favour such licences etc. have been issued or granted and the name of the Transferor Company shall be deemed to have been substituted by the name of the Transferee Company and such benefits be deemed to be assigned in favor of the Transferee Company before the Transferor Company ceases to exist.

5. CONDUCT OF ACTIVITIES / BUSINESS BY THE TRANSFEROR COMPANY TILL EFFECTIVE DATE AND RELATED ISSUES

- 5.1 For the period beginning on and from the Appointed Date and ending on the Effective Date: -
- (a) The Transferor Company shall carry on and be deemed to have carried on all its activities and shall be deemed to have held and possessed of and shall continue to hold and stand possessed of all the assets, properties and liabilities for and on account of and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the assets, properties and liabilities with utmost prudence until the Effective Date.
 - (b) All the profits or income accruing or arising to the Transferor Company and all costs, charges, expenditure, taxes or losses arising or incurred by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits, income, costs, charges, expenditure, taxes or losses of the Transferee Company, as the case may be.
 - (c) The Transferor Company shall carry on its activities until the Effective Date with reasonable diligence, and business prudence and shall not, without the prior consent of the Transferee Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose off the Assets or any part thereof, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken by the Transferor Company.
 - (d) The Transferor Company shall not, without the prior written consent of the Board of Directors of the Transferee Company, undertake any new business.
 - (e) Neither the Transferor Company nor the Transferee Company shall make any change in their capital structure (paid-up capital), either by increase (by issue of shares on rights basis, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organization or any other manner, other than changes pursuant to any prior commitments, obligations or arrangements or acts and deeds already made except by mutual consent of the Board of Directors of the Transferee Company and the Transferor Company.

- (f) It is hereby clarified that the restrictions mentioned in sub-clause c), d) and e) be applicable from the date of approval of the present Scheme by the respective Board of Directors of the Transferor Company and the Transferee Company and not from the Appointed Date.

6. LEGAL PROCEEDINGS

- 6.1 There are no legal proceedings pending against PIL Mauritius.

7. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 7.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any multipartite agreements, arrangements, confirmations or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this clause, if so required or becomes necessary.
- 7.2 For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred, to the extent they are capable of being transferred under the Applicable Laws, to the Transferee Company, as if the same were originally given by, issued to or executed in favour of such Transferee Company, and such Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to such Transferee Company. For this intent and purpose, if required, pending sanction of this Scheme, the Transferor Company shall make applications to and obtain relevant approvals from the appropriate authority as may be necessary in this behalf.

8. SAVING OF CONCLUDED TRANSACTIONS

- 8.1 The transfer of all assets and liabilities and the licenses and permits and membership etc. under clause 4 above and the continuance of proceedings, if any, by or against the Transferee Company under clause 6 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date, and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

9. NO ISSUE OF SHARES

- 9.1 The Transferee Company is holding the entire issued, subscribed and paid-up share capital of the Transferor Company. Hence, no consideration shall be payable by the Transferee Company upon the amalgamation of the Transferor Company.
- 9.2 The Equity Shares held by the Transferee Company in the Transferor Company shall stand cancelled without any further act, application or deed.

10. STAFF, WORKMEN AND EMPLOYEES OF THE TRANSFEROR COMPANY

- 10.1 Since the Transferor Company is managed by its directors only, there will not be any involvement requiring transfer of the staff, workmen and employees of the Transferor Company.

11. ACCOUNTING

- 11.1 The Transferee Company shall follow Purchase Method for accounting of amalgamation as per Accounting Standard – 14 on Accounting for Amalgamation issued by the Institute of Chartered Accountants of India and as notified under Section 211 (3C) of the Act, subject to the following:
- 11.2 All assets recorded in the books of the Transferor Company and transferred to and vested in Transferee Company pursuant to this Scheme shall be recorded by Transferee Company at their respective fair values, in its books.
- 11.3 All the liabilities recorded in the books of the Transferor Company and transferred to and vested in Transferee Company pursuant to this Scheme shall be recorded by Transferee Company at their respective fair values, in its books.
- 11.4 Upon coming into effect of this Scheme, the book value of shares held by the Transferee Company as on the Appointed Date in the Transferor Company shall be cancelled.
- 11.5 There are inter-company balances as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall, on and from the Appointed Date, come to an end and corresponding suitable effect shall be given in the books of account and records of the Transferee Company.
- 11.6 The difference, if any, between the value of assets and liabilities of the Transferor Company taken over and after giving effect to the other sub-clauses hereinabove and after adjusting for certain assets of the Transferee Company as may be decided by the Management, in aggregate not exceeding INR 65 crores, be charged to the Profit & Loss Account (including profits for the year) and consequently amounts standing in the balance in Securities Premium Account, Capital Reserve Account, General Reserve Account and surplus available in Profit & Loss Account, be withdrawn in the same sequence and credited to the Profit & Loss of the financial year.

11.7 The utilization of the Securities Premium Account as stated in Clause 11.6 above shall be effected as an integral part of this Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital and the order of the Bombay High Court sanctioning this Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction without the need on the part of the Company to carry out any further act or deed.

11.8 In case of any difference in the accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the Profit & Loss Account to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

12. APPLICATION TO THE HON'BLE HIGH COURT OF BOMBAY

12.1 The Transferee Company shall, with all reasonable dispatch, make applications to the High Court of Judicature at Bombay under Section 391 of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the members and/or creditors of the Transferee Company, as may be directed by the High Court of Judicature at Bombay.

12.2 On this Scheme being agreed to, by requisite majorities of the members and/or creditors of the Transferor Company and the Transferee Company, as applicable and as directed by the High Court of Judicature at Bombay, the Transferor Company and the Transferee Company shall, with all reasonable dispatch, apply to the High Court of Judicature at Bombay and any appropriate authority of the Relevant Jurisdiction, for sanctioning the Scheme of Amalgamation and Arrangement under Sections 391 and 394 read with Sections 100 to 103 of the Act and Section 52 of the New Act, and Applicable Law of the Relevant Jurisdiction, and for such other order or orders, as the said High Court or any other Appropriate Authority of the relevant jurisdiction, may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Company without winding-up as per the provisions of Mauritius Act.

13. PROVISIONS UNDER THE MAURITIUS LAWS PERTAINING TO AMALGAMATION

13.1 In terms of section 4(2) (a) of Part II of the Fourteenth Schedule of the Mauritius Act, the Transferor Company is required to comply with the laws of Mauritius regarding amalgamation of the Mauritius Transferor Company with the Transferee Company.

13.2 In terms of the laws prevalent in Mauritius, a company incorporated in Mauritius and holding Global Business License Category 2 can merge with one or more companies incorporated under the laws of jurisdiction other than that of Mauritius.

13.3 In terms of section 4(2)(b) of Part II of the Fourteenth Schedule of the Mauritius Act, the Transferee Company, being incorporated under the laws of the jurisdiction other than Mauritius, must submit to the Registrar of Companies of Mauritius (the "ROC Mauritius") the following:

- i. an agreement that a service of process may be affected on it in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation of a constituent company incorporated under the Mauritius Act or in respect of proceedings for the enforcement of the rights of a dissenting member of a constituent company incorporated under the Mauritius Act against the surviving company (being the Transferee Company) or the consolidated company;
- ii. an irrevocable appointment of an agent as may be acceptable to the ROC Mauritius as its agent to accept service of process in proceedings referred to in Clause 13.3 (i) above and to accept service of process in respect of proceedings for the enforcement of any claim, debt, liability or obligation of a dissenting member of the Transferor Company against the Transferee Company;
- iii. an undertaking that it shall promptly pay to the dissenting members, if any, of a constituent company incorporated under the Mauritius Act the amount, if any, to which they are entitled under the Mauritius Act with respect to the rights of dissenting members; and
- iv. a certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (being the Hon'ble High Court of Judicature at Bombay) where it is incorporated.

13.4 Based on the above, Transferee Company shall appoint such person as will be acceptable to the Registrar of Companies, Mauritius as its agent to accept service of process in respect of proceedings for the enforcement of any claim, debt, liability or obligation of a dissenting member of the Transferor Company against the Transferee Company.

14. SCHEME CONDITIONAL ON APPROVAL/SANCTIONS

Notwithstanding any other provisions of this Scheme, this Scheme is conditional upon and subject to the following conditions:

14.1 Approval of the Scheme by the requisite majority of each class of the respective members and creditors of the Transferee Company, in terms with the applicable provisions of the Act and the New Act and guidelines issued by SEBI as amended and updated from time to time including approval of the Scheme by majority of public shareholders through e-voting/postal ballot. The requisite sanction and approval of other Appropriate Authorities being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.

14.2 Approval of this Scheme by the requisite members and creditors of the Transferor Company, in terms with the Applicable law of Relevant Jurisdiction.

14.3 The sanctions of the High Court of Judicature at Bombay and other Appropriate Authority, if required, being obtained by the Transferor Company and the Transferee Company under Section 391 and 394 read with Sections 100 to 103 of the Act and Section 52 of the New Act and other applicable provisions of the Act and the New Act or other Applicable Laws of the Relevant Jurisdiction.

14.4 The certified copies of order of the High Court of Judicature at Bombay and other Appropriate Authority, if any passed under Sections 391 and 394 read with Sections 100 to 103 of the Act and Section 52 of the New Act or any other Applicable Law of the Relevant Jurisdiction, sanctioning this Scheme being filed with the Registrar of Companies, Pune, Maharashtra and any other Appropriate Authority.

14.5 Compliance by the Transferor Company of all the necessary and applicable provisions of its Applicable Law (including without limitation, all necessary filings to be made under the Applicable Laws of the Relevant Jurisdiction).

15. DISSOLUTION OF THE TRANSFEROR COMPANY

15.1 On this Scheme coming into effect, the Transferor Company shall without any further act or deed, stand dissolved without winding up subject to and in accordance with Applicable Laws of Relevant Jurisdictions. All the assets and liabilities will stand vested in and belong to the Transferee Company.

16. MODIFICATION OR AMENDMENT TO THIS SCHEME

16.1 The Transferor Company and the Transferee Company through its respective Board of directors / its authorized officers are hereby empowered and authorized to assent from time to time to any modifications or amendments or substitution of this Scheme or to any conditions or limitations which the High Court of Judicature at Bombay or any other appropriate authorities may impose and to settle all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things as may be necessary for putting this Scheme into effect.

16.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the directors of the Transferee Company or such other person who are so authorised may give and is / are authorized to give all such directions as are necessary including directions for settling any question of doubt or difficulty that may arise after the dissolution of the Transferor Company.

17. COSTS, CHARGES & EXPENSES

17.1 All costs, charges and expenses of the Transferor Company and the Transferee Company in relation to or in connection with this Scheme and for carrying out and implementing / completing the terms and provision of this Scheme and / or incidental to the completion of the amalgamation of the undertaking of the Transferor Company in pursuance of this Scheme shall, except as specifically provided herein, be borne and paid solely by the Transferee Company.

SPA Capital Advisors Ltd.
(Formerly SPA Merchant Bankers Ltd.)
CIN: U99999DL1999PLC102626

25, C-Block, Community Centre
JanakPuri, New Delhi-110 058
Tel. : 25517371, 25515086
Fax : 25532644

Board of Directors
PCS Technology Limited
Office Premise No 1, Situate at Gat No 478,
Alandi Markaal Road, Khed,
District - Pune, Khed,
Maharashtra 412106

Website: www.spacapital.com
E-mail: legal@spacapital.com
Date: May 20, 2014

We have been engaged to give fairness opinion on scheme of amalgamation and arrangement of PCS International Limited, Mauritius (PIL Mauritius) being wholly owned subsidiary of PCS Technology Limited (PTL) with its holding company i.e. PCS Technology Limited.

Transaction:

We understand that Scheme provides for the transfer to and vesting in the Transferee Company of PCS International Limited, Mauritius with PCS Technology Limited, in accordance with the Applicable Laws in the Relevant Jurisdictions.

Parties to Scheme:

Company	Registered Office	Listing Status	Transferor/Transferee
PCS International Limited, Mauritius (PIL Mauritius)	C/ o. Multiconsult Limited, Rogers House, 5 President John Kennedy Street, Port Louis, Mauritius	Unlisted	Transferor
PCS Technology Limited (PTL)	Office No. 1, Gat No. 478, Alandi Markaal Road, Taluka Khed, Alandi District, Pune - 412106, Maharashtra	Listed on Bombay Stock Exchange & Pune Stock Exchange	Transferee

The PILMauritius is engaged in similar business activities i.e. Computer Hardware, IT and IT enabled services.

As communicated by the company, the scheme of amalgamation of the PIL Mauritius with the PTL will result in simplification of corporate structure leading to elimination of duplication in administrative cost and lesser regulatory / procedural compliance for the Transferee Company.

Further, the PTL had initiated a financial restructuring with respect to its unproductive activities. There continues to remain certain stressed assets in respect of the said activities and accordingly the financials of the PTL require restructuring. For achieving the restructuring as aforesaid, it is proposed to write-off the said assets through an adjustment against Securities Premium Account and other available reserves.

No Issue of shares - The PTL is holding the entire issued, subscribed and paid-up share capital of the PIL Mauritius. Hence, no consideration shall be payable by the PTL upon the amalgamation of the PIL Mauritius. The equity shares held by the PTL in the PIL Mauritius shall stand cancelled without any further act, application or deed.

In our opinion, Scheme of amalgamation and arrangement are fair considering circumstances

Disclaimer: The Final Report has been prepared for the internal and exclusive use of the Board of Directors of PTL (the "Board of Directors") in support of the decisions to be taken by it. Therefore, the Final Report may not be disclosed, in whole or in part, to any third party or used for any purpose whatsoever other than those indicated in the Engagement and in the Final Report itself provided that the Final Report may be transmitted to the experts appointed in compliance with the law and its content may be disclosed publicly where required by regulations of the Indian authorities. Any other use, in whole or in part, of the Final Report will have to be previously agreed and authorised in writing by SPA Capital Advisors Limited (SPA). In preparing the Final Report, SPA has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and the financial data provided by PTL. SPA has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness or truthfulness of such information. Publicly available information deemed relevant for the purpose of the analyses contained in the Final Report has also been used. Therefore the Final Report is based on: (i) our interpretation of the information which PTL, as well as their representatives to consummate the Transaction (iii) the assumption that the Transaction will be consummated in accordance with the expected terms and within the expected time periods. The Final Report and the Opinion concern exclusively for the purpose of proposed merger and do not constitute an opinion by SPA as to the absolute value of the shares of PTL.

For SPA Capital Advisors Limited.

Sd/-
(Sourabh Garg)
Asst. Vice President

Sd/-
(Rachana Kothari Doshi)
Asst. Vice President

To,

- 1) BSE Limited.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001.
- 2) Pune Stock Exchange Limited,
Shivleela Chambers,
752 Sadashiv Peth,
R B Kumthekar Marg,
Pune 411 030

SUBJECT: Scheme of Amalgamation and Arrangement between PCS International Limited, Mauritius (the Transferor Company) and PCS Technology Limited (the Transferee Company) and their respective shareholders under sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 and Companies Act, 2013 (**'the Scheme'**).

REFERENCE: Filing of the Compliant Report in terms of the Clause 24 (f) of the Listing Agreement and Securities Exchange Board of India (**'SEBI'**) circulars CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013 (**'the Circulars'**).

Complaints Report:

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	N.A
5.	Number of complaints pending	N.A

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	N.A	N.A	N.A
2.	N.A	N.A	N.A
3.	N.A	N.A	N.A

For PCS Technology Limited

Sd/-

Bhaskar J. Patel
Company Secretary

- Note :**
- 1) The Company has not received any complaints with respect to the draft scheme .
 - 2) The Above report was filed by the Company with the stock exchanges on 5th August, 2014.

CIN: U67120MH2005PLC155188

DCS/AMAL/CS/24(f)/147/2014-15

August 28, 2014

The Company Secretary
PCS Technology Limited
Office Premise No 1, Situate at Gat No 478,
Alandi Markaal Road, Khed, District: Pune-412106,
Maharashtra.

Dear Sir / Madam,

Sub: Observation letter regarding the Scheme of Amalgamation of PCS International Limited, Mauritius & PCS Technology Limited & their respective shareholders

We are in receipt of Draft Scheme of Amalgamation of PCS International Limited, Mauritius & PCS Technology Limited & their respective shareholders

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI has vide its letter dated August 28, 2014 given the following comment(s) on the draft scheme of arrangement:

- ***Company to ensure that "Fairness opinion" submitted by the company is displayed from the date of receipt of this letter on the websites of the listed company along with the various documents submitted pursuant to the circulars.***
- ***The company shall duly comply with various provisions of the Circulars***

Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further, you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of arrangement submitted to the Hon'ble High Court.

The Exchange reserves its right to withdraw its No-objection/approval at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Further pursuant to the above SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

- a. Copy of the High Court approved Scheme;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- d. Status of compliance with the Observation Letter/s of the stock exchanges;
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per Annexure II of this Circular.

Yours faithfully,

Nitin P. Jari
Manager


Bhuvana Sriram
Dy. Manager



PUNE STOCK EXCHANGE LTD.

PSE/Pcstech/2014/3487

August 5, 2014

To,
Mr. Pranav H. Variava,
Assistant Manager,
Division of issues and Listing,
Corporation Finance Department, SEBI.

Dear Sir,

Subject: Application under clause 24(f) of the Listing Agreement to the proposed scheme of Amalgamation under section 391-394 of the Companies Act, 1956.

Scheme of Amalgamation and Arrangement between PCS International Limited, Mauritius and PCS Technology Limited and their respective shareholders under sections 391 to 394 read with Sections 100 to 103 of the Companies Act 1956 and Section 52 of the Companies 2013 and any other applicable provisions of the Companies Act, 1956 and The Companies Act 2013('the Scheme')

Filing of Scheme in terms of the Clause 24 (f) of the listing Agreement and Securities Exchange Board of India (SEBI) circulars CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013('the circulars')

It is with reference to the subject stated above and the submission of the draft Scheme of Amalgamation of PCS Technology Limited and its wholly owned subsidiary PCS International Limited, Mauritius.

The Exchange has noted the confirmation given by the company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, including re-enactment thereof, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing arrangement or the requirements of Pune Stock Exchange Limited.

We hereby convey to you the Exchange's "No Objection" with limited reference to those matters having bearing on listing/ de-listing / continuous listing requirements within the provisions of the listing agreement, so as to enable you to file the scheme with the Hon'ble High Court. Also, the exchange while granting the NOC does not express its opinion on the fairness or otherwise, of the valuation of the entities concerned or the exchange ratio, if any, proposed in the said scheme of amalgamation.



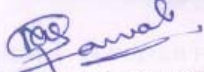
"Shivleela Chambers", 752, Sadashiv Peth, R.B.Kumthekar Marg, Pune - 411 030.
Phone : 020-24485701,24460085/86 Fax : 020 - 24460083, E-mail : punestockexchange@gmail.com

The Exchange reserves the rights to withdraw its No-Objection approval at any later stage if the information submitted to the exchange is found incomplete / false / incorrect or in contravention of any Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by the Statutory Authorities, etc.

Thanking You.

Yours Faithfully,

For Pune Stock Exchange Ltd.



Mrs. Mangal Gawali
Managing Director & CEO



✓ CC: To,

The Company Secretary,
PCS Technology Limited,
Office No. 1, Gate No. 478,
Alandi Markaal Road,
Pune 412 106.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 887 OF 2014**

In the matter of :
the Companies Act, 1956 (1 of 1956) and the Companies Act, 2013 (18 of 2013);
AND

In the matter of :
Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956
and Section 52 of the Companies Act, 2013;
AND

In the matter of :
the Scheme of Amalgamation and Arrangement between PCS International
Limited, Mauritius (**'the Transferor Company'**) and PCS Technology Limited
(**'the Transferee Company'**)
AND

Their respective Shareholders

PCS TECHNOLOGY LIMITED, a company incorporated)
under the Companies Act, 1956 having its registered office)
at office No. 1, Gat No. 478, Alandi Markaal Road, Taluka)
Khed, Alandi District, Pune - 412106, Maharashtra)
)..... The Applicant Company

FORM OF PROXY

I/We the undersigned, being equity shareholder(s) of PCS Technology Limited, the Applicant Company do hereby appoint Mr./Ms _____ of _____ and failing him/her Mr./Ms _____ of _____ as my/our proxy, to act for me/us at the meeting of the equity shareholders of the Applicant Company to be held at Conference Hall, Ginger Hotel, Kala Khadak, Near Indira College, Wakad Naka, Wakad, Pune – 411 057 on Friday, 23rd January, 2015 at 12.00 noon for the purpose of considering and, if thought fit, approving, with or without modification, Scheme of Amalgamation and Arrangement between PCS International Limited, Mauritius ('the Transferor Company') and PCS Technology Limited ('the Transferee Company' or 'the Applicant Company' or 'the Company') and their respective shareholders under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, and at such meeting, and any adjournment/ adjournments thereof, to vote, for me/us and in my/our name(s) _____ (here if 'for' insert 'for', if 'against' insert 'against' and in the latter case strike out the words below "either with or without modifications" after the word "the Scheme of Amalgamation") the said Scheme of Amalgamation either with or without modifications as my/our proxy may approve.

**strike out what is not required*

Dated this _____ day of _____, 2014 / 2015

Name: _____

Address: _____

Folio No. _____ Client ID No. _____

DP ID No. _____ No. of shares _____

Affix Re. 1/- Revenue Stamp

Signature across the stamp

Signature of Shareholder(s): Sole holder/First holder: _____

Second Holder: _____

Third Holder: _____

Signature of Proxy: _____

Notes:

1. Proxy need not be a member of the Company.
2. Please affix revenue stamp before putting signatures.
3. All alterations made in the form of Proxy should be initialed.
4. The Proxy must be deposited at the Registered Office of the Company at office No. 1, Gat No. 478, Alandi Markaal Road, Taluka Khed, Alandi District, Pune - 412106, Maharashtra at least 48 hours before the time for holding the meeting.
5. In case of multiple proxies, the proxy later in time shall be accepted.



PCS TECHNOLOGY LIMITED

CIN L74200MH1981PLC024279

Registered Office: Office No. 1, Gat No. 478, Alandi Markaal Road, Taluka Khed, Alandi District, Pune - 412106, Maharashtra.

Corporate Office: 302-304, Regent Chambers, Nariman Point, Mumbai – 400021, Maharashtra.

Ph: +91-22-2282 2621 /2562 ; **Fax** +91- 22-2285 1489

Email: investorgrievances@pcstech.com, **Website:** www.pcstech.com

ATTENDANCE SLIP

COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF THE COMPANY HELD ON FRIDAY, 23RD JANUARY, 2015 AT CONFERENCE HALL, GINGER HOTEL, KALA KHADAK, NEAR INDIRA COLLEGE, WAKAD NAKA, WAKAD, PUNE – 411 057 AT 12.00 NOON

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

DP. ID*		Folio No.	
Client ID*		No. of Share(s) held	

NAME AND ADDRESS OF THE EQUITY SHAREHOLDER AND/OR PROXY HOLDER

EQUITY SHAREHOLDER: _____

PROXY HOLDER: _____

I hereby record my presence at the Court Convened Meeting of the Equity Shareholders of the Company, convened pursuant to the Order dated 12th day of December, 2014 of the High Court of Judicature at Bombay, at Conference Hall, Ginger Hotel, Kala Khadak, Near Indira College, Wakad Naka, Wakad, Pune – 411 057 on Friday, 23rd January, 2015 at 12.00 noon.

SIGNATURE OF THE EQUITY SHAREHOLDER / PROXY HOLDER _____

NOTES:

- Shareholders attending the Meeting in person or by Proxy are requested to complete the Attendance Slip and hand it over at the entrance of the meeting hall.
- *Applicable for the investors holding shares in the dematerialized form.
- Shareholders who come to attend meeting are requested to bring along with them a copy of the notice and Scheme of Amalgamation and Arrangement.



