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March 29, 2016

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G
Bandra Kurla Complex,
Bandra (E),
Mumbai- 400051

The Manager
Dptt. of Corporate Services
The Stock Exchange – Mumbai
Floor 25
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai

Sub.: **Intimation of the Notice to the Shareholders and Creditors w.r.t. Scheme of Amalgamation between India Aviation Training Institute Private Limited ("Transferor Company") with AXISCADES Engineering Technologies Limited ("Transferee Company") and their respective Shareholders and Creditors ("the Scheme").**

Dear Sir,

With reference to the captioned subject, we herewith enclose the following notices, being issued to the Shareholders and Creditors of the Company pursuant to the order of the Hon'ble High Court of Karnataka w.r.t. Scheme of Amalgamation between India Aviation Training Institute Private Limited ("Transferor Company") with AXISCADES Engineering Technologies Limited ("Transferee Company") and their respective Shareholders and Creditors ("the Scheme").

1. Notice of the Court Convened Meeting of the Shareholders.
2. Notice of the Court Convened Meeting of the Unsecured Creditors.
3. Notice of the Postal Ballot and E-voting (Dispatched on 23rd March 2016)

The above notices are available on the website of the Company www.axiscades.com.

This is for your information and necessary records.

For **AXISCADES Engineering Technologies Limited**

Shweta Agrawal

Shweta Agrawal
Company Secretary

AXISCADES Engineering Technologies Ltd.
(Formerly Axis IT&T Limited)
CIN No.: L72200KA1990PLC084435

D-30, Sector - 3, Noida - 201 301, Uttar Pradesh INDIA Ph: +91 120 451 8200 / 8300 Fax: +91 120 244 2921

Reg. Office : Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560 024, Karnataka INDIA
Ph: +91 80 4193 9000 Fax: +91 80 4193 9099| Email: info@axiscades.com | www.axiscades.com

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

(Formerly Axis-IT&T Limited)
CIN: L72200KA1990PLC084435
Regd. Office: Block C, Second Floor, Kirloskar Business Park, Bengaluru, Karnataka- 560024
Ph. 080-41939000, Fax-080-41939099, Website: www.axiscades.com
e-mail: info@axiscades.com

NOTICE TO THE EQUITY SHAREHOLDERS - COURT CONVENED MEETING

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IN THE HIGH COURT OF KARNATAKA AT BENGALURU

ORIGINAL JURISDICTION

IN THE MATTER OF COMPANIES ACT, 1956

AND

IN THE MATTER OF SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

COMPANY APPLICATION NO. 108 OF 2016

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Block C, Second Floor

Kirloskar Business Park,

Bengaluru,

Karnataka- 560024 **… APPLICANT / TRANSFEREE COMPANY**

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS

To,

The Equity Shareholder(s) of AXISCADES Engineering Technologies Limited ("Applicant Company" or "Transferee Company").

TAKE NOTICE that by an Order made on 18 March, 2016, in the above Company Application, the Hon'ble High Court of Karnataka at Bengaluru ("said Order") has directed that a meeting of the Equity Shareholders of the Applicant Company be convened and held on **Monday, the 25th April 2016, at 10.00 a.m** at Chairman's Club (Chairman's Club & Resort), No. 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru, Karnataka-560092, to transact the following Special Business:

To consider and, if thought fit, to pass with or without modifications, the following resolution, as a special resolution, approving the Scheme of Amalgamation between India Aviation Training Institute Private Limited ("Transferor Company") with AXISCADES Engineering Technologies Limited ("Transferee Company") and their respective Shareholders and Creditors ("the Scheme").

"RESOLVED THAT pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and relevant provisions of the Companies Act, 2013 and subject to the directions of the Hon'ble High Court of Karnataka at Bengaluru for convening meeting of equity shareholders vide its Order dated 18 March, 2016 and SEBI Circulars bearing Nos. CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013 (together referred to as 'SEBI Circulars'), the Observation Letters dated February 24, 2016 and February 25, 2016 issued by the BSE Limited and the National Stock Exchange of India Limited (NSE) respectively, and relevant applicable provisions of law, the arrangement as embodied in the proposed Scheme of Amalgamation of India Aviation Training Institute Private Limited with AXISCADES Engineering Technologies Limited and their respective shareholders and creditors from the Appointed

Date as defined in para 1.2 of Part A of the Scheme for the amalgamation of India Aviation Training Institute Private Limited with the Applicant Company, be and is hereby approved with/without modifications and/or conditions, if any, as may be carried out by the Hon'ble High Court of Karnataka at Bengaluru or by any other authorities under the applicable law.

RESOLVED FURTHER THAT the any of the Directors or the Company Secretary of the Company, be and are hereby authorized to do 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 modification(s) and / or conditions, if any, provided that the prior approval of any two directors, shall be obtained for making any material changes in the said Scheme, which may be required and / or imposed by the Hon'ble High Court of Karnataka at Bengaluru while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in carrying out the Scheme."

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the Equity Shareholders of the Applicant Company will be held on **Monday, the 25th April, 2016, at 10.00 a.m** at Chairman's Club (Chairman's Club & Resort), No. 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru, Karnataka-560092, at which time and place the said members 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 authorized representative, is deposited at the Registered Office of the Applicant Company at **Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024, Karnataka,** not later than 48 hours before the time of the aforesaid meeting.

The Hon'ble High Court of Karnataka at Bengaluru has appointed Dr. Vivek Mansingh, Chairman, and an Independent Director of the Applicant Company, failing him Mr. Sudhakar Gande, Vice Chairman and Executive Director of the Applicant Company to be the Chairman of the said meeting.

A copy of the said Scheme and Explanatory Statement under Section 393 of the Companies Act, 1956, read with Section 102 of the Companies Act, 2013, a Form of Proxy with instructions and the Attendance Slip are enclosed herewith.

For AXISCADES Engineering Technologies Limited

Sd/-

Place: Bengaluru

Vivek Mansingh

Date: 28th March, 2016

Chairman appointed for the Meeting

Registered Office:

Block C, Second Floor, Kirloskar Business Park,

Bengaluru – 560 024, Karnataka

CIN: L72200KA1990PLC084435

Email: info@axiscades.com

Website: www.axiscades.com

Ph: 080-41939000, Fax: 080-41939099

Notes:

(1) All alterations made in the Form of Proxy should be initialed.

(2) Only registered Equity Shareholders, as on 20th April, 2016, of the Applicant Company may attend and vote either in person or by proxy or by an authorised representative under Section 113 of the Companies Act, 2013 at the Equity Shareholders' meeting. The authorized 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 that, a certified true copy of the Resolution of the Board of Directors or other governing body of the body corporate authorizing such a representative to attend and vote at the Equity Shareholders' meeting, is deposited at the Registered Office of the Applicant Company not later than 48 hours before the scheduled time of the commencement of the meeting, authorizing such representative to attend and vote at the Equity Shareholders' meeting.

(3) A person can act as proxy on behalf of shareholders not exceeding fifty and holding in aggregate not more than ten percent of total share capital of the Company carrying voting rights, provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.

(4) Registered Equity Shareholders are informed that in case of joint holders attending the meeting, only such joint holders whose name stands first in the Register of Members of the Applicant Company in respect of such holding will be entitled to vote.

(5) Shareholders are requested to hand over the enclosed Attendance Slip duly signed in accordance with their specimen signature(s) registered with the Applicant Company/Depository Participant(s) for admission to the meeting hall. Shareholders who hold shares in dematerialized form are requested to bring in their Client ID and DP ID details for easy identification of attendance at the meeting.

(6) This notice has also been placed on the website of the Company at www.axiscades.com.

Enclosures: As above.

Process and manner for members opting for remote e-voting are as under:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (LODR) Regulations 2015, the Company is pleased to provide e-voting facility to its members as an alternative to cast their votes electronically, instead of physically attending the Court Convened Meeting. For this purpose, the Company has engaged services of Karvy Computershare Private Limited and the business contained in the notice may be transacted through such voting.

The Company has appointed Mr. Anant Khamankar (Membership No. FCS: 3198) of Anant B Khamankar & Co., Company Secretaries, as Scrutinizer for conducting both remote e-voting and Poll voting process in a fair and transparent manner. Accordingly, the proposed Resolution and the Explanatory Statement thereto are being sent to you.

The Scrutinizer will submit his report to the Chairman of the Meeting after completion of the scrutiny of the voting received in electronic and physical mode. The result shall be declared on **Monday, 25th April 2016 at 5.00 pm**. at the Registered Office of the Company. The results declared along with Scrutinizer Report shall be placed on the Company's website viz. www.axiscades.com and on the website of Karvy Computershare Pvt. Ltd. (Karvy) viz. (https://evoting.karvy.com) and communicated to the Hon'ble High Court and Stock Exchanges where the shares of the Company are listed.

Members can opt for only one mode of voting i.e. either by physically attending and voting in the Court Convened Meeting or e-voting. In case members cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast in the Court Convened Meeting shall be treated as invalid.

It is clarified that casting of votes by postal ballot or e-voting (for postal ballot) does not disentitle them from attending and voting at the Court Convened Meeting.

Instructions for remote e-voting are as under:

The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Agency to provide e-voting facility.

Voting rights shall be reckoned on the paid up value of equity shares registered in the name of the member/beneficial owner as on **April 20, 2016, being the cut-off date.**

A person, whose name is appearing in the register of members or in the register of beneficial owners maintained by the depositories as on the **cut- off date i. e. April 20, 2016**, shall only be entitled to avail the facility of remote e-voting/ poll.

This Notice of Court Convened Meeting and E-voting is being posted to the address of the equity shareholders, whose names appear on the Register of Members of the Company as on 18th March, 2016. Any person who becomes a member of the Company after 18th March 2016 and holding shares as on the cutoff date may write to Karvy on their e mail ID evoting@karvy.com, or Karvy Computershare Private Limited (Unit:AXISCADES Engineering Technologies Limited) Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 or contact Mr. Srikrishna P on phone/mobile No 040-67162222 / **9212993399** requesting for User ID and password. After receipt of above credentials, a member may follow the instructions for e-voting to cast his votes.

If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting his votes through remote e-voting.

Members are requested to carefully read the instructions for e-voting before casting their vote.

The remote e-voting facility will be open only during the following voting period:

Commencement of remote e-voting:	**09:00 a.m. (IST) on, April 22, 2016**
End of remote e-voting:	**05:00 p.m. (IST) on April 24 2016**

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy on expiry of remote e-voting period.

The procedure for remote e-voting is as under:

(a) Open your web browser during the voting period by typing the URL: https://evoting.karvy.com

b) Enter the login credentials (i.e. User ID and password mentioned on this Notice of Court Convened Meeting, Your Folio No./DP ID Client ID will be your User ID. However, if you hold shares in demat form and you are already registered with Karvy for e-voting, you may use your existing User ID and password for casting your vote.

c) After entering these details appropriately, click on "LOGIN".

d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You will also be required to enter a secret question and answer of your choice to enable you to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**

e) You need to login again with the new credentials.

f) On successful login, the system will prompt you to select the Event Number for AXISCADES Engineering Technologies Limited, as mentioned in the enclosed "Electronic Voting Particulars".

g) On the voting page you will see the Resolution Description and the options “FOR/AGAINST/ABSTAIN” for voting. Enter the number of shares (which represents the number of votes) as on the cut-off date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding as on the cut-off date, as mentioned above. You may also choose the option “ABSTAIN” in case you do not want to cast vote.

h) You may then cast your vote by selecting an appropriate option and click on “Submit”.

i) A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

j) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

k) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the relevant Board Resolution/Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer at e-mail ID: khamankar@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format “axiscades _EVSN Number.”

l) Once the vote on a resolution is cast by a member, the Member shall not be allowed to modify it subsequently.

m) In case of any queries, you may refer the ‘Frequently Asked Questions (FAQs) for shareholders’ and ‘e-voting user manual for shareholders’, available at the download section of https://evoting.karvy.com or contact Karvy Computershare Private Limited at 1800 345 4001 (toll free).

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

ORIGINAL JURISDICTION

IN THE MATTER OF COMPANIES ACT, 1956

AND

IN THE MATTER OF SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

COMPANY APPLICATION NO. 108 OF 2016

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Block C, Second Floor

Kirloskar Business Park,

Bengaluru,

Karnataka- 560024 **… APPLICANT / TRANSFEREE COMPANY**

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956, READ WITH SECTION 102 OF THE COMPANIES ACT, 2013 TO THE NOTICES OF THE COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED FOR CONSIDERING AND APPROVING SCHEME OF AMALGAMATION BETWEEN INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED ("TRANSFEROR COMPANY") WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED ("TRANSFEREE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS ('THE SCHEME').

1. In this statement AXISCADES Engineering Technologies Limited is referred to as ("Applicant Company" or "Transferee Company"). The other definitions contained in the Scheme will also apply to this statement under Section 393 of the Companies Act, 1956 and Section 102 of the Companies Act, 2013 ("Explanatory Statement").

2. Pursuant to the Order dated 18 March, 2016 passed by the Hon'ble High Court of Karnataka at Bengaluru, a meeting of the Equity Shareholders of the Applicant Company is being convened and shall be held on **Monday, the 25th April 2016, at 10.00 a.m** at Chairman's Club (Chairman's Club & Resort), No. 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru, Karnataka-560092, for the purpose of considering and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation between India Aviation Training Institute Private Limited and AXISCADES Engineering Technologies Limited and their respective Shareholders and Creditors under Sections 391 to 394 of the Companies Act, 1956 and other relevant provision of the Companies Act, 2013. The resolution to be submitted at the said meeting will read as follows:

   "RESOLVED THAT pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and relevant provisions of the Companies Act, 2013 and subject to the directions of the Hon'ble High Court of Karnataka at Bengaluru for convening meeting of equity shareholders vide its Order dated 18 March, 2016 and SEBI

Circulars bearing Nos. CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013 (together referred to as 'SEBI Circulars'), the Observation Letters dated February 24, 2016 and February 25, 2016 issued by the BSE Limited and the National Stock Exchange of India Limited (NSE) respectively, and relevant applicable provisions of law, the arrangement as embodied in the proposed Scheme of Amalgamation between India Aviation Training Institute Private Limited with AXISCADES Engineering Technologies Limited and their respective Shareholders and Creditors from the Appointed Date as defined in para 1.2 of Part A of the Scheme for the amalgamation of India Aviation Training Institute Private Limited with the Applicant Company, be and is hereby approved with/without modifications and/or conditions, if any, as may be carried out by the Hon'ble High Court of Karnataka at Bengaluru or by any other authorities under the applicable law.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company, be and is hereby authorized to do 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 modification(s) and / or conditions, if any, provided that the prior approval of any two directors, shall be obtained for making any material changes in the said Scheme, which may be required and / or imposed by the Hon'ble High Court of Karnataka at Bengaluru while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in carrying out the Scheme."

3. In addition to the Court Convened Meeting of the Equity Shareholders of the Applicant Company, to seek their approval pursuant to Sections 391 to 394 of the Companies Act, 1956, the approval of the Equity Shareholders of the Applicant Company is also sought for the Scheme by passing a Special Resolution pursuant to Section 110 of the Companies Act, 2013, by way of Postal Ballot and e-voting as per the Securities and Exchange Board of India ("SEBI") Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 (hereinafter collectively referred to as ("SEBI Circulars") read with Regulation 44 of the SEBI (LODR) Regulations, 2015 and sub-clause ii of Clause 15 of Part D of the Scheme.

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 favor of the proposal are more than the number of votes cast by the public shareholders against the proposal.

5. The Scheme of Amalgamation provides for the amalgamation of India Aviation Training Institute Private Limited ('Transferor Company' or 'IAT') with AXISCADES Engineering Technologies Limited ('Transferee Company' or 'ACETL').

6. The Scheme envisages amalgamation of India Aviation Training Institute Private Limited with the Applicant Company with effect from the Appointed Date as defined in para 1.2 of Part A of the said Scheme.

7. **Background of each company**

   i) AXISCADES Engineering Technologies Limited ("ACETL"/ "Transferee Company") was incorporated under the Companies Act, 1956 on 24th August, 1990 under the name and style of under the name and style "IT&T Enterprises Private Limited", with the Registrar of Companies, NCT of Delhi & Haryana. Subsequently, the Applicant Company was converted to a deemed public company in accordance with Section 43A of the Companies Act, 1956 and the word "Private" was removed from the name. The name of the Applicant Company was further changed to "IT&T Limited" on January 7, 1998. The Applicant Company was subsequently converted to a public limited company in accordance with Section 44 of the Companies Act, 1956, pursuant to a special resolution of shareholders dated April 24, 2000. The name was further changed to "Axis-IT&T Limited" from May 12, 2005. Thereafter, the name of the Applicant Company was changed to "AXISCADES Engineering Technologies Limited" vide a fresh certificate of incorporation dated

August 1, 2014. Subsequently, the Transferee Company changed its registered office from NCT of Delhi & Haryana to the State of Karnataka vide a fresh certificate of incorporation dated December 2, 2015 having its registered office at Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024, Karnataka. ACETL is listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). ACETL is engaged in the business of providing engineering solutions, catering to futuristic needs of aerospace, heavy engineering, automotive and industrial production sectors globally.

ii) India Aviation Training Institute Private Limited ("Transferor Company" or "IAT ") was incorporated under the Companies Act, 1956 on 20th August, 2007 under the name and style of 'INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED' having its Registered Office at Jupiter Innovision Centre, No. 54, Richmond Road, Bengaluru, Karnataka – 560 025. IAT is engaged in the business of providing aviation related training solutions. Further IAT is a holding company of AXISCADES Aerospace and Technologies Private Limited which is engaged in the business of providing strategic technologies to aerospace, defence and homeland security sectors.

8. **PURPOSE AND RATIONALE OF THE SCHEME OF AMALGAMATION:**

The Group believes that the proposed amalgamation, inter alia, will result into following benefits:

i) Greater integration, financial strength and flexibility for the amalgamated entity, resulting in maximizing overall shareholder value, and improving the competitive position of the combined entity.

ii) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.

iii) Improved organizational capability and leadership, arising from the pooling of human capital that has the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.

iv) Cost savings are expected to flow from more focused operational efforts, rationalization, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.

9. **SALIENT FEATURES OF THE SCHEME ARE AS UNDER:**

A. PARTS OF THE SCHEME

The scheme is divided into the following parts:

i. Part A - dealing with definitions of the terms used in the Scheme of Amalgamation and sets out the share capital of the Transferor Company and Transferee Company as defined in the Scheme;

ii. Part B - dealing with the amalgamation of India Aviation Training Institute Private Limited into AXISCADES Engineering Technologies Limited;

iii. Part C - dealing with the accounting treatment for the amalgamation in the books of the Transferee Company ; and

iv. Part D - dealing with the dissolution of the Transferor Company without winding up and the general terms and other conditions applicable to the Scheme and other matters consequential and integrally connected thereto.

B. APPOINTED DATE

The Appointed Date of amalgamation of India Aviation Training Institute Private Limited with the Applicant Company is the ”Appointed Date” as defined in para 1.2 of Part A of the said Scheme.

C. CONSIDERATION FOR AMALGAMATION

Upon the coming into effect of the Scheme and in consideration of the transfer and vesting of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company, whose names are registered in the Register of Members and/ or on records of the Depositories as the case may be, of the Transferor Company on the Record Date (to be fixed by the Board of Directors of the Transferee Company) or his /her/its legal heirs, executors or administrators or, as the case may be, successors -in-title, as the case may be, fully paid up equity shares in the following proportion viz.:

“10 (“Ten”) fully paid up equity share of Rs 5/- each of the Transferee Company shall be issued and allotted for every 45 (“Forty Five”) fully paid up equity share of Rs 10/- each held in Transferor Company (hereinafter referred to as “New Equity Shares”)”

D. CONDITIONALITY OF THE SCHEME

The Scheme is and shall be conditional upon and subject to:

(i) The requisite consent, approval or permission of the Central Government, Securities and Exchange Board of India (“SEBI”) or any Government Authorities, which by law may be necessary for the implementation of this Scheme;

(ii) The Scheme being approved by shareholders of Transferee Company through special resolution passed by way of postal ballot and e-voting in terms of para 5.16 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;

(iii) The certified copies of the orders of the High Court sanctioning the Scheme are filed with the Registrar of Companies, Karnataka; and

(iv) Compliance with such other conditions as may be imposed by the High Court.

The material provisions set out above being only the salient features of the Scheme, the shareholders are requested to read the entire text of the Scheme forming part of Annexures **(Refer to Annexure 1)** to get fully acquainted with the provisions thereof and the rationale and objectives of the Scheme.

10. The rights and interests of the members and the creditors of the Transferor Company and Transferee Company will not be prejudicially affected by the Scheme and due provisions have been made for payment of the existing liabilities as and when the same fall due in usual course.

11. No investigation proceedings have been instituted or are pending in relation to the Transferor Company and Transferee Company under Sections 235 and 250A of the Companies Act, 1956 or the corresponding provisions as per the Companies Act, 2013.

12. The background of the Board of Directors of the Transferor Company and Transferee Company as on 18 March, 2016 is as under:

Transferor Company (IAT)

Name	Designation	Age (In Years)	Qualifications
Mr. Vijayaraghavan Keshavan Nadathur	Director	59	Graduate in Commerce
Mr. Giddaiah Koteswar	Director	56	Graduate in Commerce

Transferee Company (ACETL)

Name	Designation	Age (in years)	Qualifications
Dr. Vivek Mansingh	Independent Director (Chairman)	59	Holds Executive Business Management Program degree and Ph.D in Engineering Design Software.
Mr. Sudhakar Gande	Vice Chairman & Executive Director	58	M.Tech Electronics & Computers and MBA in Finance.
Mr. S. Valmeekanathan	Chief Executive Officer (CEO) & Director	51	BE (Hons) in Mechanical Engineering
Mr. Rohitasava Chand	Non-executive Director	69	B. Tech and MBA
Mr. Kedarnath Choudhury	Non-executive Director	49	B.Sc(Hons) in Physics, Chartered Accountant from ICAI and Cost Accountant from ICWA
Mr. Amit Gupta	Non-executive Director	42	Chartered Accountant from ICAI, CPA and Executive MBA
Mr. Kailash Mohan Rustagi	Independent Director	52	Chartered Accountant from ICAI, Company Secretary from ICSI and a Law Graduate
Mr. Srinath Batni	Independent Director	61	B.E. & M.E. in Mechanical Engineering
Mr. Pradeep Dadlani	Independent Director	55	B.E. (Mechanical) & MBA (FT)
Mrs. Vimmi M Trehan	Independent Director	46	B.Com (Hons), LLB & Cost Accountant from ICWAI

13. **Disclosure of Interest**

(a) The Directors of the Transferor Company and Transferee Company may be deemed to be concerned and / or interested in the Scheme only to the extent of their or their relatives shareholding, if any, in the respective companies or to the extent the said Directors or their relatives are common directors in the aforesaid

Companies or to the extent the said Directors or their relatives are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/or beneficiary of trust that hold shares in any of aforesaid Companies, if any. Their interest in these companies shall not be treated in any way differently than the other shareholders of aforesaid companies. Particulars of the interest of Directors and their relatives are available for inspection at the respective Registered Offices of the aforesaid companies.

(b) The Directors and Key Managerial Personnel of the Transferor Company and Transferee Company do not have any shareholding (singly or jointly) as on 18th March, 2016 in the Transferor Company and Transferee Company.

14. The Directors of either the Transferor Company or Transferee Company have not given loan to the respective Companies.

15. The shareholding pattern of Transferor Company and Transferee Company (pre-Scheme and post-Scheme) as on 30 June, 2015 forms part of the Annexures **(Refer to Annexure 2)**.

16. The Financial Statements of Transferor Company and Transferee Company for last three years are available for inspection by the Shareholders.

17. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.

18. Upon approval of the Scheme by the shareholders of the Applicant Company pursuant to this meeting and Postal Ballot and e-voting, the Companies forming part of the Scheme will file petition under section 394 and other applicable provisions of the Act with the Hon'ble High Court of Karnataka at Bengaluru for sanctioning of the Scheme.

19. No winding up petitions have been pending and/or admitted against the Transferor Company or Transferee Company.

20. This Statement may be treated as Explanatory Statement under Section 393 of the Companies Act, 1956 read with Section 102 of the Companies Act, 2013.

21. The following documents will be available for inspection by the Shareholders at the Registered Office of the Company on all working days except Saturdays, Sundays and Public Holidays (between 9.00 am to 6.00 pm) up to the date of this meeting i.e. Monday, 25th April 2016 till conclusion of the meeting:

    i. Copies of the Orders passed by the Hon'ble High Court of Karnataka dated 18 March, 2016 (vide Company Application No. 108 of 2016) directing convening or dispensing with the meetings;

    ii. Copies of the Memorandum of Association and Articles of Association of the Transferor Company and Transferee Company;

    iii. Copy of Valuation report for Fair Share Entitlement Ratio dated 12 August, 2015 provided by M/s. SSPA & Co. and M/s. Rajendra & Co, Chartered Accountants;

    iv. Copy of Fairness Opinion dated 12 August, 2015 provided by M/s. Fortress Capital Management Services Pvt. Ltd, Category I, Merchant Banker;

    v. Copy of Net worth Certificate dated 26 August, 2015 of the Transferee Company, as on 31 March, 2015, provided by M/s. Parimal Ram & Pattabhi, Chartered Accountants;

    vi. Copies of Observation letters received from BSE Limited dated February 24, 2016 and National Stock Exchange of India Limited dated February 25, 2016 for the Transferee Company;

vii. Copy of Complaint Report as on 13 October 2015 for the Transferee Company;

viii. Copy of the Report of the Audit Committee dated 28 August, 2015 for recommendation of Scheme for the Transferee Company;

ix. Particulars of the Interest of Directors and their relatives as aforesaid in Para 13(a) of this Explanatory Statement;

x. Copies of Financial for last three years of the Transferor Company and Transferee Company.

22. Your Directors recommend the Resolution as set out in the Notice for approval of the Public Shareholders. In terms of SEBI Circulars, the Scheme shall be acted upon only if the votes cast by the Public Shareholders in favor (Assent) are more than the number of votes cast by the Public shareholders against (Dissent) it.

For AXISCADES Engineering Technologies Limited

Sd/-

Place: Bengaluru

Vivek Mansingh

Date: 28th March 2016

Chairman appointed for the Meeting

Registered Office:

Block C, Second Floor, Kirloskar Business Park,

Bengaluru – 560 024, Karnataka

CIN: L72200KA1990PLC084435

Email: info@axiscades.com

Website: www.axiscades.com

Ph: 080-41939000, Fax: 080-41939099

SCHEME OF AMALGAMATION

OF

INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED

AND

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956)

GENERAL

I. Purpose of Scheme

This Scheme of Amalgamation is presented under Sections 391 to 394 and other relevant applicable provisions of the Companies Act, 1956, for Amalgamation of India Aviation Training Institute Private Limited into AXISCADES Engineering Technologies Limited.

II. Rationale for the Scheme

The Scheme of Amalgamation would inter alia have the following benefits:

1. Greater integration, financial strength and flexibility for the amalgamated entity, would result in maximizing overall shareholder value, and will improve the competitive position of the combined entity.

2. Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.

3. Improved organizational capability and leadership, arising from the pooling of human capital that has the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.

4. Cost savings are expected to flow from more focused operational efforts, rationalization, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.

III. Parts of the Scheme

The Scheme is divided into following parts:

1. **Part A** – dealing with definitions of the terms used in this Scheme of Amalgamation and sets out the share capital of the Transferor Company and Transferee Company as defined in this Scheme;

2. **Part B** – dealing with the amalgamation of India Aviation Training Institute Private Limited into AXISCADES Engineering Technologies Limited;

3. **Part C** – dealing with the accounting treatment for the amalgamation in the books of the Transferee Company ; and

4. **Part D** – dealing with the dissolution of the Transferor Company without winding up and the general terms and other conditions applicable to this Scheme and other matters consequential and integrally connected thereto.

PART A

1. DEFINITIONS

In this Scheme of Amalgamation, unless repugnant to the context, the following expressions shall have the following meaning:

1.1 **"Act"** means the Companies Act, 1956, ordinances, rules and regulations made there under and the relevant provisions of Companies Act, 2013 to the extent applicable and shall include any statutory modifications, re -enactment or amendment thereof.

1.2 **"Appointed Date"** means the 1st day of April, 2016, or such other date as the Hon'ble High Court or such other authorities may direct/ fix.

1.3 **"ACETL" or "Transferee Company"** means AXISCADES Engineering Technologies Limited, a company incorporated under the Companies Act, 1956, and having its registered office at A-264, Second Floor, Defence Colony, New Delhi – 110024. ACETL is in the process of shifting its registered office to Bengaluru in the state of Karnataka.

1.4 **"Board of Directors" or "Board"** means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof.

1.5 **"IAT" or "Transferor Company"** means India Aviation Training Institute Private Limited, a company incorporated under the Companies Act, 1956, and having its registered office at Jupiter Innovision Centre, No.54, Richmond Road, Bangalore - 560025.

1.6 **"Effective Date"** means the last of the date on which the certified copy of the order of the High Court sanctioning the Scheme is filed with the Registrar of Companies, Karnataka at Bangalore by Transferee Company and Transferor Company respectively.

1.7 **"High Court" or "Court"** means the Hon'ble High Court of Karnataka at Bangalore, having jurisdiction in relation to the Transferee Company and the Transferor Company and as the context may require and shall include National Company Law Tribunal, if applicable.

1.8 **"Income-tax Act"** means the Income-tax Act, 1961, and shall include any statutory modifications, re-enactment or amendment thereof.

1.9 **"Record Date"** means the date to be fixed by the Board of Directors of ACETL for the purpose of issue of new equity shares (defined later) to the shareholders of IAT under the Scheme.

1.10 **"Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s) made there under, as approved or directed by the High Court or any other appropriate authority.

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

2. SHARE CAPITAL

2.1. The share capital of the Transferor Company as at March 31, 2015, was as under:

Authorised Capital	**Amount in INR**
10,00,000 Equity shares of Re. 10/- each	1,00,00,000
Issued, Subscribed and Paid-Up Capital	**Amount in INR**
10,000 Equity shares of Re. 10/- each fully paid-up	1,00,000

Subsequent to March 31, 2015, the Transferor Company has increased its authorised and paid-up share capital pursuant to which the share capital is as under:

Authorised Capital	**Amount in INR**
4,80,00,000 Equity Shares of Rs.10/- each	48,00,00,000
Issued, Subscribed and Paid-up Capital	**Amount in INR**
4,75,64,716 Equity Shares of Rs.10/- each fully Paid-up	47,56,47,160

Post the above, there is no change in the equity share capital of the Transferor Company.

2.2. The share capital of the Transferee Company as at March 31, 2015, was as under:

Authorised Capital	**Amount in INR**
10,80,00,000 Equity Shares of Re. 5/- each	54,00,00,000
1,00,000 Preference Shares of Re. 100/- each	1,00,00,000
Total	**55,00,00,000**
Issued Share Capital	**Amount in INR**
2,72,40,693 Equity Shares of Re. 5/- each	13,62,03,465
Total	**13,62,03,465**
Subscribed and Paid-Up Capital	**Amount in INR**
2,71,89,593 Equity Shares of Re. 5/- each	13,59,47,965
Add: Forfeited shares (amount originally paid Re. 3 per share on 51,100 equity shares)	1,53,300
Total	**13,61,01,265**

Subsequent to the above date there has been no change in the share capital of the Transferee Company.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or any other appropriate authority shall be effective from the Appointed Date mentioned herein, but shall be operative from the Effective Date.

PART B

AMALGAMATION OF INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED INTO AXISCADES ENGINEERING TECHNOLOGIES LIMITED

4. AMALGAMATION

4.1 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire business and undertaking(s) of the Transferor Company including all the debts, liabilities, duties and obligations, including those arising on account of taxation laws and other allied laws, of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets (whether tangible or intangible) of the Transferor Company comprising, amongst others, all freehold land, leasehold land, building, plants, motor vehicles, receivables, actionable claims, furniture and fixtures, computers, office equipment, electrical installations, telephones, telex, facsimile and other communication facilities and business licenses, permits, deposits, authorisations, approvals, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, product licenses, marketing authorisations or other intellectual property rights, proprietary right, title, interest, contracts, consent, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, under the provisions of Sections 391 to 394 of the Act, and pursuant to the order of the High Court sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business and undertaking(s) of the Transferee Company .

4.2 With effect from the Appointed Date all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of account of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.

4.3 With effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

4.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.

4.5 All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date or created by the Transferor Company after the Appointed Date, over the assets comprised in the undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, encumbrances or liens secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such securities, mortgages, charges, encumbrances or liens shall not relate or attach to any of the other assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company.

4.6 The existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.

4.7 It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

4.8 With effect from the Appointed Date, all statutory licences, registrations, incentives, tax deferrals and benefits, carry-forward of tax losses, tax credits, tax refunds, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, permissions, approvals or consents to carry on the operations of the Transferor Company, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date shall stand vested in or transferred to the Transferee Company, pursuant to the Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the undertakings of the Transferor Company pursuant to this Scheme.

4.9 The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income Tax Act.

5. CONSIDERATION

5.1 Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company, whose names are registered in the Register of Members and/ or on records of the Depositories as the case may be, of the Transferor Company on the Record Date (to be fixed by the Board of Directors of the Transferee Company) or his /her/its legal heirs, executors or administrators or, as the case may be, successors -in-title, as the case may be, fully paid up equity shares in the following proportion viz.:

"10 ("Ten") fully paid up equity share of Rs 5/- each of the Transferee Company shall be issued and allotted for every 45 ("Forty Five") fully paid up equity share of Rs 10/- each held in Transferor Company (hereinafter referred to as "New Equity Shares")"

5.2 The equity shares to be issued and allotted by Transferee Company as per Clause 5.1 would be with rights attached hereto as under:

(a) The New Equity Shares to be issued and allotted by the Transferee Company in terms hereof will be subject to Memorandum and Articles of Association and shall rank pari passu with the existing equity shares of the Transferee Company in all respects including dividend.

(b) The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of New Equity Shares to the members of the Transferor Company, as the case may be, under the Scheme.

(c) The Transferee Company shall, to the extent required, have Authorised Share Capital in order to issue New Equity Shares under this Scheme.

5.3 The Equity Shares to be issued to the members of the Transferor Company under Clause 5.1 shall be in multiples of 1. Any issue of fractional shares as per Clause 5.1, shall be rounded-off to the nearest whole number.

5.4 The issue and allotment of New Equity Shares by the Transferee Company to the shareholders of the Transferor Company as the case may be, as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 62(1) and any other applicable provisions of the Act were duly complied with.

5.5 The New equity shares of the Transferee Company issued in terms of Clause 5.1 of this Scheme will be listed and/or admitted to trading on BSE Limited and National Stock Exchange of India Limited where the shares of

the Transferee Company are listed and/or admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges.

5.6 For the purpose of issue of New equity shares to the shareholders of the Transferor Company, the Transferee Company shall, if and to the extent required, apply for and obtain the required statutory approvals and approvals of other concerned regulatory authorities for the issue and allotment by the Transferee Company of such equity shares.

5.7 In the event of there being any pending share transfers with respect to any application lodged for transfer by any shareholder of the Transferor Company, the Board of Directors or any committee thereof of the Transferor Company, if in existence, or failing which, the Board of Directors or any committee thereof of the Transferee Company shall be empowered in appropriate cases, even subsequent to the Record Date, to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or the transferee of the share(s) in the Transferor Company and in relation to the New Equity Shares after the Scheme becomes effective.

6. STAFF, WORKMEN & EMPLOYEES

6.1 On the Scheme becoming effective, all staff, workmen and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Appointed Date, without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company (i.e. Cost to company basis, in monetary terms) shall not be less favourable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.

6.2 It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff, workmen and employees of the Transferor Company shall become trusts or funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund or funds shall become that of the Transferee Company. It is clarified that, for the purpose of the said fund or funds, the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous with the Transferee Company from the date of employment as reflected in the records of the Transferor Company.

7. LEGAL PROCEEDINGS

If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, including those arising on account of taxation laws and other allied laws, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the arrangement by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

8. CONTRACTS, DEEDS, ETC. & POWER TO GIVE EFFECT TO THIS PART

8.1 Subject to the other provisions of this scheme, all contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments, if any, of whatsoever nature to which the Transferor Company are a party and subsisting or having effect on 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 by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto, notwithstanding the terms contained in such contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments.

8.2 The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

9. TAXATION MATTERS

9.1 Upon the Scheme coming into effect, the Transferee Company through its Board of Directors, or any person(s) or committee authorised/ appointed by them, may carry out or assent to any modifications/ amendments to the returns and other documents filed by the Transferor Company for periods falling prior to the Appointed Date, in relation to taxation and other allied laws, desirable or appropriate by them (i.e., the Board of Directors or the person(s)/ committee).

9.2 Any tax liabilities under the Income-tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, any other state Sales Tax/ Value Added Tax laws, Service Tax, stamp laws or other applicable laws/ regulations in India or any overseas jurisdiction (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the books of accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

9.3 Upon coming into effect of the Scheme, all taxes (including income tax, tax deducted at source (TDS), advance tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid by the Transferor Company from the Appointed Date regardless of the period to which they relate shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company and the Transferee Company shall be entitled to take credit for such taxes notwithstanding that certificates/ challans for the said taxes are in the name of the Transferor Company and not in the name of the Transferee Company. Likewise all taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) payable by the Transferor Company in respect of the operations and/ or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, the same shall be deemed to be the corresponding tax paid by the Transferee Company and, shall, in all proceedings, be dealt with accordingly. The Transferee Company shall, upon the coming into effect of the Scheme, be entitled to revise the income tax returns, wealth tax return or any other relevant tax returns, if any, filed by it or the Transferor Company for any year, if so necessary pursuant or consequent to the Scheme to the extent such revision is permissible under applicable law(s) or suitably incorporate such transactions in its annual returns with necessary intimation to tax offices.

9.4 Without prejudice to generality of the aforesaid, any concession or statutory forms under the Tax Laws or local levies issued or received by the Transferor Company in respect of period commencing from the Appointed Date shall be deemed to be issued or received in the name of the Transferee Company and benefit of such forms shall be allowable to the Transferee Company in the same manner and to the same extent as would have been available to the Transferor Company. Without prejudice to generality of the aforesaid, any concessional or statutory declaration forms under the state VAT Laws or Central Sales Tax Laws or local levies issued or received by the Transferor Company in respect of period commencing from the Appointed Date and till the Effective Date shall be deemed to be issued or received in the name of the Transferor Company and such forms shall be used by Transferor Company in good faith and bonafide business operations subject however that unutilised forms as on the Effective Date shall be surrendered to Commercial tax department for fresh issuance of corresponding forms in favor of the Transferee Company.

9.5 Any refund under the Tax Laws due to Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

9.6 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, service-tax exemptions, incentives, concessions and other authorizations of the Transferor Company shall stand transferred by the order of the High Court to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning High Court.

9.7 Pursuant to this Scheme, it is declared that the various benefits which the Transferor Company is entitled to under incentive schemes including export related incentive schemes and policies under various laws, regulations and notifications, shall be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including service-tax concessions, and incentives shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under the incentive schemes and policies were made available to Transferor Company.

10. REORGANISATION & RECLASSIFICATION OF THE SHARE CAPITAL OF THE TRANSFEREE COMPANY

10.1 Upon the Scheme coming into effect, the authorised share capital of the Transferee Company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies, by an amount of Rs. 48,00,00,000/- (Rupees Forty Eight Crores Only), and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the Authorized Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14, 15, 61 and 64 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on its respective authorised share capitals shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased.

Accordingly, in terms of this Scheme, the authorised share capital of the Transferee Company shall stand enhanced to an amount of Rs. 1,02,00,00,000/- (Rupees One Hundred Two Crores Only) and the face value of Equity shares will be classified into and be divided into 20,40,00,000 (Twenty Crores Forty Lakhs) equity shares of Rs. 5/- each and 1,00,000 (One Lakh) Preference shares of Rs. 100/- each and the capital clause being Clause V of the Memorandum of Association of the Transferee Company shall stand substituted to read as follows:

"The Authorized Share Capital of the Company is **Rs. 1,02,00,00,000/- (Rupees One Hundred Two Crores Only)** divided into 2**0,40,00,000 (Twenty Crores Forty Lakhs)** equity shares of Rs. 5/- each and **1,00,000 (One Lakh)** Preference shares of Rs. 100/- each."

PART C

11 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

On the Scheme becoming effective the Transferee Company shall account for the amalgamation of the Transferor Company in its books as given below:

11.1 All the assets, including but not limited to the fixed assets, existing investments in India or outside India, intangibles and any other assets recorded in the books of the Transferor Company, subject to clause 11.5, be recorded by the Transferee Company at its respective book values.

11.2 All the liabilities recorded in the books of the Transferor Company, subject to clause 11.5, be recorded by the Transferee Company at its respective book values.

11.3 The face value of the New Equity shares of the Transferee Company issued pursuant to this Scheme shall be credited to the Equity Share Capital account in the books of the Transferee Company.

11.4 In case of any differences in accounting policies between the Transferee Company and the Transferor Company the accounting policies followed by the Transferee Company shall prevail to ensure that the Financial Statements reflect the financial position on the basis of consistent accounting policies.

11.5 The amount of any inter-company balances, amounts or investments between the Transferor Company and the Transferee Company, appearing in the books of account of the Transferee Company and the Transferor Company shall stand cancelled without any further act or deed, upon the Scheme coming into effect.

11.6 The surplus arising out of the value of assets as recorded in clause 11.1 over the value of liabilities as recorded in clause 11.2 including the face value of New Equity Shares issued as mentioned in clause 11.3 and after making adjustments as mentioned in clauses 11.4 and 11.5 will be in accordance with the Pooling of Interest method as prescribed under Accounting Standards 14 -- Accounting for Amalgamations issued by Institute of Chartered Accountants of India.

12 TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

During the period from the Appointed Date to the Effective Date:

12.1 The Transferor Company shall carry on and be deemed to have carried on their respective business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of their entire businesses and undertakings for and on account of and in trust for the Transferee Company.

12.2 The Transferor Company shall carry on its respective business activities in the ordinary course of business with reasonable diligence and business prudence.

12.3 All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred or arising to the Transferor Company shall for all purposes be treated and deemed to be and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee Company.

12.4 The Transferee Company shall be entitled pending the sanction of the Scheme to apply to the Central Government and all other Government Authorities/Agencies concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

13 SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the assets and liabilities of the Transferor Company under clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded 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 made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART D

DISSOLUTION OF THE TRANSFEROR COMPANY AND THE GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME OF AMALGAMATION AND OTHER MATTERS CONSEQUENTIAL AND INTEGRALLY CONNECTED THERETO

14 WINDING UP

On the Scheme becoming effective the Transferor Company shall stand dissolved without being wound-up.

15 CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

i. The requisite consent, approval or permission of the Central Government, Securities and Exchange Board of India ("SEBI") or any Government Authorities, which by law may be necessary for the implementation of this Scheme;

ii. The Scheme being approved by shareholders of Transferee Company through special resolution passed by way of postal ballot and e-voting in terms of para 5.16 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;

iii. The certified copies of the orders of the High Court sanctioning the Scheme are filed with the Registrar of Companies, Karnataka; and

iv. Compliance with such other conditions as may be imposed by the High Court.

16 APPLICATION TO HIGH COURT

The Transferee Company and the Transferor Company shall, with all reasonable despatch, make and file applications to the High Court, within whose jurisdiction the registered offices of the Transferee Company and the Transferor Company are situated for sanctioning the Scheme and for dissolution of the Transferor Company without being wound-up.

17 MODIFICATION OR AMENDMENTS TO THE SCHEME

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

18 EFFECT OF NON-RECEIPT OF APPROVALS

In the event any of the approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of the Transferee Company and the Transferor Company shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme is not sanctioned by the High Courts, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

19 COSTS, CHARGES AND EXPENSES

In the event of the Scheme being sanctioned by the High Court, the Transferee Company shall bear and pay all costs, charges, expenses, taxes including duties, levies in connection with the Scheme.

ANNEXURE 2

AXISCADES ENGINEERING TECHNOLOGIES LIMITED (Applicant Company / Transferee Company)

There is issue of equity shares by the Company pursuant to the scheme of Amalgamation and hence, Pre and Post Scheme equity shareholding of the Company would be as shown.

The Pre and Post -Scheme equity shareholding pattern as on 31 December, 2015 is as follows:

		Transferor company				**Transferee company**			
		IAT				**ACETL**			
		Pre-amalgamation		**Post-amalgamation**		**Pre-amalgamation**		**Post-amalgamation**	
Sr	**Description**	**No. of shares**	**%**	**No. of shares**	**%**	**No. of shares**	**%**	**No. of shares**	**%**
(A)	**Shareholding of Promoter and Promoter Group**								
1	**Indian**								
(a)	Individuals/ Hindu Undivided Family	-	-	-	-	-	-	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	**47564716**	**100**	**-**	**-**	**16074514**	**59.12**	**26644451**	**70.56**
I	Tayana Digital Private Limited	-	-	-	-	12142100	44.66	12142100	32.16
II	Jupiter Capital Private Limited	36503791	76.75	-	-	236178	0.87	8348132	22.11
III	Indian Aero Ventures Private Limited	11060925	23.25	-	-	3696236	13.59	6154219	16.30
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-
(e)	Any Others	-	-	-	-	-	-	-	-
	Sub Total(A)(1)	**47564716**	**100**	-	-	**16074514**	**59.12**	**26644451**	**70.56**

2	**Foreign**								
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-
(d)	Any Others	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**47564716**	**100**	-	-	**16074514**	**59.12**	**26644451**	**70.56**
(B)	**Public shareholding**								
1	**Institutions**								
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-	-
(b)	Financial Institutions / Banks	-	-	-	-	72730	0.27	72730	0.19
(c)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	603869	2.22	603869	1.60
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-
(h)	Any Other	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	**676599**	**2.49**	**676599**	**1.79**
2	**Non-institutions**								
(a)	Bodies Corporate	-	-	-	-	2779196	10.22	2779196	7.36
(b)	Individuals								

I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh	-	-	-	-	4456627	16.39	4456627	11.80
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	-	-	-	-	2819379	10.37	2819379	7.47
(c)	Any Other	-	-	-	-	383278	1.41	383278	1.02
	Sub-Total (B)(2)	-	-	-	-	**10438480**	**38.39**	**10438480**	**27.65**
(B)	**Total Public Shareholding (B)= (B)(1)+(B)(2)**	-	**-**	-	-	**11115079**	**40.88**	**11115079**	**29.44**
	TOTAL (A)+(B)	**47564716**	**100**	-	-	**27189593**	**100**	**37759530**	**100**
(C)	Shares held by Custodians and against which DRs have been issued	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	**47564716**	**100**	-	-	**27189593**	**100**	**37759530**	**100**

FORTRESS

STRICTLY PRIVATE & CONFIDENTIAL

August 12, 2015

The Board of Directors,
AXISCADES Engineering Technologies Limited
A 264 Defence Colony, 2nd Floor,
New Delhi – 110 024

The Board of Directors,
India Aviation Training Institute Private Limited
Jupiter Innovision Centre, No. 54,
Richmond Road, Bangalore – 560 025

Sub: Fairness Opinion in connection with the proposed amalgamation of India Aviation Training Institute Private Limited into AXISCADES Engineering Technologies Limited

Dear Sir(s),

We refer to our discussion wherein the Management of AXISCADES Engineering Technologies Limited (hereinafter referred to as "ACET") and India Aviation Training Institute Private Limited (hereinafter referred to as "IAT"), has requested Fortress Capital Management Services Private Limited ('Us') to give a fairness opinion on the joint valuation carried out by SSPA & Co., Chartered Accountants (hereinafter referred to as "SSPA") and Rajendra & Co., Chartered Accountants (hereinafter referred to as "RCO") in connection with the proposed amalgamation of IAT and ACET.

A. BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

1. AXISCADES ENGINEERING TECHNOLOGIES LIMITED

1.1 AXISCADES Engineering Technologies Limited (formerly known as Axis IT&T Limited) is Engineering Design solutions provider, catering to the futuristic needs of Aerospace, Heavy Engineering, Automotive and Industrial Production sectors.

1.2 ACET provides Engineering Design Solutions across lifecycle of the product starting from product design, system engineering, manufacturing to product support.

Fortress Capital Management Services Pvt. Ltd. MUMBAI

CIN : U67120MH2004PTC145815
FORTRESS CAPITAL MANAGEMENT SERVICES PVT. LTD.
Daryanagar House, 2nd Floor, 69, Maharshi Karve Road, Marine Lines, Mumbai - 400 002. INDIA
Tel.: +91 (22) 2200 7973 / 74 / 75 / 76 • Fax : +91 (22) 2203 1609 • E-mail : fortress@fortress.co.in • Website : www.fortress.co.in

1.3 ACET has been formed through the merger of two entities – Axis-IT&T (Engineering services for Heavy Engineering and Industrial Products) and CADES Digitech (Engineering services for Aerospace and Automotive domains) – to leverage on their processes, technology and customer relationships. ACET has offices worldwide including North America, Europe and Asia.

1.4 Shares of ACET are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE').

2. **INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED**

2.1 IAT was established for providing aviation related training solutions.. Currently IAT does not have any business operations.

2.2 In FY 2015-16, IAT has acquired 100% stake in AXISCADES Aerospace & Technologies Private Limited (hereinafter referred to as "ACAT").

2.3 ACAT (formerly known as Axis Aerospace & Technologies Limited and erstwhile known as Jupiter Strategic Technologies Private Limited) was setup in the year 2001. ACAT is a Premier Technology Company in the high-end Strategic Technologies space with a proven track record. It Has built outstanding capabilities in System integration and Design & Development of solutions and platforms in the areas of Automatic Test Equipment & Test solutions, Software & Simulation Avionics, Electronic warfare systems and Military-Paramilitary training solutions amongst others.

2.4 ACAT's focus is mainly on Systems Integration for Electronic Warfare, Communications, Surveillance and Access Control, Radar and Avionics, Command and Control.

2.5 ACAT also hold investment in AXISCADES Aerospace Infrastructure Private Limited,

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herein after referred to as ACAIPL (formerly known as "Jupiter Aviation Services Private Limited") (hereinafter referred to as "JAS"). Currently ACAIPL does not have any business operations. Further ACAI owns 100% of Enertech controls, which owns property in Electronics city, Bangalore.

3 We have been informed that Management is considering a proposal for amalgamation of IAT and ACET with effect from appointed date.

4 We have been informed by the Management that ACET intends to discharge the consideration for amalgamation through issue of equity shares of ACET of INR 5 each fully paid up to the equity share holders of IAT.

5 Accordingly, ACET has appointed SSPA and RCO, Joint Valuers to undertaken valuation exercise of equity shares of ACET and IAT to recommend share exchange ratio for the proposed amalgamation of IAT into ACET.

6 Further, ACET has appointed us to give a fairness opinion on Joint Valuation Report issued by Joint Valuers and scheme of amalgamation in connection with the proposed amalgamation.

7 The information contained in our report herein is confidential. It is intended only for the sole use of captioned purpose including for obtaining the requisite statutory approvals.

B. SOURCES OF INFORMATION

For the purposes of our valuation exercise, we have relied upon the following sources of information as provided to us by the management of the Companies:

(a) Audited financial statements of ACET and ACAT for the year ended March 31, 2015

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(b) Audited financial statements IAT and ACAIPL for the year ended March 31, 2015.

(c) Management certified estimated Balance Sheet and Profit and Loss Statement of ACET, IAT, ACAT and JAS for the year ended March 31, 2016

(d) Financial Projections of ACET and ACAT for FY 2016-17 to FY 2019-20

(e) Draft Scheme of Arrangement

(f) Joint Valuation Report of SSPA and RCO dated August 12, 2015

(g) Discussions with the Management on various issues relevant for the valuation including the prospects and outlook for the industry, expected growth rate and other relevant information relating to future expected profitability of the business, etc

(h) Other relevant details regarding the Companies such as their history, past and present activities, future plans and prospects, existing shareholding pattern and other relevant information and data, including information in the public domain

(i) Such other information and explanations as we have required and which have been provided by the Management

C. EXCLUSIONS AND LIMITATIONS

1 Our conclusion is based on the information furnished to us being complete and accurate in all material respects. We have relied upon the historical financials and the information and representations furnished to us without carrying out any audit or other tests to verify its accuracy with limited independent appraisal.

2 We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the companies.

3 Our work does not constitute verification of historical financials or including the working results of the Companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.

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4 Our opinion is not intended to and does not constitute a recommendation to any shareholders as to how such shareholder should vote or act in connection with the Scheme or any matter related therein.

5 Our liability (statutory or otherwise) for any economic loss or damage arising out of the rendering this Opinion shall be limited to amount of fees received for rendering this Opinion as per our engagement with ACET.

6 Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

7 We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof.

8 We do not express any opinion as to the price at which shares of the Resulting Company may trade at any time, including subsequent to the date of this opinion.

9 Any person/party intending to provide finance/invest in the shares/businesses of any of the Companies, shall do so, after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed amalgamation as aforesaid, can be done only with our prior permission in writing.

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10 This certificate has been issued for the sole purpose to facilitate the Company to comply with clause 24(f) and 24(h) of the Listing Agreement and SEBI Circular No CIR/CFD/DIL/5/2013 dated 4 February 2013 and CIR/CFD/DIL/8/2013 dated 21 May 2013 and it shall not be valid for any other purpose.

11 Fortress Capital Management Services Private Limited, nor its directors, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the fairness opinion is given. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the opinion.

D. VALUATION APPROACH

For the purposes of valuation, the Valuers have adopted the Net Assets Method under "Underlying Assets" Approach and Discounted Cash Flow method under "Income" Approach for determining the fair value per share of ACET and ACAT and Net Assets Method under "Underlying Assets" Approach for determining the fair value per share of IAT and arrived at the exchange ratio of shares for proposed amalgamation of IAT and ACET.

E. CONCLUSION

1 We have reviewed the Scheme of Amalgamation and methodology as mentioned above used by the Valuers for arriving at the valuation of the equity shares of the Companies and also reviewed the working and underlying assumptions adopted to arrive at the values under each of the above approaches, for the purposes of recommending exchange ratio for Shares.

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2 On the basis of the foregoing and based on the information and explanation provided to us, in our opinion, the proposed amalgamation and share exchange ratio of **10 (Ten) equity shares of ACET of INR 5/- each fully paid for every 45 (Forty Five) equity shares of IAT of INR 10/- each fully paid recommended by Joint Valuers is fair and reasonable.**

Thanking you,

Yours faithfully,

For Fortress Capital Management Services Pvt. Ltd.

Authorized Signatory

Place: Mumbai

SEBI Registration No.: INM000011146

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Annexure

Complaints Report
As on October 13, 2015

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	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable		
2.			
3.			

Thanking you,

Yours faithfully,

For **AXISCADES Engineering Technologies Limited,**

Shweta Agrawal

Shweta Agrawal

Company Secretary

AXISCADES Engineering Technologies Ltd. New Delhi

AXISCADES Engineering Technologies Limited
(formerly Axis-IT&T Limited)
CIN No.: L72200DL1990 PLC 041275
D-30, Sector - 3, Noida - 201 301, Uttar Pradesh INDIA Ph: +91 120 451 8200 / 8300 Fax: +91 120 244 2921
Reg. Office : A-264, 2nd Floor, Defence Colony New Delhi - 110 024 | Email: info@axiscades.com | www.axiscades.com

DCS/AMAL/KS/24(f)/311/2015-16
February 24, 2016

The Company Secretary
Axiscades Engineering Technologies Ltd.
Block C, Second Floor, Kirloskar Business Park,
Bangalore, Karnataka, 560024.

Sub: Observation letter regarding the Draft Scheme of Arrangement involving amalgamation of India Aviation Training Institute Private Ltd.(IAT) with Axiscades Engineering Technologies Ltd.(AETL).

We are in receipt of Draft Scheme of Arrangement involving amalgamation of India Aviation Training Institute Private Ltd.(IAT) with Axiscades Engineering Technologies Ltd.(AETL).

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 vide its letter dated February 24, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

- ***"With respect to the observation that the promoter shareholding in AETL will increase from 59.12% pre- scheme to 70.56% post scheme, the company may be advised to ensure voting by public shareholders in terms of relevant SEBI Circulars"***
- ***"Company shall duly comply with various provisions of the Circulars."***

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

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. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
e. Status of compliance with the Observation Letter/s of the stock exchanges;
f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
g. Complaints Report as per Annexure II of this Circular.
h. Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' 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.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Pujari
Manager

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

NIFTY 50 Stock of the nation

Ref: NSE/LIST/62875 February 25, 2016

The Company Secretary
Axiscades Engineering Technologies Limited
Block C, Second Floor
Kirloskar Business Park
Bangalore - 560024

Kind Attn.: Ms. Shweta Agrawal

Dear Madam,

Sub: Observation letter for draft Scheme of Amalgamation of India Aviation Training Institute Private Limited and Axiscades Engineering Technologies Limited and their respective shareholders and creditors (under sections 391 to 394 of the Companies Act, 1956).

This has reference to Scheme of Amalgamation of India Aviation Training Institute Private Limited and Axiscades Engineering Technologies Limited and their respective shareholders and creditors (under sections 391 to 394 of the Companies Act, 1956) submitted to NSE vide your letter dated September 02, 2015.

Based on our letter reference no Ref: NSE/LIST/46502 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI has vide letter dated February 24, 2016, has given following comments on the draft Scheme of Arrangement:

1. *" With respect to the observation that the promoter shareholding in AETL will increase from 59.12% pre-scheme to 70.56% post scheme, the company may be advised to ensure voting by public shareholders in terms of relevant SEBI circulars.*

2. The Company shall duly comply with various provisions of the Circulars."

We hereby convey our 'No-objection' with limited reference to those matters having a bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Companies to file the Scheme with Hon'ble High Court.

However, the Exchange reserves its rights to raise objections 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.

The validity of this "Observation Letter" shall be six months from February 25, 2016, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

1.

Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400051, India. • Tel: +91 22 26598235/36, 26598346 • Fax: +91 22 26598237/38
E-mail : cmlist@nse.co.in • Web site: www.nseindia.com

a. Copy of Scheme as approved by the High Court;
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 SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.

Yours faithfully,
For National Stock Exchange of India Limited

Samir Naringrekar
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

AXISCADES
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AXISCADES ENGINEERING TECHNOLOGIES LIMITED

(Formerly Axis-IT&T Limited)
CIN: L72200KA1990PLC084435
Regd. Office: Block C, Second Floor, Kirloskar Business Park, Bengaluru, Karnataka- 560024
Ph. 080-41939000, Fax-080-41939099, Website: www.axiscades.com
e-mail: info@axiscades.com

NOTICE TO THE UNSECURED CREDITORS - COURT CONVENED MEETING

COURT CONVENED MEETING OF THE UNSECURED CREDITORS	CONTENTS	PAGE NO.
Day: Monday Date: 25th April, 2016 Time: 2.30 PM Venue: Chairman's Club (Chairman's Club & Resort), No. 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru, Karnataka-560092	Notice of Court Convened Meeting of the Unsecured creditors of AXISCADES Engineering Technologies Limited	3
	Explanatory Statement under Section 393 of the Companies Act, 1956	6
	Scheme of Amalgamation	12
	Complaint Report as on October 13, 2015	25
	Observation Letters from BSE Limited and National Stock Exchange of India Limited dated February 24, 2016 and February 25, 2016 respectively	26
	Attendance Slip and Proxy Form	

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IN THE HIGH COURT OF KARNATAKA AT BENGALURU

ORIGINAL JURISDICTION

IN THE MATTER OF COMPANIES ACT, 1956

AND

IN THE MATTER OF SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

COMPANY APPLICATION NO. 108 OF 2016

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Block C, Second Floor

Kirloskar Business Park,

Bengaluru,

Karnataka- 560024 **… APPLICANT / TRANSFEREE COMPANY**

NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS

To,

The Unsecured Creditors of AXISCADES Engineering Technologies Limited ("Applicant Company" or "Transferee Company").

TAKE NOTICE that by an Order made on 18 March, 2016, in the above Company Application, the Hon'ble High Court of Karnataka at Bengaluru ("said Order") has directed that a meeting of the Unsecured Creditors of the Applicant Company be convened and held on **Monday, the 25th April 2016, at 2.30 p.m.** at Chairman's Club (Chairman's Club & Resort), No. 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru, Karnataka-560092, to transact the following Special Business:

To consider and, if thought fit, to pass with or without modifications, the following resolution as a special resolution, approving the Scheme of Amalgamation between India Aviation Training Institute Private Limited ("Transferor Company") with AXISCADES Engineering Technologies Limited ("Transferee Company") and their respective Shareholders and Creditors ("The Scheme").

"RESOLVED THAT pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and relevant provisions of the Companies Act, 2013 and subject to the directions of the Hon'ble High Court of Karnataka at Bengaluru for convening meeting of Unsecured Creditors vide its Order dated 18 March, 2016 and SEBI Circulars bearing Nos. CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013 (together referred to as 'SEBI Circulars'), the Observation Letters dated February 24, 2016 and February 25, 2016 issued by the BSE Limited and the National Stock Exchange of India Limited (NSE) respectively, and relevant applicable provisions of law, the arrangement as embodied in the proposed Scheme of Amalgamation of India Aviation Training Institute Private

Limited with AXISCADES Engineering Technologies Limited and their respective shareholders and creditors from the Appointed Date as defined in para 1.2 of Part A of the Scheme for the amalgamation of India Aviation Training Institute Private Limited with the Applicant Company, be and is hereby approved with/without modifications and/or conditions, if any, as may be carried out by the Hon'ble High Court of Karnataka at Bengaluru or by any other authorities under the applicable law.

RESOLVED FURTHER THAT the any of the Directors or the Company Secretary of the Company, be and is hereby authorized to do 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 modification(s) and / or conditions, if any, provided that the prior approval of any two directors, shall be obtained for making any material changes in the said Scheme, which may be required and / or imposed by the Hon'ble High Court of Karnataka at Bengaluru while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in carrying out the Scheme."

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the Unsecured Creditors of the Applicant Company will be held on **Monday, the 25th April 2016, at 2.30 p.m.** at Chairman's Club (Chairman's Club & Resort), No. 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru, Karnataka-560092, at which time and place the said creditors 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 authorized representative, is deposited at the Registered Office of the Applicant Company at **Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024, Karnataka**, not later than 48 hours before the time of the aforesaid meeting.

The Hon'ble High Court of Karnataka at Bengaluru has appointed Dr. Vivek Mansingh, Chairman, and an Independent Director of the Applicant Company, failing him Mr. Sudhakar Gande, Vice Chairman & Executive Director of the Applicant Company to be the Chairman of the said meeting.

A copy of the said Scheme and Explanatory Statement under Section 393 of the Companies Act, 1956, read with Section 102 of the Companies Act, 2013, a Form of Proxy with instructions and the Attendance Slip are enclosed herewith.

For AXISCADES Engineering Technologies Limited

Sd/-

Place: Bengaluru

Vivek Mansingh

Date: 28th March, 2016

Chairman appointed for the Meeting

Registered Office:

Block C, Second Floor, Kirloskar Business Park,

Bengaluru – 560 024, Karnataka

CIN: L72200KA1990PLC084435

Email: info@axiscades.com

Website: www.axiscades.com

Ph: 080-41939000, Fax: 080-41939099

Notes:

(1) All alterations made in the Form of Proxy should be initialed.

(2) Only Unsecured Creditors as on 21 March, 2016, of the Applicant Company may attend and vote either in person or by proxy or by an authorised representative under Section 113 of the Companies Act, 2013 at the Unsecured Creditors' meeting. The authorized representative of a body corporate which is a registered Unsecured Creditors of the Applicant Company, may attend and vote at the Unsecured Creditors' meeting, provided that, a certified true copy of the Resolution of the Board of Directors or other governing body of the body corporate authorizing such a representative to attend and vote at the Unsecured Creditors' meeting, is deposited at the Registered Office of the Applicant Company not later than 48 hours before the scheduled time of the commencement of the meeting, authorizing such representative to attend and vote at the Unsecured Creditors' meeting.

Enclosures: As above.

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

ORIGINAL JURISDICTION

IN THE MATTER OF COMPANIES ACT, 1956

AND

IN THE MATTER OF SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

COMPANY APPLICATION NO. 108 OF 2016

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Block C, Second Floor

Kirloskar Business Park,

Bengaluru,

Karnataka- 560024 **… APPLICANT / TRANSFEREE COMPANY**

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956, TO THE NOTICES OF THE COURT CONVENED MEETING OF THE UNSECURED CREDITORS OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED FOR CONSIDERING AND APPROVING SCHEME OF AMALGAMATION BETWEEN INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED ("TRANSFEROR COMPANY") WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED ("TRANSFEREE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS ('THE SCHEME').

1. In this statement AXISCADES Engineering Technologies Limited is referred to as ("Applicant Company" or "Transferee Company"). The other definitions contained in the Scheme will also apply to this statement under Section 393 of the Companies Act, 1956 and Section 102 of the Companies Act, 2013 ("Explanatory Statement").

2. Pursuant to the Order dated 18 March, 2016 passed by the Hon'ble High Court of Karnataka at Bengaluru, a meeting of the Unsecured Creditors of the Applicant Company is being convened and shall be held on **Monday, the 25th April 2016, at 2.30 p.m.** at Chairman's Club (Chairman's Club & Resort), No. 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru, Karnataka-560092, for the purpose of considering and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation between India Aviation Training Institute Private Limited and AXISCADES Engineering Technologies Limited and their respective Shareholders and Creditors under Sections 391 to 394 of the Companies Act, 1956 and other relevant provision of the Companies Act, 2013. The resolution to be submitted at the said meeting will read as follows:

   "RESOLVED THAT pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and relevant provisions of the Companies Act, 2013 and subject to the directions of the Hon'ble High Court of Karnataka at Bengaluru for convening meeting of Unsecured Creditors vide its Order dated 18 March, 2016 and SEBI Circulars bearing Nos. CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21,

2013 (together referred to as 'SEBI Circulars'), the Observation Letters dated February 24, 2016 and February 25, 2016 issued by the BSE Limited and the National Stock Exchange of India Limited (NSE) respectively, and relevant applicable provisions of law, the arrangement as embodied in the proposed Scheme of Amalgamation between India Aviation Training Institute Private Limited with AXISCADES Engineering Technologies Limited and their respective Shareholders and Creditors from the Appointed Date as defined in para 1.2 of Part A of the Scheme for the amalgamation of India Aviation Training Institute Private Limited with the Applicant Company, be and is hereby approved with/without modifications and/or conditions, if any, as may be carried out by the Hon'ble High Court of Karnataka at Bengaluru or by any other authorities under the applicable law.

RESOLVED FURTHER THAT the any of the Directors or the Company Secretary of the Company, be and is hereby authorized to do 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 modification(s) and / or conditions, if any, provided that the prior approval of any two directors ,shall be obtained for making any material changes in the said Scheme, which may be required and / or imposed by the Hon'ble High Court of Karnataka at Bengaluru while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in carrying out the Scheme."

3. The Scheme of Amalgamation provides for the amalgamation of India Aviation Training Institute Private Limited ('Transferor Company' or 'IAT') with AXISCADES Engineering Technologies Limited ('Transferee Company' or 'ACETL').

4. The Scheme envisages amalgamation of India Aviation Training Institute Private Limited with the Applicant Company with effect from the Appointed Date as defined in para 1.2 of Part A of the said Scheme.

5. **Background of each company**

   i) AXISCADES Engineering Technologies Limited ("ACETL"/ "Transferee Company") was incorporated under the Companies Act, 1956 on 24th August, 1990 under the name and style of under the name and style "IT&T Enterprises Private Limited", with the Registrar of Companies, NCT of Delhi & Haryana. Subsequently, the Applicant Company was converted to a deemed public company in accordance with Section 43A of the Companies Act, 1956 and the word "Private" was removed from the name. The name of the Applicant Company was further changed to "IT&T Limited" on January 7, 1998. The Applicant Company was subsequently converted to a public limited company in accordance with Section 44 of the Companies Act, 1956, pursuant to a special resolution of shareholders dated April 24, 2000. The name was further changed to "Axis-IT&T Limited" from May 12, 2005. Thereafter, the name of the Applicant Company was changed to "AXISCADES Engineering Technologies Limited" vide a fresh certificate of incorporation dated August 1, 2014. Subsequently, the Transferee Company changed its registered office from NCT of Delhi & Haryana to the State of Karnataka vide a fresh certificate of incorporation dated December 2, 2015 having its registered office at Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024, Karnataka. ACETL is listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). ACETL is engaged in the business of providing engineering solutions, catering to futuristic needs of aerospace, heavy engineering, automotive and industrial production sectors globally.

   ii) India Aviation Training Institute Private Limited ("Transferor Company" or "IAT ") was incorporated under the Companies Act, 1956 on 20thAugust, 2007 under the name and style of 'INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED' having its Registered Office at Jupiter Innovision Centre, No. 54, Richmond Road, Bengaluru, Karnataka – 560 025. IAT is engaged in the business of providing aviation related training solutions. Further IAT is a holding company of AXISCADES Aerospace and Technologies Private Limited which is engaged in the business of providing strategic technologies to aerospace, defence and homeland security sectors.

6. **PURPOSE AND RATIONALE OF THE SCHEME OF AMALGAMATION:**

The Group believes that the proposed amalgamation, inter alia, will result into following benefits:

i) Greater integration, financial strength and flexibility for the amalgamated entity, resulting in maximizing overall shareholder value, and improving the competitive position of the combined entity.

ii) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.

iii) Improved organizational capability and leadership, arising from the pooling of human capital that has the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.

iv) Cost savings are expected to flow from more focused operational efforts, rationalization, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.

7. **SALIENT FEATURES OF THE SCHEME ARE AS UNDER:**

A. PARTS OF THE SCHEME

The scheme is divided into the following parts:

i. Part A - dealing with definitions of the terms used in the Scheme of Amalgamation and sets out the share capital of the Transferor Company and Transferee Company as defined in the Scheme;

ii. Part B - dealing with the amalgamation of India Aviation Training Institute Private Limited into AXISCADES Engineering Technologies Limited;

iii. Part C - dealing with the accounting treatment for the amalgamation in the books of the Transferee Company ; and

iv. Part D - dealing with the dissolution of the Transferor Company without winding up and the general terms and other conditions applicable to the Scheme and other matters consequential and integrally connected thereto.

B. APPOINTED DATE

The Appointed Date of amalgamation of India Aviation Training Institute Private Limited with the Applicant Company is “Appointed Date” as defined in para 1.2 of Part A of the said Scheme.

C. CONSIDERATION FOR AMALGAMATION

Upon the coming into effect of the Scheme and in consideration of the transfer and vesting of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company, whose names are registered in the Register of Members and/ or on records of the Depositories as the case may be, of the Transferor Company on the Record Date (to be fixed by the Board of Directors of the Transferee Company) or his /her/its legal heirs, executors or administrators or, as the case may be, successors -in-title, as the case may be, fully paid up equity shares in the following proportion viz.:

“10 (“Ten”) fully paid up equity share of Rs 5/- each of the Transferee Company shall be issued and allotted for every 45 (“Forty Five”) fully paid up equity share of Rs 10/- each held in Transferor Company (hereinafter referred to as “New Equity Shares”)”

D. CONDITIONALITY OF THE SCHEME

The Scheme is and shall be conditional upon and subject to:

(i) The requisite consent, approval or permission of the Central Government, Securities and Exchange Board of India ("SEBI") or any Government Authorities, which by law may be necessary for the implementation of this Scheme;

(ii) The Scheme being approved by shareholders of Transferee Company through special resolution passed by way of postal ballot and e-voting in terms of para 5.16 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;

(iii) The certified copies of the orders of the High Court sanctioning the Scheme are filed with the Registrar of Companies, Karnataka; and

(iv) Compliance with such other conditions as may be imposed by the High Court.

The material provisions set out above being only the salient features of the Scheme, the creditors are requested to read the entire text of the Scheme forming part of Annexures **(Refer to Annexure 1)** to get fully acquainted with the provisions thereof and the rationale and objectives of the Scheme.

8. The rights and interests of the members and the creditors of the Transferor Company and Transferee Company will not be prejudicially affected by the Scheme and due provisions have been made for payment of the existing liabilities as and when the same fall due in usual course.

9. No investigation proceedings have been instituted or are pending in relation to the Transferor Company and Transferee Company under Sections 235 and 250A of the Companies Act, 1956 or the corresponding provisions as per the Companies Act, 2013.

10. The background of the Board of Directors of the Transferor Company and Transferee Company as on 18 March, 2016 is as under:

Transferor Company (IAT)

Name	Designation	Age (In Years)	Qualifications
Mr. Vijayaraghavan Keshavan Nadathur	Director	59	Graduate in Commerce
Mr. Giddaiah Koteswar	Director	56	Graduate in Commerce

Transferee Company (ACETL)

Name	Designation	Age (in years)	Qualifications
Dr. Vivek Mansingh	Independent Director (Chairman)	59	Holds Executive Business Management Program degree and Ph.D in Engineering Design Software.
Mr. Sudhakar Gande	Vice Chairman & Executive Director	58	M.Tech Electronics & Computers and MBA in Finance.

Mr. S. Valmeekanathan	Chief Executive Officer (CEO) & Director	51	BE (Hons) in Mechanical Engineering
Mr. Rohitasava Chand	Non-executive Director	69	B. Tech and MBA
Mr. Kedarnath Choudhury	Non-executive Director	49	B.Sc(Hons) in Physics, Chartered Accountant from ICAI and Cost Accountant from ICWA
Mr. Amit Gupta	Non-executive Director	42	Chartered Accountant from ICAI, CPA and Executive MBA
Mr. Kailash Mohan Rustagi	Independent Director	52	Chartered Accountant from ICAI, Company Secretary from ICSI and a Law Graduate
Mr. Srinath Batni	Independent Director	61	B.E. & M.E. in Mechanical Engineering
Mr. Pradeep Dadlani	Independent Director	55	B.E. (Mechanical) & MBA (FT)
Mrs. Vimmi M Trehan	Independent Director	46	B.Com (Hons), LLB & Cost Accountant from ICWAI

11. **Disclosure of Interest**

    (a) The Directors of the Transferor Company and Transferee Company may be deemed to be concerned and / or interested in the Scheme only to the extent of their or their relatives shareholding, if any, in the respective companies or to the extent the said Directors or their relatives are common directors in the aforesaid Companies or to the extent the said Directors or their relatives are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/or beneficiary of trust that hold shares in any of aforesaid Companies, if any. Their interest in these companies shall not be treated in any way differently than the other shareholders of aforesaid companies. Particulars of the interest of Directors and their relatives are available for inspection at the respective Registered Offices of the aforesaid companies.

    (b) The Directors and Key Managerial Personnel of the Transferor Company and Transferee Company do not have any shareholding (singly or jointly) as on 18th March, 2016 in the Transferor Company and Transferee Company.

12. The Directors of either the Transferor Company or Transferee Company have not given loans to the respective companies.

13. The shareholding pattern of Transferor Company and Transferee Company (pre-Scheme and post-Scheme) as on 30th June 2015 forms part of the Annexures **(Refer to Annexure 2)**.

14. The Financial Statements of Transferor Company and Transferee Company for last three years are available for inspection.

15. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.

16. Upon approval of the Scheme by the creditors of the Applicant Company pursuant to this meeting, the Companies forming part of the Scheme will file petition under Section 394 and other applicable provisions of the Act with the Hon'ble High Court of Karnataka at Bengaluru for sanctioning of the Scheme.

17. No winding up petitions have been pending and/or admitted against the Transferor Company or Transferee Company.

18. This Statement may be treated as Explanatory Statement under Section 393 of the Companies Act, 1956 read with Section 102 of the Companies Act, 2013.

19. The following documents will be available for inspection by the creditors at the Registered Office of the Company on all working days except Saturdays, Sundays and Public Holidays (between 9.00 am to 6.00 pm) up to the date of this meeting i.e. Monday, 25th April 2016 till conclusion of the meeting:

    i. Copies of the Orders passed by the Hon'ble High Court of Karnataka dated 18 March, 2016 (vide Company Application No. 108 of 2016) directing convening or dispensing with the meetings;

    ii. Copies of the Memorandum of Association and Articles of Association of the Transferor Company and Transferee Company;

    iii. Copy of Valuation report for Fair Share Entitlement Ratio dated 12th August, 2015 provided by M/s. SSPA & Co. and M/s. Rajendra & Co, Chartered Accountants;

    iv. Copy of Fairness Opinion dated 12 August, 2015 provided by M/s. Fortress Capital Management Services Pvt. Ltd, Category I, Merchant Banker;

    v. Copy of Net worth Certificate dated 26 August, 2015 of the Transferee Company, as on 31st March, 2015, provided by M/s. Parimal Ram & Pattabhi, Chartered Accountants;

    vi. Copies of Observation letters received from BSE Limited dated February 24, 2016 and National Stock Exchange of India Limited dated February 25, 2016 for the Transferee Company;

    vii. Copy of Complaint Report as on 13 October 2015 for the Transferee Company;

    viii. Copy of the Report of the Audit Committee dated 28 August, 2015 for recommendation of Scheme for the Transferee Company;

    ix. Particulars of the Interest of Directors and their relatives as aforesaid in Para 13(a) of this Explanatory Statement;

    x. Copies of Financial for last three years of the Transferor Company and Transferee Company.

20. Your Directors recommend the Resolution as set out in the Notice for approval of the creditors.

For AXISCADES Engineering Technologies Limited

Sd/-

Place: Bengaluru

Vivek Mansingh

Date: 28th March 2016

Chairman appointed for the Meeting

Registered Office:

Block C, Second Floor, Kirloskar Business Park,

Bengaluru – 560 024, Karnataka

CIN: L72200KA1990PLC084435

Email: info@axiscades.com

Website: www.axiscades.com

Ph: 080-41939000, Fax: 080-41939099

Annexure 1

SCHEME OF AMALGAMATION

OF

INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED

AND

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956)

GENERAL

I. Purpose of Scheme

This Scheme of Amalgamation is presented under Sections 391 to 394 and other relevant applicable provisions of the Companies Act, 1956, for Amalgamation of India Aviation Training Institute Private Limited into AXISCADES Engineering Technologies Limited.

II. Rationale for the Scheme

The Scheme of Amalgamation would inter alia have the following benefits:

1. Greater integration, financial strength and flexibility for the amalgamated entity, would result in maximizing overall shareholder value, and will improve the competitive position of the combined entity.

2. Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.

3. Improved organizational capability and leadership, arising from the pooling of human capital that has the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.

4. Cost savings are expected to flow from more focused operational efforts, rationalization, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.

III. Parts of the Scheme

The Scheme is divided into following parts:

1. **Part A** – dealing with definitions of the terms used in this Scheme of Amalgamation and sets out the share capital of the Transferor Company and Transferee Company as defined in this Scheme;

2. **Part B** – dealing with the amalgamation of India Aviation Training Institute Private Limited into AXISCADES Engineering Technologies Limited;

3. **Part C** – dealing with the accounting treatment for the amalgamation in the books of the Transferee Company ; and

4. **Part D** – dealing with the dissolution of the Transferor Company without winding up and the general terms and other conditions applicable to this Scheme and other matters consequential and integrally connected thereto.

PART A

1. DEFINITIONS

In this Scheme of Amalgamation, unless repugnant to the context, the following expressions shall have the following meaning:

1.1 **"Act"** means the Companies Act, 1956, ordinances, rules and regulations made there under and the relevant provisions of Companies Act, 2013 to the extent applicable and shall include any statutory modifications, re -enactment or amendment thereof.

1.2 **"Appointed Date"** means the 1st day of April, 2016, or such other date as the Hon'ble High Court or such other authorities may direct/ fix.

1.3 **"ACETL" or "Transferee Company"** means AXISCADES Engineering Technologies Limited, a company incorporated under the Companies Act, 1956, and having its registered office at A-264, Second Floor, Defence Colony, New Delhi – 110024. ACETL is in the process of shifting its registered office to Bengaluru in the state of Karnataka.

1.4 **"Board of Directors" or "Board"** means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof.

1.5 **"IAT" or "Transferor Company"** means India Aviation Training Institute Private Limited, a company incorporated under the Companies Act, 1956, and having its registered office at Jupiter Innovision Centre, No.54, Richmond Road, Bangalore - 560025.

1.6 **"Effective Date"** means the last of the date on which the certified copy of the order of the High Court sanctioning the Scheme is filed with the Registrar of Companies, Karnataka at Bangalore by Transferee Company and Transferor Company respectively.

1.7 **"High Court" or "Court"** means the Hon'ble High Court of Karnataka at Bangalore, having jurisdiction in relation to the Transferee Company and the Transferor Company and as the context may require and shall include National Company Law Tribunal, if applicable.

1.8 **"Income-tax Act"** means the Income-tax Act, 1961, and shall include any statutory modifications, re-enactment or amendment thereof.

1.9 **"Record Date"** means the date to be fixed by the Board of Directors of ACETL for the purpose of issue of new equity shares (defined later) to the shareholders of IAT under the Scheme.

1.10 **"Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s) made there under, as approved or directed by the High Court or any other appropriate authority.

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

2. SHARE CAPITAL

2.1. The share capital of the Transferor Company as at March 31, 2015, was as under:

Authorised Capital	**Amount in INR**
10,00,000 Equity shares of Re. 10/- each	1,00,00,000
Issued, Subscribed and Paid-Up Capital	**Amount in INR**
10,000 Equity shares of Re. 10/- each fully paid-up	1,00,000

Subsequent to March 31, 2015, the Transferor Company has increased its authorised and paid-up share capital pursuant to which the share capital is as under:

Authorised Capital	**Amount in INR**
4,80,00,000 Equity Shares of Rs.10/- each	48,00,00,000
Issued, Subscribed and Paid-up Capital	**Amount in INR**
4,75,64,716 Equity Shares of Rs.10/- each fully Paid-up	47,56,47,160

Post the above, there is no change in the equity share capital of the Transferor Company.

2.2. The share capital of the Transferee Company as at March 31, 2015, was as under:

Authorised Capital	**Amount in INR**
10,80,00,000 Equity Shares of Re. 5/- each	54,00,00,000
1,00,000 Preference Shares of Re. 100/- each	1,00,00,000
Total	**55,00,00,000**
Issued Share Capital	**Amount in INR**
2,72,40,693 Equity Shares of Re. 5/- each	13,62,03,465
Total	**13,62,03,465**
Subscribed and Paid-Up Capital	**Amount in INR**
2,71,89,593 Equity Shares of Re. 5/- each	13,59,47,965
Add: Forfeited shares (amount originally paid Re. 3 per share on 51,100 equity shares)	1,53,300
Total	**13,61,01,265**

Subsequent to the above date there has been no change in the share capital of the Transferee Company.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or any other appropriate authority shall be effective from the Appointed Date mentioned herein, but shall be operative from the Effective Date.

PART B

AMALGAMATION OF INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED INTO AXISCADES ENGINEERING TECHNOLOGIES LIMITED

4. AMALGAMATION

4.1 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire business and undertaking(s) of the Transferor Company including all the debts, liabilities, duties and obligations, including those arising on account of taxation laws and other allied laws, of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets (whether tangible or intangible) of the Transferor Company comprising, amongst others, all freehold land, leasehold land, building, plants, motor vehicles, receivables, actionable claims, furniture and fixtures, computers, office equipment, electrical installations, telephones, telex, facsimile and other communication facilities and business licenses, permits, deposits, authorisations, approvals, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, product licenses, marketing authorisations or other intellectual property rights, proprietary right, title, interest, contracts, consent, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, under the provisions of Sections 391 to 394 of the Act, and pursuant to the order of the High Court sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business and undertaking(s) of the Transferee Company .

4.2 With effect from the Appointed Date all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of account of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.

4.3 With effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

4.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.

4.5 All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date or created by the Transferor Company after the Appointed Date, over the assets comprised in the undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, encumbrances or liens secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such securities, mortgages, charges, encumbrances or liens shall not relate or attach to any of the other assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company.

4.6 The existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.

4.7 It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

4.8 With effect from the Appointed Date, all statutory licences, registrations, incentives, tax deferrals and benefits, carry-forward of tax losses, tax credits, tax refunds, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, permissions, approvals or consents to carry on the operations of the Transferor Company, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date shall stand vested in or transferred to the Transferee Company, pursuant to the Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the undertakings of the Transferor Company pursuant to this Scheme.

4.9 The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income Tax Act.

5. CONSIDERATION

5.1 Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company, whose names are registered in the Register of Members and/ or on records of the Depositories as the case may be, of the Transferor Company on the Record Date (to be fixed by the Board of Directors of the Transferee Company) or his /her/its legal heirs, executors or administrators or, as the case may be, successors -in-title, as the case may be, fully paid up equity shares in the following proportion viz.:

"10 ("Ten") fully paid up equity share of Rs 5/- each of the Transferee Company shall be issued and allotted for every 45 ("Forty Five") fully paid up equity share of Rs 10/- each held in Transferor Company (hereinafter referred to as "New Equity Shares")"

5.2 The equity shares to be issued and allotted by Transferee Company as per Clause 5.1 would be with rights attached hereto as under:

(a) The New Equity Shares to be issued and allotted by the Transferee Company in terms hereof will be subject to Memorandum and Articles of Association and shall rank pari passu with the existing equity shares of the Transferee Company in all respects including dividend.

(b) The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of New Equity Shares to the members of the Transferor Company, as the case may be, under the Scheme.

(c) The Transferee Company shall, to the extent required, have Authorised Share Capital in order to issue New Equity Shares under this Scheme.

5.3 The Equity Shares to be issued to the members of the Transferor Company under Clause 5.1 shall be in multiples of 1. Any issue of fractional shares as per Clause 5.1, shall be rounded-off to the nearest whole number.

5.4 The issue and allotment of New Equity Shares by the Transferee Company to the shareholders of the Transferor Company as the case may be, as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 62(1) and any other applicable provisions of the Act were duly complied with.

5.5 The New equity shares of the Transferee Company issued in terms of Clause 5.1 of this Scheme will be listed and/or admitted to trading on BSE Limited and National Stock Exchange of India Limited where the shares of the Transferee Company are listed and/or admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges.

5.6 For the purpose of issue of New equity shares to the shareholders of the Transferor Company, the Transferee Company shall, if and to the extent required, apply for and obtain the required statutory approvals and approvals of other concerned regulatory authorities for the issue and allotment by the Transferee Company of such equity shares.

5.7 In the event of there being any pending share transfers with respect to any application lodged for transfer by any shareholder of the Transferor Company, the Board of Directors or any committee thereof of the Transferor Company, if in existence, or failing which, the Board of Directors or any committee thereof of the Transferee Company shall be empowered in appropriate cases, even subsequent to the Record Date, to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or the transferee of the share(s) in the Transferor Company and in relation to the New Equity Shares after the Scheme becomes effective.

6. STAFF, WORKMEN & EMPLOYEES

6.1 On the Scheme becoming effective, all staff, workmen and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Appointed Date, without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company (i.e. Cost to company basis, in monetary terms) shall not be less favourable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.

6.2 It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff, workmen and employees of the Transferor Company shall become trusts or funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund or funds shall become that of the Transferee Company. It is clarified that, for the purpose of the said fund or funds, the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous with the Transferee Company from the date of employment as reflected in the records of the Transferor Company.

7. LEGAL PROCEEDINGS

If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, including those arising on account of taxation laws and other allied laws, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the arrangement by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

8. CONTRACTS, DEEDS, ETC. & POWER TO GIVE EFFECT TO THIS PART

8.1 Subject to the other provisions of this scheme, all contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments, if any, of whatsoever nature to which the Transferor Company are a party and subsisting or having effect on 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 by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party

thereto, notwithstanding the terms contained in such contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments.

8.2 The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

9. TAXATION MATTERS

9.1 Upon the Scheme coming into effect, the Transferee Company through its Board of Directors, or any person(s) or committee authorised/ appointed by them, may carry out or assent to any modifications/ amendments to the returns and other documents filed by the Transferor Company for periods falling prior to the Appointed Date, in relation to taxation and other allied laws, desirable or appropriate by them (i.e., the Board of Directors or the person(s)/ committee).

9.2 Any tax liabilities under the Income-tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, any other state Sales Tax/ Value Added Tax laws, Service Tax, stamp laws or other applicable laws/ regulations in India or any overseas jurisdiction (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the books of accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

9.3 Upon coming into effect of the Scheme, all taxes (including income tax, tax deducted at source (TDS), advance tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid by the Transferor Company from the Appointed Date regardless of the period to which they relate shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company and the Transferee Company shall be entitled to take credit for such taxes notwithstanding that certificates/ challans for the said taxes are in the name of the Transferor Company and not in the name of the Transferee Company. Likewise all taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) payable by the Transferor Company in respect of the operations and/ or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, the same shall be deemed to be the corresponding tax paid by the Transferee Company and, shall, in all proceedings, be dealt with accordingly. The Transferee Company shall, upon the coming into effect of the Scheme, be entitled to revise the income tax returns, wealth tax return or any other relevant tax returns, if any, filed by it or the Transferor Company for any year, if so necessary pursuant or consequent to the Scheme to the extent such revision is permissible under applicable law(s) or suitably incorporate such transactions in its annual returns with necessary intimation to tax offices.

9.4 Without prejudice to generality of the aforesaid, any concession or statutory forms under the Tax Laws or local levies issued or received by the Transferor Company in respect of period commencing from the Appointed Date shall be deemed to be issued or received in the name of the Transferee Company and benefit of such forms shall be allowable to the Transferee Company in the same manner and to the same extent as would have been available to the Transferor Company. Without prejudice to generality of the aforesaid, any concessional or statutory declaration forms under the state VAT Laws or Central Sales Tax Laws or local levies issued or received by the Transferor Company in respect of period commencing from the Appointed Date and till the Effective Date shall be deemed to be issued or received in the name of the Transferor Company and such forms shall be used by Transferor Company in good faith and bonafide business operations subject however that unutilised forms as on the Effective Date shall be surrendered to Commercial tax department for fresh issuance of corresponding forms in favor of the Transferee Company.

9.5 Any refund under the Tax Laws due to Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

9.6 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, service-tax exemptions, incentives, concessions and other authorizations of the Transferor Company shall stand transferred by the order of the High Court to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning High Court.

9.7 Pursuant to this Scheme, it is declared that the various benefits which the Transferor Company is entitled to under incentive schemes including export related incentive schemes and policies under various laws, regulations and notifications, shall be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including service-tax concessions, and incentives shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under the incentive schemes and policies were made available to Transferor Company.

10. REORGANISATION & RECLASSIFICATION OF THE SHARE CAPITAL OF THE TRANSFEREE COMPANY

10.1 Upon the Scheme coming into effect, the authorised share capital of the Transferee Company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies, by an amount of Rs. 48,00,00,000/- (Rupees Forty Eight Crores Only), and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the Authorized Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14, 15, 61 and 64 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on its respective authorised share capitals shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased.

Accordingly, in terms of this Scheme, the authorised share capital of the Transferee Company shall stand enhanced to an amount of Rs. 1,02,00,00,000/- (Rupees One Hundred Two Crores Only) and the face value of Equity shares will be classified into and be divided into 20,40,00,000 (Twenty Crores Forty Lakhs) equity shares of Rs. 5/- each and 1,00,000 (One Lakh) Preference shares of Rs. 100/- each and the capital clause being Clause V of the Memorandum of Association of the Transferee Company shall stand substituted to read as follows:

"The Authorized Share Capital of the Company is **Rs. 1,02,00,00,000/- (Rupees One Hundred Two Crores Only)** divided into 2**0,40,00,000 (Twenty Crores Forty Lakhs)** equity shares of Rs. 5/- each and **1,00,000 (One Lakh)** Preference shares of Rs. 100/- each."

PART C

11 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

On the Scheme becoming effective the Transferee Company shall account for the amalgamation of the Transferor Company in its books as given below:

11.1 All the assets, including but not limited to the fixed assets, existing investments in India or outside India, intangibles and any other assets recorded in the books of the Transferor Company, subject to clause 11.5, be recorded by the Transferee Company at its respective book values.

11.2 All the liabilities recorded in the books of the Transferor Company, subject to clause 11.5, be recorded by the Transferee Company at its respective book values.

11.3 The face value of the New Equity shares of the Transferee Company issued pursuant to this Scheme shall be credited to the Equity Share Capital account in the books of the Transferee Company.

11.4 In case of any differences in accounting policies between the Transferee Company and the Transferor Company the accounting policies followed by the Transferee Company shall prevail to ensure that the Financial Statements reflect the financial position on the basis of consistent accounting policies.

11.5 The amount of any inter-company balances, amounts or investments between the Transferor Company and the Transferee Company, appearing in the books of account of the Transferee Company and the Transferor Company shall stand cancelled without any further act or deed, upon the Scheme coming into effect.

11.6 The surplus arising out of the value of assets as recorded in clause 11.1 over the value of liabilities as recorded in clause 11.2 including the face value of New Equity Shares issued as mentioned in clause 11.3 and after making adjustments as mentioned in clauses 11.4 and 11.5 will be in accordance with the Pooling of Interest method as prescribed under Accounting Standards 14 -- Accounting for Amalgamations issued by Institute of Chartered Accountants of India.

12 TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

During the period from the Appointed Date to the Effective Date:

12.1 The Transferor Company shall carry on and be deemed to have carried on their respective business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of their entire businesses and undertakings for and on account of and in trust for the Transferee Company.

12.2 The Transferor Company shall carry on its respective business activities in the ordinary course of business with reasonable diligence and business prudence.

12.3 All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred or arising to the Transferor Company shall for all purposes be treated and deemed to be and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee Company.

12.4 The Transferee Company shall be entitled pending the sanction of the Scheme to apply to the Central Government and all other Government Authorities/Agencies concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

13 SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the assets and liabilities of the Transferor Company under clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded 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 made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART D

DISSOLUTION OF THE TRANSFEROR COMPANY AND THE GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME OF AMALGAMATION AND OTHER MATTERS CONSEQUENTIAL AND INTEGRALLY CONNECTED THERETO

14 WINDING UP

On the Scheme becoming effective the Transferor Company shall stand dissolved without being wound-up.

15 CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

i. The requisite consent, approval or permission of the Central Government, Securities and Exchange Board of India ("SEBI") or any Government Authorities, which by law may be necessary for the implementation of this Scheme;

ii. The Scheme being approved by shareholders of Transferee Company through special resolution passed by way of postal ballot and e-voting in terms of para 5.16 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;

iii. The certified copies of the orders of the High Court sanctioning the Scheme are filed with the Registrar of Companies, Karnataka; and

iv. Compliance with such other conditions as may be imposed by the High Court.

16 APPLICATION TO HIGH COURT

The Transferee Company and the Transferor Company shall, with all reasonable despatch, make and file applications to the High Court, within whose jurisdiction the registered offices of the Transferee Company and the Transferor Company are situated for sanctioning the Scheme and for dissolution of the Transferor Company without being wound-up.

17 MODIFICATION OR AMENDMENTS TO THE SCHEME

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

18 EFFECT OF NON-RECEIPT OF APPROVALS

In the event any of the approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of the Transferee Company and the Transferor Company shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme is not sanctioned by the High Courts, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

19 COSTS, CHARGES AND EXPENSES

In the event of the Scheme being sanctioned by the High Court, the Transferee Company shall bear and pay all costs, charges, expenses, taxes including duties, levies in connection with the Scheme.

ANNEXURE 2

AXISCADES ENGINEERING TECHNOLOGIES LIMITED (Applicant Company / Transferee Company)

There is issue of equity shares by the Company pursuant to the scheme of Amalgamation and hence, Pre and Post Scheme equity shareholding of the Company would be as shown.

The Pre and Post -Scheme equity shareholding pattern as on 31 December, 2015 is as follows:

		Transferor company				**Transferee company**			
		IAT				**ACETL**			
		Pre-amalgamation		**Post-amalgamation**		**Pre-amalgamation**		**Post-amalgamation**	
Sr	**Description**	**No. of shares**	**%**	**No. of shares**	**%**	**No. of shares**	**%**	**No. of shares**	**%**
(A)	**Shareholding of Promoter and Promoter Group**								
1	**Indian**								
(a)	Individuals/ Hindu Undivided Family	-	-	-	-	-	-	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	**47564716**	**100**	**-**	**-**	**16074514**	**59.12**	**26644451**	**70.56**
I	Tayana Digital Private Limited	-	-	-	-	12142100	44.66	12142100	32.16
II	Jupiter Capital Private Limited	36503791	76.75	-	-	236178	0.87	8348132	22.11
III	Indian Aero Ventures Private Limited	11060925	23.25	-	-	3696236	13.59	6154219	16.30
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-
(e)	Any Others	-	-	-	-	-	-	-	-
	Sub Total(A)(1)	**47564716**	**100**	-	-	**16074514**	**59.12**	**26644451**	**70.56**
2	**Foreign**								
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-
(d)	Any Others	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**47564716**	**100**	-	-	**16074514**	**59.12**	**26644451**	**70.56**

(B)	**Public shareholding**								
1	**Institutions**								
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-	-
(b)	Financial Institutions / Banks	-	-	-	-	72730	0.27	72730	0.19
(c)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	603869	2.22	603869	1.60
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-
(h)	Any Other	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	**676599**	**2.49**	**676599**	**1.79**
2	**Non-institutions**								
(a)	Bodies Corporate	-	-	-	-	2779196	10.22	2779196	7.36
(b)	Individuals								
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh	-	-	-	-	4456627	16.39	4456627	11.80
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	-	-	-	-	2819379	10.37	2819379	7.47
(c)	Any Other	-	-	-	-	383278	1.41	383278	1.02
	Sub-Total (B)(2)	-	-	-	-	**10438480**	**38.39**	**10438480**	**27.65**
(B)	**Total Public Shareholding (B)= (B)(1)+(B)(2)**	-	**-**	-	-	**11115079**	**40.88**	**11115079**	**29.44**
	TOTAL (A)+(B)	**47564716**	**100**	-	-	**27189593**	**100**	**37759530**	**100**
(C)	Shares held by Custodians and against which DRs have been issued	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	**47564716**	**100**	-	-	**27189593**	**100**	**37759530**	**100**

AXISCADES
Inspired Solutions. By Design

Annexure

Complaints Report
As on October 13, 2015

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	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable		
2.			
3.			

Thanking you,

Yours faithfully,

For AXISCADES Engineering Technologies Limited,

Shweta Agrawal

Shweta Agrawal

Company Secretary

AXISCADES Engineering Technologies Ltd. New Delhi

AXISCADES Engineering Technologies Limited
(formerly Axis-IT&T Limited)
CIN No.: L72200DL1990 PLC 041275
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DCS/AMAL/KS/24(f)/311/2015-16
February 24, 2016

The Company Secretary
Axiscades Engineering Technologies Ltd.
Block C, Second Floor, Kirloskar Business Park,
Bangalore, Karnataka, 560024.

Sub: Observation letter regarding the Draft Scheme of Arrangement involving amalgamation of India Aviation Training Institute Private Ltd.(IAT) with Axiscades Engineering Technologies Ltd.(AETL).

We are in receipt of Draft Scheme of Arrangement involving amalgamation of India Aviation Training Institute Private Ltd.(IAT) with Axiscades Engineering Technologies Ltd.(AETL).

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 vide its letter dated February 24, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

- ***"With respect to the observation that the promoter shareholding in AETL will increase from 59.12% pre- scheme to 70.56% post scheme, the company may be advised to ensure voting by public shareholders in terms of relevant SEBI Circulars"***
- ***"Company shall duly comply with various provisions of the Circulars."***

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

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. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
e. Status of compliance with the Observation Letter/s of the stock exchanges;
f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
g. Complaints Report as per Annexure II of this Circular.
h. Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' 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.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Pujari
Manager

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

NIFTY 50 Stock of the nation

Ref: NSE/LIST/62875 February 25, 2016

The Company Secretary
Axiscades Engineering Technologies Limited
Block C, Second Floor
Kirloskar Business Park
Bangalore - 560024

Kind Attn.: Ms. Shweta Agrawal

Dear Madam,

Sub: Observation letter for draft Scheme of Amalgamation of India Aviation Training Institute Private Limited and Axiscades Engineering Technologies Limited and their respective shareholders and creditors (under sections 391 to 394 of the Companies Act, 1956).

This has reference to Scheme of Amalgamation of India Aviation Training Institute Private Limited and Axiscades Engineering Technologies Limited and their respective shareholders and creditors (under sections 391 to 394 of the Companies Act, 1956) submitted to NSE vide your letter dated September 02, 2015.

Based on our letter reference no Ref: NSE/LIST/46502 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI has vide letter dated February 24, 2016, has given following comments on the draft Scheme of Arrangement:

1. *" With respect to the observation that the promoter shareholding in AETL will increase from 59.12% pre-scheme to 70.56% post scheme, the company may be advised to ensure voting by public shareholders in terms of relevant SEBI circulars.*

2. The Company shall duly comply with various provisions of the Circulars."

We hereby convey our 'No-objection' with limited reference to those matters having a bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Companies to file the Scheme with Hon'ble High Court.

However, the Exchange reserves its rights to raise objections 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.

The validity of this "Observation Letter" shall be six months from February 25, 2016, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

1.

Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400051, India. • Tel: +91 22 26598235/36, 26598346 • Fax: +91 22 26598237/38
E-mail : cmlist@nse.co.in • Web site: www.nseindia.com

a. Copy of Scheme as approved by the High Court;
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 SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.

Yours faithfully,
For National Stock Exchange of India Limited

Samir Naringrekar
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

(Formerly Axis-IT&T Limited)

CIN: L72200KA1990PLC084435

Regd. Office: Block C, Second Floor, Kirloskar Business Park, Bengaluru, Karnataka- 560024

Ph. 080-41939000, Fax-080-41939099, Website: www.axiscades.com

e-mail: info@axiscades.com

NOTICE TO THE EQUITY SHAREHOLDERS

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AXISCADES
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AXISCADES ENGINEERING TECHNOLOGIES LIMITED

(Formerly Axis-IT&T Limited)
CIN: L72200KA1990PLC084435
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Ph. 080-41939000, Fax-080-41939099, Website: www.axiscades.com
e-mail: info@axiscades.com

NOTICE OF POSTAL BALLOT AND E-VOTING

NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 ("ACT") READ WITH THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 ("THE RULES") FURTHER READ WITH REGULATION 44 OF THE SEBI (LODR) REGULATIONS, 2015

To,

The Equity Shareholder(s) of AXISCADES Engineering Technologies Limited ("Applicant Company")

NOTICE is hereby given to consider, and if thought fit, to approve the Scheme of Amalgamation between India Aviation Training Institute Private Limited with AXISCADES Engineering Technologies Limited and their respective Shareholders and Creditors.

The Audit Committee and the Board of Directors of the Applicant Company at its meeting held on 14 August, 2015 approved the Scheme of Amalgamation between India Aviation Training Institute Private Limited with AXISCADES Engineering Technologies Limited and their respective Shareholders and Creditors, subject to approval of the Shareholders and Creditors of the Applicant Company as may be required and subject to sanction of the Hon'ble High Court of Karnataka at Bengaluru and of such authorities as may be necessary.

The Company seeks the approval of its Equity Shareholders for the Scheme by means of postal ballot and e-voting under Section 110 of the Companies Act, 2013 read with rules made thereof, Regulation 44 of the SEBI (LODR) Regulations, 2015 and Listing Agreement executed by the Company with BSE Limited and National Stock Exchange of India Limited, in terms of SEBI Circular CIR/CFD/DIL/5/2013 dated 4th February, 2013 read with SEBI Circular CIR/CFD/DIL/8/2013 dated 21st May, 2013 ("**SEBI Circulars**"), conditions laid down in the Observation Letters dated February 24, 2016 and February 25, 2016 issued by BSE Limited and National Stock Exchange of India Limited, (collectively referred to as "**Observation Letters**"), respectively, and the relevant provisions of the applicable laws. The Company has appointed Mr. Anant Khamankar (Membership No. FCS: 3198) of Anant B Khamankar & Co., Company Secretaries, having office at B-510, Neelkanth Business Park, 5th Floor, Nathani Road, Next to Vidyavihar Railway Station West, Vidyavihar (West), Mumbai – 400086 as Scrutinizer for conducting the Postal Ballot in fair and transparent manner. Accordingly, the proposed Resolution and the Explanatory Statement thereto are being sent to you along with a Postal Ballot Form for your consideration.

You are requested to read the instructions printed overleaf the accompanying Postal Ballot Form and return the same along with **Assent (FOR)** or **Dissent (AGAINST)**, in the **self-addressed pre stamped reply envelope,** enclosed with this Notice, so as to reach the Scrutinizer on or before Sunday, 24th April 2016, 5.00 p.m. Please note that any Postal Ballot Form(s) received after the said date and time will be treated as not having been received. No other form or photocopy thereof is permitted.

The Scrutinizer will submit his report to the Court appointed Chairman after completion of the scrutiny of the voting received in electronic and physical mode. The result of the voting by Postal Ballot would be announced by the said Chairman on **Monday, 25th April 2016 at 5.00 pm**. at the Registered Office of the Company. The results declared along with Scrutinizer Report shall be placed on the Company's website viz. www.axiscades.com and on the website of Karvy Computershare Private Limited (Karvy) viz. (https://evoting.karvy.com) and communicated to the Hon'ble High Court and Stock Exchanges where the shares of the Company are listed.

Further, in terms of the order dated 18 March, 2016 passed by the Hon'ble High Court of Karnataka at Bengaluru in Company Application No. 108 of 2016, the Hon'ble High Court of Karnataka at Bengaluru had directed the Company to convene and conduct a meeting of the equity shareholders on Monday, the 25th April 2016, at 10.00 a.m at Chairman's Club (Chairman's Club & Resort), No. 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru, Karnataka-560092. In addition to the Court Convened Meeting, the Company is required to comply with the requirements of the aforementioned SEBI circulars.

In terms of SEBI Circulars, read with Observation letters, the Scheme shall be acted upon only if the votes cast by the Public Shareholders of Company in favour (Assent) of the proposal are more than the number of votes cast by the Public Shareholders against (Dissent) it. Any votes received from non-public shareholders will be considered invalid, so far as this resolution is concerned.

Pursuant to the provisions of Section 110 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended from time to time, SEBI Circulars and other relevant provisions of applicable laws, the following resolution is proposed for the consideration of the Equity Shareholders of the Company through Postal Ballot and e-voting:

PROPOSED RESOLUTION:

1. To consider and if thought fit, to pass with or without modification(s), the following resolution, as a special resolution, for approving the Scheme of Amalgamation between India Aviation Training Institute Private Limited with AXISCADES Engineering Technologies Limited and their respective Shareholders and Creditors ("Scheme").

"RESOLVED THAT pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and relevant provisions of the Companies Act, 2013 and subject to the directions of the Hon'ble High Court of Karnataka at Bengaluru for convening meeting of equity shareholders vide its Order dated 18 March, 2016 and SEBI Circulars bearing Nos. CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013 (together referred to as 'SEBI Circulars'), the Observation Letters dated February 24, 2016 and February 25, 2016 issued by the BSE Limited and the National Stock Exchange of India Limited (NSE) respectively, and relevant applicable provisions of law, the arrangement as embodied in the proposed Scheme of Amalgamation between India Aviation Training Institute Private Limited with AXISCADES Engineering Technologies Limited and their respective Shareholders and Creditors ("Scheme") from the Appointed Date as defined in para 1.2 of Part A of the Scheme for the amalgamation of India Aviation Training Institute Private Limited with the Applicant Company, be and is hereby approved with/without modifications and/or conditions, if any, as may be carried out by the Hon'ble High Court of Karnataka at Bengaluru or by any other authorities under the applicable law.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company, be and are hereby authorized to do 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 modification(s) and/or conditions, if any, provided that the prior approval of any two directors, shall be obtained for making any material changes in the said Scheme, which may be required and/or imposed by the Hon'ble High Court of Karnataka at Bengaluru while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in carrying out the Scheme.

A copy of the said Scheme and Explanatory Statement under Section 393 of the Companies Act, 1956 read with Section 102 of the Companies Act, 2013, an Assent/Dissent Form with instructions printed overleaf are enclosed herewith.

For AXISCADES Engineering Technologies Limited
Sd/-

Place : Bengaluru
Date : 23rd March, 2016

Vivek Mansingh
Chairman appointed for the meeting

Registered Office:
Block C, Second Floor, Kirloskar Business Park,
Bengaluru – 560 024, Karnataka
CIN: L72200KA1990PLC084435
Email: info@axiscades.com, Website: www.axiscades.com
Ph: 080-41939000, Fax: 080-41939099

Notes:

1. The Explanatory Statement under Section 393 of the Companies Act, 1956 (which can also be treated as Statement pursuant to Section 102 of the Companies Act, 2013) setting out material facts is annexed hereto.

2. The Notice of Postal Ballot and E-voting is being posted to the address of the equity shareholders, whose names appear on the Register of Members of the Company as on 18th March, 2016. The Shareholders who have registered their e-mail ID for receipt of documents in electronic mode have been sent the Notice of Postal Ballot by e-mail. This notice of Postal Ballot has also been placed on the website of the Company at www.axiscades.com

3. Resolution(s) passed by the shareholders through Postal Ballot/E-voting is deemed to have been passed at a General Meeting of the shareholders.

4. The material documents referred to in the accompanying Statement shall be open for inspection by the Equity Shareholders at the Registered Office of the Company on all working days except Saturdays, Sundays and Public Holidays (between 9.00 am. To 6.00 pm.) up to the last date for receipt of the Postal Ballot Form i.e. 24th April, 2016.

5. **Process and manner for members opting for remote e-voting are as under:**

   In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (LODR) Regulations 2015, the Company is pleased to provide e-voting facility to its members as an alternative to cast their votes electronically, instead of dispatching the Postal Ballot Form through Post. For this purpose, the Company has engaged services of Karvy Computershare Private Limited and the business contained in the notice may be transacted through such voting.

   Members can opt for only one mode of voting i.e. either by ballot form or e-voting. In case members cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast through ballot forms shall be treated as invalid. It is clarified that casting of votes by postal ballot or e-voting does not disentitle them from attending and voting at the Court Convened Meeting.

   The facility for voting through electronic voting system or ballot paper or polling paper shall also be made available at the Court Convened Meeting and the members attending the meeting who have not cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting through ballot paper.

   For instructions for remote e-voting, read the instructions printed overleaf the accompanying Postal Ballot Form.

Enclosures: As above.

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

ORIGINAL JURISDICTION

IN THE MATTER OF COMPANIES ACT, 1956

AND

IN THE MATTER OF SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF AXISCADES ENGINEERING TECHNOLOGIES LIMITED

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

COMPANY APPLICATION NO. 108 OF 2016

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

Block C, Second Floor

Kirloskar Business Park,

Bengaluru,

Karnataka- 560024 **… APPLICANT / TRANSFEREE COMPANY**

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956, READ WITH SECTION 102 OF THE COMPANIES ACT, 2013 TO THE NOTICES OF THE POSTAL BALLOT AND E-VOTING FOR CONSIDERING AND APPROVING SCHEME OF AMALGAMATION BETWEEN INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED ("TRANSFEROR COMPANY") WITH AXISCADES ENGINEERING TECHNOLOGIES LIMITED ("TRANSFEREE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS ('THE SCHEME').

1. In this statement AXISCADES Engineering Technologies Limited is referred to as ("Applicant Company" or "Transferee Company"). The other definitions contained in the Scheme will also apply to this statement under Section 393 of the Companies Act, 1956 and Section 102 of the Companies Act, 2013 ("Explanatory Statement").

2. Pursuant to the Order dated 18 March, 2016 passed by the Hon'ble High Court of Karnataka at Bengaluru, a meeting of the Equity Shareholders of the Applicant Company is being convened and shall be held on **Monday, the 25th April 2016, at 10.00 a.m** at Chairman's Club (Chairman's Club & Resort), No. 14/1, Kodigehalli Main Road, Sahakar Nagar, Hebbal, Near Twin Tower, Bengaluru, Karnataka-560092, for the purpose of considering and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation between India Aviation Training Institute Private Limited and AXISCADES Engineering Technologies Limited and their respective Shareholders and Creditors under Sections 391 to 394 of the Companies Act, 1956 and other relevant provision of the Companies Act, 2013. The resolution to be submitted at the said meeting will read as follows:

   "RESOLVED THAT pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and relevant provisions of the Companies Act, 2013 and subject to the directions of the Hon'ble High Court of Karnataka at Bengaluru for convening meeting of equity shareholders vide its Order dated 18 March, 2016 and SEBI

Circulars bearing Nos. CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013 (together referred to as 'SEBI Circulars'), the Observation Letters dated February 24, 2016 and February 25, 2016 issued by the BSE Limited and the National Stock Exchange of India Limited (NSE) respectively, and relevant applicable provisions of law, the arrangement as embodied in the proposed Scheme of Amalgamation between India Aviation Training Institute Private Limited with AXISCADES Engineering Technologies Limited and their respective Shareholders and Creditors from the Appointed Date as defined in para 1.2 of Part A of the Scheme for the amalgamation of India Aviation Training Institute Private Limited with the Applicant Company, be and is hereby approved with/without modifications and/or conditions, if any, as may be carried out by the Hon'ble High Court of Karnataka at Bengaluru or by any other authorities under the applicable law.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company, be and is hereby authorized to do 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 modification(s) and / or conditions, if any, provided that the prior approval of any two directors shall be obtained for making any material changes in the said Scheme, which may be required and / or imposed by the Hon'ble High Court of Karnataka at Bengaluru while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in carrying out the Scheme."

3. In addition to the Court Convened Meeting of the Equity Shareholders of the Applicant Company, to seek their approval pursuant to Sections 391 to 394 of the Companies Act, 1956, the approval of the Equity Shareholders of the Applicant Company is also sought for the Scheme by passing a Special Resolution pursuant to Section 110 of the Companies Act, 2013, by way of Postal Ballot and e-voting as per the Securities and Exchange Board of India ("SEBI") Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 (hereinafter collectively referred to as ("SEBI Circulars") read with Regulation 44 of the SEBI (LODR) Regulations, 2015 and sub-clause ii of Clause 15 of Part D of the Scheme.

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 favor of the proposal are more than the number of votes cast by the public shareholders against the proposal.

5. The Scheme of Amalgamation provides for the amalgamation of India Aviation Training Institute Private Limited ('Transferor Company' or 'IAT') with AXISCADES Engineering Technologies Limited ('Transferee Company' or 'ACETL').

6. The Scheme envisages amalgamation of India Aviation Training Institute Private Limited with the Applicant Company with effect from Appointed Date as defined in para 1.2 of Part A of the said Scheme.

7. **Background of each company**

   i) AXISCADES Engineering Technologies Limited ("ACETL"/ "Transferee Company") was incorporated under the Companies Act, 1956 on 24th August, 1990 under the name and style of under the name and style "IT&T Enterprises Private Limited", with the Registrar of Companies, NCT of Delhi & Haryana. Subsequently, the Applicant Company was converted to a deemed public company in accordance with Section 43A of the Companies Act, 1956 and the word "Private" was removed from the name. The name of the Applicant Company was further changed to "IT&T Limited" on January 7, 1998. The Applicant Company was subsequently converted to a public limited company in accordance with Section 44 of the Companies Act, 1956, pursuant to a special resolution of shareholders dated April 24, 2000. The name was further changed to "Axis-IT&T Limited" from May 12, 2005. Thereafter, the name of the Applicant Company was

changed to “AXISCADES Engineering Technologies Limited” vide a fresh certificate of incorporation dated August 1, 2014. Subsequently, the Transferee Company changed its registered office from NCT of Delhi & Haryana to the State of Karnataka vide a fresh certificate of incorporation dated December 2, 2015 having its registered office at Block C, Second Floor, Kirloskar Business Park, Bengaluru – 560 024, Karnataka. ACETL is listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). ACETL is engaged in the business of providing engineering solutions, catering to futuristic needs of aerospace, heavy engineering, automotive and industrial production sectors globally.

ii) India Aviation Training Institute Private Limited (“Transferor Company” or “IAT ”) was incorporated under the Companies Act, 1956 on 20th August, 2007 under the name and style of ‘INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED’ having its Registered Office at Jupiter Innovision Centre, No. 54, Richmond Road, Bengaluru, Karnataka – 560 025. IAT is engaged in the business of providing aviation related training solutions. Further IAT is a holding company of AXISCADES Aerospace and Technologies Private Limited which is engaged in the business of providing strategic technologies to aerospace, defence and homeland security sectors.

8. **PURPOSE AND RATIONALE OF THE SCHEME OF AMALGAMATION:**

The Group believes that the proposed amalgamation, inter alia, will result into following benefits:

i) Greater integration, financial strength and flexibility for the amalgamated entity, resulting in maximizing overall shareholder value, and improving the competitive position of the combined entity.

ii) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.

iii) Improved organizational capability and leadership, arising from the pooling of human capital that has the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.

iv) Cost savings are expected to flow from more focused operational efforts, rationalization, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.

9. **SALIENT FEATURES OF THE SCHEME ARE AS UNDER:**

A. PARTS OF THE SCHEME

The scheme is divided into the following parts:

i. Part A - dealing with definitions of the terms used in the Scheme of Amalgamation and sets out the share capital of the Transferor Company and Transferee Company as defined in the Scheme;

ii. Part B - dealing with the amalgamation of India Aviation Training Institute Private Limited into AXISCADES Engineering Technologies Limited;

iii. Part C - dealing with the accounting treatment for the amalgamation in the books of the Transferee Company ; and

iv. Part D - dealing with the dissolution of the Transferor Company without winding up and the general terms and other conditions applicable to the Scheme and other matters consequential and integrally connected thereto.

B. APPOINTED DATE

The Appointed Date of amalgamation of India Aviation Training Institute Private Limited with the Applicant Company is the "Appointed Date" as defined in para 1.2 of Part A of the said Scheme.

C. CONSIDERATION FOR AMALGAMATION

Upon the coming into effect of the Scheme and in consideration of the transfer and vesting of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company, whose names are registered in the Register of Members and/ or on records of the Depositories as the case may be, of the Transferor Company on the Record Date (to be fixed by the Board of Directors of the Transferee Company) or his /her/its legal heirs, executors or administrators or, as the case may be, successors -in-title, as the case may be, fully paid up equity shares in the following proportion viz.:

"10 ("Ten") fully paid up equity share of Rs 5/- each of the Transferee Company shall be issued and allotted for every 45 ("Forty Five") fully paid up equity share of Rs 10/- each held in Transferor Company (hereinafter referred to as "New Equity Shares")"

D. CONDITIONALITY OF THE SCHEME

The Scheme is and shall be conditional upon and subject to:

(i) The requisite consent, approval or permission of the Central Government, Securities and Exchange Board of India ("SEBI") or any Government Authorities, which by law may be necessary for the implementation of this Scheme;

(ii) The Scheme being approved by shareholders of Transferee Company through special resolution passed by way of postal ballot and e-voting in terms of para 5.16 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;

(iii) The certified copies of the orders of the High Court sanctioning the Scheme are filed with the Registrar of Companies, Karnataka; and

(iv) Compliance with such other conditions as may be imposed by the High Court.

The material provisions set out above being only the salient features of the Scheme, the shareholders are requested to read the entire text of the Scheme forming part of Annexures (Refer to **Annexure 1**) to get fully acquainted with the provisions thereof and the rationale and objectives of the Scheme.

10. The rights and interests of the members and the creditors of the Transferor Company and Transferee Company will not be prejudicially affected by the Scheme and due provisions have been made for payment of the existing liabilities as and when the same fall due in usual course.

11. No investigation proceedings have been instituted or are pending in relation to the Transferor Company and Transferee Company under Sections 235 and 250A of the Companies Act, 1956 or the corresponding provisions as per the Companies Act, 2013.

12. The background of the Board of Directors of the Transferor Company and Transferee Company as on 18 March, 2016 is as under:

Transferor Company (IAT)

Name	Designation	Age (In Years)	Qualifications
Mr. Vijayaraghavan Keshavan Nadathur	Director	59	Graduate in Commerce
Mr. Giddaiah Koteswar	Director	56	Graduate in Commerce

Transferee Company (ACETL)

Name	Designation	Age (in years)	Qualifications
Dr. Vivek Mansingh	Independent Director (Chairman)	59	Holds Executive Business Management Program degree and Ph.D in Engineering Design Software.
Mr. Sudhakar Gande	Vice Chairman & Executive Director	58	M.Tech Electronics & Computers and MBA in Finance.
Mr. S. Valmeekanathan	Chief Executive Officer (CEO) & Director	51	BE (Hons) in Mechanical Engineering
Mr. Rohitasava Chand	Non-executive Director	69	B. Tech and MBA
Mr. Kedarnath Choudhury	Non-executive Director	49	B.Sc(Hons)in Physics, Chartered Accountant from ICAI and Cost Accountant from ICWA
Mr. Amit Gupta	Non-executive Director	42	Chartered Accountant from ICAI, CPA and Executive MBA
Mr. Kailash Mohan Rustagi	Independent Director	52	Chartered Accountant from ICAI, Company Secretary from ICSI and a Law Graduate
Mr. Srinath Batni	Independent Director	61	B.E. & M.E. in Mechanical Engineering
Mr. Pradeep Dadlani	Independent Director	55	B.E. (Mechanical) & MBA (FT)
Mrs. Vimmi M Trehan	Independent Director	46	B.Com (Hons), LLB & Cost Accountant from ICWAI

13. **Disclosure of Interest**

(a) The Directors of the Transferor Company and Transferee Company may be deemed to be concerned and / or interested in the Scheme only to the extent of their or their relatives shareholding, if any, in the respective companies or to the extent the said Directors or their relatives are common directors in the aforesaid

Companies or to the extent the said Directors or their relatives are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/or beneficiary of trust that hold shares in any of aforesaid Companies, if any. Their interest in these companies shall not be treated in any way differently than the other shareholders of aforesaid companies. Particulars of the interest of Directors and their relatives are available for inspection at the respective Registered Offices of the aforesaid companies.

(b) The Directors and Key Managerial Personnel of the Transferor Company and Transferee Company do not have any shareholding (singly or jointly) as on 18th March 2016, in the Transferor Company and Transferee Company.

14. The Directors of either the Transferor Company or Transferee Company have not given loan to the respective Companies.

15. The shareholding pattern of Transferor Company and Transferee Company (pre-Scheme and post-Scheme) as on 30 June, 2015 forms part of the Annexures (Refer to **Annexure 2**).

16. The Financial Statements of Transferor Company and Transferee Company for last three years are available for inspection by the Shareholders.

17. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.

18. Upon approval of the Scheme by the shareholders of the Applicant Company pursuant to the Court Convened Meeting and Postal Ballot and e-voting, the Companies forming part of the Scheme will file petition under section 394 and other applicable provisions of the Act with the Hon'ble High Court of Karnataka at Bengaluru for sanctioning of the Scheme.

19. No winding up petitions have been pending and/or admitted against the Transferor Company or Transferee Company.

20. This Statement may be treated as Explanatory Statement under Section 393 of the Companies Act, 1956 read with Section 102 of the Companies Act, 2013.

21. The following documents will be available for inspection by the Shareholders at the Registered Office of the Company on all working days except Saturdays, Sundays and Public Holidays (between 9.00 am to 6.00 pm) up to the last date of the receipt of Postal Ballot Form i.e. 24th April 2016:

    i. Copies of the Orders passed by the Hon'ble High Court of Karnataka dated 18 March, 2016 (vide Company Application No. 108 of 2016) directing convening or dispensing with the meetings;

    ii. Copies of the Memorandum of Association and Articles of Association of the Transferor Company and Transferee Company;

    iii. Copy of Valuation report for Fair Share Entitlement Ratio dated 12 August, 2015 provided by M/s. SSPA & Co. and M/s. Rajendra & Co, Chartered Accountants;

    iv. Copy of Fairness Opinion dated 12 August, 2015 provided by M/s. Fortress Capital Management Services Pvt. Ltd, Category I, Merchant Banker;

    v. Copy of Net worth Certificate dated 26 August, 2015 of the Transferee Company, as on 31 March, 2015, provided by M/s. Parimal Ram & Pattabhi, Chartered Accountants;

vi. Copies of Observation letters received from BSE Limited dated February 24, 2016 and National Stock Exchange of India Limited dated February 25, 2016 for the Transferee Company;

vii. Copy of Complaint Report as on 13 October 2015 for the Transferee Company;

viii. Copy of the Report of the Audit Committee dated 28 August, 2015 for recommendation of Scheme for the Transferee Company;

ix. Particulars of the Interest of Directors and their relatives as aforesaid in Para 13(a) of this Explanatory Statement;

x. Copies of Financial for last three years of the Transferor Company and Transferee Company.

22. Your Directors recommend the Resolution as set out in the Notice for approval of the Public Shareholders. In terms of SEBI Circulars, the Scheme shall be acted upon only if the votes cast by the Public Shareholders in favor (Assent) are more than the number of votes cast by the Public shareholders against (Dissent) it.

For AXISCADES Engineering Technologies Limited

Sd/-

Vivek Mansingh

Chairman appointed for the meeting

Place : Bengaluru

Date : 23rd March, 2016

Registered Office:
Block C, Second Floor, Kirloskar Business Park,
Bengaluru – 560 024, Karnataka
CIN: L72200KA1990PLC084435
Email: info@axiscades.com, Website: www.axiscades.com
Ph: 080-41939000, Fax: 080-41939099

Annexure 1

SCHEME OF AMALGAMATION

OF

INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED

AND

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956)

GENERAL

I. Purpose of Scheme

This Scheme of Amalgamation is presented under Sections 391 to 394 and other relevant applicable provisions of the Companies Act, 1956, for Amalgamation of India Aviation Training Institute Private Limited into AXISCADES Engineering Technologies Limited.

II. Rationale for the Scheme

The Scheme of Amalgamation would inter alia have the following benefits:

1. Greater integration, financial strength and flexibility for the amalgamated entity, would result in maximizing overall shareholder value, and will improve the competitive position of the combined entity.

2. Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.

3. Improved organizational capability and leadership, arising from the pooling of human capital that has the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.

4. Cost savings are expected to flow from more focused operational efforts, rationalization, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.

III. Parts of the Scheme

The Scheme is divided into following parts:

1. **Part A** – dealing with definitions of the terms used in this Scheme of Amalgamation and sets out the share capital of the Transferor Company and Transferee Company as defined in this Scheme;

2. **Part B** – dealing with the amalgamation of India Aviation Training Institute Private Limited into AXISCADES Engineering Technologies Limited;

3. **Part C** – dealing with the accounting treatment for the amalgamation in the books of the Transferee Company ; and

4. **Part D** – dealing with the dissolution of the Transferor Company without winding up and the general terms and other conditions applicable to this Scheme and other matters consequential and integrally connected thereto.

PART A

1. DEFINITIONS

In this Scheme of Amalgamation, unless repugnant to the context, the following expressions shall have the following meaning:

1.1 **"Act"** means the Companies Act, 1956, ordinances, rules and regulations made there under and the relevant provisions of Companies Act, 2013 to the extent applicable and shall include any statutory modifications, re -enactment or amendment thereof.

1.2 **"Appointed Date"** means the 1st day of April, 2016, or such other date as the Hon'ble High Court or such other authorities may direct/ fix.

1.3 **"ACETL" or "Transferee Company"** means AXISCADES Engineering Technologies Limited, a company incorporated under the Companies Act, 1956, and having its registered office at A-264, Second Floor, Defence Colony, New Delhi – 110024. ACETL is in the process of shifting its registered office to Bengaluru in the state of Karnataka.

1.4 **"Board of Directors" or "Board"** means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof.

1.5 **"IAT" or "Transferor Company"** means India Aviation Training Institute Private Limited, a company incorporated under the Companies Act, 1956, and having its registered office at Jupiter Innovision Centre, No.54, Richmond Road, Bangalore - 560025.

1.6 **"Effective Date"** means the last of the date on which the certified copy of the order of the High Court sanctioning the Scheme is filed with the Registrar of Companies, Karnataka at Bangalore by Transferee Company and Transferor Company respectively.

1.7 **"High Court" or "Court"** means the Hon'ble High Court of Karnataka at Bangalore, having jurisdiction in relation to the Transferee Company and the Transferor Company and as the context may require and shall include National Company Law Tribunal, if applicable.

1.8 **"Income-tax Act"** means the Income-tax Act, 1961, and shall include any statutory modifications, re-enactment or amendment thereof.

1.9 **"Record Date"** means the date to be fixed by the Board of Directors of ACETL for the purpose of issue of new equity shares (defined later) to the shareholders of IAT under the Scheme.

1.10 **"Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s) made there under, as approved or directed by the High Court or any other appropriate authority.

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

2. SHARE CAPITAL

2.1. The share capital of the Transferor Company as at March 31, 2015, was as under:

Authorised Capital	**Amount in INR**
10,00,000 Equity shares of Re. 10/- each	1,00,00,000
Issued, Subscribed and Paid-Up Capital	**Amount in INR**
10,000 Equity shares of Re. 10/- each fully paid-up	1,00,000

Subsequent to March 31, 2015, the Transferor Company has increased its authorised and paid-up share capital pursuant to which the share capital is as under:

Authorised Capital	**Amount in INR**
4,80,00,000 Equity Shares of Rs.10/- each	48,00,00,000
Issued, Subscribed and Paid-up Capital	**Amount in INR**
4,75,64,716 Equity Shares of Rs.10/- each fully Paid-up	47,56,47,160

Post the above, there is no change in the equity share capital of the Transferor Company.

2.2. The share capital of the Transferee Company as at March 31, 2015, was as under:

Authorised Capital	**Amount in INR**
10,80,00,000 Equity Shares of Re. 5/- each	54,00,00,000
1,00,000 Preference Shares of Re. 100/- each	1,00,00,000
Total	**55,00,00,000**
Issued Share Capital	**Amount in INR**
2,72,40,693 Equity Shares of Re. 5/- each	13,62,03,465
Total	**13,62,03,465**
Subscribed and Paid-Up Capital	**Amount in INR**
2,71,89,593 Equity Shares of Re. 5/- each	13,59,47,965
Add: Forfeited shares (amount originally paid Re. 3 per share on 51,100 equity shares)	1,53,300
Total	**13,61,01,265**

Subsequent to the above date there has been no change in the share capital of the Transferee Company.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or any other appropriate authority shall be effective from the Appointed Date mentioned herein, but shall be operative from the Effective Date.

PART B

AMALGAMATION OF INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED INTO AXISCADES ENGINEERING TECHNOLOGIES LIMITED

4. AMALGAMATION

4.1 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire business and undertaking(s) of the Transferor Company including all the debts, liabilities, duties and obligations, including those arising on account of taxation laws and other allied laws, of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets (whether tangible or intangible) of the Transferor Company comprising, amongst others, all freehold land, leasehold land, building, plants, motor vehicles, receivables, actionable claims, furniture and fixtures, computers, office equipment, electrical installations, telephones, telex, facsimile and other communication facilities and business licenses, permits, deposits, authorisations, approvals, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, product licenses, marketing authorisations or other intellectual property rights, proprietary right, title, interest, contracts, consent, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, under the provisions of Sections 391 to 394 of the Act, and pursuant to the order of the High Court sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business and undertaking(s) of the Transferee Company .

4.2 With effect from the Appointed Date all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of account of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.

4.3 With effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

4.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.

4.5 All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date or created by the Transferor Company after the Appointed Date, over the assets comprised in the undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, encumbrances or liens secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such securities, mortgages, charges, encumbrances or liens shall not relate or attach to any of the other assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company.

4.6 The existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to

relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.

4.7 It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

4.8 With effect from the Appointed Date, all statutory licences, registrations, incentives, tax deferrals and benefits, carry-forward of tax losses, tax credits, tax refunds, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, permissions, approvals or consents to carry on the operations of the Transferor Company, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date shall stand vested in or transferred to the Transferee Company, pursuant to the Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the undertakings of the Transferor Company pursuant to this Scheme.

4.9 The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income Tax Act.

5. CONSIDERATION

5.1 Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company, whose names are registered in the Register of Members and/ or on records of the Depositories as the case may be, of the Transferor Company on the Record Date (to be fixed by the Board of Directors of the Transferee Company) or his /her/its legal heirs, executors or administrators or, as the case may be, successors -in-title, as the case may be, fully paid up equity shares in the following proportion viz.:

"10 ("Ten") fully paid up equity share of Rs 5/- each of the Transferee Company shall be issued and allotted for every 45 ("Forty Five") fully paid up equity share of Rs 10/- each held in Transferor Company (hereinafter referred to as "New Equity Shares")"

5.2 The equity shares to be issued and allotted by Transferee Company as per Clause 5.1 would be with rights attached hereto as under:

(a) The New Equity Shares to be issued and allotted by the Transferee Company in terms hereof will be subject to Memorandum and Articles of Association and shall rank pari passu with the existing equity shares of the Transferee Company in all respects including dividend.

(b) The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of New Equity Shares to the members of the Transferor Company, as the case may be, under the Scheme.

(c) The Transferee Company shall, to the extent required, have Authorised Share Capital in order to issue New Equity Shares under this Scheme.

5.3 The Equity Shares to be issued to the members of the Transferor Company under Clause 5.1 shall be in multiples of 1. Any issue of fractional shares as per Clause 5.1, shall be rounded-off to the nearest whole number.

5.4 The issue and allotment of New Equity Shares by the Transferee Company to the shareholders of the Transferor Company as the case may be, as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 62(1) and any other applicable provisions of the Act were duly complied with.

5.5 The New equity shares of the Transferee Company issued in terms of Clause 5.1 of this Scheme will be listed and/or admitted to trading on BSE Limited and National Stock Exchange of India Limited where the shares of the Transferee Company are listed and/or admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges.

5.6 For the purpose of issue of New equity shares to the shareholders of the Transferor Company, the Transferee Company shall, if and to the extent required, apply for and obtain the required statutory approvals and approvals of other concerned regulatory authorities for the issue and allotment by the Transferee Company of such equity shares.

5.7 In the event of there being any pending share transfers with respect to any application lodged for transfer by any shareholder of the Transferor Company, the Board of Directors or any committee thereof of the Transferor Company, if in existence, or failing which, the Board of Directors or any committee thereof of the Transferee Company shall be empowered in appropriate cases, even subsequent to the Record Date, to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or the transferee of the share(s) in the Transferor Company and in relation to the New Equity Shares after the Scheme becomes effective.

6. STAFF, WORKMEN & EMPLOYEES

6.1 On the Scheme becoming effective, all staff, workmen and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Appointed Date, without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company (i.e. Cost to company basis, in monetary terms) shall not be less favourable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.

6.2 It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff, workmen and employees of the Transferor Company shall become trusts or funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund or funds shall become that of the Transferee Company. It is clarified that, for the purpose of the said fund or funds, the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous with the Transferee Company from the date of employment as reflected in the records of the Transferor Company.

7. LEGAL PROCEEDINGS

If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, including those arising on account of taxation laws and other allied laws, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the arrangement by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

8. CONTRACTS, DEEDS, ETC. & POWER TO GIVE EFFECT TO THIS PART

8.1 Subject to the other provisions of this scheme, all contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments, if any, of whatsoever nature to which the Transferor Company are a party and subsisting or having effect on 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 by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party

thereto, notwithstanding the terms contained in such contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments.

8.2 The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

9. TAXATION MATTERS

9.1 Upon the Scheme coming into effect, the Transferee Company through its Board of Directors, or any person(s) or committee authorised/ appointed by them, may carry out or assent to any modifications/ amendments to the returns and other documents filed by the Transferor Company for periods falling prior to the Appointed Date, in relation to taxation and other allied laws, desirable or appropriate by them (i.e., the Board of Directors or the person(s)/ committee).

9.2 Any tax liabilities under the Income-tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, any other state Sales Tax/ Value Added Tax laws, Service Tax, stamp laws or other applicable laws/ regulations in India or any overseas jurisdiction (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the books of accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

9.3 Upon coming into effect of the Scheme, all taxes (including income tax, tax deducted at source (TDS), advance tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid by the Transferor Company from the Appointed Date regardless of the period to which they relate shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company and the Transferee Company shall be entitled to take credit for such taxes notwithstanding that certificates/ challans for the said taxes are in the name of the Transferor Company and not in the name of the Transferee Company. Likewise all taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) payable by the Transferor Company in respect of the operations and/ or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, the same shall be deemed to be the corresponding tax paid by the Transferee Company and, shall, in all proceedings, be dealt with accordingly. The Transferee Company shall, upon the coming into effect of the Scheme, be entitled to revise the income tax returns, wealth tax return or any other relevant tax returns, if any, filed by it or the Transferor Company for any year, if so necessary pursuant or consequent to the Scheme to the extent such revision is permissible under applicable law(s) or suitably incorporate such transactions in its annual returns with necessary intimation to tax offices.

9.4 Without prejudice to generality of the aforesaid, any concession or statutory forms under the Tax Laws or local levies issued or received by the Transferor Company in respect of period commencing from the Appointed Date shall be deemed to be issued or received in the name of the Transferee Company and benefit of such forms shall be allowable to the Transferee Company in the same manner and to the same extent as would have been available to the Transferor Company. Without prejudice to generality of the aforesaid, any concessional or statutory declaration forms under the state VAT Laws or Central Sales Tax Laws or local levies issued or received by the Transferor Company in respect of period commencing from the Appointed Date and till the Effective Date shall be deemed to be issued or received in the name of the Transferor Company and such forms shall be used by Transferor Company in good faith and bonafide business operations subject however that unutilised forms as on the Effective Date shall be surrendered to Commercial tax department for fresh issuance of corresponding forms in favor of the Transferee Company.

9.5 Any refund under the Tax Laws due to Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

9.6 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, service-tax exemptions, incentives, concessions and other authorizations of the Transferor Company shall stand transferred by the order of the High Court to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning High Court.

9.7 Pursuant to this Scheme, it is declared that the various benefits which the Transferor Company is entitled to under incentive schemes including export related incentive schemes and policies under various laws, regulations and notifications, shall be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including service-tax concessions, and incentives shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under the incentive schemes and policies were made available to Transferor Company.

10. REORGANISATION & RECLASSIFICATION OF THE SHARE CAPITAL OF THE TRANSFEREE COMPANY

10.1 Upon the Scheme coming into effect, the authorised share capital of the Transferee Company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies, by an amount of Rs. 48,00,00,000/- (Rupees Forty Eight Crores Only), and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the Authorized Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14, 15, 61 and 64 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on its respective authorised share capitals shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased.

Accordingly, in terms of this Scheme, the authorised share capital of the Transferee Company shall stand enhanced to an amount of Rs. 1,02,00,00,000/- (Rupees One Hundred Two Crores Only) and the face value of Equity shares will be classified into and be divided into 20,40,00,000 (Twenty Crores Forty Lakhs) equity shares of Rs. 5/- each and 1,00,000 (One Lakh) Preference shares of Rs. 100/- each and the capital clause being Clause V of the Memorandum of Association of the Transferee Company shall stand substituted to read as follows:

"The Authorized Share Capital of the Company is **Rs. 1,02,00,00,000/- (Rupees One Hundred Two Crores Only)** divided into 2**0,40,00,000 (Twenty Crores Forty Lakhs)** equity shares of Rs. 5/- each and **1,00,000 (One Lakh)** Preference shares of Rs. 100/- each."

PART C

11 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

On the Scheme becoming effective the Transferee Company shall account for the amalgamation of the Transferor Company in its books as given below:

11.1 All the assets, including but not limited to the fixed assets, existing investments in India or outside India, intangibles and any other assets recorded in the books of the Transferor Company, subject to clause 11.5, be recorded by the Transferee Company at its respective book values.

11.2 All the liabilities recorded in the books of the Transferor Company, subject to clause 11.5, be recorded by the Transferee Company at its respective book values.

11.3 The face value of the New Equity shares of the Transferee Company issued pursuant to this Scheme shall be credited to the Equity Share Capital account in the books of the Transferee Company.

11.4 In case of any differences in accounting policies between the Transferee Company and the Transferor Company the accounting policies followed by the Transferee Company shall prevail to ensure that the Financial Statements reflect the financial position on the basis of consistent accounting policies.

11.5 The amount of any inter-company balances, amounts or investments between the Transferor Company and the Transferee Company, appearing in the books of account of the Transferee Company and the Transferor Company shall stand cancelled without any further act or deed, upon the Scheme coming into effect.

11.6 The surplus arising out of the value of assets as recorded in clause 11.1 over the value of liabilities as recorded in clause 11.2 including the face value of New Equity Shares issued as mentioned in clause 11.3 and after making adjustments as mentioned in clauses 11.4 and 11.5 will be in accordance with the Pooling of Interest method as prescribed under Accounting Standards 14 -- Accounting for Amalgamations issued by Institute of Chartered Accountants of India.

12 TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

During the period from the Appointed Date to the Effective Date:

12.1 The Transferor Company shall carry on and be deemed to have carried on their respective business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of their entire businesses and undertakings for and on account of and in trust for the Transferee Company.

12.2 The Transferor Company shall carry on its respective business activities in the ordinary course of business with reasonable diligence and business prudence.

12.3 All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred or arising to the Transferor Company shall for all purposes be treated and deemed to be and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee Company.

12.4 The Transferee Company shall be entitled pending the sanction of the Scheme to apply to the Central Government and all other Government Authorities/Agencies concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

13 SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the assets and liabilities of the Transferor Company under clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded 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 made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART D

DISSOLUTION OF THE TRANSFEROR COMPANY AND THE GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME OF AMALGAMATION AND OTHER MATTERS CONSEQUENTIAL AND INTEGRALLY CONNECTED THERETO

14 WINDING UP

On the Scheme becoming effective the Transferor Company shall stand dissolved without being wound-up.

15 CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

i. The requisite consent, approval or permission of the Central Government, Securities and Exchange Board of India ("SEBI") or any Government Authorities, which by law may be necessary for the implementation of this Scheme;

ii. The Scheme being approved by shareholders of Transferee Company through special resolution passed by way of postal ballot and e-voting in terms of para 5.16 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;

iii. The certified copies of the orders of the High Court sanctioning the Scheme are filed with the Registrar of Companies, Karnataka; and

iv. Compliance with such other conditions as may be imposed by the High Court.

16 APPLICATION TO HIGH COURT

The Transferee Company and the Transferor Company shall, with all reasonable despatch, make and file applications to the High Court, within whose jurisdiction the registered offices of the Transferee Company and the Transferor Company are situated for sanctioning the Scheme and for dissolution of the Transferor Company without being wound-up.

17 MODIFICATION OR AMENDMENTS TO THE SCHEME

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

18 EFFECT OF NON-RECEIPT OF APPROVALS

In the event any of the approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of the Transferee Company and the Transferor Company shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme is not sanctioned by the High Courts, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

19 COSTS, CHARGES AND EXPENSES

In the event of the Scheme being sanctioned by the High Court, the Transferee Company shall bear and pay all costs, charges, expenses, taxes including duties, levies in connection with the Scheme.

ANNEXURE 2

AXISCADES ENGINEERING TECHNOLOGIES LIMITED (Applicant Company / Transferee Company)

There is issue of equity shares by the Company pursuant to the scheme of Amalgamation and hence, Pre and Post Scheme equity shareholding of the Company would be as shown.

The Pre and Post -Scheme equity shareholding pattern as on 31 December, 2015 is as follows:

		Transferor company				**Transferee company**			
		IAT				**ACETL**			
		Pre-amalgamation		**Post-amalgamation**		**Pre-amalgamation**		**Post-amalgamation**	
Sr	**Description**	**No. of shares**	**%**	**No. of shares**	**%**	**No. of shares**	**%**	**No. of shares**	**%**
(A)	**Shareholding of Promoter and Promoter Group**								
1	**Indian**								
(a)	Individuals/ Hindu Undivided Family	-	-	-	-	-	-	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	**47564716**	**100**	**-**	**-**	**16074514**	**59.12**	**26644451**	**70.56**
I	Tayana Digital Private Limited	-	-	-	-	12142100	44.66	12142100	32.16
II	Jupiter Capital Private Limited	36503791	76.75	-	-	236178	0.87	8348132	22.11
III	Indian Aero Ventures Private Limited	11060925	23.25	-	-	3696236	13.59	6154219	16.30
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-
(e)	Any Others	-	-	-	-	-	-	-	-
	Sub Total(A)(1)	**47564716**	**100**	-	-	**16074514**	**59.12**	**26644451**	**70.56**
2	**Foreign**								
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-
(d)	Any Others	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**47564716**	**100**	-	-	**16074514**	**59.12**	**26644451**	**70.56**

(B)	**Public shareholding**								
1	**Institutions**								
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-	-
(b)	Financial Institutions / Banks	-	-	-	-	72730	0.27	72730	0.19
(c)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	603869	2.22	603869	1.60
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-
(h)	Any Other	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	**676599**	**2.49**	**676599**	**1.79**
2	**Non-institutions**								
(a)	Bodies Corporate	-	-	-	-	2779196	10.22	2779196	7.36
(b)	Individuals								
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh	-	-	-	-	4456627	16.39	4456627	11.80
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	-	-	-	-	2819379	10.37	2819379	7.47
(c)	Any Other	-	-	-	-	383278	1.41	383278	1.02
	Sub-Total (B)(2)	-	-	-	-	**10438480**	**38.39**	**10438480**	**27.65**
(B)	**Total Public Shareholding (B)= (B)(1)+(B)(2)**	-	**-**	-	-	**11115079**	**40.88**	**11115079**	**29.44**
	TOTAL (A)+(B)	**47564716**	**100**	-	-	**27189593**	**100**	**37759530**	**100**
(C)	Shares held by Custodians and against which DRs have been issued	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	**47564716**	**100**	-	-	**27189593**	**100**	**37759530**	**100**

FORTRESS

STRICTLY PRIVATE & CONFIDENTIAL

August 12, 2015

The Board of Directors,
AXISCADES Engineering Technologies Limited
A 264 Defence Colony, 2nd Floor,
New Delhi – 110 024

The Board of Directors,
India Aviation Training Institute Private Limited
Jupiter Innovision Centre, No. 54,
Richmond Road, Bangalore – 560 025

Sub: Fairness Opinion in connection with the proposed amalgamation of India Aviation Training Institute Private Limited into AXISCADES Engineering Technologies Limited

Dear Sir(s),

We refer to our discussion wherein the Management of AXISCADES Engineering Technologies Limited (hereinafter referred to as "ACET") and India Aviation Training Institute Private Limited (hereinafter referred to as "IAT"), has requested Fortress Capital Management Services Private Limited ('Us') to give a fairness opinion on the joint valuation carried out by SSPA & Co., Chartered Accountants (hereinafter referred to as "SSPA") and Rajendra & Co., Chartered Accountants (hereinafter referred to as "RCO") in connection with the proposed amalgamation of IAT and ACET.

A. BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

1. AXISCADES ENGINEERING TECHNOLOGIES LIMITED

1.1 AXISCADES Engineering Technologies Limited (formerly known as Axis IT&T Limited) is Engineering Design solutions provider, catering to the futuristic needs of Aerospace, Heavy Engineering, Automotive and Industrial Production sectors.

1.2 ACET provides Engineering Design Solutions across lifecycle of the product starting from product design, system engineering, manufacturing to product support.

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Tel.: +91 (22) 2200 7973 / 74 / 75 / 76 • Fax : +91 (22) 2203 1609 • E-mail : fortress@fortress.co.in • Website : www.fortress.co.in

1.3 ACET has been formed through the merger of two entities – Axis-IT&T (Engineering services for Heavy Engineering and Industrial Products) and CADES Digitech (Engineering services for Aerospace and Automotive domains) – to leverage on their processes, technology and customer relationships. ACET has offices worldwide including North America, Europe and Asia.

1.4 Shares of ACET are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE').

2. **INDIA AVIATION TRAINING INSTITUTE PRIVATE LIMITED**

2.1 IAT was established for providing aviation related training solutions.. Currently IAT does not have any business operations.

2.2 In FY 2015-16, IAT has acquired 100% stake in AXISCADES Aerospace & Technologies Private Limited (hereinafter referred to as "ACAT").

2.3 ACAT (formerly known as Axis Aerospace & Technologies Limited and erstwhile known as Jupiter Strategic Technologies Private Limited) was setup in the year 2001. ACAT is a Premier Technology Company in the high-end Strategic Technologies space with a proven track record. It Has built outstanding capabilities in System integration and Design & Development of solutions and platforms in the areas of Automatic Test Equipment & Test solutions, Software & Simulation Avionics, Electronic warfare systems and Military-Paramilitary training solutions amongst others.

2.4 ACAT's focus is mainly on Systems Integration for Electronic Warfare, Communications, Surveillance and Access Control, Radar and Avionics, Command and Control.

2.5 ACAT also hold investment in AXISCADES Aerospace Infrastructure Private Limited,

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herein after referred to as ACAIPL (formerly known as "Jupiter Aviation Services Private Limited") (hereinafter referred to as "JAS"). Currently ACAIPL does not have any business operations. Further ACAI owns 100% of Enertech controls, which owns property in Electronics city, Bangalore.

3 We have been informed that Management is considering a proposal for amalgamation of IAT and ACET with effect from appointed date.

4 We have been informed by the Management that ACET intends to discharge the consideration for amalgamation through issue of equity shares of ACET of INR 5 each fully paid up to the equity share holders of IAT.

5 Accordingly, ACET has appointed SSPA and RCO, Joint Valuers to undertaken valuation exercise of equity shares of ACET and IAT to recommend share exchange ratio for the proposed amalgamation of IAT into ACET.

6 Further, ACET has appointed us to give a fairness opinion on Joint Valuation Report issued by Joint Valuers and scheme of amalgamation in connection with the proposed amalgamation.

7 The information contained in our report herein is confidential. It is intended only for the sole use of captioned purpose including for obtaining the requisite statutory approvals.

B. SOURCES OF INFORMATION

For the purposes of our valuation exercise, we have relied upon the following sources of information as provided to us by the management of the Companies:

(a) Audited financial statements of ACET and ACAT for the year ended March 31, 2015

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(b) Audited financial statements IAT and ACAIPL for the year ended March 31, 2015.

(c) Management certified estimated Balance Sheet and Profit and Loss Statement of ACET, IAT, ACAT and JAS for the year ended March 31, 2016

(d) Financial Projections of ACET and ACAT for FY 2016-17 to FY 2019-20

(e) Draft Scheme of Arrangement

(f) Joint Valuation Report of SSPA and RCO dated August 12, 2015

(g) Discussions with the Management on various issues relevant for the valuation including the prospects and outlook for the industry, expected growth rate and other relevant information relating to future expected profitability of the business, etc

(h) Other relevant details regarding the Companies such as their history, past and present activities, future plans and prospects, existing shareholding pattern and other relevant information and data, including information in the public domain

(i) Such other information and explanations as we have required and which have been provided by the Management

C. EXCLUSIONS AND LIMITATIONS

1 Our conclusion is based on the information furnished to us being complete and accurate in all material respects. We have relied upon the historical financials and the information and representations furnished to us without carrying out any audit or other tests to verify its accuracy with limited independent appraisal.

2 We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the companies.

3 Our work does not constitute verification of historical financials or including the working results of the Companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.

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4 Our opinion is not intended to and does not constitute a recommendation to any shareholders as to how such shareholder should vote or act in connection with the Scheme or any matter related therein.

5 Our liability (statutory or otherwise) for any economic loss or damage arising out of the rendering this Opinion shall be limited to amount of fees received for rendering this Opinion as per our engagement with ACET.

6 Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

7 We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof.

8 We do not express any opinion as to the price at which shares of the Resulting Company may trade at any time, including subsequent to the date of this opinion.

9 Any person/party intending to provide finance/invest in the shares/businesses of any of the Companies, shall do so, after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed amalgamation as aforesaid, can be done only with our prior permission in writing.

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10 This certificate has been issued for the sole purpose to facilitate the Company to comply with clause 24(f) and 24(h) of the Listing Agreement and SEBI Circular No CIR/CFD/DIL/5/2013 dated 4 February 2013 and CIR/CFD/DIL/8/2013 dated 21 May 2013 and it shall not be valid for any other purpose.

11 Fortress Capital Management Services Private Limited, nor its directors, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the fairness opinion is given. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the opinion.

D. VALUATION APPROACH

For the purposes of valuation, the Valuers have adopted the Net Assets Method under "Underlying Assets" Approach and Discounted Cash Flow method under "Income" Approach for determining the fair value per share of ACET and ACAT and Net Assets Method under "Underlying Assets" Approach for determining the fair value per share of IAT and arrived at the exchange ratio of shares for proposed amalgamation of IAT and ACET.

E. CONCLUSION

1 We have reviewed the Scheme of Amalgamation and methodology as mentioned above used by the Valuers for arriving at the valuation of the equity shares of the Companies and also reviewed the working and underlying assets adopted to arrive at the values under each of the above approaches, for the purposes of recommending exchange ratio for Shares.

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2 On the basis of the foregoing and based on the information and explanation provided to us, in our opinion, the proposed amalgamation and share exchange ratio of **10 (Ten) equity shares of ACET of INR 5/- each fully paid for every 45 (Forty Five) equity shares of IAT of INR 10/- each fully paid recommended by Joint Valuers is fair and reasonable.**

Thanking you,

Yours faithfully,

For Fortress Capital Management Services Pvt. Ltd.

Fortress Capital Management Services Pvt. Ltd. MUMBAI

Authorized Signatory

Place: Mumbai

SEBI Registration No.: INM000011146

CIN : U67120MH2004PTC145815
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Annexure

Complaints Report
As on October 13, 2015

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	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable		
2.			
3.			

Thanking you,

Yours faithfully,

For **AXISCADES Engineering Technologies Limited,**

Shweta Agrawal

Shweta Agrawal

Company Secretary

AXISCADES Engineering Technologies Ltd. New Delhi

AXISCADES Engineering Technologies Limited
(formerly Axis-IT&T Limited)
CIN No.: L72200DL1990 PLC 041275
D-30, Sector - 3, Noida - 201 301, Uttar Pradesh INDIA Ph: +91 120 451 8200 / 8300 Fax: +91 120 244 2921
Reg. Office : A-264, 2nd Floor, Defence Colony New Delhi - 110 024 | Email: info@axiscades.com | www.axiscades.com

DCS/AMAL/KS/24(f)/311/2015-16
February 24, 2016

The Company Secretary
Axiscades Engineering Technologies Ltd.
Block C, Second Floor, Kirloskar Business Park,
Bangalore, Karnataka, 560024.

Sub: Observation letter regarding the Draft Scheme of Arrangement involving amalgamation of India Aviation Training Institute Private Ltd.(IAT) with Axiscades Engineering Technologies Ltd.(AETL).

We are in receipt of Draft Scheme of Arrangement involving amalgamation of India Aviation Training Institute Private Ltd.(IAT) with Axiscades Engineering Technologies Ltd.(AETL).

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 vide its letter dated February 24, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

- ***"With respect to the observation that the promoter shareholding in AETL will increase from 59.12% pre- scheme to 70.56% post scheme, the company may be advised to ensure voting by public shareholders in terms of relevant SEBI Circulars"***
- ***"Company shall duly comply with various provisions of the Circulars."***

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

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. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
e. Status of compliance with the Observation Letter/s of the stock exchanges;
f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
g. Complaints Report as per Annexure II of this Circular.
h. Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' 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.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Pujari
Manager

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

NIFTY 50 Stock of the nation

Ref: NSE/LIST/62875 February 25, 2016

The Company Secretary
Axiscades Engineering Technologies Limited
Block C, Second Floor
Kirloskar Business Park
Bangalore - 560024

Kind Attn.: Ms. Shweta Agrawal

Dear Madam,

Sub: Observation letter for draft Scheme of Amalgamation of India Aviation Training Institute Private Limited and Axiscades Engineering Technologies Limited and their respective shareholders and creditors (under sections 391 to 394 of the Companies Act, 1956).

This has reference to Scheme of Amalgamation of India Aviation Training Institute Private Limited and Axiscades Engineering Technologies Limited and their respective shareholders and creditors (under sections 391 to 394 of the Companies Act, 1956) submitted to NSE vide your letter dated September 02, 2015.

Based on our letter reference no Ref: NSE/LIST/46502 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI has vide letter dated February 24, 2016, has given following comments on the draft Scheme of Arrangement:

1. *" With respect to the observation that the promoter shareholding in AETL will increase from 59.12% pre-scheme to 70.56% post scheme, the company may be advised to ensure voting by public shareholders in terms of relevant SEBI circulars.*

2. The Company shall duly comply with various provisions of the Circulars."

We hereby convey our 'No-objection' with limited reference to those matters having a bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Companies to file the Scheme with Hon'ble High Court.

However, the Exchange reserves its rights to raise objections 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.

The validity of this "Observation Letter" shall be six months from February 25, 2016, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

1.

Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400051, India. • Tel: +91 22 26598235/36, 26598346 • Fax: +91 22 26598237/38
E-mail : cmlist@nse.co.in • Web site: www.nseindia.com

a. Copy of Scheme as approved by the High Court;
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 SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.

Yours faithfully,
For National Stock Exchange of India Limited

Samir Naringrekar
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

AXISCADES ENGINEERING TECHNOLOGIES LIMITED

(Formerly Axis-IT&T Limited)
CIN: L72200KA1990PLC084435
Regd. Office: Block C, Second Floor, Kirloskar Business Park, Bengaluru, Karnataka- 560024
Website: www.axiscades.com, email: info@axiscades.com

POSTAL BALLOT FORM

(Kindly refer to the instructions specified overleaf before filling the form)

Serial No. :

1. Name and Registered Address of the sole / first named shareholder :

2. Name(s) of Joint shareholder(s) :

3. Registered Folio No. / DP ID No/ Client ID No.* (*Applicable to investors holding shares in dematerialised form) :

4. Number of Shares held :

I/We hereby exercise my/our vote in respect of the Resolution to be passed through postal ballot for the business stated in the notice of the Company by sending my/our consent or dissent to the said special resolution by placing tick (√) mark at the appropriate box below.

Sl. No.	Brief particulars of the item	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Approving the Scheme of Amalgamation between India Aviation Training Institute Private Limited (“Transferor Company”) with AXISCADES Engineering Technologies Limited (“Transferee Company”) and their respective Shareholders and Creditors (“The Scheme”).			

Place :

Date :

Signature of the Equity Shareholder
(must be as per specimen signature registered with the company)

Electronic Voting Particulars

EVEN (E- Voting Event Number)	USER ID	PASSWORD/PIN

INSTRUCTIONS

The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Agency to provide e-voting facility.

Voting rights shall be reckoned on the paid up value of equity shares registered in the name of the member/beneficial owner as on **March 18, 2016, being the cut-off date.**

A person, whose name is appearing in the register of members or in the register of beneficial owners maintained by the depositories as on the **cut- off date i. e. March 18, 2016**, shall only be entitled to avail the facility of remote e-voting/ poll.

A shareholder may request for a duplicate postal ballot form, if so required. However, the duly filled in duplicate postal ballot form should reach the Scrutinizer on or before **Sunday, 24th April, 2016 5.00 p.m**.

If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting his votes through remote e-voting.

Members are requested to carefully read the instructions for e-voting before casting their vote.

The remote e-voting facility will be open only during the following voting period:

Commencement of remote e-voting: **09:00 a.m. (IST) on, March 26, 2016**

End of remote e-voting: **05:00 p.m. (IST) on April 24, 2016**

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy on expiry of remote e-voting period.

The procedure for remote e-voting is as under:

a) Open your web browser during the voting period by typing the URL: https://evoting.karvy.com

b) Enter the login credentials (i.e. User ID and password mentioned -in the email forwarding the Notice of Postal Ballot, or on the Notice of Postal Ballot, in case email id is not registered and physical copy of the Postal Ballot notice is being received by you). Your Folio No./DP ID Client ID will be your User ID. However, if you hold shares in demat form and you are already registered with Karvy for e-voting, you may use your existing User ID and password for casting your vote.

c) After entering these details appropriately, click on "LOGIN".

d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You will also be required to enter a secret question and answer of your choice to enable you to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**

e) You need to login again with the new credentials.

f) On successful login, the system will prompt you to select the Event Number for AXISCADES Engineering Technologies Limited, as mentioned in the email forwarding the Notice of Postal Ballot, in case members receiving the documents in electronic form and in the enclosed "Electronic Voting Particulars", in case of a members receiving the documents in physical mode.

g) On the voting page you will see the Resolution Description and the options "FOR/AGAINST/ABSTAIN" for voting. Enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date, as mentioned above. You may also choose the option "ABSTAIN" in case you do not want to cast vote.

h) You may then cast your vote by selecting an appropriate option and click on "Submit".

i) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

j) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

k) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the relevant Board Resolution/Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer at e-mail ID: khamankar@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "axiscades _EVSN Number."

l) Once the vote on a resolution is cast by a member, the Member shall not be allowed to modify it subsequently.

m) In case of any queries, you may refer the 'Frequently Asked Questions (FAQs) for shareholders' and 'e-voting user manual for shareholders', available at the download section of https://evoting.karvy.com or contact Karvy Computershare Private Limited at 1800 345 4001 (toll free).

n) The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date, being 18.03.2016.

o) The Scrutinizer shall after the conclusion of e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the court appointed Chairman.

p) The Scrutinizer`s decision on the validity of the vote shall be final and binding.

q) The Results on resolutions shall be declared on April 25, 2016 and the resolutions will be deemed to be passed on that date subject to receipt of the requisite number of votes in favour of the resolutions.

r) The result declared along with the Scrutinizer`s report shall be placed on the website of the Company (www.axiscades.com) and on Karvy`s website (https://evoting.karvy.com) and communicated to the Stock Exchanges where the Company shares are listed and to the Hon'ble High Court of Karnataka.