

To,
The Board of Directors,
Career Point Limited
Village Tangori, Mohali,
Punjab 140601
India

Sub: Independent Auditor's Certificate certifying the proposed accounting treatment in the books of accounts of Career Point Limited contained in the proposed Scheme of Arrangement

1. This certificate is issued in accordance with the terms of our engagement letter dated 10th February 2023.
2. We, the statutory auditors of Career Point Limited (hereinafter referred to as the "Company"), have examined the proposed Accounting Treatment specified in paragraphs 7 and 19.1 of the Draft Composite Scheme of Arrangement ('Scheme') between *Srajan Capital Limited* (Transferor Company) and *Career Point Limited* (Transferee Company/ Demerged Company) and Career Point Edutech Limited (Resulting Company) and their respective shareholders in terms of the provisions of Section 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, with reference to its compliance with the applicable Indian Accounting Standards (IND AS) (hereinafter referred to as "Indian Accounting Standards") notified under Section 133 of the Companies Act, 2013 read along with the rules made thereunder, as amended and other generally accepted accounting principles in India.

Management's responsibility

3. The responsibility for the preparation of the Scheme and ensuring its compliance with the relevant laws and regulations, including the applicable Indian Accounting Standards and other generally accepted accounting principles as aforesaid, is that of the Board of Directors of the Transferee Company / Demerged Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditor's responsibility

4. Our responsibility pursuant to the requirements prescribed under section 232 of the Companies Act, 2013 and part I(A)(5) of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 is limited to examine and report whether the accounting treatment specified in paragraphs 7 and 19.1 of the proposed Scheme comply with the applicable Indian Accounting Standards and other generally accepted accounting principles in India. Nothing contained in this certificate, nor anything said or done in the course of, or in connection with the services that are subject to this certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.



For Career Point Limited
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6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further, our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Scheme.
7. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

Opinion

8. Based on our examination and according to the information, explanations and representation provided to us by the management of the Company, in our opinion, accounting treatment in the books of Transferee Company/demerged Company, as specified in paragraphs 7 and 19.1 of the proposed Scheme, is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and the applicable Indian Accounting Standards notified under section 133 of the Companies Act, 2013 read with rules made thereunder and other generally accepted accounting principles in India, as applicable.
9. For the ease of reference, copy of proposed Scheme, duly authenticated on the behalf of the Transferee Company, is reproduced in **Annexure I** of this Certificate, and is initialed by us only for the purpose of identification.

Restriction on use

10. The Certificate is issued at the request of the Transferee Company pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, for onward submission by the Transferee Company to the Stock Exchanges, SEBI, NCLT and such other statutory or regulatory authorities as may be required in connection with the proposed Scheme. This certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Lodha & Co
Chartered Accountants
Firm Registration No.: 301051E



(Gaurav Lodha)
Partner

Membership No: 507462
UDIN: 28507462BGVDES692-8
Place: New Delhi
Date: 14-02-2023



For Career Point Limited


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**COMPOSITE SCHEME OF ARRANGEMENT
BETWEEN
SRAJAN CAPITAL LIMITED
(TRANSFEROR COMPANY)
AND
CAREER POINT LIMITED
(TRANSFeree COMPANY/ DEMERGED COMPANY)
AND
CAREER POINT EDUTECH LIMITED (RESULTING COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS**

**(UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT, 2013)**


CAREER POINT LIMITED



DIRECTOR



For Career Point Limited



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A. PREAMBLE

This Composite Scheme of Arrangement ("Scheme") provides for:

- a) amalgamation of Srajan Capital Limited into Career Point Limited; and
- b) demerger of Demerged Undertaking of Career Point Limited into Career Point Edutech Limited

pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

B. DESCRIPTION OF COMPANIES

a) Srajan Capital Limited ("SCL") was incorporated as a public limited company on December 09, 2013 under the provisions of the Companies Act, 2013. The registered office of SCL has been shifted from Rajasthan to the State of Punjab vide the Order of the Regional Director dated February 07, 2020 and the fresh certificate of incorporation was issued by the Registrar of Companies, Chandigarh on April 03, 2020 with U65910PB2013PLC050993 as its CIN. The registered office of SCL is now situated at Village Tangori, Mohali, Punjab 140601. SCL is registered with the Reserve Bank of India as a non-deposit accepting Non-Banking Financial Company under Section 45 IA of Reserve Bank of India Act, 1934 vide certificate dated December 09, 2014 [Certificate No. B-10.00230]. Post shifting of registered office of SCL to the state of Punjab, Reserve Bank of India, Chandigarh has issued a fresh certificate of NBFC registration bearing certificate no. B-06.00624 on July 31, 2020. SCL is primarily engaged in the business of providing loans, including educational loans, institutional loans, personal loans and business loans (trade finance and term loans to regional SMEs). SCL is a wholly owned subsidiary of Career Point Limited.

b) Career Point Limited ("CPL") was incorporated as a public limited company on March 31, 2000 under the provisions of the Companies Act, 1956 under the name of "Career Point Infosystems Limited". The name has been changed to Career Point Limited on September 30, 2011. The registered office of CPL has been shifted from Rajasthan to the State of Punjab vide the Order of the Regional Director dated August 19, 2021 and the fresh certificate of incorporation was issued by the Registrar of Companies, Chandigarh on October 20, 2021 with L80100PB2000PLC054497 as its CIN. The registered office of CPL is now situated at Village Tangori, Mohali, Punjab 140601. The shares of CPL are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). CPL is primarily engaged in the education business includes offering the diversified products and integrated services in education segments including pre-school, school education (K-12), test preparation (tutorial services), higher education (universities), e-Learning and vocational education. CPL also carries on education



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DIRECTOR

For Career Point Limited

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business through its subsidiaries including Career Point Edutech Limited. Further, CPL holds investments in its subsidiaries which are engaged in non-education business.

- c) Career Point Edutech Limited ("CP Edutech") was incorporated as a public limited company on November 09, 2006 under the provisions of the Companies Act, 1956. The CIN of CP Edutech is U80302RJ2006PLC023306. The registered office of CP Edutech is situated at B-28, 10-B Scheme, Gopalpura Bypass Jaipur, Rajasthan 302018. CP Edutech is primarily engaged in the business of selling of Video Lecture of Physics, Chemistry, Math and Biology in pen drive and memory cards, books of IITJEE. CP Edutech also developed the software for online test series and maintaining of student data and provide the software on fixed price to educational institutions. Currently, CPL holds 5,78,947 equity shares having face value of INR 10 each in CP Edutech.

SCL, CPL and CP Edutech are together referred as "Parties"

C. RATIONALE FOR THE SCHEME

- a) **Consolidation of education business** – Management intends to consolidate education business in CP Edutech. Accordingly, demerger of education business of CPL into CP Edutech is being envisaged which will help in consolidation of education business in one single entity i.e. CP Edutech.
- b) **Consolidation of financial services business** – SCL is providing financial services. Merger of SCL into CPL will achieve consolidation of financial service business into CPL. CPL will become a non-banking financial company post effectiveness of Scheme and hence CPL is in the process of applying for NBFC registration with Reserve Bank of India.

In view of above, the Scheme provides the flexibility to future investors to invest in core education business and/or non-education business

- c) **Streamlining group structure and operations** – The Scheme ensures simplified and streamlined group structure by reducing the number of entities in the group. The Scheme ensures better synergy of operations by way of focused operational efforts, standardization & simplification of processes and productivity improvements which will entail the following advantages:

- Improve the overall operational efficiency and effectiveness of the respective businesses;
- Reduction in the overall operational and compliance cost



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For Career Point Limited
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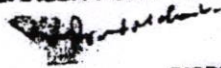
- d) **Improve management control** – Ensures better management control on the respective businesses. Independent management of each of the education and non-education division will ensure adoption of strategies necessary for growth of respective businesses.

D. PARTS

This Scheme is divided into following parts and further details thereunder:

- Part 1 – Definitions and share capital
- Part 2 – Amalgamation of SCL into CPL
- Part 3 – Demerger of Demerged Undertaking of CPL into CP Edutech
- Part 4 – General terms and conditions applicable to this Scheme

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DIRECTOR



For Career Point Limited

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DEFINITIONS AND INTERPRETATION

1. DEFINITIONS

In this Part 1 of the Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- (a) **"Act" or "the Act"** means the Companies Act, 2013 and rules made thereunder or any statutory modification, amendment or re-enactment thereof.
- (b) **"Appointed Date"** means April 1, 2023 or such other date as may be approved by the Hon'ble NCLT.
- (c) **"Board of Directors"** of SCL, CPL and CP Edutech shall include any committee thereof.
- (d) **"Composite Scheme of Arrangement" or "this Scheme" or "the Scheme"** means this Composite Scheme of Arrangement in its present form containing amendment in the Clause 32 with other consequential changes made under the Scheme.
- (e) **"CP Edutech" or "Resulting Company"** means Career Point Edutech Limited, a company incorporated under the Companies Act, 1956 and having its registered office at B-28, 10-B Scheme, Gopalpura Bypass Jaipur, Rajasthan 302018. The registered office of CP Edutech will be shifted from the state of Rajasthan to the state of Punjab prior to filing the Scheme with the Hon'ble NCLT.
- (f) **"CPL" or "Transferee Company" or "Demerged Company"** means Career Point Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Village Tangori, Mohali, Punjab 140601.
- (g) **"Demerged Undertaking"** means "Education Undertaking" of the Demerged Company on a going concern basis, other than Remaining Business, and including the business activity of Education Undertaking covering all related assets, investments, liabilities, rights and obligations, investments in its subsidiaries including CP Edutech which are engaged in education business and shall include (without limitation):
 - any and all the properties and assets whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building, all fixed and movable plant and machinery, leasehold or freehold, tangible or intangible, including all computers and accessories, software and related data,



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DIRECTOR

leasehold improvements, plant and machinery, offices, capital work-in-progress, raw materials, finished goods, vehicles, stores and spares, loose tools, sundry debtors furniture, fixtures, fittings, office equipment, telephone, facsimile and other communication facilities and equipments, electricals, appliances, accessories, deferred tax assets and investments related to Demerged Undertaking of the Demerged Company;

- any and all liabilities present and future including the contingent liabilities related to Demerged Undertaking of the Demerged Company;
- any and all rights and licenses including, all assignments and grants thereof, all permits, quotas, holidays, benefits, clearances and registrations whether under Central, State or other laws, rights (including rights/ obligations under any agreement, contracts, applications, letters of intent, or any other contracts), subsidies, grants, tax credits (including MODVAT/ CENVAT, Service Tax credits, GST credits), tax deferrals, advance tax credit, deferred tax assets, incentives or schemes of central/ state/ local governments, certifications and approvals, regulatory approvals, entitlements, other licenses, environmental clearances, municipal permissions, approvals, consents, tenancies, investments and/ or interest (whether vested, contingent or otherwise), cash balances, bank balances, bank accounts, reserves, deposits, advances, recoverable, receivables, benefit of insurance claims, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued by the Demerged Company, funds belonging to or proposed to be utilised by the Demerged Company, privileges, all other claims, rights and benefits (including under any powers of attorney issued by the Demerged Company or any powers of attorney issued in favour of the Demerged Company or from or by virtue of any proceeding before a legal, quasi-judicial authority or any other statutory authority, to which the Demerged Company was a party), powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits duties and obligations of all agreements, contracts and arrangements and all other interests related to the Demerged Undertaking of the Demerged Company;
- all employees who are on the payroll of the Demerged Company, related to the Demerged Undertaking of the Demerged Company, immediately preceding the Effective Date;
- any and all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, share application money, earnest moneys and/ or security deposits paid or received by the

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For Career Point Limited

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Demerged Company related to the Demerged Undertaking of the Demerged Company

- any and all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and back up copies, drawings, other manuals, data catalogues, quotations, sales and advertising materials, and other data and records whether in physical or electronic form related to the Demerged Undertaking of the Demerged Company
- all intellectual property rights including all trademarks, trademark applications, trade names, patents and patent applications, domain names, logo, websites, internet registrations, copyrights, trade secrets, service marks, quality certifications and approvals and all other interests exclusively relating to the Demerged Company related to Demerged Undertaking of the Demerged Company.

It is intended that the definition of Demerged Undertaking under this clause would enable the transfer of all property, assets, rights, liabilities, employees etc of the Demerged Company to the Resulting Company pursuant to this Scheme except the Remaining Business.

- (h) **"Effective Date"** means the last of the dates on which all the conditions and matters referred to in Clause 30 hereof have been fulfilled. References in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" shall mean the Effective Date.
- (i) **"Merged Undertaking"** means and includes the whole of the business of Transferor Company and shall mean all assets, properties and liabilities and shall include (without limitation):
- all secured and unsecured debts, present and future liabilities, contingent liabilities, duties and obligations (including duties/ rights/ obligations imposed by any authority or under any agreement, contracts, applications, letters of intent or any other contracts) and land and building, leasehold assets and other properties, real, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature and including but without being limited to all plant and machinery, computers and accessories, software, leasehold improvements, vehicles, fixed assets, work in progress, appliances, accessories, sundry debtors, inventories, current assets, investments of all kinds [shares, scrips, stocks, bonds, debentures etc.], reserves, provisions, funds, as on the Appointed Date;

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- offices, import entitlements, import licenses, other licenses, approvals, permissions, registrations, copyrights, patents, titles, trade names, trademarks, applications for copyrights, patents, trade names and trademarks, any other intellectual property whether registered or otherwise, labels, label designs, quality certifications, leases, licenses, tenancy rights, no objection certificate from any authorities (including the Municipal Authorities, Department of Town & Country Planning, Development Authority, Electricity Board), power of attorney, premises, hire purchase and lease arrangements, office equipment, electrical fittings, furniture and fittings, capital work in progress, telephones, telexes, email and facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements including customer contracts, powers, authorities, permits, Central government/ State government incentives/ schemes/ benefits under any law in force including all single window clearances, prospecting licenses, environmental clearances, allotments, approvals, certifications, consents, privileges, balances with all regulatory authorities, liberties, advantages, easements and all the rights, titles, interest, goodwill, benefit and advantage, deposits, receivables, funds, cash, bank balances and bank accounts, bills of exchange, benefits of assets or properties or other interest held in trusts, benefit of any deposits, financial assets, benefit of any bank guarantees, loans and advances, accounts, subsidies, grants, tax credits (including MODVAT/ CENVAT, Service Tax credits, GST credits, MAT credits), advance tax credits, withholding tax credits and other tax refund and credits and any other tax incentives and benefits, advantages, exemptions, tax holidays, remissions and reductions and all other rights, claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by Transferor Company, as on the Appointed Date and all earnest money and/ or deposits including security deposits paid by Transferor Company;
- right to any claim not preferred or made by Transferor Company in respect of any refund of tax, duty, cess or other charge and in respect of set-off, carry-forward of unabsorbed losses and unabsorbed tax depreciation under rebates, tax holidays, Income credits etc.
- all employees of Transferor Company on the date immediately preceding the Effective Date;
- all other obligations of whatsoever kind, including liabilities of the Transferor Company regarding their employees with respect to the payment of compensation, gratuity, provident fund etc and benefits or obligations of any kind whether insurances, retirement etc.



For Career Point Limited

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- all necessary records, files, papers, engineering and process information, computer programme, manuals, data, catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customer credit information, customer pricing information and other records in connection with or relating to Transferor Company .

It is intended that the definition of Merged Undertaking under this clause would enable the transfer of all property, assets, liabilities, employees etc of Transferor Company to the Transferee Company pursuant to this Scheme.

- (j) "NCLT" shall mean the Hon'ble National Company Law Tribunal at Chandigarh.
- (k) "Remaining Business" shall mean the Demerged Company post demerger of the Education Undertaking in accordance with this Part 3.
- (l) "SCL" or "Transferor Company" means Srajan Capital Limited, a company incorporated under the Companies Act, 2013 and having its registered office at Village Tangori, Mohali, Punjab 140601.
- (m) "SEBI" means the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992;
- (n) "SEBI Circular" means the circular issued by the SEBI, being Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and any amendments thereof issued pursuant to Regulations 11, 37 and 94 of the SEBI LODR Regulations or any other circulars issued by SEBI applicable to schemes of amalgamation or arrangement;
- (o) "SEBI LODR Regulations" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- (p) "Specified Date" means the date to be fixed by the Board of Directors of the Resulting Company for the purpose of determining the shareholders of the Demerged Company for the purpose of issuance of shares upon demerger of Demerged Undertaking of Demerged Company into the Resulting Company;
- (q) "Stock Exchanges" means BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE") and any other recognized stock exchange, as the case may be;



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For Career Point Limited

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EXPRESSIONS NOT DEFINED IN THIS PART

The expressions which are used in this Scheme and not defined, shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 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. DATE OF COMING INTO EFFECT

The Scheme set out herein in its present form or with such modifications or amendments as directed by the NCLT or other appropriate authority shall be effective from the Appointed Date herein, although it shall be operative from the Effective Date.

3. SHARE CAPITAL

- (a) The authorized, issued, subscribed and paid up share capital of SCL as on September 30, 2022 as per audited financial statements is as follows:

PARTICULARS	AMOUNT (Rs)
AUTHORIZED CAPITAL	
80,00,000 Equity shares of Rs.10/- each	8,00,00,000
8,55,000 Preference shares of Rs. 10 each	85,50,000
Total	88,55,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	
62,27,000 Equity Shares of Rs. 10 each	6,22,70,000
8,55,000 Preference shares of Rs. 10 each	85,50,000
Total	7,08,20,000

- (b) The authorized, issued, subscribed and paid up share capital of CPL as on September 30, 2022 as per audited financial statements is as follows:

PARTICULARS	AMOUNT (Rs)
AUTHORIZED CAPITAL	
2,50,00,000 Equity Shares of Rs 10/- each	25,00,00,000
Total	25,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	



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1,81,92,939 Equity Shares of Rs 10/- each	18,19,29,390
Total	18,19,29,390

- (c) The authorized, issued, subscribed and paid up share capital of CP Edutech as on September 30, 2022 as per audited financial statements is as follows:

PARTICULARS	AMOUNT (Rs)
AUTHORIZED CAPITAL	
50,00,000 Equity shares of Rs.10/- each	5,00,00,000
Total	5,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	
5,78,947 equity shares of Rs.10/- each	57,89,470
Total	57,89,470



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