



REPORT ON RECOMMENDATIONS OF THE AUDIT COMMITTEE OF CAREER POINT LIMITED ON THE DRAFT SCHEME OF ARRANGEMENT BETWEEN CAREER POINT EDUTECH LIMITED, SRAJAN CAPITAL LIMITED AND CAREER POINT LIMITED AND THEIR RESPECTIVE SHAREHOLDER AND CREDITORS

MEMBERS PRESENT

1. Pawan Kumar Lalpuria (Chairman)
2. Mahesh Gupta
3. Om Prakash Maheshwari
4. Ram Swaroop Chaudhary
5. Jagdish Prasad Sarda

The quorum was present at the Meeting and remained till the conclusion of the Meeting.

1. Background

1.1 A Meeting of the Audit Committee of Career Point Limited ("Company"/ "Transferee Company/ Demerged Company") was held on Tuesday the 14th day of February, 2023 to recommend the proposed scheme of arrangement between the Company, Career Point Edutech Limited and Srajan Capital Limited and their respective shareholders ("the Scheme) with effect from the Appointed Date, viz. April 1, 2023 under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

1.2 In view of the above, members of the Audit Committee of the Company, after discussion, recommended the Scheme at the meeting held on February 14, 2023 and have made this report, after perusing the following necessary documents.

- a. The draft of the Scheme, duly initialled by the Chairman of the Meeting for the purpose of identification
- b. Valuation report dated February 14, 2023 for the fair share exchange ratio for the Scheme
- c. Fairness Opinion dated February 14, 2023, prepared by Mr. Jinesh Doshi, Authorised Signatory Srujan Alpha Capital Advisors LLP a SEBI Registered Merchant Banker, providing a Fairness Opinion on the Valuation Report ("Fairness Opinion")
- d. Audited financial statements of preceding 3 previous years of the companies along with the Limited review financial statements of Career Point Limited for the period 1st April 2022 to 31st December, 2022, audited financial statements of Srajan Capital Limited for the period beginning 1st April 2022 to 30th September, 2022 and audited financial statements of Career Point Edutech Limited for the period beginning 1st April 2022 to 31st December, 2022.
- e. Detailed compliance report as per Para (A)(2)(h) of Part I of SEBI Master Circular dated November 23, 2021

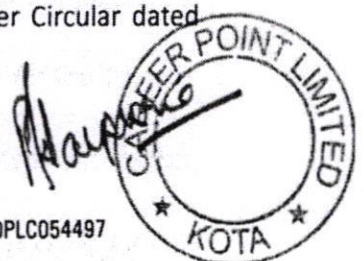
For Career Point Limited

CAREER POINT LIMITED

Registered Office: Village Tangori, Banur, Mohali (Punjab) 140601

Corporate Office: CP Tower, Road No.-1, IPIA, Kota (Rajasthan) 324005

Phone: 0744-3559282 | E-mail: investors@cpil.in | Website: www.cpil.in | CIN: L80100PB2000PLC054497



1.3 This Report of the Audit Committee is made in order to comply with the requirements of SEBI Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("SEBI Circular").

2. Proposed Scheme

2.1. The Scheme, inter alia, provides the following: -

- a. Merger of Srajan Capital Limited ("SCL" or "Transferor Company") with Career Point Limited ("CPL" or "Transferee Company" / "Demerged Company")
- b. Demerger of Education Business ("Demerged Undertaking") from Career Point Limited to Career Point Edutech Limited ("CP Edutech" or "Resulting Company")

2.2. Appointed date of the Scheme is April 1, 2023, or such other date as may be approved by the Hon'ble NCLT

2.3. The Effective Date of the Scheme means the last of the dates on which all the conditions and matters referred to in Clause 30 thereof have been fulfilled.

2.4. The Scheme would be subject to the sanction or approval of the National Company Law Tribunal, SEBI, Stock Exchanges, Shareholders and Creditors and other Appropriate Authorities (as defined in the Draft Scheme)

3. The salient features of the draft Scheme are, inter alia, as under: -

3.1. Need and Rationale of the Scheme

The rationale of the Scheme is as follows:

- (i) **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.
- (ii) **Consolidation of financial services business** – SCL is providing financial services. Merger of SCL into CPL will achieve consolidation of financial service business along 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.
- (iii) **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.

For Career Point Limited

 Authorised Signatory

