

FORM NO. CAA.3

[Pursuant to section 230 (5) and rule 8]

In the matter of Scheme of Amalgamation between Grant Investrade Limited and Hinduja Ventures Limited

NOTICE TO CENTRAL GOVERNMENT, REGULATORY AUTHORITIES

To,
National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East), Mumbai-400 051.
Company Script Code: HINDUJAVEN

Notice is hereby given in pursuance of sub- section (5) of section 230 of the Companies Act, 2013, that as directed by the Mumbai Bench of the National Company Law Tribunal at Mumbai by an order dated February 8, 2018 under sub- section 230 of the Act, a meeting of the members of **Hinduja Ventures Limited** is to be dispensed off.

A copy of the scheme of amalgamation is enclosed.

You are hereby informed that representations, if any, in connection with the proposed amalgamation may be made to the Tribunal within thirty days from the date of the receipt of this notice. Copy of the representation may simultaneously be sent to the concerned company.

In case no representation is received within the stated period of thirty days, it shall be presumed that you have no representation to make on the proposed scheme of amalgamation.

For HINDUJA VENTURES LIMITED


Authorised Signatories
Authorised Signatory

Company Secretary

Dated this 9th day of February, 2018

Place: Mumbai

Enclosures:

- I. Copy of Scheme of Amalgamation

Cin. No.: L51900MH1985PLC036896

Hinduja Ventures Limited : In Centre, 49/50, M.I.D.C., 12th Road, Andheri (E), Mumbai - 400 093.
Phone: 6691 0945 / 2824 8379 Fax: 6691 0988 Web: www.hindujaventures.com



HINDUJA GROUP

SCHEME OF AMALGAMATION
OF
GRANT INVESTRADE LIMITED
(TRANSFEROR COMPANY)
INTO
HINDUJA VENTURES LIMITED
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS

PART I

INTRODUCTION:

- (A) **Grant Investrade Limited** (hereinafter referred to as "GIL" or the "**Transferor Company**"), was incorporated as a private limited company under the Companies Act, 1956 on 18th March, 1997 in the name of Grant Investrade Private Limited in the State of Maharashtra. The Transferor Company was converted to a public limited company from private limited company w.e.f 6th March, 2000 and accordingly the name of the Transferor Company was changed to "Grant Investrade Limited". The Registered office of the Transferor Company was shifted from 171, Hinduja House, Dr. A.B. Road, Worli, Mumbai – 400 018 to In Centre, 49/50, MIDC, 12th Road, Andheri (East). Mumbai-400093 w.e.f 11th May, 2017.

The main objects of the Transferor Company are as follows:

1. To carry on the business as an Investment Company and to underwrite, Sub-underwrite, to Invest In, & hold, Sell, Buy or otherwise deal In Shares, Securities Share Broking, Debentures, Debenture-Stocks, Bonds Units, Obligations and securities Issued and guaranteed by Indian or Foreign Governments, State, Dominions, Sovereigns, Municipalities, or Public Authorities or Bodies and Shares, Stocks, Debenture, Debenture Stocks, Bonds, Obligations and Securities Issued by any Company, Corporation, firm or person, whether incorporated or established In India or elsewhere and to manage Investment, syndicate In Shares, Stocks, Securities, and real estate subject to the necessary Government Approval
2. To carry on the business In India or elsewhere as Trader, Dealer, Exporter, Importer, Converters, Conductors, Distributors, Stockists, Commission Agents. Agency Business, Processors, of Industrial and Commercial, Agricultural, Scientific, Household, Domestic, Automobiles, Farms and Forest product, Food products, Goods, Plant Machineries. Equipment, Apparatus and other Gadgets, Appliances, Accessories, Spare parts, Computer hardware & software, All type of Chemicals, Minerals, Wool, Silk, Yarn, Fibres, Garments, Textiles, Timber Products, Rubber & Rubber products, Plastic, Cement, Iron & Steel, Gold, Silver, Precious Stones and Jewellery, Ferrous & Nonferrous Metals or any other Merchandise on reedy or forward basis.

Clause 99 Other Object

99. To carry on the business of broadcasting, telecasting, relaying, transmitting, distributing or running any video, audio, voice, or other programmes or software, (both proprietary and third party) over television, radio, internet, telecom or any other media through satellite, cable or any other mode of transmission.



(B) **Hinduja Ventures Limited** (hereinafter referred to as "HVL" or the "Transferee Company"), was incorporated as a public limited company under the Companies Act, 1956 on 18th July, 1985 in the name of "Mitesh Mercantile & Financing Limited" in the state of Maharashtra. The name of the Transferee Company was changed from "Mitesh Mercantile & Financing Limited" to "Hinduja Finance Corporation Limited" and a fresh Certificate of Incorporation consequent upon the change of name was issued on 31st March, 1995. The name of the Transferee Company was further changed from "Hinduja Finance Corporation Limited" to "Hinduja TMT Limited" and a fresh Certificate of Incorporation consequent upon the change of name was issued on 8th June, 2001. The name of the Transferee Company was later changed from "Hinduja TMT Limited" to "Hinduja Ventures Limited" and a fresh Certificate of Incorporation consequent upon the change of name was issued on 23rd October, 2007. The Registered Office of the Transferee Company is situated at In Centre, 49/50, MIDC, 12th Road. Andheri (East). Mumbai-400093

The main objects of the Transferee Company are as follows:

1. To carry on the business as merchants, traders and distributors, commission agents, brokers, adatias, buyers, sellers, importers, exporters, dealers in textile, cloth, silk, rayon, manmade fabrics, synthetic, woolen, yarn, threads, garments, made up hosiery.
2. To carry on the business of financing by way of loans and advances for subscribing the capital of industrial enterprises.
- 2a. To develop, implement, manufacture, convert, alter, modify, export, import, purchase, sell or lease and otherwise deal in hardware, software and allied equipment, including for Computer Aided Design/ Computer Aided Manufacturing/ Computer Integrated Manufacturing and Telecommunications and to install or hire computer and allied equipment and to run and conduct bureau of computer services and in particular to develop, design, programme, conduct feasibility studies and to act as advisors, consultants, retainers, trainers in all capacity and all matters and problems relating to management, marketing.
- 2b. To manufacture, develop, import, export, buy, sell, distribute, repair, convert, alter, modify, take or let on hire, lease and otherwise deal in all kinds of electronic articles, products and devices and their accessories, stores, spare parts, components, assemblies and all kinds of instruments, apparatus, appliances, software and gadgets, and used for or in connection with any of the aforesaid.
- 2c. To act as internet Service providers to its subscribers subject to approval of Department of Telecommunications (DOT) / Telecommunications Regulatory Authority of India (TRAD / other authorities as may be approved by the Government from time to time and to construct, install, operate, service, repair, exploit, convert, turn to account, rent out, maintain or in any other manner exploit, or deal in audio, video and / or data signal broadcasting, transmission and / or reception systems / networks or part /s thereof which may include but shall not be limited to wired / wireless Cable T.V. systems, satellite Television Channels, Entertainment Channels in all languages, Educational Channels, Microwave Multichannel Distribution Systems (MMDS), MDS, Fibre Optic Systems, Laser Beam System, SMATV, Telephone, Personal Cellular Systems (PCS), Data Transmission / Receptions by utilizing, using, hiring, chartering, renting, or in any other manner exploiting Satellite Transporters, Satellite Transmission / Reception, Processing of Video or any kind of signals for Audio and Visual Communications for information / education / entertainment purposes.
- 2c(i) To establish and operate state of the art Telecommunication infrastructure consisting of wire and wireless services of all types and development of Telecommunication network.
- 2c(ii) To undertake and to provide basic and Cellular Mobile Telephone services including Broad Band value added services and to provide telephonic services to the public, to participate in tender for basic and Cellular Mobile Telephone infrastructure services and tender for provision of telephone services in India and seek all Government approvals in connection with such participation.



- 2d. To carry out and undertake all activities, business, etc. relating to E-Commerce and for that purpose to set out all facilities and infrastructure etc.
- 2e. To act and carry on the business of stock broking, stock sub broking, brokers including sub-brokers to the issue of securities, bonds of all kinds and description, portfolio manager, merchant bankers, manager or agents to the issue, investment counseling, fixed deposit brokers, internet stock broking, sub broking, inter-corporate investments, finance advisors for the issue of securities for all kinds and types in all their aspects in India and outside and to provide financial services, research advisory and counseling services as provided by share brokers, investment consultants and to obtain agency business.
- 2f (i) To carry on business as life and non-life, general and other form of insurance covering any liability and as providers of annuity, pension and other funds.
- (ii) To carry on business as an investment, guarantee, indemnity, financial, financial services and property and estate company and to hold shares/ debentures, bonds, notes, obligations, warrants, options and securities of all kinds of any company, government, public body or authority or any other person.
- 2g. To generate, acquire, develop and accumulate electrical power and in particular to construct, lay down, establish, fix and carry out all necessary power stations, cables, wires, lines, accumulators, lamps and works, and to transmit, distribute and supply such power and to light cities, towns, streets, docks, markets, theatres, buildings and places, both public and private and to manufacture, assemble and deal in equipment, machinery, instruments and other items required for generation, transmission and supply of power.
- 2h. To carry on the business of prospecting for exploration, drilling, extraction, production of manufacture minerals, mineral oils, natural gas and downstream and petroleum products and to provide allied services and facilities including rotary steerable drilling system, drilling performance enhancement system, expandable tubular and casing, cementing, logging, fishing, pipe laying or manufacturing, assembling and supplying machinery, plant, rigs, equipment and instruments or providing manpower and management in connection with any business consisting of prospecting, exploration, drilling, extraction or production of minerals, mineral oils, natural gas and petroleum products, and generally to exploit all natural resources of any form and content and wherever situate.
- 2i. To carry on and conduct the business of rendering, availing, mobilizing, providing, supplying, employing and putting to use and dealing in all kinds of services, consultancy, technical know-how, manpower, machinery, equipments, instruments and parts and products including requisite chemicals, reagents and intermediaries, for the purpose of or in manner relating to exploring, transmitting, processing, storing and transporting of oil and gas and other hydrocarbon compounds, mixtures and products and byproducts.
- 2j. To establish, build, operate, modernize, renovate, rebuild, repair and maintain shipyards, jetties, railways yards, warehouses, docks, terminals, buildings and works as also ships, vessels, barges, railways, tramways, coaches, wagons, trucks accessories, requisites, appliances and facilities of all kinds, and to carry on business as carriers of passengers and goods by any means, shippers, underwriters, managers, stevedores, shipping and forwarding agents, brokers and freight contractors and generally as provider of services and as transport and travel agents.
- 2k. To purchase, manufacture, construct, fabricate, assemble, hire, let on hire, alter and deal in all kinds of plant, machinery, equipment, accessories, spare parts, appliances, instruments, tools, apparatus, utensils, materials, substances, articles, things, requisites and facilities necessary or useful for or in connection with civil, electrical, mechanical, metallurgical, electromine, media, telecommunication, automobile, marine, mining, chemical, petrochemical industries, and to undertake installation, maintenance, construction, erection and turnkey contracts or contracts in any field inter alia involving supply or use of any plant, machinery, articles or things and/or services and to carry out any ancillary or other works comprised in or relating to such contracts.



- 2l. To carry on the business of acting as traders, dealers, factors, agents, commission agents, general merchants, distributors, suppliers, representatives or in any other capacity in any goods, and to provide complete marketing and retail solutions and to carry on the business of retail and all the lifestyle space and services including undertaking feasibility study, market survey, market research, advertising services.

(C) **RATIONALE:**

The proposed corporate restructuring mechanism by way of a scheme of amalgamation is beneficial, advantageous and not prejudicial to the interest of the shareholders, creditors and other stakeholders. The proposed amalgamation of GIL into HVL is in consonance with the global corporate restructuring practices which intends and seeks to achieve flexibility and integration of size, scale and financial strength. The Transferor Company and the Transferee Company believes that the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Transferor Company and the Transferee Company pooled in the merged entity, will lead to increased competitive strength, cost reduction and efficiencies, productivity gains, and logistic advantages, thereby significantly contributing to future growth. Therefore, the management of the Transferor Company and the Transferee Company believe that this Scheme shall benefit the respective companies and other stakeholders of respective companies, inter-alia, on account of the following reasons:

- a) Enable Transferee Company to use the resources of Transferor Company and generate synergy in operations;
- b) Consolidation of entities thereby achieving consolidation of the assets and a larger asset base;
- c) Reduction in the operational, financial and administrative costs;
- d) Increase in net worth of Transferee Company, which will facilitate effective and fast mobilization of financial resources for meeting increased capital expenditure;
- e) Reduction of overheads and other expenses, facilitate administrative convenience and ensure optimum utilization of available services and resources and
- f) Efficient and Focused management control and system.

(D) **Parts of the Scheme**

The Scheme is divided into following parts:

1. PART I, which deals with the introduction and rationale of the Scheme;
2. PART II, which deals with the definitions and financial position of the Transferor Company and the Transferee Company;
3. PART III, which deals with the merger of the Transferor Company into the Transferee Company;
4. PART IV, which deals with the accounting treatment to the Transferor Company and the Transferee Company under this Scheme;
5. PART V, which deals with the general terms and conditions as applicable to this Scheme.

PART II

1. **DEFINITIONS**

In this Scheme, unless inconsistent with the meaning or context, the following expressions shall have the following meanings:-

- 1.1 "Act" means the Companies Act, 2013 including any statutory modifications, re-enactment rules, regulations, notifications, amendments or statutory replacement or re-enactment or amendments thereof.
- 1.2 "Appointed Date" means 1st day of October, 2017.



- 1.3 **"Board of Directors"** in relation to Transferor Company and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 1.4 **"BSE"** means the BSE Limited.
- 1.5 **"Effective Date"** means the date on which certified copies of the order passed by the National Company Law Tribunal [NCLT] is filed with the Registrar of Companies, Maharashtra at Mumbai.
- 1.6 **"NSE"** means the National Stock Exchange of India Limited.
- 1.7 **"Scheme"** means this Scheme of Amalgamation in its present form submitted to the NCLT for sanction or with any modification(s) made under Clause 14 of this Scheme and/or any modification(s) approved or imposed or directed by the NCLT.
- 1.8 **"Stock Exchange"** shall have the same meaning as ascribed to it under the Securities Contract (Regulation) Act, 1956.
- 1.9 **"Transferee Company"** means Hinduja Ventures Limited, a company incorporated under the Companies Act, 1956, and having its registered office situated at In Centre, 49/50 MIDC, 12th Road Andheri (East), Mumbai-400093.
- 1.10 **"Transferor Company"** means Grant Investrade Limited, a company incorporated under the Companies Act, 1956, having its registered office situated at In Centre, 49/50, MIDC, 12th Road. Mumbai- 400093.
- 1.11 **"Tribunal" or "the NCLT"** means the National Company Law Tribunal ["NCLT"] constituted under Section 408.
- 1.12 **"Undertaking"** means and includes:
- a. all the assets and properties of the Transferor Company as on the Appointed Date i.e. all the undertakings, the entire business, all the properties (whether movable or immovable – freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, including any advances for acquisition of land, allotment letters, sanctions, approvals, permits granted by any government or any other authority, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, guarantees, authorizations, approvals, agreements, contracts, leases, licenses, registrations, tenancies, benefits, of all taxes including but not limited to Minimum Alternate Tax ("MAT") paid under Section 115JA/115JB of the Income Tax Act, 1961 ("IT Act"), advance taxes and tax deducted at source, right to carry forward and set off unabsorbed losses and depreciation, unutilized MAT credit under the provisions of the IT Act, right to claim deductions under Section 80-IA of the IT Act including its continuing benefits; engagements, arrangements of all kinds, exemptions, benefits, incentives, privileges and rights under State tariff regulations and under various laws, all facilities and entitlements given by the Office of Development Commission, Special Economic Zones (SEZ) under the SEZ Act, 2005 and rules made there under, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights to use and avail of telephones, telexes, facsimile, email, interest, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favor of or held for the benefit of or enjoyed by



the Transferor Company or which have accrued to the Transferor Company as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, (hereinafter referred to as the "Assets");

- b. all the debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date (hereinafter referred to as the "Liabilities");
- c. without prejudice to the generality of sub-Clause (a) above, the Undertaking of the Transferor Company shall include all the Transferor Company's Reserves, the movable and immovable properties, assets, including mining leases, lease-hold rights, tenancy rights, industrial and other licenses, permits, authorizations, quota rights, trade marks, patents and other industrial and intellectual properties, import quotas, telephones, telex, facsimile and other communication facilities, rights and benefits of all agreements, guarantees including guarantees given by the State Government(s), all facilities and entitlements given by the Office of Development Commission, Special Economic Zones (SEZ) under the SEZ Act, 2005 and rules made there under, deeds, bonds, insurance policies and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals of whatsoever nature and wheresoever's situated, belonging to or in the ownership, power or possession or control of the Transferor Company.
- d. all earnest monies and/or security deposits paid by the Transferor Company.
- e. all the employees of the Transferor Company who are willing to become the employees of the Transferee Company.

2. SHARE CAPITAL

- 2.1 The Authorized, Issued, Subscribed and Paid-up Share Capital of the Transferor Company as on 31st March, 2017 and as on 30th September, 2017 was as under:-

Grant Investrade Limited (Transferor Company)

Grant Investrade Limited	
Particulars	Amount in Rs.
Authorized Share Capital	
70,00,000 Equity Shares of Rs.10 each	7,00,00,000
30,00,000 Preference shares of Rs. 10 each	3,00,00,000
Total Authorised Share Capital	10,00,00,000
Issued, Subscribed and Paid-up	
67,89,420 Equity Shares of Rs. 10 each, fully paid-up	6,78,94,200

Subsequent to the above date and till the date of filing the Scheme with the Tribunal, there has been no change in the issued, subscribed and paid up capital of the Transferor Company.

- 2.2 The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferee Company as on 31st March, 2017 and as on 30th September, 2017 was as under:



HVL (Transferee Company)

Hinduja Ventures Limited	
Particulars	Amount in Rs
Authorised Share Capital	
8,00,00,000 Equity Shares of Rs. 10 each	80,00,00,000
1,000 9.50% Preference Shares of Rs100 each	1,00,000
Total Authorised Share Capital	80,01,00,000
Issued, Subscribed, Called-up and Paid-up Capital	
2,05,55,503 Equity Shares of Rs. 10 each, fully paid-up	20,55,55,030

Subsequent to the above date and till the date of filing the Scheme with the Tribunal, there has been no change in the issued, subscribed and paid up capital of the Transferee Company. .

2.3 Financial Position:

The summarized financial position of the Transferor Company and the Transferee Company as per their respective latest Audited Accounts as on 31st March, 2017 is as under:

GIL (Transferor Company)

	Amount (Rs. in Lacs)
Particulars	As at 31 st March, 2017
<u>EQUITY AND LIABILITIES</u>	
Shareholder's Funds	
Share Capital	678.94
Reserves and Surplus	11,029.57
	11,708.51
Non- Current Liabilities	
Long-term provisions	-
Deferred Tax Liabilities(Net)	-
Other Long Term Liabilities	-
Long-term borrowings	-
	-
Current Liabilities	
Short- term borrowings	50,130.00
Trade payables	16.76
Other current Liabilities	2,823.75
Short- term provisions	1.43
	52,971.94
TOTAL	64,680.45
<u>ASSETS</u>	



HVL
(Transferee
Company)

Non-current assets	
Fixed assets	
Tangible assets	-
Intangible assets	-
Non Current Investments	63,456.73
Long –term loans and advances	285.88
Other Non- Current Asset	-
	63,742.61
Current assets	
Trade receivables	66.78
Cash and Bank balances	869.17
Short-term loans and advances	1.89
Other current assets	-
	937.84
TOTAL	64,680.45

Particulars	Amount (Rs. in Lacs)
	As at 31 st March, 2017
EQUITY AND LIABILITIES	
<u>Shareholders' Funds:</u>	
Share Capital	2,055.55
Reserves and Surplus	100,779.49
	102,835.04
<u>Non – Current Liabilities</u>	
Long Term Borrowings	22,500.00
Deferred Tax Liabilities (net)	74.58
Long Term Provisions	46.61
	22,621.19
<u>Current Liabilities</u>	
Short Term Borrowings	3,683.60
Trade Payables	41.31
Other Current Liabilities	12,136.14
Short Term Provisions	360.19
	16,221.24



TOTAL	141,677.47
ASSETS	
<u>Non- current assets</u>	
Fixed Assets	
Tangible	1,171.36
Intangible	1.65
	1,173.01
Non –current investments	43,399.51
Long term loans and advances	8,458.47
	53,030.99
<u>Current Assets</u>	
Inventories	43,087.79
Trade Receivables	251.90
Cash and cash equivalents	556.32
Short- term loans and advances	44,692.38
Other current assets	58.09
	88,646.48
TOTAL	141,677.47

Full details of the financial positions are given in the Audited Accounts of the Transferor Company and the Transferee Company.

- 2.4 The existing equity shares of the Transferee Company are listed on NSE and the BSE. The equity shares of the Transferor Company are not listed on any Stock Exchange.
- 2.5 The Transferor Company is a wholly owned subsidiary of the Transferee Company. The entire Share Capital of the Transferor Company is owned by Transferee Company.

PART III

3. TRANSFER AND VESTING

- 3.1 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Company along with its Undertaking shall stand merged with and be vested in the Transferee Company, as a going concern, without any further act or instrument and pursuant to the provisions of Sections 230 to 232 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.



- 3.2 With effect from the Appointed Date, the entire business and the whole of the Undertaking of the Transferor Company shall, without any further act or deed, be and stand transferred to and vested in or deemed to have been transferred to or vested in the Transferee Company as a going concern, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act, PROVIDED ALWAYS that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further or additional security after the amalgamation has become effective or otherwise. The transfer/vesting as aforesaid shall be subject to the existing charges/hypothecation over or in respect of the Assets or any part thereof of the Transferor Company. Further, the Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or other financial assistance availed /to be availed by the Transferor Company or the Transferee Company. Similarly, the Promoters shall not be required to provide additional collateral security by way of pledge of their shareholding in the Transferor/Transferee Company.
- 3.3 As on the date of the Board Meeting approving this Scheme, an in-principle approval was granted by Ministry of Information and Broadcasting ('MIB') for transfer of HITS licence of GIL which would be deemed to have been transferred to IndusInd Media & Communications Limited ("IMCL") pursuant to the scheme of arrangement between GIL and IMCL as approved by NCLT. However, the application for transfer of the said licence is pending with MIB as on the date of the Board Meeting approving this Scheme and on approval, HITS licence would be the property of IMCL.
- 3.4 Any legal or other proceedings by or against Transferor Company pending on the Effective Date and relating to the Undertaking (including property rights, powers, liabilities, obligations and duties) of Transferor Company shall be continued 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 and enforced by or against Transferor Company.
- 3.5 It is expressly provided that in respect of such of the assets of the Transferor Company as are moveable in nature or are otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company by physical delivery and shall become the property of the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act.
- 3.6 In respect of such of the Assets other than those referred to in sub-Clause 3.4 above, they shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act and shall form an integral part of the Undertaking.
- 3.7 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.
- 3.8 With effect from the Appointed Date, all liabilities, debts, duties and obligations of the Transferor Company shall, without any further act or deed, also stand transferred to the Transferee Company, pursuant to the applicable provisions of the Act, so as to become as from the Appointed Date, the liabilities, debts, duties and obligations of the Transferee Company.
- 3.9 Upon the coming into effect of the Scheme, benefits of all taxes paid including but not limited to MAT paid under Section 115JA/115JB of the IT Act, advance taxes and tax deducted at source, right to carry forward and set off unabsorbed losses and depreciation, unutilized MAT credit under the provisions of the IT Act, right to claim deductions under Section 80-IA of the IT Act including its continuing benefits, 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 as effectively as if the Transferee Company had paid the same and shall be deemed to be the rights/claims of the Transferee Company. All unavailed credits, set offs, claims for refunds under any State VAT Acts, CST Acts, Central Excise and Service Tax provisions or any other State or Central statutes regardless of the period to which they may relate, shall stand transferred to the benefit of and shall be available in the hands of the Transferee Company without restrictions under the respective provisions.

- 3.10 All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Company, duties and obligations of the Transferor Company alongwith any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Company are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Company shall without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Company and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- 3.11 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, benefits, licenses, consents, allotment letters, sanctions, approvals, permissions and authorities etc. as described in Clause 3.1 accrued to and/or acquired by the Transferor Company after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 232 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, rights, titles, interests, benefits, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 3.12 All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date.
- 3.13 All inter party transactions between the Transferor Company and the Transferee Company which as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Company and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 3.14 The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation/ notice in favour of any other party to any contract or arrangement to which the Transferor Company are party of any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.

4. ALTERATIONS/AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF TRANSFEE COMPANY:



With respect to the Transferee Company, upon the Scheme being effective:

4.1 Upon sanction of this Scheme, the authorised share capital of the HVL shall stand increased without any further act, instrument or deed on the part of HVL including payment of stamp duty and fees payable to Registrar of Companies, by the authorised share capital of GIL amounting to Rs. 10,00,00,000/- (Rupees Ten Crores Only) comprising of 30,00,000 Preference shares of Rs. 10 each aggregating to Rs. 3,00,00,000 (Rupees Three Crores Only) and 70,00,000 Equity Shares of Rs.10 each aggregating to Rs. 7,00,00,000/- (Rupees Seven Crores Only) and the Memorandum of Association and Articles of Association of HVL (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 of HVL to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorized capital of GIL shall be utilized and applied to the increased authorized share capital of HVL and there would be no requirement for any further payment of stamp duty and/or fee by HVL for increase in the authorised share capital to that extent.

4.2 Consequent upon the Scheme becoming effective, the authorised share capital of HVL will be as under:

Particulars	Amount in Rupees
Authorised Capital	
8,70,00,000 Equity Shares of Rs. 10/- each	87,00,00,000
30,00,000 Preference Shares of Rs. 10/- each	3,00,00,000
1,000 9.50% Preference Shares of Rs. 100/- each	1,00,000
Total	90,01,00,000

4.3 It is clarified that the approval of the members of HVL to the Scheme shall be deemed to be their consent/ approval also to the alteration of the Memorandum and Articles of Association of HVL as may be required under the Act.

4.4 With effect from the Appointed date, without following any further procedure, the Transferee Company shall be deemed to be authorized to commence such business as laid down in the Main and Object Clauses of the Memorandum of Association of the Transferor Company.

5. NO ISSUE OF SHARES BY THE TRANSFEE COMPANY

Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, on amalgamation, neither any consideration will be paid nor any shares shall be issued by the Transferee Company to any person in consideration of or consequent upon the amalgamation and the shares of the Transferor Company held by the Transferee Company shall stand extinguished upon the Scheme becoming effective.

6. DIRECTORS

Upon the Scheme finally coming into effect, the Directors of the Transferor Company shall cease to be the Directors of the Transferor Company.

7. TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE:

7.1 With effect from the Appointed Date and upto and including the Effective Date:



- (i) the Transferor Company shall be deemed to have been carrying on and shall carry on all business and activities relating to the Undertaking and stand possessed of the properties so to be transferred, for and on account of and in trust for the Transferee Company, including but without limitation, power generation and sale, acquisition and setting up of new power plants, investment in subsidiaries/other companies and payment of advance income tax and subsequent installments of income tax, sales tax, excise and other statutory levies, etc.
- (ii) all incomes, profits, benefits and incentives accruing to the Transferor Company or losses arising or incurred by it relating to the Undertaking shall, for all purposes, be treated as the incomes, profits, benefits and incentives or losses, as the case may be, of the Transferee Company;
- (iii) The Transferee Company shall have the right to claim refund of payment of the taxes arising on account of transactions entered into between the Transferor Company and the Transferee Company between the Appointed Date and the Effective Date.

7.2 The Transferor Company hereby undertakes, from the Appointed Date up to and including the Effective Date –

- (i) to carry on the business of the Undertaking with reasonable diligence and business prudence and not to borrow alienate, charge, mortgage, encumber or otherwise deal with or dispose of the Undertaking or any part thereof, or to undertake any new business or a substantial expansion of its existing business except with the prior written consent of the Transferee company.
- (ii) not to utilise the profits, if any, relating to the Undertaking for the purposes of declaring or paying any dividend in respect of the period falling on and after the Appointed Day without obtaining prior approval of the Transferee Company.

8. TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES:

On and from the Effective Date:

- 8.1 All employees of the Transferor Company in service on the Effective Date shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions not less favourable than those on which they are engaged by the Transferor Company as on the Effective Date.
- 8.2 The accumulated balances standing to the credit of the employees of the Transferor Company on the Effective Date in the Provident Fund, Gratuity Fund, Superannuation Fund and/or other Funds and including any surplus in any such Funds created or existing for the benefit of the employees of the Transferor Company shall be identified, determined and transferred to the corresponding funds of the Transferee Company in due course.

9. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS:

- 9.1 Subject to other provisions of this Scheme, the Transferee Company shall accept all acts, deeds and things relating to the Undertaking of the Transferor Company done and executed by and/or on behalf of the Transferor Company on or after the Appointed Date as acts, deeds and things done and executed by and/or on behalf of the Transferee Company.
- 9.2 Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, leases, insurance policies and other instrument of whatsoever nature relating to the Undertaking to which the Transferor Company is a party and subsisting or having effect on or before the Effective date shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if, instead of the Transferor Company, the Transferee Company had at all material times been a party thereto.
- 9.3 On this Scheme finally taking effect as aforesaid:



- (i) All the agreements, guarantees, approvals, consents, permissions, licenses, sanctions, leases and the like entered into with and/or given by, as the case may be, the various Central/ State Governments, statutory or regulatory body or agencies or third parties with respect to port projects with respect to the Transferor Company shall, without any further act, deed, matter or thing, stand transferred to and vested in the Transferee Company;
- (ii) All business activities engaged in by the Transferor Company shall be continued by the Transferee Company under its new name; and
- (iii) The Transferor Company shall stand dissolved without winding up.

10. LEGAL PROCEEDINGS:

If any suit, writ petition, appeal, revision or other proceedings of whatever nature (hereinafter called the "Proceedings") by or against the Transferor Company be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Company or of anything contained in the Scheme, but the 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 be or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.

PART IV

11. ACCOUNTING TREATMENT:

11.1 Upon the Scheme becoming effective:

- 11.1.1 The Transferee Company shall account for amalgamation in accordance with the 'Pooling of Interest Method of Accounting' laid down by Accounting Standard 14 (Accounting for Amalgamation).
- 11.1.2 With effect from the Appointed Date, all the assets and liabilities, including reserves of Transferor Company shall be recorded in the books of the Transferee Company at their existing carrying values and in the same form.
- 11.1.3 Inter-company balances, if any, will stand cancelled.
- 11.1.4 The difference between the share capital of the Transferor Company and investment in the Transferor Company recorded in the books of the Transferee Company shall be adjusted in the Capital Reserve Account.
- 11.1.5 All transactions entered between the Appointed Date and the Effective Date between the Transferor Company and the Transferee Company shall stand cancelled.
- 11.1.6 In case of any differences in accounting policies between the Transferor Company and the Transferee Company, adjustments shall be made to conform to the accounting policies and methods adopted by the Transferee Company.
- 11.1.7 The amalgamation of Transferor Company with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961.

12. TAX TREATMENT

The amalgamation of Transferor Company with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961 and Section 47 of Income Tax Act, 1961.



- 12.1 Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956, any other State Sales Tax/ Value Added Tax laws, Service Tax, Central Goods and Service Tax law (CGST), State Goods and Service Tax law (SGST) and Integrated Goods and Service Tax law (IGST) etc.), stamp laws or other applicable laws/ regulations (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 accounts made, as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.
- 12.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, CGST, SGST, IGST, etc.) paid or 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 Transferee Company and, insofar as it relates to the tax payment (including without limitation to income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, CGST, SGST, IGST etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by Transferee Company and, shall, in all proceedings, be dealt with accordingly.
- 12.3 Any refund under the Tax Laws received by / due to Transferor Company consequent to the assessments made on Transferor Company subsequent to the Appointed Date pertaining to the business transferred 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 Transferee Company.
- 12.4 Without prejudice to the generality of the above, all benefits under the income tax including dividend tax, sales tax, MAT, excise duty, customs duty, service tax, VAT, CGST, SGST, IGST, etc., to which the Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in Transferee Company.

PART V

13. APPLICATION TO THE NCLT

On the Scheme being agreed to by the requisite majorities of the members of the Transferor Company and the Transferee Company, the Transferor Company and the Transferee Company shall respectively and/or jointly with reasonable dispatch, apply to the NCLT for sanctioning this Scheme of Amalgamation under Sections 230 to 232 of the Act and for an order or orders under Section 232 of the Act for carrying this Scheme into effect.



14. MODIFICATIONS/AMENDMENTS TO THE SCHEME:

- 14.1. The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors) may, in their full and absolute discretion, assent to any alterations or modifications in this Scheme which the Court may deem fit to approve or impose and may give such directions as they may consider necessary to settle any questions or difficulty that may arise under the Scheme or in regard to its implementation or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder of the respective Company). In the event that any conditions are imposed by the NCLT which the Transferor Company or the Transferee Company find unacceptable for any reason whatsoever then the Transferor Company and/or the Transferee Company shall be entitled to withdraw from the Scheme.
- 14.2 For the purpose of giving effect to the Scheme or to any modification thereof, the Board of Directors or a Committee appointed by the Board of the Transferee Company are hereby authorized to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

15. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS:

The Scheme is conditional upon and subject to:

- (i) The Scheme being agreed to by the respective requisite majorities of the members and creditors of the Transferor Company and the Transferee Company and the requisite order or orders referred to in Clause 13 hereof being obtained;
- (ii) The sanction of the Scheme by the NCLT under Sections 230 to 232 of the Act;
- (iii) The certified copies of the order of the NCLT referred to in Clause 13 above being filed with the Registrar of Companies, Maharashtra at Mumbai.
- (iv) Any other sanction or approval of any governmental or regulatory authority, as may be considered necessary and appropriate by the respective Board of Directors of the Transferor Company and the Transferee Company, being obtained and granted in respect of any of the matters for which such sanction or approval is required.

16. EFFECTIVE DATE OF THE SCHEME:

- 16.1 This Scheme shall become effective when all the following conditions are fulfilled:
- (i) The Scheme being approved by the requisite majority of the shareholders and creditors of the Transferor Company and the Transferee Company as may be required under the Act and/or the orders of the NCLT.
 - (ii) The Scheme is sanctioned by the said NCLT under Section 230 to 232 of the Act.
 - (iii) The certified copy of the order of the said NCLT sanctioning the Scheme is filed with the Registrar of Companies, Maharashtra at Mumbai.
- 16.2 In the event of this Scheme failing to take effect finally within such period or periods as may be decided by the Transferor Company (by its Directors) and the Transferee Company (by its Directors), this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or by incurred inter se to or by the Parties or any one of them. In such a case, each company shall bear its own cost or as may be mutually agreed.
- 16.3 The Transferor Company and the Transferee Company shall be at liberty to withdraw this Scheme at any time as may be mutually agreed through the Board of Directors of the Transferor Company and the Transferee Company. In such a case, each company shall bear its own cost or as may be mutually agreed.



17. OPERATIVE DATE OF THE SCHEME:

The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date.

18. DISSOLUTION OF THE TRANSFEROR COMPANY:

On the Scheme becoming effective, the Transferor Company shall be dissolved without winding up in accordance with the provisions of Sections 230 to 232 of the Act.

19 SCHEME RENDERED NULL AND VOID

19.1 This Scheme although comes into operation from the Appointed Date shall not become effective until the last of the date on which the last of the aforesaid consents, approvals, permissions, resolutions and orders as mentioned in Clause 15 shall be obtained or passed. The last of such dates shall be the "Effective Date" for the purpose of this Scheme.

19.2 In the event of this Scheme failing to take effect finally within such period or periods as may be decided by the Transferor Company (by its Directors) and the Transferee Company (by its Directors), this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the Parties or any one of them.

19.3 In the event the Board of Directors of the Transferor Company and the Transferee Company, either through itself or through a committee appointed in this behalf, agree to proceed with the sanctioning of the Scheme in part, the Transferor Company and the Transferee Company shall proceed with the NCLT's Order for sanctioning of the Scheme in part.

20. EXPENSES CONNECTED WITH THE SCHEME:

20.1 Save and except as provided elsewhere in the Scheme, all costs, charges taxes, levies and other expenses including registration fee of any deed, in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of the Scheme shall be borne and paid by the Transferee Company.

20.2 In the event that this Scheme fails to take effect within such period or periods as may be decided by the Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors), or the Scheme is rendered null and void in terms of Clause 19 above of this Scheme then, the Transferor Company and Transferee Company shall bear their own costs and expenses incurred by them, in relation to or in connection with the Scheme.

21. GENERAL TERMS AND CONDITIONS:

21.1 The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make all applications / petitions under Section 230 and 232 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.

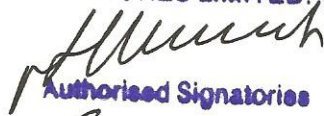
21.2 The respective Board of Directors of the Transferor Company and the Transferee Company may empower any Committee of Directors or Officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.

21.3 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Company and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.



- 21.4 If any part of this Scheme is invalid, ruled illegal by any court(s) or authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.
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For HINDUJA VENTURES LIMITED.


Authorised Signatories
Company Secretary