ANNEXURE 2A

SCHEME OF ARRANGEMENT

BETWEEN

INDUSIND MEDIA AND COMMUNICATIONS LIMITED
(DEMERGED COMPANY)

AND

HINDUJA VENTURES LIMITED
(RESULTING COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS

(UNDER SECTION 230 TO 232 READ WITH SECTION 52 AND 66 OF THE COMPANIES ACT, 2013 AND RELEVANT RULES MADE THEREUNDER)

(A) PREAMBLE:

This Scheme of Arrangement between IndusInd Media and Communications Limited and Hinduja Ventures Limited and their respective Shareholders ("**the Scheme**", more particularly defined hereinafter) for demerger is presented under the provisions of Sections 230 to 232 read with Sections 52 and 66 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Section 2(19AA) and other relevant provisions of the Income-tax Act, 1961, as may be applicable, for Demerger of the Media and Communication Undertaking (more particularly defined hereinafter) of IndusInd Media and Communications Limited and vesting of the same in Hinduja Ventures Limited on a going concern basis.

(B) BACKGROUND AND DESCRIPTION OF THE COMPANIES:

1. **IndusInd Media and Communications Limited** (hereinafter referred to as "**IMCL**" or the "**Demerged Company**"), was incorporated as a public limited company under the Companies Act, 1956 on 23rd February, 1995 in the State of Maharashtra with CIN U92132MH1995PLC085835. The Registered office of the Demerged Company is situated at In Centre, 49/50, MIDC, 12th Road, Andheri (East), Mumbai - 400093.

2. The Demerged Company is currently engaged in the business of Media and Communications business consisting of Cable TV, HITS platform (Media and Communication Undertaking); Technical services business (including investments in JVs); and Passive infrastructure business.

3. **Hinduja Ventures Limited** (hereinafter referred to as "**HVL**" or the "**Resulting 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 with CIN L51900MH1985PLC036896. The name of the Resulting 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 Resulting Company was further changed from "Hinduja Finance Corporation Limited" to "Hinduja TMT Limited" and a fresh

HINDUJA VENTURES LIMITED

Certificate of Incorporation consequent upon the change of name was issued on 8th June, 2001. The name of the Resulting 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 Resulting Company is situated at In Centre, 49/50, MIDC, 12th Road, Andheri (East) Mumbai-400093. The equity shares of RESULTING COMPANY are listed on the BSE Limited and the National Stock Exchange of India Limited.

4. The Resulting Company is currently engaged in the business of Media, Real Estate, Treasury, Dark Fiber Leasing business and has close to 4,000 kilometers of underground and overhead Dark Fiber network across the country and is also engaged in the business of high sea sale of set-top boxes.

(C) RATIONALE OF THE SCHEME:

1. Demerged Company and Resulting Company are part of the Hinduja Group. Demerged Company has grown into one of India's largest integrated media companies. Accordingly, in 2017 as a step towards consolidation of media and communications business, the Headend in the Sky ("HITS") business was transferred by Grant Investrade Ltd. (a Hinduja Group Company), to Demerged Company pursuant to scheme of arrangement. The Resulting Company holds 77.55 % of shares in the Demerged Company.

2. Recognizing the growth potential of the 'Media and Communications Undertaking' of the Demerged Company (more particularly defined hereinafter) in the backdrop of the fact that Demerged Company's 'Media and Communications Undertaking' has matured and the associated risks have reduced significantly as well as the recent regulatory reforms (New Tariff Order) providing additional stimuli, Resulting Company is proposing to consolidate this vertical as it feels that this will create a new platform for it go to the next level of performance.

3. The Resulting Company is streamlining its business and proposes to consolidate its Media and Communications Undertaking carried on by its subsidiary i.e. Demerged Company into a single company. As part of this arrangement, the Media and Communications Undertaking of Demerged Company will be demerged into Resulting Company.

4. Pursuant to this restructuring, the media business of the Group will be consolidated into a single group which will assist in achieving flexibility, scale and financial strength. Upon segregation of identified business undertaking, Resulting Company and Demerged Company shall be able to achieve higher long-term financial returns, increased competitive strength, cost reduction and efficiencies, productivity gains, and logistical advantages, thereby significantly contributing to future growth in their respective business verticals.

5. Apart from the various benefits/advantages stated and illustrated above, the management of the Resulting Company and Demerged Company are of the opinion that the following benefits shall also be enjoyed and realized by all the stakeholders:

   i. **Consolidation and growth of Media and Communications Undertaking:** The demerger will enable Resulting Company to consolidate similar businesses into a single company. This will enable Resulting Company with an opportunity to provide services in a seamless manner to its customers. Further, this will also help Resulting Company to demonstrate its capability and provide competitive advantages *vis-à-vis* its competitors.

   ii. **Focused Management, Organization Efficiency and Operational Synergies:** Consolidation of the business into a single consolidated entity shall enable focused strategies, management, investment and leadership for the consolidated entity and further result into organization efficiency and operational synergies;

HINDUJA VENTURES LIMITED

iii. **Unlock shareholders value:** The proposed consolidation will create long term value for the shareholders by unlocking value since the business and profits will accrue to a single entity i.e. Resulting Company;

iv. **Efficiency in Fund raising for harnessing future growth:** Housing of Media and Communications Undertaking in Resulting Company directly shall facilitate and provide adequate opportunities to mobilize the financial resources of Resulting Company for the growth of the Media and Communications Undertaking and also streamline the process for fund raising;

(D) The proposed Scheme, with effect from the Appointed Date is in the interest of the shareholders, creditors, stakeholders and employees, as it would enable a focused business approach for the maximization of benefits to all stakeholders and for the purposes of synergies of business.

(E) This Scheme is divided into the following parts:

(i) Part I, which deals with the definitions and share capital of the Demerged Company and Resulting Company;

(ii) Part II, which deals with the demerger of the Media and Communications Undertaking of the Demerged Company into the Resulting Company; and

(iii) Part III, which deals with the general terms and conditions as applicable to the Scheme.

PART I

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 and any rules, regulations, circulars or guidelines issued thereunder and shall, if the context so requires and as may be applicable, mean the Companies Act, 1956 and any rules, regulations, circulars or guidelines issued thereunder, as amended from time to time and shall include any statutory replacement or re-enactment thereof.

1.2. "**Appointed Date**" in relation to the Scheme means 1st October, 2019.

1.3. "**Board of Directors**" in relation to Demerged Company and/or the Resulting 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, the designated stock exchange of the Resulting Company.

1.5. **"Competent Authority"** means the National Company Law Tribunal (**"NCLT"**) as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under the relevant provisions of the Act.

1.6. **"Demerged Company"** means IndusInd Media and Communications Limited, a company incorporated under the Companies Act 1956 with CIN U92132MH1995PLC085835 and having its registered office situated at In Centre, 49/50, MIDC, 12th Road, Andheri (East) Mumbai-400093.

HINDUJA VENTURES LIMITED

1.7. **"Effective Date"** means the Appointed Date or the date on which the last of conditions referred to in Clause 15 hereof have been fulfilled, whichever is later. Reference in this Scheme to the "date of coming into effect of this Scheme" or "upon the Scheme becoming effective" shall also mean the Effective Date.

1.8. **"Media and Communications Undertaking"** means activities of development, operation, marketing, sale and distribution of television channels through the medium of various modes of transmission undertaken by the Demerged Company and includes:

1.8.1. All assets (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent) and liabilities pertaining thereto.

1.8.2. Without prejudice to the generality of the provisions of sub-clause 1.5.1 above, the Media and Communications Undertaking shall include in particular:

(i) All properties of or required for the above business wherever situated, including all fixed assets, plant and machinery, current assets, funds, capital work in progress, furniture, fixtures, office equipment, debtors, investments, vehicles, deposits, loans and advances, appliances and accessories;

(ii) All permits, rights, entitlements, industrial and other licenses (including but not limited to HITS license), brands (including but not limited to NXTDIGITAL, INDIGITAL, INNETWORK, INCABLENET, and IN Brands), registered and unregistered trademarks, copyrights, designs, and all other intellectual property, bids, tenders, letters of intent, expressions of interest, municipal and other statutory permissions, approvals, consents, licenses, registrations, tenancies, subsidies, concessions, exemptions, remissions, tax deferrals, brought forward tax losses and unabsorbed depreciation, 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, etc., Goods and Service Tax (GST) credit, SGST, CGST and IGST credits, 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,, bank accounts, lease rights, licenses, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Media and Communications Undertaking;

(iii) All records, files, papers, engineering and process information, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form in connection with or relating to the Media and Communications Undertaking; and

(iv) Fixed deposits, debts, duties, obligations, and liabilities (including contingent liabilities) relatable to the Media and Communications Undertaking.

For the purpose of this Scheme, it is clarified that liabilities pertaining to the Media and Communications Undertaking includes:

(i) The liabilities, which arise out of the activities or operations of the Media and Communications Undertaking.

HINDUJA VENTURES LIMITED

(ii) Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the Media and Communications Undertaking.

(iii) Liabilities other than those referred to in sub-clauses (i) and (ii) above, being the amounts of general or multipurpose borrowings of IMCL, allocated to the Media and Communications Undertaking in the same proportion in which the value of the assets transferred under this Scheme bear to the total value of the assets of Media and Communications Undertaking immediately before giving effect to this Scheme.

1.8.3. All permanent employees of the Media and Communications Undertaking, as identified by the Board of Directors of Demerged Company, as on the Effective Date.

1.8.4. Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Media and Communications Undertaking or whether it arises out of the activities or operations of the Media and Communications Undertaking shall be decided by mutual agreement between the Board of Directors of Demerged and Resulting Company;

1.9. **"NSE"** means the National Stock Exchange of India Limited.

1.10. **"Record Date"** means such date after the Effective Date when the Board of Directors of the Resulting Company may decide for the purposes of issue and allotment of Equity Shares under the Scheme.

1.11. **"Residual Demerged Company"** means businesses of Demerged Company other than the Media and Communications Undertaking as defined in Clause 1.8 and shall specifically include the passive infrastructure, technical service division and investments in subsidiaries and joint ventures, as may be identified by the Board of Directors of Demerged Company.

1.12. "**Resulting Company**" means Hinduja Ventures Limited, a company incorporated under the Companies Act, 1956 with CIN L51900MH1985PLC036896, and having its registered office situated at In Centre, 49/50 MIDC, 12th Road Andheri (East), Mumbai-400093.

1.13. "**Scheme**" means this Scheme of Arrangement in its present form submitted to the Competent Authority for sanction or with any modification(s) made under Clause 13 of this Scheme and/or any modification(s) approved or imposed or directed by the Competent Authority.

1.14. **"SEBI"** means the Securities and Exchange Board of India

1.15. **"SEBI Circular"** means (i) Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, (ii) Circular No. CFD/DIL3/CIR/2017/26 dated March 23, 2017, (iii) Circular No. CFD/ DIL3/CIR/2017/105 dated September 21, 2017, (iv) Circular No. CFD/DIL3/CIR/2018/2 dated January 3, 2018 issued by SEBI or any other Circulars issued by SEBI applicable to schemes of arrangement from time to time.

1.16. "**Stock Exchange**" shall have the same meaning as ascribed to it under the Securities Contract (Regulation) Act, 1956.

2. SHARE CAPITAL

2.1 The Authorised, Issued, Subscribed and Paid-up Share Capital of the Demerged Company as on 31st July 2019 is as under:-

HINDUJA VENTURES LIMITED

IndusInd Media and Communications Limited (Demerged Company)	
Particulars	**Amount in Rs**
Authorised Share Capital	
25,00,00,000 equity shares of Rs. 10 each	250,00,00,000
20,00,00,000 preference shares of Rs. 10 each	200,00,00,000
Total	**450,00,00,000**
Issued, Subscribed, Called-up and Paid-up Capital	
19,46,30,623 equity shares of Rs. 10 each	194,63,06,230
Total	**194,63,06,230**

There has been no change in the share capital of Demerged Company post 31st July, 2019.

2.2 The Authorised, Issued, Subscribed and Paid-up Share Capital of the Resulting Company as on 31st July, 2019 is as under:

Hinduja Ventures Limited (Resulting Company)	
Particulars	**Amount in Rs**
Authorised Share Capital	
870,00,000 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**
Issued, Subscribed, Called-up and Paid-up Capital	
2,05,55,503 equity shares of Rs 10 each	20,55,55,030
Total	**20,55,55,030**

There has been no change in the share capital of Resulting Company post 31st July, 2019. .

2.3 The equity shares of the Resulting Company are listed on the NSE and the BSE. The equity shares of the Demerged Company are not listed on any Stock Exchange.

2.4 The Demerged Company is a subsidiary of the Resulting Company. 77.55% of the paid up equity share capital of the Demerged Company is directly held by the Resulting Company. Balance equity share capital is held by other shareholders.

PART II - DEMERGER OF MEDIA AND COMMUNICATIONS UNDERTAKING OF DEMERGED COMPANY INTO RESULTING COMPANY

3. TRANSFER AND VESTING OF MEDIA AND COMMUNICATIONS UNDERTAKING

3.1 The Media and Communications Undertaking of Demerged Company, as defined in Clause 1.8, shall stand transferred to and vested in or deemed to be transferred to and vested in Resulting Company, as a going concern, in accordance with Section 2(19AA) of the Income Tax Act, 1961. If any terms or provisions of

HINDUJA VENTURES LIMITED

the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961.

3.2 With effect from the Appointed Date, the whole of the undertaking and assets and properties and brands of the Media and Communications Undertaking, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred to and vested in and/or deemed to be transferred to and vested in Resulting Company, so as to vest in Resulting Company all the rights, title and interest pertaining to the Media and Communications Undertaking.

3.3 With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of Demerged Company relatable to the Media and Communications Undertaking shall, without any further act or deed be and stand transferred to Resulting Company so as to become as from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of Resulting Company and 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, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

3.4 After the Effective Date, Resulting Company undertakes to meet, discharge and satisfy the said liabilities to the exclusion of Demerged Company and to keep Demerged Company indemnified at all times from and against all such liabilities and from and against all actions, demands and proceedings in respect thereto.

3.5 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents including but not limited to HITS license, brands including but not limited to NXTDIGITAL, INDIGITAL, INNETWORK, INCABLENET, and IN Brands, registered and unregistered trademarks, copyrights, designs, and all other intellectual property held by Demerged Company required to carry on operations in the Media and Communications Undertaking shall stand vested in or transferred to Resulting Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favor of Resulting Company. The benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to Resulting Company pursuant to the Scheme. In so far as the various incentives given by the Government of Maharashtra, subsidies, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by Demerged Company relating to the Media and Communications Undertaking, are concerned, the same shall vest with and be available to Resulting Company on the same terms and conditions.

3.6 With effect from the Appointed Date all the accumulated and unabsorbed depreciation tax losses pertaining to the Media and Communications Undertaking shall stand vested in or transferred to Resulting Company in terms of Section 72A(4) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 72A(4) of the Income-tax Act, 1961.

3.7 The transfer and vesting of Media and Communications Undertaking as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof relatable to Media and Communications Undertaking to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of the Media and Communications Undertaking.

HINDUJA VENTURES LIMITED

4. CONSIDERATION

4.1 Upon this Scheme becoming effective and upon vesting of the Media and Communications Undertaking of Demerged Company in Resulting Company in terms of this Scheme, Resulting Company shall without any further application or deed, issue and allot equity shares, credited as fully paid-up, to the extent indicated below, to the equity shareholders of Demerged Company (other than itself and prior to giving effect to the capital reduction of the Demerged Company as per Clause 5.1.3 below), and whose names appear in the Register of Members of Demerged Company on the Effective Date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as may be recognized by the Board of Directors of Resulting Company in the following manner:

"10 (Ten) fully paid up Equity Shares of Rs. 10 each of Resulting Company shall be issued and allotted for every 125 (One hundred and twenty five) Equity Shares of Rs. 10 each held in Demerged Company"

Equity shares issued by Resulting Company pursuant to this Clause is hereinafter referred to as "New Equity Shares".

4.2 Any fraction shares arising on issue of Equity Shares as above will be rounded off to the nearest integer.

4.3 The New Equity Shares shall be issued and allotted in dematerialized form to the equity shareholders of Demerged Company. If the Resulting Company has received notice from any member that New Equity Shares are to be issued in physical form or if any member has not provided any requisite details relating to his account with a depository participant or other confirmation as may be required or if the details furnished by any member do not permit electronic credit of New Equity Shares, then the Resulting Company shall issue New Equity Shares in physical form to such member or members.

4.4 The New Equity Shares to be issued and allotted as above shall be subject to the Memorandum and Articles of Association of Resulting Company and shall rank pari passu with the existing equity shares of Resulting Company in all respects including dividends.

4.5 The Board of Directors of Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of New Equity Shares pursuant to Clause 4.1 of the Scheme.

4.6 Resulting Company Equity Shares to be issued and allotted to the equity shareholders of Demerged Company pursuant to Clause 4.1 of this Scheme will be listed and/or admitted to trading on the BSE and NSE, where the equity shares of Resulting Company are listed and/or admitted to trading. Resulting 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.

4.7 In the event of there being any pending share transfers with respect to the application lodged for transfer by any shareholder of Demerged Company, the Board of Directors or any committee thereof of Demerged Company if in existence, or failing which the Board of Directors or any committee thereof of Resulting Company shall be empowered in appropriate case, even subsequent to the Record Date to effectuate such a transfer in Demerged 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 Demerged Company and in relation to the Demerged Company Equity Shares after the Scheme becomes effective.

4.8 New Equity Shares to be issued and allotted by Resulting Company to the equity shareholders of Demerged Company pursuant to Clause 4.1 of this Scheme, in respect of any equity shares in Demerged Company

HINDUJA VENTURES LIMITED

which are held in abeyance under the provisions of Section 126 of the Act, pending allotment or settlement of dispute, by order of court or otherwise, be held in abeyance by Resulting Company.

4.9 Approval of this Scheme by the equity shareholders of Resulting Company shall be deemed to be due compliance of the provisions of Section 61 of the Act and the other relevant and applicable provisions of the Act for the issue and allotment of New Equity Shares by Resulting Company, as provided in this Scheme.

4.10 The approval of this Scheme by the equity shareholders of Resulting Company under Sections 230 to 232 of the Act shall be deemed to have the approval under Sections 13, 14, 62 and 188 and any other applicable provisions of the Act and any other consents and approvals required in this regard.

5. ACCOUNTING TREATMENT AND CAPITAL REORGANIZATION

Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, Resulting Company and Demerged Company shall give effect to the accounting treatment in its books of account in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and more particularly, IND AS 103 (Business combinations of entities under common control), or any other relevant or related requirement under the Act, as applicable on the Appointed Date.

5.1 In the books of Demerged Company

5.1.1 Upon the Scheme becoming effective, Demerged Company shall reduce the book value of assets and liabilities pertaining to the Media and Communications Undertaking transferred to Resulting Company.

5.1.2 The excess of the book value of assets transferred over the book value of liabilities transferred shall be transferred to the Retained earnings (Debit balance in Profit and Loss Account).

5.1.3 The share capital as on the Appointed Date will be reduced by reducing the paid up value of the equity shares from Rs. 10/- per equity share to Rs. 2.50/- per equity share and the amount equivalent to paid up equity share capital reduced (i.e. Rs. 7.50/- per equity share multiplied by number of paid up equity shares) will be credited to the Capital Reserve Account.

5.1.4 The equity shareholders holding equity shares of Rs. 10 each will continue to hold the same number, however the paid-up value of each such share shall become Rs. 2.50 per share and hence no fractional shares will result consequent to the reduction of the share capital as detailed in connection with the Scheme.

5.1.5 Post the above reduction in the face value of equity shares, the debit balance in other Comprehensive Income and debit balance in Profit and Loss account (post giving effect to Clause 5.1.2 above) shall be adjusted against the balance in the Securities Premium Account, to the extent available and thereafter against Capital Reserve Account (post considering the reduction in the face value of equity shares as per Clause 5.1.3 above) to the extent available.

5.1.6 The reduction in the face value of paid up equity share capital of the Demerged Company as on Appointed Date (as per Clause 5.1.3 above) including adjustment to the Securities Premium Account and Capital Reserve Account (as per Clause 5.1.5 above) shall be given effect as an integral part of the Scheme without following the procedure laid down under Sections 52 and 66 of the Act. The Demerged Company shall obtain the necessary approvals from its shareholders and creditors as required under Section 66 in terms of this scheme only and the Demerged Company shall not, nor shall be obliged to call for a separate

HINDUJA VENTURES LIMITED

meeting of its shareholders and creditors for obtaining their approval sanctioning the reduction of the issued, subscribed and paid-up equity share capital as contemplated herein. The order of the NCLT sanctioning the Scheme shall be deemed to be also the order under Section 66 of the Act confirming the reduction

5.1.7 The provisions of this part shall operate notwithstanding anything to the contrary in this scheme

5.2 **In the books of Resulting Company**

5.2.1 Upon coming into effect of this Scheme, Resulting Company shall account for the scheme in accordance with "Pooling of Interest Method" laid down under Appendix C of Ind AS 103 (Business Combinations of entities under common control) and shall record the assets and liabilities, of the Media and Communications Undertaking vested in it pursuant to this Scheme, at their respective carrying values of Demerged Company as on the Appointed Date.

5.2.2 Upon coming into effect of this Scheme, to the extent there are inter-corporate loans or balances between Media and Communications Undertaking of the Demerged Company and the Resulting Company, the obligations in respect thereof shall stand cancelled. All intercompany transactions between Media and Communications Undertaking of the Demerged Company and the Resulting Company shall be eliminated in the Resulting Company financial statements.

5.2.3 The Resulting Company shall credit to its Equity Share Capital account the aggregate face value of the New Equity Shares, issued and allotted by it to the shareholders of the Resulting Company pursuant to Clause 4.1 of this Scheme.

5.2.4 Consequent to the transfer and vesting of Media and Communications Undertaking, as on Appointed Date, Resulting Company shall also effect reorganization of investment cost in Demerged Company proportionate to value of Media and Communications Undertaking vis-à-vis total value of Demerged Company in absolute figures based on the valuation carried out by an independent valuer for the purpose of demerger.

5.2.5 The difference, if any, between the carrying value of assets and liabilities under Clause 5.2.1 above transferred to Resulting Company (post giving effect to cancellation of intercompany company transactions and loans under Clause 5.2.2 above) and the amount credited to Equity Share Capital account as per Clause 5.2.3 above and post adjusting the investment cost in Demerged Company as per Clause 5.2.4 above shall be transferred to capital reserve account in the books of Resulting Company.

5.2.6 Upon coming into effect of this Scheme, the Resulting Company shall debit all expenses incurred in connection with this Scheme and matters incidental thereto, against the Profit and Loss Account.

5.2.7 In case of any difference in the accounting policy between Resulting Company and Media and Communications Undertaking of Demerged Company, the impact of the same up to the Appointed Date will be quantified and adjusted in the capital reserves of Resulting Company to ensure that the financial statements of Resulting Company reflect the financial position on the basis of consistent accounting policy.

5.2.8 Comparative accounting period presented in the financial statements of Resulting Company shall be restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the preceding period in the financial statements in accordance with Para 9(iii) of Appendix C 'Business Combination of entities under Common Control' of Ind AS 103 for Business Combinations."

HINDUJA VENTURES LIMITED

6. TAXATION MATTERS

6.1 Upon the Scheme becoming effective and with effect from the Appointed Date, all the taxes, duties, cess paid or payable by the Demerged Company (including under the Income-tax Act, 1961 or any other applicable laws) pertaining to the Media and Communications Undertaking including but not limited to IGST, CGST, SGST, GST, advance taxes, tax deducted at source, withholding tax, credits, refunds, claims or interest thereon, if any, shall for all purpose, be treated as IGST, CGST, SGST, GST, advance taxes, tax deducted at source, withholding tax, credits, refunds, claims or interest of the Resulting Company.

6.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company is expressly, permitted to revise and file returns pertaining to the Media and Communications Undertaking belonging to Demerged Company, including but not limited to income tax returns, tax deduction at source return, sales tax/value added tax returns, excise return, service tax returns, IGST, CGST, SGST, GST returns and other tax returns filed with the governmental and other authorities.

6.3 All expenses incurred by the Demerged Company under Section 43B of the Income-tax Act, 1961, in relation and pertaining to the Media and Communications Undertaking, shall be claimed as a deduction by the Resulting Company and the transfer of the Demerged Undertaking shall be considered as succession of business by the Resulting Company.

6.4 All the expenses incurred by the Demerged Company and the Resulting Company in relation to the Scheme, including stamp duty expenses, if any, shall be allowed as deduction to each of the Demerged Company and the Resulting Company in accordance with Section 35DD of the Income-tax Act, 1961.

7. PROFIT, DIVIDEND, BONUS/RIGHT SHARES

7.1 Demerged Company shall not utilize profits or income, if any, of the Media and Communications Undertaking for any purpose including declaring or paying any dividend in respect of the period falling on and after the Appointed Date. Demerged Company shall also not utilize profits, adjust or claim adjustment of the profits/loss as the case may be earned/incurred or suffered in respect of the Media and Communications Undertaking after the Appointed Date.

7.2 Until the Effective Date, Demerged Company shall not issue or allot any further equity or preference shares either by way of rights issue or bonus issue or otherwise.

8. CONDUCT OF MEDIA AND COMMUNICATIONS UNDERTAKING OF THE DEMERGED COMPANY TILL EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

8.1 Demerged Company shall be deemed to have been carrying on and shall carry on its business and activities relating to the Media and Communications Undertaking and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to the Media and Communications Undertaking for and on account of and in trust for Resulting Company. Demerged Company hereby undertakes to hold its said assets with utmost prudence until the Effective Date.

8.2 Demerged Company shall carry on its business and activities relating to the Media and Communications Undertaking with reasonable diligence, business prudence and shall not, except in the ordinary course of

HINDUJA VENTURES LIMITED

business or without prior written consent of Resulting Company, alienate charge, mortgage, encumber or otherwise deal with or dispose of Media and Communications Undertaking or part thereof.

8.3 All the profits or income accruing or arising to Demerged Company or expenditure or losses arising or incurred or suffered by Demerged Company pertaining to the Media and Communications Undertaking shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of Resulting Company.

8.4 Demerged Company shall not vary the terms and conditions of employment of any of the employees of Media and Communications Undertaking except in the ordinary course of business or without the prior consent of Resulting Company or pursuant to any pre-existing obligation undertaken by Demerged Company, as the case may be, prior to the Effective Date.

8.5 All loans raised and all liabilities and obligations incurred by the Demerged Company with respect to the Media and Communications Undertaking after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Resulting Company;

8.6 Demerged Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which Resulting Company may require pursuant to this Scheme.

9. EMPLOYEES

9.1 On the Scheme becoming operative, all staff and employees on the rolls of Demerged Company engaged in the Media and Communications Undertaking and who are duly identified or specified as such by the Board of Directors as at the Effective Date shall be deemed to have become staff and employees of Resulting Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with Resulting Company shall not be less favorable than those applicable to them with reference to their employment in Demerged Company.

9.2 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 and employees of Media and Communications Undertaking or 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 Demerged Company in relation to Media and Communications Undertaking in relation to such Fund or Funds shall become those of Resulting Company. It is clarified that the services of the staff and employees of Media and Communications Undertaking will be treated as having been continuous for the purpose of the said Fund or Funds.

10. LEGAL PROCEEDINGS

10.1 If any suit, appeal or other proceeding of whatever nature by or against Media and Communications Undertaking is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against Resulting Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Media and Communications Undertaking as if this Scheme had not been made.

HINDUJA VENTURES LIMITED

10.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against Media and Communications Undertaking, Resulting Company shall be made party thereto and any payment and expenses made thereto shall be the liability of Resulting Company.

11. CONTRACTS, DEEDS, ETC.

11.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to Media and Communications Undertaking to which Demerged Company is a party and which is subsisting or having effect on the Effective Date, shall be in full force and effect against or in favor of Resulting Company, as the case may be, and may be enforced by or against Resulting Company as fully and effectually as if, instead of Demerged Company, Resulting Company had been a party thereto.

11.2 Resulting 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 Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme. Resulting Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of Media and Communications Undertaking and to implement or carry out all formalities required on the part of Media and Communications Undertaking to give effect to the provisions of this Scheme.

12. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 3 above and the continuance of proceedings by or against Resulting Company under Clause 9 above shall not affect any transaction or proceedings already concluded by the Media and Communications Undertaking on or after the Appointed Date till the Effective Date, to the end and intent that Resulting Company accept and adopts all acts, deeds and things done and executed by Media and Communications Undertaking in respect thereto as done and executed on behalf of Resulting Company.

PART III - GENERAL TERMS AND CONDITIONS

13. APPLICATION TO THE COMPETENT AUTHORITY

The Demerged Company and Resulting Company shall make necessary applications before the NCLT, Mumbai Bench for the sanction of this Scheme of Arrangement under Sections 230 to 232 read with Sections 52 and 66 of the Act. Any further approval under the Act arising from the Scheme shall be deemed to have been granted, without any application, for any transaction among the Demerged Company and the Resulting Company and/or its Directors.

14. MODIFICATIONS/AMENDMENTS TO THE SCHEME

14.1 The Demerged Company (through its Board of Directors) and the Resulting Company (through its Board of Directors) may, in their full and absolute discretion, assent to any alterations or modifications in this Scheme which the Competent Authority 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 Competent Authority which the Demerged Company and/or the Resulting Company find unacceptable for any reason whatsoever then the Demerged Company and/or the Resulting Company shall be entitled to withdraw from the Scheme.

HINDUJA VENTURES LIMITED

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 Resulting 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 requisite consents, no-objections and approvals of the Stock Exchanges and SEBI to the Scheme in terms of the SEBI Circular and/or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on terms acceptable to the Demerged Company and the Resulting Company;

(ii.) The Scheme being agreed to by the respective requisite majorities of the members and creditors of the Demerged Company and the Resulting Company and the requisite order or orders being obtained;

(iii.) The Scheme being approved by the shareholders of the Resulting Company through resolution based by way of postal ballot and e-voting in terms of SEBI Circular, provided that the same shall be acted upon only if the votes cast by the public shareholders in favor of the Scheme are more than the votes cast by the public shareholders against it;

(iv.) The sanction of the Scheme by the Competent Authority under Sections 230 to 232 of the Act;

(v.) The certified copies of the order of the Competent Authority being filed with the Registrar of Companies, Maharashtra at Mumbai.

(vi.) Any other sanction or approval of any governmental or regulatory authority including Ministry of Information and Broadcasting, Department of Telecommunications in relation to transfer of licenses, etc., as may be considered necessary and appropriate by the respective Board of Directors of the Demerged Company and the Resulting 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 Demerged Company and the Resulting Company as may be required under the Act and/or the orders of the Competent Authority.

(ii.) The Scheme is sanctioned by the said Competent Authority under Section 230 to 232 of the Act.

(iii.) The certified copy of the order of the said Competent Authority 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 Demerged Company (through its Directors) and the Resulting Company (through 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.

HINDUJA VENTURES LIMITED

16.3 The Demerged Company and the Resulting Company shall be at liberty to withdraw this Scheme at any time as may be mutually agreed through the Board of Directors of the Demerged Company and the Resulting Company. In such a case, each company shall bear its own cost or as may be mutually agreed.

17. OPERATIVE DATE OF THE SCHEME:

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

18. EXPENSES CONNECTED WITH THE SCHEME:

18.1 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 up to 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 Resulting Company.

18.2 In the event that this Scheme fails to take effect within such period or periods as may be decided by the Demerged Company (through its Board of Directors) and the Resulting Company (through its Board of Directors) then, the Demerged Company and Resulting Company shall bear their own costs and expenses incurred by them, in relation to or in connection with the Scheme.

19. GENERAL TERMS AND CONDITIONS:

19.1 The Demerged Company and the Resulting Company shall, with all reasonable dispatch, make all applications / petitions under Sections 230 to 232 and other applicable provisions of the Act to the Competent Authority for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.

19.2 The respective Board of Directors of the Demerged Company and the Resulting 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.

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

19.4 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.

HINDUJA VENTURES LIMITED

Ashok Manuchhani

ANNEXURE 2B

SCHEME OF ARRANGEMENT

BETWEEN

INDUSIND MEDIA AND COMMUNICATIONS LIMITED
(DEMERGED COMPANY)

AND

HINDUJA VENTURES LIMITED
(RESULTING COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS

(UNDER SECTION 230 TO 232 READ WITH SECTION 52 AND 66 OF THE COMPANIES ACT, 2013 AND RELEVANT RULES MADE THEREUNDER)

(A) PREAMBLE:

This Scheme of Arrangement between IndusInd Media and Communications Limited and Hinduja Ventures Limited and their respective Shareholders ("**the Scheme**", more particularly defined hereinafter) for demerger is presented under the provisions of Sections 230 to 232 read with Sections 52 and 66 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Section 2(19AA) and other relevant provisions of the Income-tax Act, 1961, as may be applicable, for Demerger of the Media and Communication Undertaking (more particularly defined hereinafter) of IndusInd Media and Communications Limited and vesting of the same in Hinduja Ventures Limited on a going concern basis.

(B) BACKGROUND AND DESCRIPTION OF THE COMPANIES:

1. **IndusInd Media and Communications Limited** (hereinafter referred to as **"IMCL"** or the "**Demerged Company**"), was incorporated as a public limited company under the Companies Act, 1956 on 23rd February, 1995 in the State of Maharashtra with CIN U92132MH1995PLC085835. The Registered office of the Demerged Company is situated at In Centre, 49/50, MIDC, 12th Road, Andheri (East), Mumbai - 400093.

2. The Demerged Company is currently engaged in the business of Media and Communications business consisting of Cable TV, HITS platform (Media and Communication Undertaking); Technical services business (including investments in JVs); and Passive infrastructure business.

3. **Hinduja Ventures Limited** (hereinafter referred to as "**HVL**" or the **"Resulting 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 with CIN L51900MH1985PLC036896. The name of the Resulting 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 Resulting Company was further changed from "Hinduja Finance Corporation Limited" to "Hinduja TMT Limited" and a fresh

INDUSIND MEDIA & COMMUNICATIONS LTD. MUMBAI

Certificate of Incorporation consequent upon the change of name was issued on 8th June, 2001. The name of the Resulting 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 Resulting Company is situated at In Centre, 49/50, MIDC, 12th Road, Andheri (East) Mumbai-400093. The equity shares of RESULTING COMPANY are listed on the BSE Limited and the National Stock Exchange of India Limited.

4. The Resulting Company is currently engaged in the business of Media, Real Estate, Treasury, Dark Fiber Leasing business and has close to 4,000 kilometers of underground and overhead Dark Fiber network across the country and is also engaged in the business of high sea sale of set-top boxes.

(C) RATIONALE OF THE SCHEME:

1. Demerged Company and Resulting Company are part of the Hinduja Group. Demerged Company has grown into one of India's largest integrated media companies. Accordingly, in 2017 as a step towards consolidation of media and communications business, the Headend in the Sky ("HITS") business was transferred by Grant Investrade Ltd. (a Hinduja Group Company), to Demerged Company pursuant to scheme of arrangement. The Resulting Company holds 77.55 % of shares in the Demerged Company.

2. Recognizing the growth potential of the 'Media and Communications Undertaking' of the Demerged Company (more particularly defined hereinafter) in the backdrop of the fact that Demerged Company's 'Media and Communications Undertaking' has matured and the associated risks have reduced significantly as well as the recent regulatory reforms (New Tariff Order) providing additional stimuli, Resulting Company is proposing to consolidate this vertical as it feels that this will create a new platform for it go to the next level of performance.

3. The Resulting Company is streamlining its business and proposes to consolidate its Media and Communications Undertaking carried on by its subsidiary i.e. Demerged Company into a single company. As part of this arrangement, the Media and Communications Undertaking of Demerged Company will be demerged into Resulting Company.

4. Pursuant to this restructuring, the media business of the Group will be consolidated into a single group which will assist in achieving flexibility, scale and financial strength. Upon segregation of identified business undertaking, Resulting Company and Demerged Company shall be able to achieve higher long-term financial returns, increased competitive strength, cost reduction and efficiencies, productivity gains, and logistical advantages, thereby significantly contributing to future growth in their respective business verticals.

5. Apart from the various benefits/advantages stated and illustrated above, the management of the Resulting Company and Demerged Company are of the opinion that the following benefits shall also be enjoyed and realized by all the stakeholders:

   i. **Consolidation and growth of Media and Communications Undertaking:** The demerger will enable Resulting Company to consolidate similar businesses into a single company. This will enable Resulting Company with an opportunity to provide services in a seamless manner to its customers. Further, this will also help Resulting Company to demonstrate its capability and provide competitive advantages *vis-à-vis* its competitors.

   ii. **Focused Management, Organization Efficiency and Operational Synergies:** Consolidation of the business into a single consolidated entity shall enable focused strategies, management, investment and leadership for the consolidated entity and further result into organization efficiency and operational synergies;

INDUSTRY MEDIA & COMMUNICATIONS LTD. MUMBAI

iii. **Unlock shareholders value:** The proposed consolidation will create long term value for the shareholders by unlocking value since the business and profits will accrue to a single entity i.e. Resulting Company;

iv. **Efficiency in Fund raising for harnessing future growth:** Housing of Media and Communications Undertaking in Resulting Company directly shall facilitate and provide adequate opportunities to mobilize the financial resources of Resulting Company for the growth of the Media and Communications Undertaking and also streamline the process for fund raising;

(D) The proposed Scheme, with effect from the Appointed Date is in the interest of the shareholders, creditors, stakeholders and employees, as it would enable a focused business approach for the maximization of benefits to all stakeholders and for the purposes of synergies of business.

(E) This Scheme is divided into the following parts:

(i) Part I, which deals with the definitions and share capital of the Demerged Company and Resulting Company;

(ii) Part II, which deals with the demerger of the Media and Communications Undertaking of the Demerged Company into the Resulting Company; and

(iii) Part III, which deals with the general terms and conditions as applicable to the Scheme.

PART I

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 and any rules, regulations, circulars or guidelines issued thereunder and shall, if the context so requires and as may be applicable, mean the Companies Act, 1956 and any rules, regulations, circulars or guidelines issued thereunder, as amended from time to time and shall include any statutory replacement or re-enactment thereof.

1.2. "**Appointed Date**" in relation to the Scheme means 1st October, 2019.

1.3. "**Board of Directors**" in relation to Demerged Company and/or the Resulting 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, the designated stock exchange of the Resulting Company.

1.5. **"Competent Authority"** means the National Company Law Tribunal (**"NCLT"**) as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under the relevant provisions of the Act.

1.6. **"Demerged Company"** means IndusInd Media and Communications Limited, a company incorporated under the Companies Act 1956 with CIN U92132MH1995PLC085835 and having its registered office situated at In Centre, 49/50, MIDC, 12th Road, Andheri (East) Mumbai-400093.

INDUSIND MEDIA & COMMUNICATIONS LTD. MUMBAI

1.7. **"Effective Date"** means the Appointed Date or the date on which the last of conditions referred to in Clause 15 hereof have been fulfilled, whichever is later. Reference in this Scheme to the "date of coming into effect of this Scheme" or "upon the Scheme becoming effective" shall also mean the Effective Date.

1.8. **"Media and Communications Undertaking"** means activities of development, operation, marketing, sale and distribution of television channels through the medium of various modes of transmission undertaken by the Demerged Company and includes:

1.8.1. All assets (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent) and liabilities pertaining thereto.

1.8.2. Without prejudice to the generality of the provisions of sub-clause 1.5.1 above, the Media and Communications Undertaking shall include in particular:

(i) All properties of or required for the above business wherever situated, including all fixed assets, plant and machinery, current assets, funds, capital work in progress, furniture, fixtures, office equipment, debtors, investments, vehicles, deposits, loans and advances, appliances and accessories;

(ii) All permits, rights, entitlements, industrial and other licenses (including but not limited to HITS license), brands (including but not limited to NXTDIGITAL, INDIGITAL, INNETWORK, INCABLENET, and IN Brands), registered and unregistered trademarks, copyrights, designs, and all other intellectual property, bids, tenders, letters of intent, expressions of interest, municipal and other statutory permissions, approvals, consents, licenses, registrations, tenancies, subsidies, concessions, exemptions, remissions, tax deferrals, brought forward tax losses and unabsorbed depreciation, 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, etc., Goods and Service Tax (GST) credit, SGST, CGST and IGST credits, 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,, bank accounts, lease rights, licenses, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Media and Communications Undertaking;

(iii) All records, files, papers, engineering and process information, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form in connection with or relating to the Media and Communications Undertaking; and

(iv) Fixed deposits, debts, duties, obligations, and liabilities (including contingent liabilities) relatable to the Media and Communications Undertaking.

For the purpose of this Scheme, it is clarified that liabilities pertaining to the Media and Communications Undertaking includes:

(i) The liabilities, which arise out of the activities or operations of the Media and Communications Undertaking.

INDUSIND MEDIA & COMMUNICATIONS LTD. MUMBAI

(ii) Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the Media and Communications Undertaking.

(iii) Liabilities other than those referred to in sub-clauses (i) and (ii) above, being the amounts of general or multipurpose borrowings of IMCL, allocated to the Media and Communications Undertaking in the same proportion in which the value of the assets transferred under this Scheme bear to the total value of the assets of Media and Communications Undertaking immediately before giving effect to this Scheme.

1.8.3. All permanent employees of the Media and Communications Undertaking, as identified by the Board of Directors of Demerged Company, as on the Effective Date.

1.8.4. Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Media and Communications Undertaking or whether it arises out of the activities or operations of the Media and Communications Undertaking shall be decided by mutual agreement between the Board of Directors of Demerged and Resulting Company;

1.9. **"NSE"** means the National Stock Exchange of India Limited.

1.10. **"Record Date"** means such date after the Effective Date when the Board of Directors of the Resulting Company may decide for the purposes of issue and allotment of Equity Shares under the Scheme.

1.11. **"Residual Demerged Company"** means businesses of Demerged Company other than the Media and Communications Undertaking as defined in Clause 1.8 and shall specifically include the passive infrastructure, technical service division and investments in subsidiaries and joint ventures, as may be identified by the Board of Directors of Demerged Company.

1.12. "**Resulting Company**" means Hinduja Ventures Limited, a company incorporated under the Companies Act, 1956 with CIN L51900MH1985PLC036896, and having its registered office situated at In Centre, 49/50 MIDC, 12th Road Andheri (East), Mumbai-400093.

1.13. "**Scheme**" means this Scheme of Arrangement in its present form submitted to the Competent Authority for sanction or with any modification(s) made under Clause 13 of this Scheme and/or any modification(s) approved or imposed or directed by the Competent Authority.

1.14. **"SEBI"** means the Securities and Exchange Board of India

1.15. **"SEBI Circular"** means (i) Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, (ii) Circular No. CFD/DIL3/CIR/2017/26 dated March 23, 2017, (iii) Circular No. CFD/ DIL3/CIR/2017/105 dated September 21, 2017, (iv) Circular No. CFD/DIL3/CIR/2018/2 dated January 3, 2018 issued by SEBI or any other Circulars issued by SEBI applicable to schemes of arrangement from time to time.

1.16. "**Stock Exchange**" shall have the same meaning as ascribed to it under the Securities Contract (Regulation) Act, 1956.

2. SHARE CAPITAL

2.1 The Authorised, Issued, Subscribed and Paid-up Share Capital of the Demerged Company as on 31st July 2019 is as under:-

INDUSIND MEDIA & COMMUNICATIONS LTD. MUMBAI

IndusInd Media and Communications Limited (Demerged Company)	
Particulars	**Amount in Rs**
Authorised Share Capital	
25,00,00,000 equity shares of Rs. 10 each	250,00,00,000
20,00,00,000 preference shares of Rs. 10 each	200,00,00,000
Total	**450,00,00,000**
Issued, Subscribed, Called-up and Paid-up Capital	
19,46,30,623 equity shares of Rs. 10 each	194,63,06,230
Total	**194,63,06,230**

There has been no change in the share capital of Demerged Company post 31st July, 2019.

2.2 The Authorised, Issued, Subscribed and Paid-up Share Capital of the Resulting Company as on 31st July, 2019 is as under:

Hinduja Ventures Limited (Resulting Company)	
Particulars	**Amount in Rs**
Authorised Share Capital	
870,00,000 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**
Issued, Subscribed, Called-up and Paid-up Capital	
2,05,55,503 equity shares of Rs 10 each	20,55,55,030
Total	**20,55,55,030**

There has been no change in the share capital of Resulting Company post 31st July, 2019.

2.3 The equity shares of the Resulting Company are listed on the NSE and the BSE. The equity shares of the Demerged Company are not listed on any Stock Exchange.

2.4 The Demerged Company is a subsidiary of the Resulting Company. 77.55% of the paid up equity share capital of the Demerged Company is directly held by the Resulting Company. Balance equity share capital is held by other shareholders.

PART II - DEMERGER OF MEDIA AND COMMUNICATIONS UNDERTAKING OF DEMERGED COMPANY INTO RESULTING COMPANY

3. TRANSFER AND VESTING OF MEDIA AND COMMUNICATIONS UNDERTAKING

3.1 The Media and Communications Undertaking of Demerged Company, as defined in Clause 1.8, shall stand transferred to and vested in or deemed to be transferred to and vested in Resulting Company, as a going concern, in accordance with Section 2(19AA) of the Income Tax Act, 1961. If any terms or provisions of

INDUSIND MEDIA & COMMUNICATIONS LTD. MUMBAI

the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961.

3.2 With effect from the Appointed Date, the whole of the undertaking and assets and properties and brands of the Media and Communications Undertaking, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred to and vested in and/or deemed to be transferred to and vested in Resulting Company, so as to vest in Resulting Company all the rights, title and interest pertaining to the Media and Communications Undertaking.

3.3 With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of Demerged Company relatable to the Media and Communications Undertaking shall, without any further act or deed be and stand transferred to Resulting Company so as to become as from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of Resulting Company and 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, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

3.4 After the Effective Date, Resulting Company undertakes to meet, discharge and satisfy the said liabilities to the exclusion of Demerged Company and to keep Demerged Company indemnified at all times from and against all such liabilities and from and against all actions, demands and proceedings in respect thereto.

3.5 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents including but not limited to HITS license, brands including but not limited to NXTDIGITAL, INDIGITAL, INNETWORK, INCABLENET, and IN Brands, registered and unregistered trademarks, copyrights, designs, and all other intellectual property held by Demerged Company required to carry on operations in the Media and Communications Undertaking shall stand vested in or transferred to Resulting Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favor of Resulting Company. The benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to Resulting Company pursuant to the Scheme. In so far as the various incentives given by the Government of Maharashtra, subsidies, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by Demerged Company relating to the Media and Communications Undertaking, are concerned, the same shall vest with and be available to Resulting Company on the same terms and conditions.

3.6 With effect from the Appointed Date all the accumulated and unabsorbed depreciation tax losses pertaining to the Media and Communications Undertaking shall stand vested in or transferred to Resulting Company in terms of Section 72A(4) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 72A(4) of the Income-tax Act, 1961.

3.7 The transfer and vesting of Media and Communications Undertaking as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof relatable to Media and Communications Undertaking to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of the Media and Communications Undertaking.

INDUSIND MEDIA & COMMUNICATIONS LTD. MUMBAI

4. CONSIDERATION

4.1 Upon this Scheme becoming effective and upon vesting of the Media and Communications Undertaking of Demerged Company in Resulting Company in terms of this Scheme, Resulting Company shall without any further application or deed, issue and allot equity shares, credited as fully paid-up, to the extent indicated below, to the equity shareholders of Demerged Company (other than itself and prior to giving effect to the capital reduction of the Demerged Company as per Clause 5.1.3 below), and whose names appear in the Register of Members of Demerged Company on the Effective Date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as may be recognized by the Board of Directors of Resulting Company in the following manner:

"10 (Ten) fully paid up Equity Shares of Rs. 10 each of Resulting Company shall be issued and allotted for every 125 (One hundred and twenty five) Equity Shares of Rs. 10 each held in Demerged Company"

Equity shares issued by Resulting Company pursuant to this Clause is hereinafter referred to as "New Equity Shares".

4.2 Any fraction shares arising on issue of Equity Shares as above will be rounded off to the nearest integer.

4.3 The New Equity Shares shall be issued and allotted in dematerialized form to the equity shareholders of Demerged Company. If the Resulting Company has received notice from any member that New Equity Shares are to be issued in physical form or if any member has not provided any requisite details relating to his account with a depository participant or other confirmation as may be required or if the details furnished by any member do not permit electronic credit of New Equity Shares, then the Resulting Company shall issue New Equity Shares in physical form to such member or members.

4.4 The New Equity Shares to be issued and allotted as above shall be subject to the Memorandum and Articles of Association of Resulting Company and shall rank pari passu with the existing equity shares of Resulting Company in all respects including dividends.

4.5 The Board of Directors of Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of New Equity Shares pursuant to Clause 4.1 of the Scheme.

4.6 Resulting Company Equity Shares to be issued and allotted to the equity shareholders of Demerged Company pursuant to Clause 4.1 of this Scheme will be listed and/or admitted to trading on the BSE and NSE, where the equity shares of Resulting Company are listed and/or admitted to trading. Resulting 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.

4.7 In the event of there being any pending share transfers with respect to the application lodged for transfer by any shareholder of Demerged Company, the Board of Directors or any committee thereof of Demerged Company if in existence, or failing which the Board of Directors or any committee thereof of Resulting Company shall be empowered in appropriate case, even subsequent to the Record Date to effectuate such a transfer in Demerged 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 Demerged Company and in relation to the Demerged Company Equity Shares after the Scheme becomes effective.

4.8 New Equity Shares to be issued and allotted by Resulting Company to the equity shareholders of Demerged Company pursuant to Clause 4.1 of this Scheme, in respect of any equity shares in Demerged Company

INDUSIND MEDIA & COMMUNICATIONS LTD. MUMBAI

which are held in abeyance under the provisions of Section 126 of the Act, pending allotment or settlement of dispute, by order of court or otherwise, be held in abeyance by Resulting Company.

4.9 Approval of this Scheme by the equity shareholders of Resulting Company shall be deemed to be due compliance of the provisions of Section 61 of the Act and the other relevant and applicable provisions of the Act for the issue and allotment of New Equity Shares by Resulting Company, as provided in this Scheme.

4.10 The approval of this Scheme by the equity shareholders of Resulting Company under Sections 230 to 232 of the Act shall be deemed to have the approval under Sections 13, 14, 62 and 188 and any other applicable provisions of the Act and any other consents and approvals required in this regard.

5. ACCOUNTING TREATMENT AND CAPITAL REORGANIZATION

Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, Resulting Company and Demerged Company shall give effect to the accounting treatment in its books of account in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and more particularly, IND AS 103 (Business combinations of entities under common control), or any other relevant or related requirement under the Act, as applicable on the Appointed Date.

5.1 In the books of Demerged Company

5.1.1 Upon the Scheme becoming effective, Demerged Company shall reduce the book value of assets and liabilities pertaining to the Media and Communications Undertaking transferred to Resulting Company.

5.1.2 The excess of the book value of assets transferred over the book value of liabilities transferred shall be transferred to the Retained earnings (Debit balance in Profit and Loss Account).

5.1.3 The share capital as on the Appointed Date will be reduced by reducing the paid up value of the equity shares from Rs. 10/- per equity share to Rs. 2.50/- per equity share and the amount equivalent to paid up equity share capital reduced (i.e. Rs. 7.50/- per equity share multiplied by number of paid up equity shares) will be credited to the Capital Reserve Account.

5.1.4 The equity shareholders holding equity shares of Rs. 10 each will continue to hold the same number, however the paid-up value of each such share shall become Rs. 2.50 per share and hence no fractional shares will result consequent to the reduction of the share capital as detailed in connection with the Scheme.

5.1.5 Post the above reduction in the face value of equity shares, the debit balance in other Comprehensive Income and debit balance in Profit and Loss account (post giving effect to Clause 5.1.2 above) shall be adjusted against the balance in the Securities Premium Account, to the extent available and thereafter against Capital Reserve Account (post considering the reduction in the face value of equity shares as per Clause 5.1.3 above) to the extent available.

5.1.6 The reduction in the face value of paid up equity share capital of the Demerged Company as on Appointed Date (as per Clause 5.1.3 above) including adjustment to the Securities Premium Account and Capital Reserve Account (as per Clause 5.1.5 above) shall be given effect as an integral part of the Scheme without following the procedure laid down under Sections 52 and 66 of the Act. The Demerged Company shall obtain the necessary approvals from its shareholders and creditors as required under Section 66 in terms of this scheme only and the Demerged Company shall not, nor shall be obliged to call for a separate

INDUSIND MEDIA & COMMUNICATIONS LTD. MUMBAI

meeting of its shareholders and creditors for obtaining their approval sanctioning the reduction of the issued, subscribed and paid-up equity share capital as contemplated herein. The order of the NCLT sanctioning the Scheme shall be deemed to be also the order under Section 66 of the Act confirming the reduction

5.1.7 The provisions of this part shall operate notwithstanding anything to the contrary in this scheme

5.2 **In the books of Resulting Company**

5.2.1 Upon coming into effect of this Scheme, Resulting Company shall account for the scheme in accordance with "Pooling of Interest Method" laid down under Appendix C of Ind AS 103 (Business Combinations of entities under common control) and shall record the assets and liabilities, of the Media and Communications Undertaking vested in it pursuant to this Scheme, at their respective carrying values of Demerged Company as on the Appointed Date.

5.2.2 Upon coming into effect of this Scheme, to the extent there are inter-corporate loans or balances between Media and Communications Undertaking of the Demerged Company and the Resulting Company, the obligations in respect thereof shall stand cancelled. All intercompany transactions between Media and Communications Undertaking of the Demerged Company and the Resulting Company shall be eliminated in the Resulting Company financial statements.

5.2.3 The Resulting Company shall credit to its Equity Share Capital account the aggregate face value of the New Equity Shares, issued and allotted by it to the shareholders of the Resulting Company pursuant to Clause 4.1 of this Scheme.

5.2.4 Consequent to the transfer and vesting of Media and Communications Undertaking, as on Appointed Date, Resulting Company shall also effect reorganization of investment cost in Demerged Company proportionate to value of Media and Communications Undertaking vis-à-vis total value of Demerged Company in absolute figures based on the valuation carried out by an independent valuer for the purpose of demerger.

5.2.5 The difference, if any, between the carrying value of assets and liabilities under Clause 5.2.1 above transferred to Resulting Company (post giving effect to cancellation of intercompany company transactions and loans under Clause 5.2.2 above) and the amount credited to Equity Share Capital account as per Clause 5.2.3 above and post adjusting the investment cost in Demerged Company as per Clause 5.2.4 above shall be transferred to capital reserve account in the books of Resulting Company.

5.2.6 Upon coming into effect of this Scheme, the Resulting Company shall debit all expenses incurred in connection with this Scheme and matters incidental thereto, against the Profit and Loss Account.

5.2.7 In case of any difference in the accounting policy between Resulting Company and Media and Communications Undertaking of Demerged Company, the impact of the same up to the Appointed Date will be quantified and adjusted in the capital reserves of Resulting Company to ensure that the financial statements of Resulting Company reflect the financial position on the basis of consistent accounting policy.

5.2.8 Comparative accounting period presented in the financial statements of Resulting Company shall be restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the preceding period in the financial statements in accordance with Para 9(iii) of Appendix C 'Business Combination of entities under Common Control' of Ind AS 103 for Business Combinations."

INDUSIND MEDIA & COMMUNICATIONS LTD. MUMBAI

6. TAXATION MATTERS

6.1 Upon the Scheme becoming effective and with effect from the Appointed Date, all the taxes, duties, cess paid or payable by the Demerged Company (including under the Income-tax Act, 1961 or any other applicable laws) pertaining to the Media and Communications Undertaking including but not limited to IGST, CGST, SGST, GST, advance taxes, tax deducted at source, withholding tax, credits, refunds, claims or interest thereon, if any, shall for all purpose, be treated as IGST, CGST, SGST, GST, advance taxes, tax deducted at source, withholding tax, credits, refunds, claims or interest of the Resulting Company.

6.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company is expressly, permitted to revise and file returns pertaining to the Media and Communications Undertaking belonging to Demerged Company, including but not limited to income tax returns, tax deduction at source return, sales tax/value added tax returns, excise return, service tax returns, IGST, CGST, SGST, GST returns and other tax returns filed with the governmental and other authorities.

6.3 All expenses incurred by the Demerged Company under Section 43B of the Income-tax Act, 1961, in relation and pertaining to the Media and Communications Undertaking, shall be claimed as a deduction by the Resulting Company and the transfer of the Demerged Undertaking shall be considered as succession of business by the Resulting Company.

6.4 All the expenses incurred by the Demerged Company and the Resulting Company in relation to the Scheme, including stamp duty expenses, if any, shall be allowed as deduction to each of the Demerged Company and the Resulting Company in accordance with Section 35DD of the Income-tax Act, 1961.

7. PROFIT, DIVIDEND, BONUS/RIGHT SHARES

7.1 Demerged Company shall not utilize profits or income, if any, of the Media and Communications Undertaking for any purpose including declaring or paying any dividend in respect of the period falling on and after the Appointed Date. Demerged Company shall also not utilize profits, adjust or claim adjustment of the profits/loss as the case may be earned/incurred or suffered in respect of the Media and Communications Undertaking after the Appointed Date.

7.2 Until the Effective Date, Demerged Company shall not issue or allot any further equity or preference shares either by way of rights issue or bonus issue or otherwise.

8. CONDUCT OF MEDIA AND COMMUNICATIONS UNDERTAKING OF THE DEMERGED COMPANY TILL EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

8.1 Demerged Company shall be deemed to have been carrying on and shall carry on its business and activities relating to the Media and Communications Undertaking and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to the Media and Communications Undertaking for and on account of and in trust for Resulting Company. Demerged Company hereby undertakes to hold its said assets with utmost prudence until the Effective Date.

8.2 Demerged Company shall carry on its business and activities relating to the Media and Communications Undertaking with reasonable diligence, business prudence and shall not, except in the ordinary course of

INDUSIND MEDIA & COMMUNICATIONS LTD. MUMBAI

business or without prior written consent of Resulting Company, alienate charge, mortgage, encumber or otherwise deal with or dispose of Media and Communications Undertaking or part thereof.

8.3 All the profits or income accruing or arising to Demerged Company or expenditure or losses arising or incurred or suffered by Demerged Company pertaining to the Media and Communications Undertaking shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of Resulting Company.

8.4 Demerged Company shall not vary the terms and conditions of employment of any of the employees of Media and Communications Undertaking except in the ordinary course of business or without the prior consent of Resulting Company or pursuant to any pre-existing obligation undertaken by Demerged Company, as the case may be, prior to the Effective Date.

8.5 All loans raised and all liabilities and obligations incurred by the Demerged Company with respect to the Media and Communications Undertaking after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Resulting Company;

8.6 Demerged Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which Resulting Company may require pursuant to this Scheme.

9. EMPLOYEES

9.1 On the Scheme becoming operative, all staff and employees on the rolls of Demerged Company engaged in the Media and Communications Undertaking and who are duly identified or specified as such by the Board of Directors as at the Effective Date shall be deemed to have become staff and employees of Resulting Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with Resulting Company shall not be less favorable than those applicable to them with reference to their employment in Demerged Company.

9.2 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 and employees of Media and Communications Undertaking or 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 Demerged Company in relation to Media and Communications Undertaking in relation to such Fund or Funds shall become those of Resulting Company. It is clarified that the services of the staff and employees of Media and Communications Undertaking will be treated as having been continuous for the purpose of the said Fund or Funds.

10. LEGAL PROCEEDINGS

10.1 If any suit, appeal or other proceeding of whatever nature by or against Media and Communications Undertaking is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against Resulting Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Media and Communications Undertaking as if this Scheme had not been made.

INDUSIND MEDIA & COMMUNICATIONS LTD. MUMBAI

10.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against Media and Communications Undertaking, Resulting Company shall be made party thereto and any payment and expenses made thereto shall be the liability of Resulting Company.

11. CONTRACTS, DEEDS, ETC.

11.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to Media and Communications Undertaking to which Demerged Company is a party and which is subsisting or having effect on the Effective Date, shall be in full force and effect against or in favor of Resulting Company, as the case may be, and may be enforced by or against Resulting Company as fully and effectually as if, instead of Demerged Company, Resulting Company had been a party thereto.

11.2 Resulting 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 Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme. Resulting Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of Media and Communications Undertaking and to implement or carry out all formalities required on the part of Media and Communications Undertaking to give effect to the provisions of this Scheme.

12. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 3 above and the continuance of proceedings by or against Resulting Company under Clause 9 above shall not affect any transaction or proceedings already concluded by the Media and Communications Undertaking on or after the Appointed Date till the Effective Date, to the end and intent that Resulting Company accept and adopts all acts, deeds and things done and executed by Media and Communications Undertaking in respect thereto as done and executed on behalf of Resulting Company.

PART III - GENERAL TERMS AND CONDITIONS

13. APPLICATION TO THE COMPETENT AUTHORITY

The Demerged Company and Resulting Company shall make necessary applications before the NCLT, Mumbai Bench for the sanction of this Scheme of Arrangement under Sections 230 to 232 read with Sections 52 and 66 of the Act. Any further approval under the Act arising from the Scheme shall be deemed to have been granted, without any application, for any transaction among the Demerged Company and the Resulting Company and/or its Directors.

14. MODIFICATIONS/AMENDMENTS TO THE SCHEME

14.1 The Demerged Company (through its Board of Directors) and the Resulting Company (through its Board of Directors) may, in their full and absolute discretion, assent to any alterations or modifications in this Scheme which the Competent Authority 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 Competent Authority which the Demerged Company and/or the Resulting Company find unacceptable for any reason whatsoever then the Demerged Company and/or the Resulting Company shall be entitled to withdraw from the Scheme.

INDUSIND MEDIA & COMMUNICATIONS LTD. MUMBAI

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 Resulting 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 requisite consents, no-objections and approvals of the Stock Exchanges and SEBI to the Scheme in terms of the SEBI Circular and/or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on terms acceptable to the Demerged Company and the Resulting Company;

(ii.) The Scheme being agreed to by the respective requisite majorities of the members and creditors of the Demerged Company and the Resulting Company and the requisite order or orders being obtained;

(iii.) The Scheme being approved by the shareholders of the Resulting Company through resolution based by way of postal ballot and e-voting in terms of SEBI Circular, provided that the same shall be acted upon only if the votes cast by the public shareholders in favor of the Scheme are more than the votes cast by the public shareholders against it;

(iv.) The sanction of the Scheme by the Competent Authority under Sections 230 to 232 of the Act;

(v.) The certified copies of the order of the Competent Authority being filed with the Registrar of Companies, Maharashtra at Mumbai.

(vi.) Any other sanction or approval of any governmental or regulatory authority including Ministry of Information and Broadcasting, Department of Telecommunications in relation to transfer of licenses, etc., as may be considered necessary and appropriate by the respective Board of Directors of the Demerged Company and the Resulting 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 Demerged Company and the Resulting Company as may be required under the Act and/or the orders of the Competent Authority.

(ii.) The Scheme is sanctioned by the said Competent Authority under Section 230 to 232 of the Act.

(iii.) The certified copy of the order of the said Competent Authority 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 Demerged Company (through its Directors) and the Resulting Company (through 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.

INDUSIND MEDIA & COMMUNICATIONS LTD. MUMBAI

16.3 The Demerged Company and the Resulting Company shall be at liberty to withdraw this Scheme at any time as may be mutually agreed through the Board of Directors of the Demerged Company and the Resulting Company. In such a case, each company shall bear its own cost or as may be mutually agreed.

17. OPERATIVE DATE OF THE SCHEME:

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

18. EXPENSES CONNECTED WITH THE SCHEME:

18.1 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 up to 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 Resulting Company.

18.2 In the event that this Scheme fails to take effect within such period or periods as may be decided by the Demerged Company (through its Board of Directors) and the Resulting Company (through its Board of Directors) then, the Demerged Company and Resulting Company shall bear their own costs and expenses incurred by them, in relation to or in connection with the Scheme.

19. GENERAL TERMS AND CONDITIONS:

19.1 The Demerged Company and the Resulting Company shall, with all reasonable dispatch, make all applications / petitions under Sections 230 to 232 and other applicable provisions of the Act to the Competent Authority for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.

19.2 The respective Board of Directors of the Demerged Company and the Resulting 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.

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

19.4 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.

FOR INDUSIND MEDIA & COMMUNICATIONS LTD.

EXECUTIVE DIRECTOR & CFO