

August 27, 2019

To
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400 001.
Company Scrip Code-500189

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

Dear Sir,

Sub.: Intimation of the outcome of the Board Meeting held on August 27, 2019.

Ref: Scheme of Arrangement between IndusInd Media and Communications Limited (Demerged Company) and Hinduja Ventures Limited (Resulting Company) and their respective shareholders.

We refer to our letter dated August 12, 2019 wherein it was informed to the Stock Exchanges that the Board of Directors at its meeting held on August 12, 2019 had accorded In-Principle approval for Reorganization of Media and Communications undertaking of IndusInd Media & Communications Limited (IMCL), a material subsidiary of Hinduja Ventures Limited into Hinduja Ventures Limited (HVL).

We would like to inform you that, the Board of Directors of our Company at its meeting held today have unanimously approved the Scheme of Arrangement between IndusInd Media and Communications Limited ('IMCL') and Hinduja Ventures Limited ('HVL') in accordance with the provisions of Section 230 to 232 read with Section 52 and 66 of the Companies Act, 2013.

The meeting commenced at 12:45 p.m. and concluded at 7:45 p.m.

The Scheme, inter alia, provides for demerger of the Media and Communications Undertaking (as defined in the Scheme) of IMCL into HVL. As consideration for the proposed Scheme, equity shares of the HVL shall be issued to the eligible shareholders of IMCL. Shares issued by HVL pursuant to demerger will be listed for trading.

The detailed disclosure as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular CIR/CFD/CMD/4/2015 dated 9th September 2015 is enclosed as Annexure to this outcome.

We request you to take the same on your records.

Yours faithfully
For **Hinduja Ventures Limited**


Ashok Mansukhani
Managing Director
DIN: 00143001




Encl.: As above

Cin. No.: L51900MH1985PLC036896

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



Annexure I - Demerger

Sr No	Particulars	Details
1	Brief details of divisions to be demerged	<p>“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:</p> <ol style="list-style-type: none"> 1. All assets (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent) and liabilities pertaining thereto. 2. Without prejudice to the generality of the provisions of sub-clause 1 above, the Media and Communications Undertaking shall include in particular: <ol style="list-style-type: none"> (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, 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



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		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;
2	Turnover of the demerged division and as percentage to the total turnover of the listed entity/demerged entity in the immediately preceding financial year / based on financials of the last financial year	Annual Turnover of Media and Communications Undertaking for FY 2018-19 – 58,284 Lakhs Percentage to total turnover on standalone basis – 98.98%
3	Rationale for demerger	<ol style="list-style-type: none"> 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' (more particularly defined hereinafter) in the backdrop of the fact that its 'Media and Communications Undertaking' has matured and the associated risks has 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,



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		<p>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.</p> <p>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:</p> <ul style="list-style-type: none"> 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 <i>vis-à-vis</i> 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; 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;
3	Brief details of change in shareholding pattern (if any) of all entities	There will be change in shareholding pattern of HVL pursuant to HVL issuing shares to the shareholders of IMCL post demerger.



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		<p>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;</p> <p>(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</p> <p>(iv) Fixed deposits, debts, duties, obligations, and liabilities (including contingent liabilities) relating to the Media and Communications Undertaking.</p> <p>For the purpose of this Scheme, it is clarified that liabilities pertaining to the Media and Communications Undertaking includes:</p> <p>(i) The liabilities, which arise out of the activities or operations of the Media and Communications Undertaking.</p> <p>(ii) Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the Media and Communications Undertaking.</p> <p>(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.</p> <p>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.</p> <p>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</p>



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		As per the Scheme it is proposed to reduce the face value of equity shares of IMCL, however, there will not be any change in the shareholding of IMCL on account of this reduction in face value
4	In case of cash consideration – amount or otherwise share exchange ratio	Swap ratio for demerger of Media and Communications Undertaking: As per valuation report issued by PKF Sridhar & Santhanam LLP for every 125 equity shares of IMCL of Rs. 10 each, HVL will issue 10 equity shares of Rs. 10 each.
5	Whether listing would be sought for the resulting company	Resulting company being HVL is already a listed company. Shares issued by HVL pursuant to demerger shall also be listed for trading.

Shareholding pattern –

HVL*

Category	Before Scheme		Post Scheme	
	Nos. of Shares	% of Total	Nos. of Shares	% of Total
Promoters	1,45,57,906	70.82	1,49,67,009	62.23
Public	59,97,597	29.18	90,84,149	37.77
Non-public non promoter	NIL	NIL	NIL	NIL
Total	2,05,55,503	100	2,40,51,158	100

* above shareholding is on July 31, 2019. Shareholding pattern post scheme is computed based on share swap ratio as provided in the valuation report of HVL.

Shareholding pattern –

IMCL

Category	Before Scheme		Post Scheme	
	Nos. of Shares	% of Total	Nos. of Shares	% of Total
Promoters	15,09,34,930	77.55	15,09,34,930	77.55
Public	4,36,95,693	22.45	4,36,95,693	22.45
Non-public non promoter	NIL	NIL	NIL	NIL
Total	19,46,30,623	100	19,46,30,623	100



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