



CREST VENTURES LIMITED

CIN: L99999MH1982PLC102697

(Formerly known as Sharyans Resources Limited)

Registered Office: 4th Floor, Kalpataru Heritage, 127, M.G.Road, Fort, Mumbai – 400 001

Website: www.crest.co.in, Email: secretarial@crest.co.in

Tel No: 022-40512500, Fax No: 022-40512555

NOTICE OF POSTAL BALLOT

Pursuant to Section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules 2014.

Dear Member(s),

Pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), Clause 35B of the Equity Listing Agreement and other applicable laws and regulations, the member's consent for the matters set out below can be obtained by means of voting by postal ballot/e-voting. Accordingly, the said resolutions and the explanatory statement pursuant to Section 102 of the Companies Act, 2013 are appended below and a postal ballot form is enclosed for your consideration. The Board of Directors has appointed CS Ajit Sathe, Proprietor of M/s A. Y. Sathe & Co., Practicing Company Secretary (FCS No. 2899) as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the postal ballot form and return the form duly completed in the attached self addressed postage prepaid envelope, so as to reach the Scrutinizer on or before the close of working hours (18.30 hours) on or before August 24, 2015. The ballot form received after the said date will be treated as not to have been received.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the result of the voting by postal ballot will be declared on, August 26, 2015 at 14.00 hours at the Company's Head office at Mumbai and will be communicated to Stock Exchanges, BSE Limited (hereinafter referred as BSE) and The National Stock Exchange of India Limited (hereinafter referred as NSEIL) and would also be displayed on the Company's Website - www.crest.co.in. The date of declaration of the result shall be deemed to be the date of passing of the said resolution.

The Following Resolution is proposed to be passed by way of Postal Ballot:

Item No. 1

Approval of the Composite Scheme of Amalgamation between ITI Capital Holdings Private Limited and ITI Securities Limited and Crest Ventures Limited and their respective shareholders and creditors.

To consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the Circular Number CIR/CFD/DIL/5/2013 dated February 4, 2013 read with Circular Number CIR/CFD/DIL/8/2013 dated May 21, 2013 issued by the Securities and Exchange Board of India ("SEBI"), the observation letters issued by BSE Limited dated July 15, 2015, The National Stock Exchange of India Limited dated July 14, 2015 and other relevant provisions of the applicable laws, the merger as embodied in the Composite Scheme of Amalgamation between ITI Capital Holdings Private Limited and ITI Securities Limited and Crest Ventures Limited and their respective shareholders and creditors (under sections 391 to 394) read with the applicable provisions of the Companies Act, 1956 (to the extent of applicable provisions of the Companies Act, 2013) (hereinafter referred to as "Scheme") be and is hereby approved with / without any modifications and / or conditions, if any, which may be required and / or imposed by the Equity Shareholders / Secured / Unsecured Creditors in their respective Court Convened Meetings (if convened), Hon'ble High Court (s) while sanctioning the arrangement as embodied in the Scheme or by any other authority (s) under the Law."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board (which expression shall also include a Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things (including delegation of all or any of its powers herein conferred to its Directors, Chief Financial Officer (CFO), Company Secretary or any other officer (s) of the Company) as are considered requisite or necessary to effectively implement the arrangement embodied in the Scheme and to accept such modification and or conditions, if any which may be required and / or imposed by the Hon'ble High Court of Bombay, while sanctioning the arrangement as embodied in the Scheme or by any other authority (s) under the Law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in carrying out the Scheme."

By Order of the Board
For Crest Ventures Limited

Sd/-

Rohan R. Gavas
Company Secretary

Date: July 17, 2015
Place: Mumbai

NOTES:-

- i. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 ('Act') setting out the material facts and reasons for the proposed resolution(s) at the Item No. 1 above, are appended herein below along with Postal Ballot Form for member's consideration.
- ii. The notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited ("NDSL") and Central Depository Services (India) Limited ("CDSL") as on July 17, 2015.
- iii. In compliance with the provisions of Section 108 and 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014 ('Rules') and the Listing Agreement entered into with the Stock Exchange (s), the Company is pleased to offer e-voting facility as an option to all the Members of the Company. The Company has entered into an agreement with CDSL for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Form and that the E-voting is optional.
- iv. As per Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, notice of postal ballot may be served on the Members through electronic means. Members who have registered their e-mail ID'S with the depositories or with the Company are being sent this Notice of Postal Ballot by e-mail and the members who have not registered their email IDs will receive Notice of Postal Ballot along with physical form through courier.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, SETTING OUT MATERIAL FACTS RELATING TO THE AFORESAID RESOLUTION.

- 1) The Board of Directors of the Company at its meeting held on February 5, 2015 approved the Composite Scheme of Amalgamation between ITI Capital Holdings Private Limited and ITI Securities Limited and Crest Ventures Limited and their respective Shareholders and Creditors (under sections 391 to 394) read with the applicable provisions of the Companies Act, 1956 (to the extent of applicable provisions of the Companies Act, 2013).
- 2) The Board of Directors of the Company have taken into account the independent recommendations of the Audit committee and the recommendations given by M/s. Verma Mehta & Associates, the Independent Chartered Accountants in their Valuation Report dated February 5, 2015 and recommendations made by M/s. Sarthi Capital Advisors Private Limited, the independent merchant banker (Category I) in their Fairness Opinion Report dated February 5, 2015.
- 3) Pursuant to the SEBI Circular, a scheme of arrangement which involves the listed company and any other entity involving promoter, the listed company is required to ensure that the scheme submitted with the Honourable High Court for sanction, provides for the voting by the public shareholders through the process of postal ballot and e-voting.
- 4) The SEBI Circular also requires that the scheme should provide that it shall be effective only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
- 5) In terms of Clause 24(f) of the Listing Agreement, the Company has received, observation letter(s) from BSE Limited dated July 15, 2015 and The National Stock Exchange of India Limited dated July 14, 2015 conveying their no objection for filing the Scheme with the Hon'ble High Court, Bombay with a stipulation to obtain the consent of the public shareholders through the process of the postal ballot and e-voting. The copies of the same are attached in **Annexure-II**.
- 6) The salient features of the Scheme and its background are as follows:-.

SALIENT FEATURES AND BACKGROUND OF THE SCHEME :

I. PREAMBLE:-

This Scheme provides for the Amalgamation under Sections 391 to 394 and other applicable provisions, if any, of the Companies Act 1956 (to the extent applicable Companies Act, 2013), for amalgamation of:

- a) ITI Securities Limited (Transferor Company 1 or ITI Securities) with ITI Capital Holdings Private Limited (Transferor Company 2 or ITI Capital Holdings);
- b) ITI Capital Holdings Private Limited (Transferor Company 2 or ITI Capital Holdings) with Crest Ventures Limited (Transferee Company or Crest Ventures) as detailed in the Scheme of Amalgamation which is enclosed in **Annexure-IV**.

II. BACKGROUND:-

The background and circumstances which justify the said Amalgamation are inter- alia as follows:

- a) Crest Ventures Limited is a Company, limited by shares, incorporated under the provisions of the Companies Act, 1956, having its registered office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai 400001. The Company was registered as Sharyans Resources Limited and the name of the Company was changed to Crest Ventures Limited with effect from September 1, 2014. Crest Ventures is a Non Banking Finance Company (NBFC), duly registered with the Reserve Bank of India as a Non Banking Financial Company with effect from December 14, 2007 and listed on the BSE Limited and the National Stock Exchange of India Limited. Crest Ventures Limited is presently engaged in the business of investment in shares and properties.
- b) ITI Capital Holdings Private Limited is a Company limited by shares, incorporated under the provisions of the Companies Act, 1956. The Company was registered as Intime Spectrum Finmart Private Limited and the name of the Company was changed to ITI Capital Holdings

Private Limited with effect from December 31, 2010 and the registered office of the Company is situated at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Mumbai 400001. The Company is a 100% subsidiary of Crest Ventures Limited. The Company's core activity is to make investments in group companies;

- c) ITI Securities Limited is a Company, limited by shares, incorporated under the provisions of the Companies Act, 1956, having its registered office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai 400001. The Company was registered as Oracle Stocks & Shares Limited and the Company's name was changed to Intime Spectrum Securities Limited with effect from November 21, 2005. Further, the name was changed to ITI Securities Limited with effect from January 13, 2011. The Company is a subsidiary of ITI Capital Holdings Private Limited. ITI Securities Limited was a registered stock broker with the National Stock Exchange & the Bombay Stock Exchange and presently it has surrendered its membership with both the exchanges.
- d) ITI Capital Holdings Private Limited is a direct subsidiary of Crest Ventures Limited and ITI Securities Limited is a subsidiary of ITI Capital Holdings Private Limited and accordingly is a step down subsidiary of Crest Ventures Limited.
- e) With a view to maintain a simple corporate structure and eliminate the duplicate corporate procedures, it is desirable to merge and amalgamate all the undertakings of ITI Capital Holdings Private Limited and ITI Securities Limited ("Transferor Companies") into Crest Ventures Limited ("Transferee Company"). The amalgamation of all undertakings of Transferor Companies into the Transferee Company shall facilitate consolidation of all the undertakings and effective management and unified control of the operations.

SECTION I

III. IMPORTANT DEFINITION'S:-

- a) "**Appointed Date 1**" for amalgamation of ITI Securities Limited with ITI Capital Holdings Private Limited means April 1, 2014 or such other date as may be approved by the Honourable High Court or any other appropriate authority
- b) "**Appointed Date 2**" for amalgamation of ITI Capital Holdings Private Limited with Crest Ventures Limited means April 2, 2014 or such other date as may be approved by the Honourable High Court or any other appropriate authority
- c) "**Crest Ventures**" or "**the Transferee Company**" means Crest Ventures Limited, an existing company under the Act and having its registered office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai 400001, Maharashtra.
- d) "**ITI Capital Holdings or Transferor Company 2**" or "**Transferee Company for the purview of Section II**" means ITI Capital Holdings Private Limited, a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai 400001.
- e) "**ITI Securities or Transferor Company 1**" means ITI Securities Limited, a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai 400001.

IV. BRIEF DETAILS OF THE SCHEME:-

The Composite Scheme of Arrangement and Amalgamation is divided into the following sections:

- a) **SECTION I** which deals with the Definitions and Date of taking effect of the Scheme.
- b) **SECTION II** deals with Amalgamation of ITI Securities Limited with ITI Capital Holdings Private Limited.
- c) **SECTION III** deals with Amalgamation of ITI Capital Holdings Private Limited with Crest Ventures Limited.
- d) **SECTION IV** deals with the Other Terms and Conditions.

SECTION II

AMALGAMATION OF ITI SECURITIES LIMITED WITH ITI CAPITAL HOLDINGS PRIVATE LIMITED :-

a) **Transfer and vesting of undertakings :-**

With effect from the opening of business as on Appointed Date 1 i.e. April 1, 2014:-

The Undertaking of the ITI Securities Limited shall be transferred to ITI Capital Holdings Private Limited in accordance with the provisions of Section 2(1B) of the Income tax Act, 1961 in the following manner:-

- i. The entire business of the ITI Securities Limited shall be transferred to and vested in ITI Capital Holdings Private Limited.
- ii. The benefit of all brands, copyrights, trademarks, actionable claims, all rights / title or interest in property (ies), or other licenses and consents shall vest in and become available to ITI Capital Holdings Private Limited pursuant to this Scheme.
- iii. All the debts, liabilities, contingent liabilities, duties and obligations of the ITI Securities Limited, shall be deemed to be the debts, liabilities, duties and obligations of the ITI Capital Holdings Private Limited.
- iv. All the movable assets of ITI Securities Limited and the assets shall be so transferred to the ITI Capital Holdings Private Limited.

b) **Discharge of the consideration :-**

Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the undertaking of the ITI Securities Limited in

the ITI Capital Holdings Private Limited, in terms of this Scheme, the ITI Capital Holdings Private Limited, shall be subject to the provisions of the Scheme shall issue and allot securities in the following manner:

- i. Nil equity shares to the equity shareholders of the ITI Securities Limited, and whose name appears in the Register of Members as on the Record Date, his/her heirs, executors, administrators or the successors-in-title, as the case may be,
- ii. The ITI Capital Holdings Private Limited, shall without any further application or action, deed, issue and allot to the Preference Shareholders or their successors 1(one) fully paid up 3% Cumulative Redeemable Preference Shares of ₹ 100/- each in the Transferee Company or their successors for every 1 (one) 3% Cumulative Redeemable Preference of ₹ 100/- each held by them in the ITI Securities Limited on the same terms and conditions as the existing preference shares, as if the same were originally issued by the Transferee Company ("Preference Shares"). The Preference shares to be issued to the shareholders of the ITI Securities Limited shall be issued in the physical form.
- iii. Any fraction arising on issue of Preference shares as above will be rounded off to the nearest integer.

c) **Capital structure :-**

The Authorised, Issued, Subscribed and Paid up Share Capital of ITI Securities Limited (Transferor Company 1) as per the audited Balance Sheet as at March 31, 2014 is as under:

Particulars	(Amount in ₹)
Authorised Share Capital	
50,00,000 Equity Shares of ₹10/- each	50,000,000
12,00,000 3% Cumulative Redeemable Preference Shares of ₹ 100/- each	120,000,000
Total	170,000,000
Issued, Subscribed and Fully Paid-Up Capital	
50,00,000 Equity Shares of ₹10/- each paid up	50,000,000
12,00,000 3% Cumulative Redeemable Preference Shares of ₹ 100/- each	120,000,000
Total	170,000,000

The Authorised, Issued, Subscribed and Paid up Share Capital of ITI Capital Holdings Private Limited (Transferor Company 2) as per the audited Balance Sheet as at March 31, 2014 is as under:

Particulars	(Amount in ₹)
Authorised Share Capital	
60,00,000 Equity Shares of ₹10/- each	60,000,000
9,00,000 5% Optionally Convertible Preference Shares of ₹ 100/- each	90,000,000
Total	150,000,000
Issued, Subscribed and Fully Paid-Up Capital	
4,50,000 Equity Shares of ₹10/- each	4,500,000
Total	4,500,000

d) **Post amalgamation capital structure :-**

Pursuant to the Scheme becoming effective, the authorised share capital of the ITI Capital Holdings Private Limited will be increased and reclassified as under

Particulars	Amount in ₹
Authorised Share Capital	
1,10,00,000 Equity Shares of ₹ 10/- each	110,000,000
12,00,000 3% Cumulative Redeemable Preference Shares of ₹ 100/- each	120,000,000
9,00,000 5% Optionally Convertible Preference Shares of ₹ 100/-each	90,000,000
Total	320,000,000

e) **Accounting treatment in the books of ITI Capital Holdings Private Limited :-**

- i. The ITI Capital Holdings Private Limited shall follow pooling of interest method for accounting for the amalgamation as per Accounting Standard - 14 as notified under the Companies Act, 1956.
- ii. With effect from the Appointed Date, all Assets and Liabilities (includes reserves if any) of the ITI Securities Limited shall be recorded in the books of the ITI Capital Holdings Private Limited at their respective book values as recorded in the books of the ITI Securities Limited.
- iii. Inter-company investments, loans, advances, investment, deposit balances or other obligations as between the ITI Securities Limited and the ITI Capital Holdings Private Limited, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the ITI Capital Holdings Private Limited for the reduction of any assets or liabilities, as the case may be.

- iv. The face value of preference shares issued by the ITI Capital Holdings Private Limited to the shareholders of the ITI Securities Limited will be recorded as preference share capital of the ITI Capital Holdings Private Limited.
- v. The losses /depreciation of the ITI Securities Limited will be allowed to be taken over by the ITI Capital Holdings Private Limited as it is for the purpose of computing "book profit" as per the provisions of section 115JB of the Income tax Act, 1961 or any other applicable provisions introduced by any Finance Act.

SECTION III

AMALGAMATION OF ITI CAPITAL HOLDINGS PRIVATE LIMITED WITH CREST VENTURES LIMITED:-

a) Transfer and vesting of undertakings :-

With effect from the opening of business as on Appointed Date 2 i.e. April 2, 2014:-

The Undertaking of the ITI Capital Holdings Private Limited shall be transferred to Crest Ventures Limited in accordance with the provisions of Section 2(1B) of the Income tax Act, 1961 in the following manner:-

- i. The entire business of the ITI Capital Holdings Private Limited shall be transferred to and vested in Crest Ventures Limited.
- ii. The benefit of all brands, copyrights, trademarks, actionable claims, all rights / title or interest in property (ies), or other licenses and consents shall vest in and become available to Crest Ventures Limited pursuant to this Scheme.
- iii. All the debts, liabilities, contingent liabilities, duties and obligations of the ITI Capital Holdings Private Limited, shall be deemed to be the debts, liabilities, duties and obligations of the Crest Ventures Limited.
- iv. All the movable assets of ITI Capital Holdings Private Limited and the assets shall be so transferred to the Crest Ventures Limited.

b) Discharge of the consideration :-

As ITI Capital Holdings Private Limited is a wholly-owned subsidiary of the Crest Ventures Limited, hence no shares will be issued pursuant to the Scheme and the investments made by the Crest Ventures Limited in the Equity Shares / Preference Share Capital of the ITI Capital Holdings Private Limited would stand cancelled.

c) Capital structure :-

The Authorised, Issued, Subscribed and Paid up Share Capital of Crest Ventures Limited (Transferee Company) as per the latest Audited Balance Sheet as at March 31, 2014 is as under:

Particulars	(Amount in ₹)
Authorised Share Capital *	
17,500,000 Equity Shares of ₹10/- each	175,000,000
Total	175,000,000
Issued, Subscribed and Fully Paid-Up	
17,370,000 Equity Shares of ₹10/- each	173,700,000
Total	173,700,000

*Note: The Authorised share capital of Crest Ventures Limited is increased from ₹ 17.50 Crore to ₹ 23.50 Crore by mode of Postal Ballot Process conducted on April 7, 2015.

d) Accounting treatment in the books of Crest Ventures Limited :-

- i. The Crest Ventures Limited shall follow pooling of interest method for accounting for the amalgamation as per Accounting Standard - 14 as notified under the Companies Act, 1956.
- ii. With effect from the Appointed Date, all Assets and Liabilities (includes reserves if any) of the ITI Capital Holdings Private Limited shall be recorded in the books of the Crest Ventures Limited at their respective book values as recorded in the books of the ITI Capital Holdings Private Limited.
- iii. Inter-company investments, loans, advances, investment, deposit balances or other obligations as between the ITI Capital Holdings Private Limited and the Crest Ventures Limited, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Crest Ventures Limited for the reduction of any assets or liabilities, as the case may be.
- iv. The face value of preference shares issued by the Crest Ventures Limited to the shareholders of the ITI Capital Holdings Private Limited will be recorded as preference share capital of the Crest Ventures Limited.
- v. The losses /depreciation of the ITI Capital Holdings Private Limited will be allowed to be taken over by the Crest Ventures Limited as it is for the purpose of computing "book profit" as per the provisions of section 115JB of the Income tax Act, 1961 or any other applicable provisions introduced by any Finance Act."

7) Pre and Post Capital Structure and Shareholding Pattern of Crest Ventures Limited is enclosed in **Annexure-I**

8) The shareholders are requested to read the entire text of the Scheme which is annexed to this Notice as **Annexure-VII**

9) **Compliances under SEBI Circulars and Listing Agreements :-**

Pursuant to SEBI Circular No.CIR/CFD/DIL/5/2013 and SEBI Circular No.CIR/CFD/DIL/8/2014 and 24(h) of the listing agreement following documents are annexed herewith for the members' perusal:-

Sr. No.	Details	Provision	Annexure No.
1	Pre and Post Capital Structure and Shareholding Pattern of Crest Ventures Limited.	24(h) of the listing Agreement.	Annexure - I
2	Observation Letter dated July 15, 2015 received from BSE Limited and letter dated July 14, 2015 received from National Stock Exchange Limited.	Clause 5.5 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.	Annexure - II
3	Complaints Report.	Clause 5.14 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.	Annexure - III
4	Valuation report issued by M/s. Verma Mehta & Associates dated February 5, 2015.	Clause 5.4 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.	Annexure - IV
5	Fairness opinion report issued by M/s. Sarthi Capital Advisors Private Limited dated February 5, 2015.	24(h) of the listing Agreement.	Annexure - V
6	Material facts in the explanatory statement.	Clause 5.16 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.	Forms part of the explanatory statement.
7	The Composite Scheme of Amalgamation between ITI Capital Holdings Private Limited and ITI Securities Limited and Crest Ventures Limited and their respective Shareholders and Creditors.	Section 102 of the Companies Act, 2013.	Annexure - VI

In addition to the documents annexed to this explanatory statement, copies of the following documents are open for inspection at the Registered Office of the Company between 10.00 a.m. and 6.00 p.m. on any working day and the same is displayed on Company's website www.crest.co.in

- The Composite Scheme of Amalgamation between ITI Capital Holdings Private Limited and ITI Securities Limited and Crest Ventures Limited and their respective Shareholders and Creditors.
- Memorandum and Articles of Association and annual report of the transferor Companies and transferee Company.
- Copy of the "Fairness Opinion" dated February 5, 2015 issued by M/s. Sarthi Capital Advisors Private Limited (Independent Merchant Banker).
- Copy of the independent Valuation Report dated February 5, 2015 issued by M/s. Verma Mehta & Associates (Chartered Accountants).
- Complaints Report dated April 23, 2015.
- Observation Letter dated July 15, 2015 received from BSE Limited and letter dated July 14, 2015 received from National Stock Exchange Limited.

10. **Disclosure of Interest**

None of the Directors and the Key Managerial Personnel (as defined under Companies Act, 2013) and their Relatives have any interest in the resolutions for Item No.1 except that of Mr. Vijay Choraria, Managing Director and Mr. Vishal Mehta, Chief Financial Officer, whose interest is disclosed as below:

Sr. No.	Name	Company Name	Relation	Directorship	Shareholding
1	Mr. Vijay Choraria	ITI Securities Limited	Self	Director	Shareholder holding 450100 Equity Share of ₹10/- each
2	Mrs. Sunita Choraria	ITI Securities Limited	Spouse of Mr. Vijay Choraria	Not Applicable	Shareholder holding 10 Equity Share of ₹10/- each
3	Mr. Vishal Mehta	ITI Capital Holdings Private Limited	Self	Director	N.A
4	Mr. Vijay Choraria	ITI Capital Holdings Private Limited	Self	Not Applicable	Nominee of Crest Ventures Limited holding 1 Equity Share of ₹10/- each

In view of the above, the Board recommends the resolution set out at Item No. 1 of the notice for your approval.

By Order of the Board
For Crest Ventures Limited

Sd/-
Rohan R. Gavas
Company Secretary

Date: July 17, 2015
Place: Mumbai

Annexure-I

PART-A

Pre and post Capital Structure of Crest Ventures Limited (Transferee Company) is as under: (as on March 31, 2014)

(Amount in ₹)

Particulars	Pre-Amalgamation	Post Amalgamation
Authorised Share Capital		
Equity Shares of ₹10/- each	175,000,000	285,000,000
5% Optionally Convertible Preference Shares of ₹ 100/- each	NIL	90,000,000
3% Cumulative Redeemable Preference Shares of ₹ 100/- each	NIL	120,000,000
Total	175,000,000	495,000,000
Issued, Subscribed and Fully Paid-Up		
Equity Shares of ₹10/- each	173,700,000	173,700,000
Total	173,700,000	173,700,000

PART-B

Pre and post Share holding Pattern of Crest Ventures Limited (Transferee Company) is as under: (as on March 31, 2014)

Table (I) (a)								
Category code	Category of Shareholder	Number of shareholders	Total number of shares	Number of shares held in demat form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	No. of Shares	As a % (IX)=(VIII)/(IV)*100
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(A)	Shareholding of Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals/ Hindu Undivided Family	1	944435	944435	5.4372	5.4372	0	0.0000
(b)	Central Government/State Government(s)	NIL	NIL	NIL	NIL	NIL	0	0.0000
(c)	Bodies Corporate *	3	8702644	8702644	50.1016	50.1016	0	0.0000
(d)	Financial Institutions/ Banks	NIL	NIL	NIL	NIL	NIL	0	0.0000
(e)	Any Other (specify)	NIL	NIL	NIL	NIL	NIL	0	0.0000
	Sub-Total (A)(1)	4	9647079	9647079	55.5387	55.5387	0	0.0000
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	NIL	NIL	NIL	NIL	NIL	0	0.0000
(b)	Bodies Corporate	NIL	NIL	NIL	NIL	NIL	0	0.0000
(c)	Institutions	NIL	NIL	NIL	NIL	NIL	0	0.0000
(d)	Any Other (specify)	NIL	NIL	NIL	NIL	NIL	0	0.0000
	Sub-Total (A)(2)	0	0	0	0.0000	0.0000	0	0.0000
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	4	9647079	9647079	55.5387	55.5387	0	0.0000
(B)	Public shareholding							
(1)	Institutions							
(a)	Mutual Funds/ UTI	NIL	NIL	NIL	NIL	NIL	0	0.0000
(b)	Financial Institutions/ Banks	NIL	NIL	NIL	NIL	NIL	0	0.0000
(c)	Central Government/ State Government(s)	NIL	NIL	NIL	NIL	NIL	0	0.0000
(d)	Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	0	0.0000
(e)	Insurance Companies	2	624065	624065	3.5928	3.5928	0	0.0000
(f)	Foreign Institutional Investors	2	742500	742500	4.2746	4.2746	0	0.0000
(g)	Foreign Venture Capital Investors	NIL	NIL	NIL	NIL	NIL	0	0.0000

Table (I) (a)

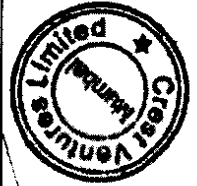
Category code	Category of Shareholder	Number of shareholders	Total number of shares	Number of shares held in demat form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	No. of Shares	As a % (IX)=(VIII)/(IV)*100
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(h)	Any Other	NIL	NIL	NIL	NIL	NIL	0	0.0000
	Sub-Total (B)(1)	4	1366565	1366565	7.8674	7.8674	0	0.0000
(2)	Non-institutions							
(a)	Bodies Corporate	98	1302894	1302644	7.5008	7.5008	0	0.0000
(b)	Individuals -							
	i. Individual shareholders holding nominal share capital up to ₹1 lakh	4171	1227334	1130915	7.0658	7.0658	0	0.0000
	ii. Individual shareholders holding nominal share capital in excess of ₹1 lakh	26	1041425	1041425	5.9955	5.9955	0	0.0000
(c)	Any Other (specify)							
	Clearing Members**	37	17558	17558	0.1011	0.1011	0	0.0000
	NRIs (Repatriation)	40	258807	258807	1.4900	1.4900	0	0.0000
	NRIs (Non-Repatriation)	12	2508338	2508338	14.4406	14.4406	0	0.0000
	OCB	0	0	0	0.0000	0.0000	0	0.0000
	Sub-Total (B)(2)	4384	6356356	6259687	36.5939	36.5939	0	0.0000
	Total Public Shareholding (B) = (B)(1)+(B)(2)	4388	7722921	7626252	44.4613	44.4613	0	0.0000
	TOTAL (A)+(B)	4392	17370000	17273331	100.0000	100.0000	0	0.0000
(C)	Shares held by Custodians and against which Depository Receipts have been issued				----- N. A. -----			

Post Merger Shareholding Pattern of the Crest Ventures Limited shall remain same as Pre amalgamation, on account of non-issuance of any shares in exchange to the holders of the transferor Company, being its 100% subsidiary Company.

Shareholding Pattern of Equity Shareholders of Transferor and Transferee Companies as on 20.03.2015

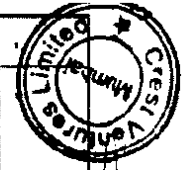
Sr	Description	Transferor company-1				Transferor company-2				Transferee company			
		ITI Securities Limited		ITI Capital Holdings Private Limited		ITI Securities Limited		ITI Capital Holdings Private Limited		Crest Ventures Limited - (Formerly known as Sharyans Resources Ltd.)		Crest Ventures Limited - (Formerly known as Sharyans Resources Ltd.)	
		Pre-arrangement No. of shares	%	Post- No. of shares	%	Pre-arrangement No. of shares	%	Post- No. of shares	%	Pre-arrangement No. of shares	%	Post- No. of shares	%
(A)	Shareholding of Promoter and Promoter Group												
1	Indian												
(a)	Individuals/ Hindu Undivided Family												
	Names of individuals-												
	Mr. Vijay Chorania	450,010	9.0002	-	-	-	-	-	-	944,435	5.4372	-	-
	Mrs. Sunita Chorania	10	0.0002	-	-	-	-	-	-	-	-	-	-
	Mr. Pranav Shah	10	0.0002	-	-	-	-	-	-	-	-	-	-
	Mr. Nimish Mehta	10	0.0002	-	-	-	-	-	-	-	-	-	-
	Mr. Venkat Iyer	10	0.0002	-	-	-	-	-	-	-	-	-	-
	Ms. Bina Shah	10	0.0002	-	-	-	-	-	-	-	-	-	-
	Mr. Vijay Chorania -Nominee of Crest Ventures Limited (formerly – Sharyans Resources Limited)	-	-	-	-	1	0.0002	-	-	-	-	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-	-	-	-
	ITI Capital Holdings Pvt. Ltd.	4,549,940	90.9988	-	-	-	-	449,999	99.9998	-	-	-	-
	Crest Ventures Limited (formerly – Sharyans Resources Limited)	-	-	-	-	-	-	-	-	-	-	-	-
	Fine Estates Private Limited	-	-	-	-	-	-	-	-	7,027,810	40.4595	-	-
	A.K.Equities Private Limited	-	-	-	-	-	-	-	-	1,238,404	7.1296	-	-
	V.J. Finsecurities Pvt. Ltd.	-	-	-	-	-	-	-	-	606,840	3.4936	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-
	Names of each category	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Others	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total(A)(1)	5,000,000	100.0000	-	-	450,000	100.0000	-	-	9,817,489	56.5198	-	-
2	Foreign	-	-	-	-	-	-	-	-	-	-	-	-

Please Refer Note Below



Shareholding Pattern of 3% Cumulative Redeemable Preference Shares of Transferor and Transferee Companies as on 20.03.2015

Sr	Description	Transferor company-1				Transferor company-2				Transferee company				
		ITI Securities Limited		ITI Capital Holdings Private Limited		ITI Capital Holdings Private Limited		Crest Ventures Limited - (Formerly known as Sharyans Resources Ltd.)		Crest Ventures Limited - (Formerly known as Sharyans Resources Ltd.)		Crest Ventures Limited - (Formerly known as Sharyans Resources Ltd.)		
		Pre-arrangement	Post-arrangement	Pre-arrangement	Post-arrangement	Pre-arrangement	Post-arrangement	Pre-arrangement	Post-arrangement	Pre-arrangement	Post-arrangement	Pre-arrangement	Post-arrangement	
No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%	
(A)	Shareholding of Promoter and Promoter Group													
1	Indian													
(a)	Individuals/ Hindu Undivided Family													
	Names of individuals -													
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate													
	Crest Ventures Limited(formerly - Sharyans Resources Limited) Refer Note	1,200,000	100.00	-	-	1,200,000	100.00	-	-	1,200,000	100.00	-	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-
	Names of each category	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Others	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total(A)(1)	1,200,000	100.00	-	-	1,200,000	100.00	-	-	1,200,000	100.00	-	-	-
2	Foreign													
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Others	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter & Promoter Group (A)= (A)(1)+(A)(2)	1,200,000	100.00	-	-	1,200,000	100.00	-	-	1,200,000	100.00	-	-	-



Annexure-II



Ref: NSE/LIST/33777

July 14, 2015

The Company Secretary
Crest Ventures Limited
4th Floor, Kalpataru Heritage,
127, M. G. Road, Fort,
Mumbai - 400001

Kind Attn.: Mr. Rohan R. Gavas

Dear Sir,

Sub: Observation letter for draft Scheme of Amalgamation between ITI Capital Holding Private Limited and ITI Securities Limited with Crest Ventures Limited and their respective Shareholders and creditors

This has reference to draft Scheme Amalgamation between ITI Capital Holding Private Limited ("Transferor Company 2") and ITI Securities Limited ("Transferor Company 1") with Crest Ventures Limited ("Transferee Company") and their respective Shareholders and creditors under sections 391 to 394 read with applicable provisions of the Companies Act, 1956 submitted to NSE vide your letter dated March 03, 2015.

Based on our letter reference no Ref: NSE/LIST/27221 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI has vide letter dated July 14, 2015, has given following comments on the draft Scheme of Amalgamation:

"a) Crest Ventures Limited shall provide for voting by public shareholders in terms of SEBI Circular dated Feb 4, 2013 read with SEBI Circular dated May 21, 2013 as part of the scheme. The Scheme shall also provide that the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

b) The Company to ensure that the additional information submitted by Crest Ventures Limited with respect to pre-scheme and post-scheme shareholding and RBI's No objection vide letter dated July 6, 2015 is displayed from the date of receipt of this letter on the websites of the listed company along with various documents submitted pursuant to the Circulars.

c) The Company shall duly comply with various provisions of the Circulars."

We hereby convey our 'No-objection' with limited reference to those matters having a bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Company to file the Scheme with Hon'ble High Court.



However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from July 14, 2015, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

- a. Copy of Scheme as approved by the High Court;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per Annexure II of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.

Yours faithfully,
For National Stock Exchange of India Limited

Kamlesh Patel
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL
http://www.nseindia.com/corporates/content/further_issues.htm

The Company Secretary,
Crest Ventures Limited.
4th Floor, Kalpataru Heritage,
M G Road,
Fort,
Mumbai – 400 001
Maharashtra.

Sub: Observation letter regarding the Draft Scheme of Arrangement involving amalgamation of ITI Capital Holdings Limited (ICHL) and ITI Securities Limited (ISL) with Crest Ventures Limited (CVL).

We are in receipt of Draft Scheme of Arrangement involving amalgamation of ITI Capital Holdings Limited (ICHL) and ITI Securities Limited (ISL) with Crest Ventures Limited (CVL).

As required under SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI vide its letter July 14, 2015 has inter alia given the following comment(s) on the draft scheme of arrangement:

- *Company shall provide for voting by public shareholders in terms of SEBI Circular dated Feb 4, 2013 read with SEBI Circular dated May 21, 2013 as part of the scheme. The Scheme shall also provide that the Scheme shall be acted upon if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.*
- *Company to ensure to disclose the additional information submitted with respect to pre-scheme and post-scheme shareholding and further disclose "RBI has given its no-objection to the draft scheme vide letter dated July 6, 2015" on the website of the listed company from the date of receipt of this letter along with various documents submitted pursuant to the Circulars.*
- *Company shall duly comply with various provisions of the Circulars.*

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information (as stated aforesaid) along with various documents are disseminated on their (company) website.
- The Company shall duly comply with provisions of Circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

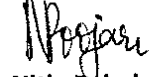
- a. Copy of the High Court approved Scheme;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- d. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- e. Status of compliance with the Observation Letter/s of the stock exchanges;
- f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable;
- g. Complaints Report as per Annexure II of this Circular.
- h. Any other document/disclosure as informed by the Exchange.

SENSEX India's index the world tracks

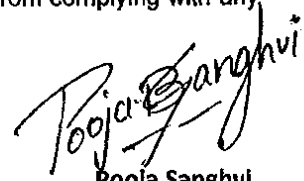
The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,



Nitin Pujari
Manager



Pooja Sanghvi
Asst. Manager

Annexure-III



CREST VENTURES

Complaints Report:

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NIL
5.	Number of complaints pending	NIL

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	N.A.	N.A.	N.A.
2.			
3.			

For Crest Ventures Limited


Director / Authorised Signatory

Annexure-IV

VERMA MEHTA & ASSOCIATES

CHARTERED ACCOUNTANTS

104, CREATIVE INDUSTRIES PREMISES, SUNDER NAGAR, KALINA, SANTACRUZ (E), MUMBAI - 400 098.
TEL.: 2666 6359 / 6570 2839 • FAX : 6693 5131 • E-MAIL : vma@vsnl.net

STRICTLY PRIVATE AND CONFIDENTIAL

February 5, 2015

The Board of Directors
Crest Ventures Limited
4th Floor, Kalpataru Heritage,
127, M.G. Road, Fort,
Mumbai - 400 001

The Board of Directors
ITI Capital Holdings Private Limited
4th Floor, Kalpataru Heritage,
127, M.G. Road, Fort,
Mumbai - 400 001

The Board Of Directors
ITI Securities Limited
4th Floor, Kalpataru Heritage,
127, M.G. Road, Fort,
Mumbai - 400 001

Re: Recommendation of Fair Exchange ratio for proposed amalgamation of:

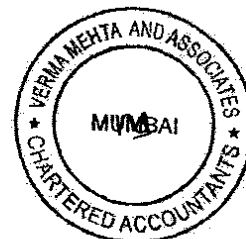
- a) ITI Securities Limited with ITI Capital Holdings Private Limited; and
- b) ITI Capital Holdings Private Limited with Crest Ventures Limited.

Dear Sir,

As requested by the management of ITI Securities, ITI Capital Holdings and Crest Ventures, (hereinafter collectively referred to as the "management"), we have undertaken the valuation exercise to recommend a fair share exchange ratio.

Purpose of Valuation

1. We have been informed that the management are considering a proposal for the amalgamation through a scheme of Amalgamation (the "Scheme") pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 and Companies Act, 2013. The scheme inter alia provides:
 - Merger of ITI Securities Limited (ITI Securities) with ITI Capital Holdings Private Limited (ITI Capital Holdings)
 - Thereafter, merger of ITI Capital Holdings Private Limited (ITI Capital Holdings) with Crest Ventures Limited (Crest Ventures)
2. We have been informed by the Management that ITI Capital Holdings intends to discharge the consideration for amalgamation through issue of 3% Cumulative Redeemable Preference Shares (CRPS) of Rs 100/- each
3. In this connection, we have been appointed by the Management to carry out valuation of shares of the Companies to recommend fair exchange ratio.

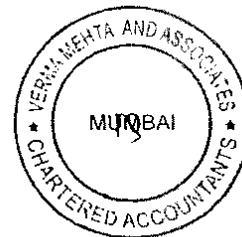


Background

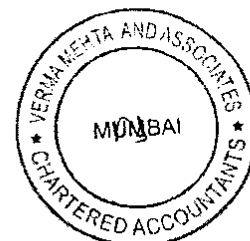
- Crest Ventures Limited is a company incorporated under the provisions of the Companies Act, 1956 having its registered office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai – 400 001. The company was registered as Sharyans Resources Ltd and the name of the company was changed to Crest Ventures Limited with effect from September 1, 2014. Crest Ventures is a Non Banking Finance Company (NBFC), duly registered with RBI as NBFC with effect from 14th December, 2007 and listed on the Bombay Stock Exchange and the National Stock Exchange. Crest Ventures is presently engaged in the business of investment in shares and properties.
- ITI Capital Holdings Private Limited is a private limited company incorporated under the provisions of the Companies Act, 1956 The Company was registered as Intime Spectrum Finmart Private Limited and the name of the company was changed to ITI Capital Holdings Private Limited with effect from 1st December, 2010 having its registered office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Mumbai 400001 The Company is a 100% subsidiary of Crest Ventures. The company's core activity is to make investments in group companies;
- ITI Securities Limited is a limited Company incorporated under the provisions of the Companies Act, 1956 having its registered office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai – 400 001 The company was registered as Oracle Stocks & Shares Limited and the company name was changed to Intime Spectrum Securities Limited with effect from 21st November, 2005. Further, the name was changed to ITI Securities Limited with effect from 13th January, 2011. The Company is a subsidiary of ITI Capital Holdings, ITI Securities was a registered stock broker with the National Stock Exchange & the Bombay Stock Exchange. Presently it has surrendered its membership with both the exchanges
- ITI Capital Holdings is a direct subsidiary of Crest Ventures and ITI Securities is a subsidiary of ITI Capital Holdings and accordingly a step down subsidiary of Crest Ventures.

Exclusions and Limitations

- Our report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.
- Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment There, is therefore, no indisputable single value. While Verma Mehta & Associates (Chartered Accountants), has provided an assessment of the value based on the information available, application of certain formulae and within the scope and constraints of our engagement, others may place a different value to the same.
- In the course of the valuation, we were provided with both written and verbal information. We assume no responsibility for any errors in the above information furnished by the companies and consequential impact on the present exercise



- Our work does not constitute an audit or certification or due diligence of the historical financial statements including the working results of the Companies referred to in the report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in the report is as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that the management of these companies have drawn out attention to all matters, which they are aware of concerning the financial position of the companies and any other matter, which may have an impact on our opinion, on the fair value of the shares of the Companies including any significant changes that have taken place or are likely to take place in the financial position of the companies, subsequent to the Appointed Date for the proposed amalgamation. We have no responsibility to update this report for events and circumstances occurring after the date of report.
- No investigation on companies claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for the matters of legal nature.
- Any person/ party intending to provide finance/invest in the shares/ business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- Our report is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such proposed amalgamation.
- This Report is prepared only in connection with the proposed amalgamation exclusively for the use of the companies and for submission to any regulatory/ statutory authority as may be required under any law. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than purpose for which it is proposed.
- Verma Mehta & Associates(Chartered Accountants), nor its partners, managers, employees makes any representation or warranty , express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for, or based on or rating to any such information contained in the valuation.



Sources of information

For the purpose of the valuation exercise, we have relied upon the following sources of information provided by the Management:

- Audited financial statements of ITI Securities, ITI Capital Holdings and Crest Ventures for the year ended March 31, 2014 provided by the respective management.
- Draft Scheme of Amalgamation.
- Discussions with respective management.
- Other relevant details regarding the companies such as their history, their promoters, past and present activities, existing shareholding pattern and other relevant information and data including information in the public domain.
- Such other information and explanations as we required and which have been provided by the management.

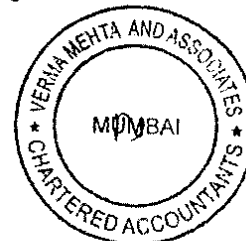
VALUATION APPROACH

- Generally for the purpose of amalgamation, following valuation approaches can be considered, viz,
 - (a) the "underlying asset" approach;
 - (b) the "income" approach; and
 - (c) the "market" approach
- Since, the Scheme envisages the
 - Merger of ITI Securities Limited (ITI Securities) with ITI Capital Holdings Private Limited (ITI Capital Holdings) with effect from April 1, 2014 (**PART A**); and
 - Thereafter, merger of ITI Capital Holdings Private Limited (ITI Capital Holdings) with Crest Ventures Limited (Crest Ventures) with effect from April 2, 2014 (**PART B**)

We undertook, to value ITI Securities and ITI Capital Holdings first to arrive at the Fair Exchange ratio for **PART A**, and after giving effect of merger of ITI securities with ITI Capital Holdings, we have valued ITI Capital Holdings (**Merged**) and Crest Ventures Limited to arrive at the Fair Exchange ratio for **PART B**

Valuation approach adopted for PART A

- Since shares of ITI Capital Holdings and ITI Securities are not listed on any stock exchanges, therefore "market" approach is not applicable for the valuation of ITI Capital Holdings and ITI Securities.
- Also, as on the appointed date, ITI Capital Holdings and ITI Securities do not have any substantial business activity, therefore we have thought fit not to use "income" approach for PART A valuation exercise.
- Considering the above, we have thought fit to determine the values using the "underlying asset" approach for ITI Capital Holdings and ITI Securities.
- As informed by the Management, ITI Capital Holdings intends to discharge the consideration for amalgamation through issue of 3% Cumulative Redeemable Preference Shares (hereinafter referred to as "CRPS") of INR 100/- each to Equity Shareholders and Preference Shareholders of ITI Securities. In view of this, there is no need to carry out valuation of equity shares of ITI Capital Holdings



Valuation approach adopted for PART B

- Since ITI Capital Holdings (after giving effect of PART A) remains wholly owned subsidiary of Crest Ventures, no shares are to be issued to shareholders' of ITI Capital Holdings, therefore, no valuation of equity shares of Crest Ventures and ITI Capital Holdings is required.

Valuation of shares under underlying Asset Approach

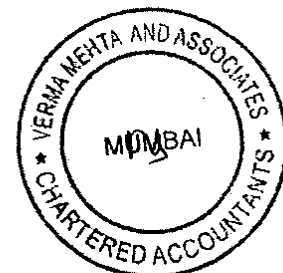
- In case of "underlying asset" approach, the value is determined by dividing the net assets of the company by the number of shares. The "underlying asset" approach represents the value with the reference to the historical cost of the assets owned by the Company and attached liabilities as at the valuation date.
- In arriving at the Net Asset Value, appropriate adjustments have been made for appreciation/ diminution in value of investments, after considering the tax impact. The appreciation/diminution in value of investments is worked out based on underlying net assets/ transaction values after considering the appreciation in value of surplus assets, if any.
- The underlying net asset value as arrived above is divide by the number of equity shares to arrive at the value per equity share.

Methodology for valuation of shares under underlying Asset Approach for PART A

Calculation of Net Asset Value of ITI Securities as at March 31, 2014

Particulars	Amount (INR)
Assets	
Fixed Assets (Net)	14,473,120
Non Current Investments	52,976,832
Long Term Loans & Advances	22,900,000
Net Current Assets	(94,574,785)
Deferred Tax Assets	NIL
Total Assets (A)	23,058,967
Less: Liabilities	NIL
Net Asset Valuable attributable to shareholders	23,058,967
Less : Preference Shares	120,000,000
Net Assets Value to Equity Shareholders	(96,941,033)
Number of Equity Share (No.s)	5,000,000
Value per Equity Share (INR)	(19.39)

Considering the fact that, value per equity share (as above) is negative Rs. 19.39, therefore no CRPS to be allotted to equity shareholder. Further, the business is intended to be continued on a "going concern" basis, we have considered it appropriate to give full value to Preference Shareholder.



Recommendation of Fair Exchange Ratio

- The share exchange ratio has been arrived on the basis of various qualitative factors relevant to the Companies and the business dynamics, having regard to information base, management representations and perceptions, key underlying assumptions and limitations.
- In the ultimate analysis, valuation will have to be involve the exercise of judicious discretion and judgment taking into all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of the share.
- In the light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove earlier in this report, in our opinion, a fair share exchange ratio is:

PART A: Merger of ITI Securities with ITI Capital Holdings

- a) (NIL) 3% Cumulative Redeemable Preference Shares of Rs 100/- each fully paid up of ITI Capital Holdings for 1 (One) Equity Share of Rs.10 each fully paid of ITI Securities.
- b) 1 (One) 3% Cumulative Redeemable Preference Shares of Rs 100/- each fully paid up of ITI Capital Holdings for 1 (One) 3% Cumulative Redeemable Preference Shares of Rs 100/- each fully paid of ITI Securities.

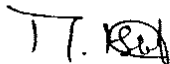
PART B: Merger of ITI Capital Holdings with Crest Ventures

- a) (NIL) 3% Cumulative Redeemable Preference Shares of Rs 100/- each fully paid up of Crest Ventures for 1 (One) Equity Share of Rs.10 each fully paid of ITI Capital Holdings.
- b) (NIL) 3% Cumulative Redeemable Preference Shares of Rs 100/- each fully paid up of Crest Ventures for 1 (One) 3% Cumulative Redeemable Preference Shares of Rs 100/- each fully paid of ITI Capital Holdings.

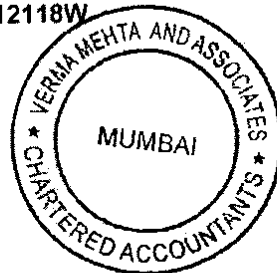
Thank You,

Yours faithfully,

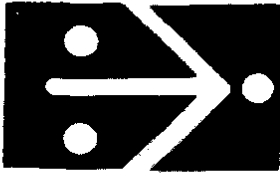
For Verma Mehta & Associates
Chartered Accountants
Firm Registration No. 112118W



Mrugen Shah
Partner
Mem. No. 114770



Place: Mumbai



S A R T H I

Annexure-V

FAIRNESS OPINION
ON THE
SCHEME OF AMALGAMATION
BETWEEN

ITI CAPITAL HOLDINGS PRIVATE LIMITED (TRANSFEROR COMPANY)

AND

CREST VENTURES LIMITED (TRANSFeree COMPANY)

To,

The Board of Directors
Crest Ventures Limited
4th Floor, Kalpataru Heritage,
127, M.G. Road,
Mumbai 400001, India.

Dear Sir(s),

Sub: "Fairness Opinion" on the proposed Amalgamation of ITI Capital Holdings Private Limited with its parent company namely Crest Ventures Ltd.

1. Purpose & Scope

This "Fairness Opinion" is hereby submitted with reference to the Management Letter dated January 31, 2015 which was duly accepted by you. We understand that Crest Ventures Limited is a listed entity on BSE Limited and National Stock Exchange of India Limited. Further, the Transferee Company is undergoing Corporate Restructuring which requires a "Fairness Opinion" on the proposed amalgamation of ITI Capital Holdings Private Limited ("Transferor Company") with Crest Ventures Limited ("Transferee Company") from Category-I Merchant Banker.

2. About Sarathi Capital Advisors Private Limited

Sarathi Capital Advisors Private Limited, is a private limited company incorporated under the provisions of the Companies Act, 1956 having its Corporate Office at 159/11, Amar Brass Compound, Vidya Nagari Marg, Kalina, Santacruz (E), Mumbai - 400098 and Branch Office at Anthem House, E-360, First Floor, Nirman Vihar, Delhi - 110092, India (hereinafter referred to as "Sarathi"). Our Company is a **SEBI Registered Category I Merchant Banker** and engaged in various advisory services including but not limited with respect to Capital Market Transactions Advisory Services, Listing & Delisting of Equity Shares, Business Valuations, Fairness Opinion, Merchant Banking and related advisory service for corporate entities.

Sarathi Capital Advisors Private Limited
159/11, Amar Brass Compound, Vidya Nagari Marg, Kalina, Santacruz (E),
Mumbai - 400098. www.sarathi.in CIN : U65190DL2012PTC238100
Reg. Office: 268/A, Arjun Nagar, Safdarjung Enclave, New Delhi 110029.



Tel. : 022 - 26528671 - 72
Fax : 022 - 26528673

3. Rationale of the Scheme

- i. The Scheme of Amalgamation provides for the amalgamation of ITI Capital Holdings Private Limited ("Transferor Company") with Crest Ventures Limited ("Transferee Company") pursuant to section 391 to 394 of the Companies Act, 1956.
- ii. As on March 31, 2014 the entire issued, subscribed and paid up share capital of the Transferor Company is held by the Transferee Company. With a view to maintain a simple corporate structure and eliminate duplicate corporate procedures it is desirable to merge and amalgamate all the undertakings of Transferor Companies into Transferee Company. Some of the prominent benefits of amalgamation are stated herein below:
 - a) The amalgamation of all undertakings of Transferor Company into the Transferee Company shall facilitate consolidation of all the undertakings in order to enable effective management and unified control of operations.
 - b) The amalgamation would create economies in administrative and managerial costs by consolidating operations and would substantially reduce duplication of administrative responsibilities and multiplicity of records and legal and regulatory compliances.
 - c) The amalgamation will result in economy of scales, reduction in overheads including administrative, managerial and other expenditure, operational rationalization, organizational efficiency and optimal utilization of resources.

4. Pre and Post Shareholding Pattern of Transferee Company

There shall be no change in the pre and post shareholding pattern of the Company pursuant to the Scheme of Amalgamation:

	PRE		POST	
	No. of shares	%	No. of shares	%
Promoter	98,17,489	56.52	98,17,489	56.52
Public	75,52,511	43.48	75,52,511	43.48
Total	1,73,70,000	100.00	1,73,70,000	100.00

5. Source of information

- i. Copy of the Memorandum and Article of Association of both the companies.
- ii. Audited Balance Sheet of Crest Ventures Limited and ITI Capital Holdings Private Limited for the last three financial years ending March 31, 2014, March 31, 2013 and March 31, 2012 certified by the respective companies.
- iii. Certified Shareholding pattern before and after the Scheme



- iv. A certified copy of the Amalgamation Scheme.
- v. Certified copy of recommendation of fair exchange ratio for proposed amalgamation issued by Verma Mehta & Associates, Chartered Accountants.

6. Fairness Opinion

With reference to the above and based on information and explanation given to us by the Management of Crest Ventures Limited and upon the perusal of the Scheme of Amalgamation we understand that since ITI Capital Holdings Private Limited is the wholly owned subsidiary of Crest Ventures Limited therefore no shares are to be issued as consideration of the proposed Amalgamation resulting in no change in the shareholding pattern of Crest Ventures Limited post the proposed Amalgamation. In light of the same, valuation of the Transferor Company has not been undertaken by Crest Ventures Limited from an Independent Valuer as per the requirements of SEBI Circular no. CIR/CFD/DIL/5/2013 dated February 04, 2013 read along with SEBI Circular no CIR/CFD/DIL/8/2013 dated May 21, 2013.

Based on the above information we are of the Opinion that the proposed Amalgamation of ITI Capital Holdings Private Limited with Crest Ventures Limited as per the Scheme of Amalgamation is fair and reasonable to the equity shareholders of Crest Ventures Limited.

7. Limitations of the Fairness Opinion

The assignment did not include the following:

- i. Financial and Legal due diligence of the Transferor or the Transferee Company
- ii. Our fairness opinion is based on the information made available to us by the management of Crest Ventures Limited. Any subsequent changes to the financial and other information provided to us, may affect the result of value analysis set out in this report.
- iii. The report should not be construed as our opinion or certification of compliance with the provisions of any law, including but not limited to Circulars / Guidelines / Notifications / Rules / Regulations etc issued under Income Tax Act, Companies Act, other Tax Laws and Capital Market related Laws by the Company.
- iv. Our Fairness Opinion should not be construed as investment advice, specifically, we do not express any opinion on the suitability or otherwise of entering into the proposed transaction.
- v. In rendering this opinion, we have not been provided legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility in respect thereof. Further, we assume that the scheme of Amalgamation will be implemented on the terms and conditions as set out in the draft scheme of Amalgamation, without any material changes to or waiver of its terms and conditions.



8. Disclaimer on the Fairness Opinion

We have reviewed the information made available to us for overall consistency and have not carried out any detailed tests in the nature of audit to establish the accuracy of such statements and information. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the Company. Further, we have not carried out any independent verification of the accuracy and completeness of all information as provided to us by the management. We hereby declare that we do not have any direct or indirect interest in the Company/assets valued, if any.

In no case / event, will Sarthi Capital Advisors Pvt. Ltd., its Directors and Employees, be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this engagement, exceeding the amount of fees payable as per the Engagement Letter.



Abhishek Jain
Senior Manager & Company Secretary
Sarthi Capital Advisors Private Limited
[SEBI Registration Code – MB/INM000012011]

Date: February 05, 2015
Place: Delhi

Annexure-VI

**COMPOSITE SCHEME OF AMALGAMATION
BETWEEN
ITI CAPITAL HOLDINGS PRIVATE LIMITED
AND
ITI SECURITIES LIMITED
AND
CREST VENTURES LIMITED**

And

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**(UNDER SECTIONS 391 TO 394 READ WITH APPLICABLE PROVISIONS OF THE COMPANIES ACT,
1956 (TO THE EXTENT APPLICABLE COMPANIES ACT, 2013))**

PREAMBLE

This Scheme provides for the Amalgamation under Sections 391 to 394 and other applicable provisions, if any, of the Companies Act 1956 (to the extent applicable Companies Act, 2013), for amalgamation of:

- a) ITI Securities Limited (Transferor Company 1 or ITI Securities) with ITI Capital Holdings Private Limited (Transferor Company 2 or ITI Capital Holdings)
- b) ITI Capital Holdings Private Limited (Transferor Company 2 or ITI Capital Holdings) with Crest Ventures Limited (Transferee Company or Crest Ventures)

as detailed in the Scheme of Amalgamation below:

Background

The background and circumstances which justify the said Amalgamation are inter- alia as follows:

- a. Crest Ventures Limited is a company, limited by shares, incorporated under the provisions of the Act (defined below) having its registered office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai 400001. The company was registered as Sharyans Resources Ltd and the name of the company was changed to Crest Ventures Limited with effect from September 1, 2014. Crest Ventures is a Non Banking Finance Company (NBFC), duly registered with RBI as NBFC with effect from 14th December, 2007 and listed on the Bombay Stock Exchange and the National Stock Exchange. Crest Ventures is presently engaged in the business of investment in shares and properties.
- b. ITI Capital Holdings Private Limited, a company limited by shares, incorporated under the provisions of the Act (defined below). The Company was registered as Intime Spectrum Finmart Private Limited and the name of the company was changed to ITI Capital Holdings Private Limited with effect from 31st December, 2010 having its registered office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Mumbai 400001. The Company is a 100% subsidiary of Crest Ventures. The company's core activity is to make investments in group companies;
- c. ITI Securities Limited is a Company, limited by shares, incorporated under the provisions of the Act (defined below) having its registered office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai 400001. The company was registered as Oracle Stocks & Shares Limited and the company name was changed to Intime Spectrum Securities Limited with effect from 21st November, 2005. Further, the name was changed to ITI Securities Limited with effect from 13th January, 2011. The Company is a subsidiary of ITI Capital Holdings; ITI Securities was a registered stock broker with the National Stock Exchange & the Bombay Stock Exchange. Presently it has surrendered its membership with both the exchanges.
- d. ITI Capital Holdings is a direct subsidiary of Crest Ventures and ITI Securities is a subsidiary of ITI Capital Holdings and accordingly a step down subsidiary of Crest Ventures.

- e. With a view to maintain a simple corporate structure and eliminate duplicate corporate procedures it is desirable to merge and amalgamate all the undertakings of ITI Capital Holdings Private Limited and ITI Securities Limited ("Transferor Companies") into Crest Ventures Limited ("Transferee Company"). The amalgamation of all undertakings of Transferor Companies into the Transferee Company shall facilitate consolidation of all the undertakings in order to enable effective management and unified control of operations. Further, the amalgamation would create economies in administrative and managerial costs by consolidating operations and would substantially reduce duplication of administrative responsibilities and multiplicity of records and legal and regulatory compliances.
- f. Accordingly, this Scheme of Amalgamation ("Scheme") is being presented for amalgamation of the Transferor Companies with the Transferee Company and for various other matters consequential, supplemental and/ or otherwise integrally connected therewith pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 (to the extent applicable Companies Act, 2013).

SECTION OF THE SCHEME

The Composite Scheme of Arrangement and Amalgamation is divided into the following sections:

- a. **SECTION I** which deals with the Definitions and Date of taking effect of the Scheme.
- b. **SECTION II** deals with Amalgamation of ITI Securities Limited with ITI Capital Holdings Private Limited
- c. **SECTION III** deals with Amalgamation of ITI Capital Holdings Private Ltd with Crest Ventures Limited
- d. **SECTION IV** deals with the Other Terms and Conditions.

SECTION I

DEFINITIONS AND DATE OF TAKING EFFECT OF THE SCHEME

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1 **"Act"** means the Companies Act, 1956, or the Companies Act, 2013 as in force from time to time. As on the date of approval of this Scheme by the respective Board of Directors of the Transferor Companies and the Transferee Company, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956 unless stated otherwise. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall unless a different intention appears, be construed as reference to the provisions so re-enacted.
- 1.2 **"Appointed Date 1"** for amalgamation of ITI Securities Limited with ITI Capital Holdings Private Limited means April 1, 2014 or such other date as may be approved by the Honorable High Court or any other appropriate authority
- 1.3 **"Appointed Date 2"** for amalgamation of ITI Capital Holdings Private Limited with Crest Ventures Limited means April 2, 2014 or such other date as may be approved by the Honorable High Court or any other appropriate authority
- 1.4 **"Amalgamation"** means the amalgamation as specified under Section 2(1B) of the Income-tax Act, 1961.
- 1.5 **"Effective Date"** means the dates on which certified copies of the Orders of the Honorable High Court of Judicature at Mumbai or any other appropriate authority sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra at Mumbai.
- 1.6 **"Crest Ventures"** or **"the Transferee Company"** means Crest Ventures Limited, an existing company under the Act and having its registered office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai 400001, Maharashtra.
- 1.7 **"Board"** means the Board of Directors of the Transferor Companies or, as the case may be, of the Transferee Company and shall include any Committee thereof duly constituted or appointed by the Board for this purpose.

- 1.8 **“ITI Capital Holdings or Transferor Company 2” or “Transferee Company for preview of Section II”** means ITI Capital Holdings Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai 400001.
- 1.9 **“ITI Securities or Transferor Company 1”** means ITI Securities Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at 4th Floor, Kalpataru Heritage, 127, M.G. Road, Fort, Mumbai 400001.
- 1.10 **“Court or High Court”** means the Honorable High Court of Judicature at Mumbai exercising jurisdiction under section 391 to 394 and section 100 to 103 of the Companies Act, 1956 or the National Company Law Tribunal, if applicable.
- 1.11 **“Transferor Companies”** means Transferor Company 1 and Transferor Company 2.
- 1.12 **“Record Date 1” (For Amalgamation of ITI Securities with ITI Capital Holdings)** means the date to be fixed by the Board of Directors of the Transferor Company 2 i.e. ITI Capital Holdings Private Limited in consultation with the Board of Directors of the Transferor Company 1 i.e. ITI Securities Limited for the purpose of reckoning names of the Shareholders of the Transferor Company 1, who shall be entitled to receive shares of ITI Capital Holdings, upon coming into effect, the amalgamation, of this Scheme.
- 1.13 **“Record Date 2” (For Amalgamation of ITI Capital Holdings with Crest Ventures Limited)** means the date to be fixed by the Board of Directors of the Transferee Company i.e. Crest Ventures Limited in consultation with the Board of Directors of ITI Capital Holdings Private Limited for the purpose of reckoning names of the Equity Shareholders of ITI Capital Holdings Private Limited, who shall be entitled to receive shares of the Transferee Company, upon coming into effect, the amalgamation, of this Scheme.
- 1.14 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation in its present form submitted to High Court or any other appropriate authority or with any modification(s) made under Para 15 of this Scheme.
- 1.15 **“Para”** means paragraph of this Scheme
- 1.16 **“The ITI Securities Undertaking”** shall mean and include the entire business and undertaking of the ITI Securities Limited as a going concern and shall include (without limitation):
- a. All the investments, assets and properties of the Transferor Company 1 as on the Appointed Date 1 (hereinafter referred to as “the said assets”);
 - b. All the debts, liabilities, duties and obligations of the Transferor Company 1 including contingent liabilities as on the Appointed Date 1 (hereinafter referred to as “the said liabilities”);
 - c. All permits, quotas, rights, entitlements and other licenses, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and any other exemptions as available under the Income Tax Act, 1961 (or any statutory modification or re-enactment thereof for the time being in force), all other rights including sales tax deferrals and exemptions and other benefits, receivables and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts, customer contracts and arrangements and all other interests in connection with or relating to the Transferor Company 1;
 - d. Without prejudice to the generality of sub-clause (a) above, the Undertakings of the Transferor Company 1 shall include the reserves, balances in the Profit and Loss Account, movable and immovable properties including land and building, furniture, fixtures, vehicles, leasehold assets and other properties, real corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, amounts lying in the banks to the credit of the Transferor Company 1, investments, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, leasehold rights, brands, sub-letting tenancy rights, goodwill, other intangibles, permits, authorizations, trademarks, trade names, copyrights, and other intellectual properties and rights of any nature whatsoever including know-how, domain names, or any applications for the above, assignments and grants in respect thereof, right to use and avail of telephones, telex, facsimile and other communication facilities connections, installations and equipment, utilities, electricity and electronic and all other services

of every kind, nature and description whatsoever, provisions, funds, and benefits of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other person including customers, contractors or other counter parties, etc. all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions and approvals of whatsoever nature (including but not limited to benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, minimum alternate tax, unutilized deposits or credits, brought forward accumulated tax losses, unabsorbed depreciation, etc, and where so ever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor Company 1 as on the Appointed Date.

1.17 **“The ITI Capital Undertaking”** shall mean and include the entire business and undertaking of the Transferor Company 2 as a going concern and shall include (without limitation):

- a. All assets and liabilities transferred and recorded as per Section II of the Scheme; and
- b. All the investments, assets and properties of the Transferor Company 2 as on the Appointed Date 2 (hereinafter referred to as “the said assets”);
- c. All the debts, liabilities, duties and obligations of the Transferor Company 2 including contingent liabilities as on the Appointed Date 2 (hereinafter referred to as “the said liabilities”);
- d. All permits, rights, entitlements, and other licenses, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and any other exemptions as available under the Income Tax Act, 1961 (or any statutory modification or re-enactment thereof for the time being in force), all other rights including sales tax deferrals and exemptions and other benefits, receivables and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts, customer contracts and arrangements and all other interests in connection with or relating to the Transferor Company 2;

Without prejudice to the generality of sub-clause (a) above, the Undertakings of the Transferor Company 2 shall include the reserves, balances in the Profit and Loss Account, movable and immovable properties including land and building, furniture, fixtures, vehicles, leasehold assets and other properties, real corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, amounts lying in the banks to the credit of the Transferor Company 2, investments, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, leasehold rights, brands, sub-letting tenancy rights, goodwill, other intangibles, permits, authorizations, trademarks, trade names, copyrights, and intellectual properties and rights of any nature whatsoever including know-how, domain names, or any applications for the above, assignments and grants in respect thereof, right to use and avail of telephones, telex, facsimile and other communication facilities connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other person including customers, contractors or other counter parties, etc. all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions and approvals of whatsoever nature (including but not limited to benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, minimum alternate tax, unutilized deposits or credits, brought forward accumulated tax losses, unabsorbed depreciation, etc, and where so ever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor Company 2 as on the Appointed Date.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or any other appropriate authority shall be operative from the respective Appointed Date but shall be effective from the Effective Date.

3. SHARE CAPITAL

The Authorised, Issued, Subscribed and Paid up Share Capital of Crest Ventures Limited (Transferee Company) as per the latest Audited Balance Sheet as at March 31, 2014 is as under:

Particulars	(Amount in Rs)
Authorised Share Capital	
17,500,000 Equity Shares of Rs.10/- each	175,000,000
Total	175,000,000
Issued, Subscribed and Fully Paid-Up	
17,370,000 Equity Shares of Rs.10/- each	173,700,000
Total	173,700,000

As on the date of this Scheme, there is no change in the share capital of the Transferee Company from the share capital as set out above.

The Authorised, Issued, Subscribed and Paid up Share Capital of ITI Securities Limited (Transferor Company 1) as per the latest audited Balance Sheet as at March 31, 2014 is as under:

Particulars	(Amount in Rs)
Authorised Share Capital	
50,00,000 Equity Shares of Rs.10/- each	50,000,000
12,00,000 3% Cumulative Redeemable Preference Shares of Rs 100/- each	120,000,000
Total	170,000,000
Issued, Subscribed and Fully Paid-Up Capital	
50,00,000 Equity Shares of Rs.10/- each paid up	50,000,000
12,00,000 3% Cumulative Redeemable Preference Shares of Rs 100/- each	120,000,000
Total	170,000,000

All the above issued preference shares are held by Crest Ventures Limited .

As on the date of this Scheme, there is no change in the share capital of the Transferor Company 1 from the share capital as set out above.

The Authorised, Issued, Subscribed and Paid up Share Capital of ITI Capital Holdings Private Limited (Transferor Company 2) as per the latest audited Balance Sheet as at March 31, 2014 is as under:

Particulars	(Amount in Rs)
Authorised Share Capital	
60,00,000 Equity Shares of Rs.10/- each	60,000,000
9,00,000 5% Optionally Convertible Preference Shares of Rs. 100/- each	90,000,000
Total	150,000,000

Issued, Subscribed and Fully Paid-Up Capital	
4,50,000 Equity Shares of Rs.10/- each	4,50,000
Total	4,50,000

As on the date of this Scheme, there is no change in the share capital of the Transferor Company 2 from the share capital as set out above.

SECTION II

AMALGAMATION OF ITI SECURITIES LIMITED WITH ITI CAPITAL HOLDINGS PRIVATE LIMITED

4. TRANSFER AND VESTING OF THE ITI SECURITIES UNDERTAKING
 - 4.1 VESTING OF THE ITI SECURITIES UNDERTAKING
 - 4.1.1 With effect from the opening of business as on Appointed Date 1, the Undertaking of the Transferor Company 1 shall be transferred to and vested in or deemed to have been transferred to the Transferor Company 2 in accordance with the provisions of Section 2(1B) of the Income tax Act, 1961 in the following manner:
 - 4.1.2 With effect from the Appointed Date 1, the entire business and whole of the ITI Securities Undertaking, as defined hereinabove, of the Transferor Company 1 shall under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the High Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the changes affecting the same as on the Effective Date be transferred and/or deemed to be transferred to and vested in the Transferor Company 2 so as to become the properties and assets of the Transferor Company 2. The benefit of all brands, copyrights, trademarks, actionable claims, all rights / title or interest in property (ies) by virtue of any court order / Decree, contractual arrangement, allotment, grant, possession or otherwise, statutory and regulatory permissions, licenses, environmental approvals and consents, sales tax registrations or other licenses and consents shall vest in and become available to Transferor Company 2 pursuant to this Scheme.
 - 4.1.3 With effect from the Appointed Date 1, all debts, liabilities, contingent liabilities, duties and obligations of the Transferor Company 1, whether or not provided in the books of the Transferor Company 1 shall be deemed to be the debts, liabilities, duties and obligations of the Transferor Company 2 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.
 - 4.1.4 In respect of all the movable assets of the Transferor Company 1 and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, including cash on hand, shall be so transferred to the Transferor Company 2 and deemed to have been handed over by physical delivery or by endorsement and delivery, as the case may be, to the Transferor Company 2 to the end and intent that the property and benefit therein passes to the Transferor Company 2 with effect from the Appointed Date 1. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Boards of Directors of the Transferor Company 1 and the Transferor Company 2.
 - 4.1.5 In respect of any moveable assets of the Transferor Company 1 other than those mentioned above, including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, the Transferor Company 1 and the Transferor Company 2 shall, issue notices in such form as they deem fit and proper, stating that pursuant to the Honorable High Court having sanctioned the Scheme between the Transferor Company 1 and the Transferor Company 2 under Section 391 to 394 of the Act, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Transferor Company 2, as the person entitled thereto, to the end and intent that the right of the Transferor Company 1 to recover or realize the same stands transferred to the Transferor Company 2 and that appropriate entries should be passed in their respective books to record the aforesaid changes.

4.2 STAFF, WORKMEN & EMPLOYEES

- 4.2.1 On the Scheme becoming operative, all staff, workmen and employees of the Transferor Company 1 in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferor Company 2 with effect from the Appointed Date 1 without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferor Company 2 shall not be less favorable than those applicable to them with reference to the Transferor Company 1 on the Effective Date.
- 4.2.2 It is expressly provided that, on the Scheme becoming effective, any Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of the Transferor Company 1 shall be transferred to and shall get consolidated with the corresponding funds of the Transferor Company 2. Further the Transferor Company 2 shall have 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 the Transferor Company 1 in relation to such Fund or Funds shall become those of Transferor Company 2. It is clarified that the services of the staff, workmen and employees of the Transferor Company 1 will be treated as having been continuous for the purpose of the said Fund or Funds. Until such time that Transferor Company 2 creates/arranges for its own funds, Transferor Company 2 may, subject to necessary approvals and permissions if any, continue to make contributions pertaining to the employees of the Transferor Company 1 to the relevant fund of the Transferor Company 1. Such contributions and other balances pertaining to the employees of the Transferor Company 1 shall be transferred to the funds created by Transferor Company 2 on creation of relevant funds/arrangements by Transferor Company 2.

4.3 CONTRACT, DEEDS, ETC.

- 4.3.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company 1 is a party, subsisting or having effect immediately before the Effective Date shall be in full force and effect against or in favor of the Transferor Company 2 as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company 1, the Transferor Company 2 has been a party thereto.
- 4.3.2 The Transferor Company 2 shall enter into and/or issue and/or execute deeds, writings or confirmation or enter into any tripartite agreement, confirmations or novations, to which the Transferor Company 1 as the case may be will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. Further, the Transferor Company 2 shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company 1 and to implement or carry out all formalities required on the part of the Transferor Company 1 to give effect to the provisions of this Scheme.

4.4 TAXES / DUTIES

- 4.4.1 It is clarified that all taxes payable by the Transferor Company 1, relating to the transferred undertaking, from the Appointed Date 1 onwards including all or any refunds and claims shall, for all purposes, be treated as the tax liabilities or refunds and claims of the Transferor Company 2. Accordingly, upon the Scheme becoming effective, the Transferor Company 2 is expressly permitted to revise its Income tax returns, VAT and Sales tax returns, Excise & Modvat / Cenvat returns, other tax returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme, if any.
- 4.4.2 In accordance with the Modvat /Cenvat Rules framed under the Central Excise Act, 1944, as are prevalent on the Effective Date, the unutilized credits relating to excise duties paid on inputs/ capital goods lying to the account of the Transferor Company 1, if any, shall be permitted to be transferred to the credit of the Transferor Company 2, as if all such unutilized credits were lying to the account of the Transferor Company 2. The Transferor Company 2 shall accordingly be entitled to set off all such unutilized credits against the excise duty payable by it.
- 4.4.3 It is expressly provided that all benefits including but not limited to tax exemption, deduction, concession, subsidies, permits, rights, approvals under the Income tax Act, 1961 available / enjoyed by the Transferor Company 1, relating to the transferred undertaking, from the Appointed Date onwards be treated as tax exemption, deduction, concession, subsidies, permits, rights, approvals of the Transferor Company 2. Further subsequent to the Composite Scheme of Arrangement and Amalgamation, receipts, if any, including from Income tax Authorities on account of refund orders, etc. in the name of the Transferor Company 1 shall be credited to the account of the Transferor Company 2.

4.5 LEGAL PROCEEDINGS

If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company 1 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 Transferor Company 2, 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 Transferor Company 1 as if this Scheme had not been made.

5. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY 1 TILL EFFECTIVE DATE

5.1 BUSINESS AND PROPERTY IN TRUST FOR TRANSFEROR COMPANY 2

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

- 5.1.1 The Transferor Company 1 shall carry on and shall be deemed to have carried on its business and activities and shall hold and stand possessed and shall be deemed to have held and stood possessed of the entire business Undertakings for and on account of and in trust for the Transferor Company 2.
- 5.1.2 All the profits or income accruing or arising to the Transferor Company 1 or expenditure or losses incurred by the Transferor Company 1 in respect of its business and activities shall for all purposes be treated and deemed to be the profits or income or expenditure or losses of the Transferor Company 2 as the case may be.
- 5.1.3 The Transferor Company 2 shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions, which the Transferor Company 2 may require to carry on the business of the Transferor Company 1

5.2 CONDUCT OF BUSINESS

- 5.2.1 As and from the date of acceptance of this Scheme by the Board of Directors of the Transferor Company 1 and the Board of Directors of the Transferor Company 2 till the Effective Date:
- 5.2.2 The Transferor Company 1 shall carry on their business with reasonable diligence and in the same manner as it had been doing hitherto for and the Transferor Company 1 shall not alter or expand or make any material changes in business contracts except with the concurrence of the Transferor Company 2.
- 5.2.3 The Transferor Company 1 shall not, without the written concurrence of Board of Directors of the Transferor Company 2, increase their debt exposure, alienate, charge or encumber any of its properties referred above except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of the Transferor Company 1 and the Transferor Company 2.
- 5.2.4 The Transferor Company 1 shall not vary or alter, except in the ordinary course of its business and as may be required for Amalgamation, the terms and conditions of employment of any of its employees.
- 5.2.5 With effect from the Effective Date, the Transferor Company 2 shall commence and carry on and shall be authorised to carry on the businesses carried on by the Transferor Company 1.

5.3 SAVING OF CONCLUDED TRANSACTIONS

The transfer of the entire business and the undertaking of the Transferor Company 1 to Transferor Company 2 and the continuance of all contracts or proceedings by or against the Transferor Company 1 shall not affect any contracts or proceedings already concluded by the Transferor Company 1 on or after the Appointed Date till the effective date, to the end and intent that Transferor Company 2 accepts and adopts all acts, deeds, matters and things done and/or executed by the Transferor Company 1 in regard thereto as having been done or executed on behalf of Transferor Company 2.

6. DISCHARGE OF CONSIDERATION

- 6.1 Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the undertaking of the Transferor Company 1 in the Transferor Company 2 in terms of this Scheme, the Transferor Company 2 subject to the provisions of this Scheme shall issue and allot in the following manner:
- 6.1.1 Nil equity shares to the equity shareholders of the Transferor Company 1, and whose name appears in the Register of Members as on the Record Date 1, his/her heirs, executors, administrators or the successors-in-title, as the case may be,
- 6.2 The Transferee Company, without any further application or action deed, issue and allot to the Preference Shareholders or their successors 1(one) fully paid up 3% Cumulative Redeemable Preference Shares of Rs 100/- each in the Transferee Company or their successors for every 1 (one) 3% Cumulative Redeemable Preference of Rs100/- each held by them in the Transferor Company 1 on the same terms and conditions as the existing preference shares, as if the same were originally issued by the Transferee Company ("Preference Shares"). The Preference shares to be issued to the shareholders of the Transferor Company 1 by the Transferor Company 2 pursuant to Para 6.1 above, shall be issued in the physical form unless otherwise communicated in writing by such shareholders on or before such date as may be determined by the Boards of Directors of the Transferor Company 2 or by a Committee created thereof.
- 6.3 Any fraction arising on issue of Preference shares as above will be rounded off to the nearest integer.
- 6.4 TRANSFER OF AUTHORISED CAPITAL OF TRANSFEROR COMPANY 1 TO THE CREDIT OF THE AUTHORISED SHARE CAPITAL OF TRANSFEROR COMPANY 2:
- 6.4.1 Upon the Scheme being finally effective, the Authorised Capital of Transferor Company 1 will get merged with that of the Transferor Company 2 without payment of additional fees and duties as the said fees have already been paid and the Authorised Capital of the Transferor Company 2 will be increased to that effect by just filing requisite forms.
- 6.4.2 It is clarified that Transferor Company 2, for the purpose of amendment in the Authorised Share Capital and corresponding amendment in the Memorandum of Association and Articles of Association, shall not be required to pass a separate Resolution under Section 13, Section 14 or any other provisions of the Companies Act, 2013 and on the members of Transferor Company 2 approving the Scheme, it shall be deemed that the shareholders of Transferor Company 2 have given their consent for amendment of the Authorised Share Capital and amendment in Memorandum of Association and Articles of Association of Transferor Company 2 as required under Section 13, Section 14 and other applicable provisions of the Companies Act, 2013. The Preference shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of the Transferor Company 2.
- 6.4.3 As an integral part of this Scheme, and upon the sanction of this Scheme the authorised share capital of the Transferor Company 2 shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the equity shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting these amendments, and no further resolution(s) under Section 13, Section 14 or any other applicable provisions of the Companies Act, 2013 would be required to be separately passed.
- 6.4.4 Pursuant to the above Scheme becoming effective, the authorised share capital of the Transferor Company 2 will be increased and reclassified as under

Share Capital	Amount in Rs.
Authorised	
1,10,00,000 Equity Shares of Rs 10/- each	110,000,000
12,00,000 3% Cumulative Redeemable Preference Shares of Rs. 100/- each	120,000,000
9,00,000 5% Optionally Convertible Preference Shares of Rs. 100/-each	90,000,000
Total	320,000,000

- 6.4.5 Clause V of the Memorandum of Association shall stand substituted by virtue of the Scheme to read as follows:
"V. The Authorised Share Capital of the Company is Rs. 320,000,000 (Rupees Thirty Two Crores Only)

consisting of 1,10,00,000 Equity Shares of Rs 10/- (Rupees Ten Only) each and 12,00,000 3% Cumulative Redeemable Preference Shares of Rs. 100/- (Rupees Hundred Only) each” and 9,00,000 5% Optionally Convertible Preference Shares of Rs. 100/- (Rupees Hundred Only) each.

- 6.4.6 Consent of the equity shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment to the Memorandum of Association of the Transferee Company 1 as set out in Clause above as also for the issuance of the Preference Shares, and no further resolution under Section 13, 61 or any other applicable provision of the Companies Act, 2013 in this regard, would be required to be separately passed in connection with the increase and/or reclassification of Authorised Share Capital and consequent amendment to the Memorandum, or the issuance of Preference Shares by the Transferor Company 2.
- 6.5 Any Shares issued by the Transferor Company 1 and held by the Transferor Company 2, and / or vice versa, shall, unless sold or transferred by the Transferor Company 1 or the Transferor Company 2, as the case may be, at any time prior to the Record Date 1, stand cancelled as on the Record Date 1 and be of no effect, and the Transferor Company 1 or the Transferor Company 2, as the case may be, shall have no further obligation in that behalf.
- 6.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company 1, the Board of Directors or any committee thereof of the Transferor Company 2 shall be empowered in appropriate cases, prior or even subsequent to the Record Date 1, to effectuate such a transfer in the Transferor Company 1 as if such changes in registered holder were operative as on the Record Date 1, in order to remove any difficulties arising to the transfer of the shares in the Transferor Company 2 and in relation to the shares issued by the Transferor Company 2 after the effectiveness of this Scheme. The Board of Directors of the Transferor Company 2 shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in Transferor Company 2 on account difficulties faced in the transaction period.
- 6.7 The approval of this Scheme by the shareholders of the Transferor Company 2 shall be deemed to be due compliance of the provision of Section 62 and other relevant and applicable provision of the Companies Act, 2013 for the issue and allotment of Preference Shares by the Transferor Company 2 to the shareholder of the Transferor Company 1, as provided in this Scheme.
- 6.8 Unless otherwise determined by the Board of Directors or any committee thereof of the Transferor Company 2, allotment of Preference Shares in terms of Para 6.1 of this part shall be done within 4 months from the effective date.
- 6.9 The Transferor Company 2 shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of Preference Shares to the members of ITI Securities Limited under the Scheme.

7. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY 2

- 7.1 The Transferor Company 2 shall follow pooling of interest method for accounting for the amalgamation as per Accounting Standard - 14 as notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs), subject to the following:
- 7.2 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all Assets and Liabilities (includes reserves if any) of the Transferor Company 1 shall be recorded in the books of the Transferor Company 2 at their respective book values as recorded in the books of the Transferor Company 1 subject to such corrections and adjustments, if any, as may in the opinion of the Board of Directors of the Transferor Company 2 be necessary or required and to the extent permissible in law.
- 7.3 It is clarified that the balance in the Reserves account including Statement of Profit and Loss of the Transferor Company 1 as on the Appointed Date, shall be transferred to and aggregated with the corresponding Reserves in the books of the Transferor Company 2. It is clarified that identity of Reserves of the Transferor Company 1 shall be preserved upon transfer thereof to the Transferor Company 2.
- 7.4 In case of any difference in the accounting policy of the Transferor Company 1 and that of the Transferor Company 2, the impact thereof shall be quantified and adjusted in the Reserves of the Transferor Company 2 to ensure that the financial statements of the Transferor Company 2 reflect the financial position on the basis of the consistent accounting policy.

- 7.5 Upon coming into effect of this Scheme, to the extent that there are inter-company investments, loans, advances, investment, deposit balances or other obligations as between the Transferor Company 1 and the Transferor Company 2, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferor Company 2 for the reduction of any assets or liabilities, as the case may be.
- 7.6 The face value of preference shares issued by the Transferor Company 2 to the shareholders of the Transferor Company 1 will be recorded as preference share capital of the Transferor Company 2. The excess of, or deficit, in the amount recorded as preference share capital issued by the Transferor Company 2 over the amount of share capital of the Transferor Company 1 will be reduced from the General Reserve Account / credited to the Capital Reserve Account as the case may be.
- 7.7 Notwithstanding the method of accounting adopted by the Transferor Company 2, the losses /depreciation of the Transferor Company 1 will be allowed to be taken over by the Transferor Company 2 as it is for the purpose of computing "book profit" as per the provisions of section 115JB of the Income tax Act, 1961 or any other applicable provisions introduced by any Finance Act.

SECTION III

AMALGAMATION OF ITI CAPITAL HOLDINGS PRIVATE LIMITED WITH CREST VENTURES LIMITED

8. TRANSFER AND VESTING OF UNDERTAKINGS
- 8.1 VESTING OF THE ITI CAPITAL HOLDINGS UNDERTAKING
- 8.1.1 With effect from the opening of business as on Appointed Date 2, the Undertaking of the Transferor Company 2 shall be transferred to and vested in or deemed to have been transferred to the Transferee Company in accordance with the provisions of Section 2(1B) of the Income tax Act, 1961 in the following manner:
- 8.1.2 With effect from the Appointed Date 2, the entire business and whole of the undertaking, as defined hereinabove, of the Transferor Company 2 shall under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the High Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company. The benefit of all brands, copyrights, trademarks, actionable claims, all rights / title or interest in property (ies) by virtue of any court order / Decree, contractual arrangement, allotment, grant, possession or otherwise, statutory and regulatory permissions, licenses, environmental approvals and consents, sales tax registrations or other licenses and consents shall vest in and become available to Transferee Company pursuant to this Scheme.
- 8.1.3 With effect from the Appointed Date 2, all debts, liabilities, contingent liabilities, duties and obligations of the Transferor Company 2, whether or not provided in the books of the Transferor Company 2 shall be deemed to be the debts, liabilities, duties and obligations of the Transferee 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.
- 8.1.4 In respect of all the movable assets of the Transferor Company 2 and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, including cash on hand, shall be so transferred to the Transferee Company and deemed to have been handed over by physical delivery or by endorsement and delivery, as the case may be, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date 2. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Boards of Directors of the Transferor Company 2 and the Transferee Company.
- 8.1.5 In respect of any moveable assets of the Transferor Company 2 other than those mentioned above, including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, the Transferor Company 2 and the Transferee Company shall, issue notices in such form as they deem

fit and proper, stating that pursuant to the Honorable High Court having sanctioned the Scheme between the Transferor Company 2 and the Transferee Company under Section 391 to 394 of the Act, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company 2 to recover or realize the same stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

8.2 STAFF, WORKMEN & EMPLOYEES

8.2.1 On the Scheme becoming operative, all staff, workmen and employees of the Transferor Company 2 in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Appointed Date 2 without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to the Transferor Company 2 on the Effective Date.

8.2.2 It is expressly provided that, on the Scheme becoming effective, any Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of the Transferor Company 2 shall be transferred to and shall get consolidated with the corresponding funds of the Transferee Company. Further the Transferee Company shall have 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 the Transferor Company 2 in relation to such Fund or Funds shall become those of Transferee Company. It is clarified that the services of the staff, workmen and employees of the Transferor Company 2 will be treated as having been continuous for the purpose of the said Fund or Funds. Until such time that Transferee Company creates/arranges for its own funds, Transferee Company may, subject to necessary approvals and permissions if any, continue to make contributions pertaining to the employees of the Transferor Company 2 to the relevant fund of the Transferor Company 2. Such contributions and other balances pertaining to the employees of the Transferor Company 2 shall be transferred to the funds created by Transferee Company on creation of relevant funds/arrangements by Transferee Company.

8.3 CONTRACT, DEEDS, ETC.

8.3.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company 2 is a party, subsisting or having effect immediately before the Effective Date shall be in full force and effect against or in favor of the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company 2, the Transferee Company has been a party thereto.

8.3.2 The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmation or enter into any tripartite agreement, confirmations or novations, to which the Transferor Company 2 as the case may be will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company 2 and to implement or carry out all formalities required on the part of the Transferor Company 2 to give effect to the provisions of this Scheme.

8.4 TAXES / DUTIES

8.4.1 It is clarified that all taxes payable by the Transferor Company 2, relating to the transferred undertaking, from the Appointed Date 2 onwards including all or any refunds and claims shall, for all purposes, be treated as the tax liabilities or refunds and claims of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its Income tax returns, VAT and Sales tax returns, Excise & Modvat / Cenvat returns, other tax returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme, if any.

8.4.2 In accordance with the Modvat /Cenvat Rules framed under the Central Excise Act, 1944, as are prevalent on the Effective Date, the unutilized credits relating to excise duties paid on inputs/ capital goods lying to the account of the Transferor Company 2, if any, shall be permitted to be transferred to the credit of the Transferee Company, as if all such unutilized credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the excise duty payable by it.

- 8.4.3 It is expressly provided that all benefits including but not limited to tax exemption, deduction, concession, subsidies, permits, rights, approvals under the Income tax Act, 1961 available / enjoyed by the Transferor Company 2, relating to the transferred undertaking, from the Appointed Date 2 onwards be treated as tax exemption, deduction, concession, subsidies, permits, rights, approvals of the Transferee Company. Further subsequent to the Composite Scheme of Arrangement and Amalgamation, receipts, if any, including from Income tax Authorities on account of refund orders, etc. in the name of the Transferor Company 2 shall be credited to the account of the Transferee Company.

8.5 LEGAL PROCEEDINGS

If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company 2 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 Transferee 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 Transferor Company 2 as if this Scheme had not been made.

9. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY 2 TILL EFFECTIVE DATE

9.1 BUSINESS AND PROPERTY IN TRUST FOR TRANSFEREE COMPANY

With effect from the Appointed Date 2 and up to the Effective Date:

- 9.1.1 The Transferor Company 2 shall carry on and shall be deemed to have carried on its business and activities and shall hold and stand possessed and shall be deemed to have held and stood possessed of the entire business and Equity Undertakings for and on account of and in trust for the Transferee Company.
- 9.1.2 All the profits or income accruing or arising to the Transferor Company 2 or expenditure or losses incurred by the Transferor Company 2 in respect of its business and activities shall for all purposes be treated and deemed to be the profits or income or expenditure or losses of the Transferee Company as the case may be.
- 9.1.3 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions, which the Transferee Company may require to carry on the business of the Transferor Company 2

9.2 CONDUCT OF BUSINESS

- 9.2.1 As and from the date of acceptance of this Scheme by the Board of Directors of the Transferor Company 2 and the Board of Directors of the Transferee Company till the Effective Date:
- 9.2.2 The Transferor Company 2 shall carry on their business with reasonable diligence and in the same manner as it had been doing hitherto for and the Transferor Company 2 shall not alter or expand or make any material changes in business contracts except with the concurrence of the Transferee Company.
- 9.2.3 The Transferor Company 2 shall not, without the written concurrence of Board of Directors of the Transferee Company, increase their debt exposure, alienate, charge or encumber any of its properties referred above except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of the Transferor Company 2 and the Transferee Company.
- 9.2.4 The Transferor Company 2 shall not vary or alter, except in the ordinary course of its business and as may be required for Amalgamation, the terms and conditions of employment of any of its employees.
- 9.2.5 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorised to carry on the businesses carried on by the Transferor Company 2.

9.3 SAVING OF CONCLUDED TRANSACTIONS

The transfer of the entire business and the undertaking of the Transferor Company 2 to Transferee Company and the continuance of all contracts or proceedings by or against the Transferor Company 2 shall not affect any contracts or proceedings already concluded by the Transferor Company 2 on or after the Appointed Date 2 till the

effective date, to the end and intent that Transferee Company accepts and adopts all acts, deeds, matters and things done and/or executed by the Transferor Company 2 in regard thereto as having been done or executed on behalf of Transferee Company.

10. DISCHARGE OF CONSIDERATION

10.1 NO ISSUE OF SHARES

10.2 As Transferor Company 2 is a wholly-owned subsidiary of the Transferee Company, no shares shall be issued pursuant to the merger of Transferor Companies into the Transferee Company and the investments made by the Transferee Company in the Equity Shares / Preference share capital of the Transferor Companies would stand cancelled.

10.3 TRANSFER OF AUTHORISED CAPITAL OF TRANSFEROR COMPANY 2 TO THE CREDIT OF THE AUTHORISED SHARE CAPITAL OF TRANSFEREE COMPANY:

10.3.1 Upon the Scheme being finally effective, the Authorised Capital of Transferor Company 2 will get merged with that of the Transferee Company without payment of additional fees and duties as the said fees have already been paid and the Authorised Capital of the Transferee Company will be increased to that effect by just filing requisite forms. Accordingly, Clause 5 of the Memorandum of Association of Crest Ventures Limited shall, without any further act, instrument or deed, stand modified and reclassified as necessary and be substituted by the following:

10.3.2 'The Authorised Share Capital of the Company is Rs. 49,50,00,000/- (Rupees Forty Nine Crores Fifty Lakhs Only) divided into 2,85,00,000 (Two Crores Eighty Five Lakhs) equity shares of Rs 10/- (Rupees Ten Only) each, 9,00,000 (Nine lakhs) 5% Optionally Convertible Preference Shares of Rs. 100/- (Rupees Hundred Only) each and 12,00,000 (Twelve lakhs) 3% Cumulative Redeemable Preference Shares of Rs. 100/- each (Rupees Hundred only)'

10.3.3 Further, Clause 4 of the Articles of Association of Crest Ventures Limited shall, without any further act, instrument or deed, stand modified and reclassified as necessary and be substituted by the following:

10.3.4 '4. The Authorised Share Capital of the Company is Rs.49,50,00,000/- (Rupees Forty Nine Crores Fifty Lakhs Only)) divided into 2,85,00,000 (Two Crore Eighty Five Lakhs) Equity Shares of Rs. 10/- (Rupees ten Only) each , 9,00,000 (Nine lakhs) 5% Optionally Convertible Preference Shares of Rs. 100/- (Rupees Hundred Only) each and 12,00,000 (Twelve lakhs) 3% Cumulative Redeemable Preference Shares of Rs. 100/- each (Rupees Hundred only)'. The Company has power from time to time to increase its capital and to divide the shares in the capital for the time being into several other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the law.'

10.4 It is clarified that for the purpose of amendment in the Authorised Share Capital and Object Clause and corresponding amendment in the Memorandum of Association and Articles of Association, the transferee company shall not be required to pass a separate resolution under Section 16, Section 31 (corresponding Section 30 Section 40 of the Companies Act, 2013) or any other provisions of the Act, and on the members of the transferee company approving the Scheme, it shall be deemed that they have given their consent for amendment of the Authorised Share Capital and Addition of Objects of the transferor company and consequent amendment in Memorandum of Association and Articles of Association of the transferee company as required under Section 16, Section 31(corresponding Section 30 Section 40 of the Companies Act, 2013) and other applicable provisions of the Act.

10.5 Any Equity Shares / Preference Shares issued by the Transferor Company 2 and held by the Transferee Company, and / or vice versa, shall, unless sold or transferred by the Transferor Company 2 or the Transferee Company, as the case may be, at any time prior to the Record Date 2, stand cancelled as on the Record Date 2 and be of no effect, and the Transferor Company 2 or the Transferee Company, as the case may be, shall have no further obligation in that behalf.

11. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY

11.1 The Transferee Company shall follow pooling of interest method for accounting for the amalgamation as per Accounting Standard - 14 as notified under the Companies Act, 1956 (which continue to be applicable in respect

of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs), subject to the following:

- 11.2 Upon the coming into effect of this Scheme and with effect from the Appointed Date 2, all Assets and Liabilities (includes reserves if any) of the Transferor Company 2 shall be recorded in the books of the Transferee Company at their respective book values as recorded in the books of the Transferor Company 2 subject to such corrections and adjustments, if any, as may in the opinion of the Board of Directors of the Transferee Company be necessary or required and to the extent permissible in law.
- 11.3 It is clarified that the balance in the Reserves account including Statement of Profit and Loss of the Transferor Company 2 as on the Appointed Date, shall be transferred to and aggregated with the corresponding Reserves in the books of the Transferee Company. It is clarified that identity of Reserves of the Transferor Company 2 shall be preserved upon transfer thereof to the Transferee Company.
- 11.4 In case of any difference in the accounting policy of the Transferor Company 2 and that of the Transferee Company, the impact thereof shall be quantified and adjusted in the Reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of the consistent accounting policy.
- 11.5 Upon coming into effect of this Scheme, to the extent that there are inter-company investments, loans, advances, investment, deposit balances or other obligations as between the Transferor Company 2 and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 11.6 The difference between the amount recorded as share capital issued and the amount of share capital of the Transferor Company 2 shall be adjusted in reserves in the financial statements of the Transferee Company.
- 11.7 Notwithstanding the method of accounting adopted by the Transferee Company, the losses /depreciation of the Transferor Company 2 will be allowed to be taken over by the Transferee Company as it is for the purpose of computing "book profit" as per the provisions of section 115JB of the Income tax Act, 1961 or any other applicable provisions introduced by any Finance Act.

SECTION IV

OTHER TERMS AND CONDITIONS

12. **DIVIDENDS, PROFITS, BONUS/RIGHT/PREFERENTIAL ISSUE OF SHARES**
- 12.1 For the avoidance of doubt it is hereby cleared that nothing in this Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its Equity Shareholders as on the respective record date for the purpose of dividend and the shareholders of the Transferor Companies shall not be entitled to dividends, if any, declared by the Transferee Company prior to the effective date.
- 12.2 On and from the earlier of the dates of filing this Scheme with High Court and until the effective date, the Transferor Companies shall declare dividend only after prior consultation with the Transferee Company.
- 12.3 After filing the Scheme and up to the Effective Date, the Transferor Companies shall not, after the Appointed Date, issue or allot any shares or other financial instrument by way of bonus shares, rights shares or otherwise, without the written consent of the Transferee Company. Similarly, the Transferee Company shall not, after the Appointed Date, issue or allot any shares or other financial instrument by way of bonus shares, rights shares or otherwise, without the written consent of the Transferor Companies.
- 12.4 The holders of the shares of the Transferor Companies shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including right to receive the dividends.
- 12.5 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Companies to demand or claim any dividend which, subject to the provisions of the said Act, shall be entirely at the discretion of the said Company and subject to approval of the shareholders of the said Company.

13. WINDING UP

On this Scheme becoming effective, the Transferor Companies shall stand dissolved without being wound up.

14. APPLICATION TO THE HIGH COURT

The Transferor Company and the Transferee Company (if required) shall, with all reasonable dispatch, make applications to the High Court under whose jurisdiction the registered offices of the Transferor Companies and the Transferee Company are situated, for sanctioning this Scheme under Sections 391 to 394 of the Act and for dissolution of the Transferor Companies without being wound up.

15. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

15.1 Subject to approval of High Court, the Transferee Company shall by its Board may assent to any modifications/ amendments to the Scheme or agree to any terms and/ or conditions that the High Court or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them.

15.2 Subject to approval of High Court, the Transferee Company shall, by its Board may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to any of the meaning or interpretation of the Scheme or implementation hereof or in any matter whatsoever connected therewith.

15.3 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board or any committees thereof, affect the adoption or validity or interpretation of the other parts and/ or provisions of this Scheme.

15.4 In the event of any of the conditions that may be imposed by the High Court or other authorities is unacceptable for any reason by the Transferor Companies or the Transferee Company, then the Transferor Companies and the Transferee Company is at liberty to withdraw the Scheme.

16. CONDITIONALITY OF THE SCHEME

The Scheme is and shall be conditional upon and subject to:

16.1 The consent, approval, sanction, etc., under any law, of the Central Government, or Stock Exchanges or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters provided for in, or relating to, the Scheme for which such consent, approval, sanction, etc., is required;

16.2 Approval of the Scheme by the public shareholders of the Transferee Company in accordance with the provisions of SEBI Circulars. Such approval will be obtained through resolution pass through postal ballot and the Scheme shall be acted only if the votes casted by public shareholders in favor of the proposal are more than the number of votes casted by public shareholders against it;

16.3 Approval of the Scheme, by the Stock Exchange, pursuant to clause 24(f) of the Listing Agreement between such Stock Exchanges and the Transferee Company;

16.4 Approval of the Scheme by SEBI in terms of SEBI Circulars ;

16.5 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Transferor Companies and the Transferee Company.

16.6 The requisite resolutions under the applicable provisions of the said Act being passed by shareholders of the Transferor Company / Transferee Company for any of the matters provided for or relating to the Scheme as may be necessary or desirable.

16.7 The sanction of the High Court under Sections 391 to 394 of the Companies Act, 1956 read alongwith section 100 to 104 of the said Act in favour of the Transferor Company and the Transferee Company under the said provisions and to the necessary Order under Section 394 of the said Act being obtained.

16.8 Certified or authenticated copies of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Mumbai Maharashtra.

17. EFFECT OF NON RECEIPT OF APPROVALS / SANCTIONS

In the event of any of the said sanctions and approvals not being obtained and/ or the Scheme not being sanctioned by the High Court or such other competent authority by December 31, 2015 or within such further period or periods as may be agreed upon between the Transferor Companies and Transferee Company by their Boards of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and will be null and void, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall equally bear and pay costs, charges and expenses for and / or in connection with the Scheme.

18. COST, CHARGES AND EXPENSES

All costs, charges and expenses of the Transferor Companies and the Transferee Company respectively in relation to or in connection with the Scheme and of carrying out and completing the terms and provisions of the Scheme and/or incidental to the completion of amalgamation of the Transferor Companies in pursuance of this Scheme shall be borne and paid by the respective companies only.