

INDIANIVESH LIMITED

CIN: L99500MH1931PLC001493

Regd Off: 601& 602, Sukh Sagar, N. S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007;

Tel No: 022 66188800; Fax No: 022 66188899

E-mail: indianivesh@indianivesh.in; Website: www.indianivesh.in

**NOTICE OF TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF
INDIANIVESH LIMITED**

Day	: Tuesday
Date	: July 18, 2017
Time	: 9.00 a.m.
Venue	: 601& 602, Sukh Sagar, N. S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007

CONTENTS

Sr.No	Particulars	Page No
1	Notice of Meeting of Equity Shareholders of IndiaNivesh Limited convened by the order of the Hon'ble National Company Law Tribunal	2
2	Explanatory Statement under Section 230 read with Section 102 of the Companies Act, 2013	9
3	Scheme of Arrangement	23
4	Valuation Report issued by M/s K. M. Tulsian & Associates	44
5	Fairness Opinion issued by M/s Saffron Capital Advisors Private Limited	63
6	Report of the Audit Committee of the Company	71
7	Complaints Report submitted by the Company to BSE Limited	74
8	Observation letter issued by BSE Limited to the Company	75
9	Report adopted by the Board of Directors of IndiaNivesh Limited and IndiaNivesh Financial Advisors Limited pursuant to the provisions of Section 232 (2) (c) of the Companies Act, 2013.	77
10	Supplementary Accounting Statements of IndiaNivesh Limited and IndiaNivesh Financial Advisors Limited for the year ended March 31, 2017	79
11	Proxy Form	96
12	Attendance Slip	97
13	Route map of the venue	98
14	Postal Ballot Form	99

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH
COMPANY SCHEME APPLICATION NO. 585 OF 2017**

In the matter of the Companies Act, 2013 (18 of 2013);

And

In the matter of Sections 230 to 232 read with section 66
and 52 of the Companies Act, 2013 and other relevant
provisions of the Companies Act, 2013;

And

In the matter of Scheme of Arrangement (Demerger)
between IndiaNivesh Limited, the Demerged Company
and IndiaNivesh Financial Advisors Limited, the Resulting
Company and reduction of paid up equity share capital
of IndiaNivesh Limited.

IndiaNivesh Limited, a company incorporated)
under the Indian Companies Act, 1913 having)
its Registered Office at 601 & 602, Sukh Sagar,)
N. S. Patkar Marg, Girgaum Chowpatty,)
Mumbai 400 007.) ...Applicant Company.

NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS OF INDIANIVESH LIMITED

To,

The Equity Shareholder(s) of IndiaNivesh Limited (“Demerged Company” or “INL” or “Applicant Company”)

Notice is hereby given that by an order dated 8th day of June, 2017 the Mumbai Bench of National Company Law Tribunal has directed a meeting to be held of the Equity Shareholders of the Applicant Company for the purpose of considering, and if thought fit, approving with or without modification, the proposed Scheme of Arrangement (Demerger) between IndiaNivesh Limited, the Demerged Company and IndiaNivesh Financial Advisors Limited, the Resulting Company and reduction of paid up equity share capital of IndiaNivesh Limited.

In pursuance of the said order and as directed therein further notice is hereby given that a meeting of the Equity Shareholders of the Applicant Company will be held at 601 & 602, Sukh Sagar, N. S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007 on Tuesday, July 18, 2017 at 09.00 a.m. at which time and place the said equity shareholders are requested to attend, consider and if, thought fit, approve with or without modification(s) the following resolutions:

1. **Sanctioning the Scheme of Arrangement between IndiaNivesh Limited (“the Demerged Company” or “INL”) and IndiaNivesh Financial Advisors Limited (“the Resulting Company” or “INFAL”) and their respective shareholders and creditors.**

“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 read with sections 52 and 66 of the Companies Act, 2013 and all the other applicable provisions, rules and regulations made thereunder (including any modification(s)/amendment(s)/re-enactment(s) thereof), and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company and subject to necessary approvals / consents / sanctions of the National Company Law Tribunal constituted under the provisions of the Companies Act, 2013, as the case may be or such other competent authority, as may be applicable (“NCLT”), the Securities and Exchange

Board of India ("SEBI") and concerned Stock Exchange(s) or such other competent authority as may be applicable, and such other approvals / permissions / exemptions, as may be required under applicable laws, regulations, listing regulations and guidelines issued by the regulatory authorities, the consent of the members of the Company be and is hereby accorded for the draft Scheme of Arrangement (Demerger) between IndiaNivesh Limited ("the Demerged" or "INL") and IndiaNivesh Financial Advisors Limited ("the Resulting Company" or "INFAL") and their respective shareholders and creditors ("the Scheme") as placed before the Board and initialed by the Chairman for purpose of identification.

RESOLVED FURTHER THAT Mr. Rajesh Nuwal and/or Mr. Dinesh Nuwal, Directors of the Company and/or Mr. Jinesh Doshi, Company Secretary be and are hereby severally authorised to delegate powers to the executive(s) of the Company and / or authorised persons, to sign / execute on behalf of the Company, all deeds, documents, agreements, notices, forms, writings, applications, affidavits, petitions and papers, as may be required, for any of the purpose as mentioned aforesaid and to revoke / modify all or any of the aforesaid powers so delegated to the executive(s) of the Company and / or authorised persons, from time to time, as deem fit and proper in the best interest of the Company.

RESOLVED FURTHER THAT the Common Seal of the Company be affixed, if necessary, in the presence of any of the authorized persons viz. Mr. Rajesh Nuwal and/or Mr. Dinesh Nuwal, Directors of the Company and/or Mr. Jinesh Doshi, Company Secretary or in accordance with the Articles of Association of the Company who shall sign the same in token thereof."

2. Reduction of Share Capital of the Company

"RESOLVED THAT pursuant to the provisions of Section 66 of the Companies Act, 2013 and all the other applicable provisions, rules and regulations made thereunder (including any modification(s)/amendment(s)/re-enactment(s) thereof), and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company and subject to the sanction of the Scheme of Arrangement (Demerger) between IndiaNivesh Limited and IndiaNivesh Financial Advisors Limited and their respective shareholders and creditors and subject to necessary approvals / consents / sanctions of the National Company Law Tribunal constituted under the provisions of the Companies Act, 2013, the Securities and Exchange Board of India ("SEBI") and concerned Stock Exchange(s) or such other competent authority as may be applicable, and such other approvals / permissions / exemptions, as may be required under applicable laws, regulations, listing regulations and guidelines issued by the regulatory authorities, the consent of the members of the Company, be and is hereby accorded for the reduction of share capital of the Company from present 3,77,50,000 (Rupees Three Crores Seventy Seven Lakhs and Fifty Thousand) divided into 3,77,50,000 (Three Crores Seventy Seven Lakhs and Fifty Thousand) equity shares of Re.1/- each to 11,32,500 (Rupees Eleven Lakhs Thirty Two Thousand Five Hundred) divided into 11,32,500 (Eleven Lakhs Thirty Two Thousand Five Hundred) equity shares of Re.1/- each and for the reduction in the Securities Premium Account of the Company by an amount upto Rs. 9,49,87,500 pursuant to and in accordance with the terms of the Scheme.

RESOLVED FURTHER THAT Mr. Rajesh Nuwal and/or Mr. Dinesh Nuwal, Directors of the Company and/or Mr. Jinesh Doshi, Company Secretary be and are hereby severally authorised to take all the necessary steps, for and on behalf of the Board, inter alia, to:-

- (i) settling, finalizing, executing and filing all necessary documents including the applications, petition, affidavits, pleadings and such other documents as may be required to be filed with any statutory authorities and such further deeds, documents and writings as may be necessary in this regard;
- (ii) making applications to the relevant authorities or other persons for their approval to the said reduction, as may be required;

- (iii) making such disclosures to governmental or regulatory authorities as may be required;
- (iv) affixing the Common Seal of the Company in accordance with the provisions of the Articles of Association of the Company on any document in connection with the above resolution, as may be required; and
- (v) settling all questions, difficulties or doubts that may arise in connection with the reduction of capital as they may, in their absolute discretion, deem fit.

RESOLVED FURTHER THAT Mr. Rajesh Nuwal and/or Mr. Dinesh Nuwal, Directors of the Company and/or Mr. Jinesh Doshi, Company Secretary be and are hereby severally authorised to delegate powers to the executive(s) of the Company and / or authorised persons, to sign / execute on behalf of the Company, all deeds, documents, agreements, notices, forms, writings, applications, affidavits, petitions and papers, as may be required, for any of the purpose as mentioned aforesaid and to revoke / modify all or any of the aforesaid powers so delegated to the executive(s) of the Company and / or authorised persons, from time to time, as deem fit and proper in the best interest of the Company.”

Explanatory Statement under Section 230 read with Section 102 of the Companies Act, 2013 along with copy of the Scheme and other annexures including Proxy Form, Attendance Slip, Postal Ballot Form and e-voting form are enclosed herewith. Copies of the Scheme and statement under Section 230 of the Companies Act, 2013 can be obtained free of charge at the registered office of the Company.

The Tribunal has appointed Mr. Rajesh Nuwal, Director of the Applicant Company and failing him Mr. Hemant Panpalia, Director of the Applicant Company as the Chairperson of the said meeting of Equity Shareholders the above mentioned Scheme of Arrangement, if approved by the meeting, will be subject to the subsequent approval of the Tribunal.

In accordance with the applicable regulatory provisions, as an alternative to casting of votes on Poll at the meeting, the Company has provided the Equity Shareholders with the facility for casting their votes either by way of Postal Ballot or by way of remote e-voting using facility offered by Central Depository Services Limited (CDSL) The voting rights of Equity Shareholders shall be in proportion to their Equity Shareholding in the Company as on the Cut-off date of close of business on Friday, June 9, 2017. The shareholders may refer to Notes to this notice for further details on Postal Ballot and remote E-voting.

It is clarified that casting of votes by postal ballot or remote e-voting does not disentitle a Shareholder as on the Cutoff date of June 9, 2017 from attending the Meeting. It is further clarified that the Proxies can only vote on Poll at the meeting and not through any other mode.

Place: Mumbai
Dated: 12th day of June, 2017

Sd/-
Mr. Rajesh Nuwal
Chairperson Appointed for the meeting

Registered Office:
601 and 602, Sukh Sagar, N.S. Patkar Marg,
Girgaon Chowpatty, Mumbai - 400007
CIN:L99500MH1931PLC001493

Notes:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.

The instrument appointing the Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.

Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions/authority as applicable.

2. The Notice convening the meeting will be published through advertisement in Free Press Journal in the English language and translation thereof in Navshakti in the Marathi language (both Mumbai Editions).
3. The quorum of the meeting of the equity shareholders of the Applicant Company shall be 5 (Five) equity shareholders of the Applicant Company, present in person.
4. The businesses as set out in the Notice may be transacted through electronic voting system and the Company will provide a facility for voting by electronic means. In compliance with the provisions of Section 108 and 110 of the Act, read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, Standard 2 of the Secretarial Standards on General Meetings and Reg. 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility to cast their votes either by the way of Postal Ballot or through remote E-voting, as an alternate, to all its Members.
5. Shareholders whose names appears on the Register of Members / Record of Depositories as at the close of business on Friday, June 9, 2017 ("cut-off date") will be considered for the purpose of voting and the voting rights shall be reckoned based on the equity shareholding as on June 9, 2017. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date.
6. The Voting period for Postal Ballot shall commence on and from Sunday, June 18, 2017 at 9.00 a.m. and end on Monday, July 17, 2017 at 5.00 p.m.
7. The Voting period for remote e-voting shall commence on and from Sunday, June 18, 2017 at 9.00 a.m. and end on Monday, July 17, 2017 at 5.00 p.m. The remote e-voting module shall be disabled by CDSL for voting thereafter.
8. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date of Friday, June 9, 2017 shall be entitled to avail the facility of remote e-voting or voting at the Meeting. Persons who are not members as on the cut-off date should treat this notice for information purposes only.
9. The Notice will be displayed on the website of the Company www.indianivesh.in and on the website of CDSL.
10. Member(s) can opt only one mode of voting. If a Member has opted for e-voting, then he/she should not vote by Postal Ballot and vice-versa. However, in case Members cast their vote both via Postal Ballot and e-voting, then voting through e-voting shall prevail and voting done by Postal Ballot shall be treated as invalid.
11. It is clarified that votes may be cast by Shareholders either by Postal Ballot or e-voting and casting of votes by Postal Ballot or remote e-voting does not disentitle them from attending the Meeting. Shareholder after exercising his right to vote through Postal Ballot or e-voting shall not be allowed to vote on Poll again at the Meeting.

12. The facility for voting through ballot or polling paper shall be available at the Meeting and the members attending the meeting who have not already cast their vote by Postal Ballot or remote e-voting shall be able to exercise their right at the meeting
13. Shareholders desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the form duly completed and signed to the Scrutinizer so as to reach not later than 5.00 p.m. on Monday, July 17, 2017 at the registered office of the Company.
14. Members are requested to follow the instructions below to cast their vote through e-voting:
- (i) The voting period begins on June 18, 2017 (9.00 a.m.) and ends on July 17, 2017 at (5.00 p.m.) During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of June 9, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iv) Click on Shareholders.
 - (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (vi) Next enter the Image Verification as displayed and Click on Login.
 - (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
15. As directed by Hon'ble Tribunal, Ms. Bhavana N. Pandya of M/s Bhavana N. Pandya and Company, Chartered Accountants shall act as Scrutinizer to scrutinize votes cast either electronically or on Postal Ballot or on Poll at the Meeting and submitting a report on votes cast to the Chairperson of the Meeting within 48 hours from the conclusion of the meeting.
16. The result of the voting shall be announced by the Chairperson, upon receipt of Scrutinizer's report and the same shall be placed on the Company's website www.indianivesh.in and on the website of CDSL within two days of the passing of the resolution and communicated to the BSE Limited ("BSE"), where the shares of the Company are listed.
17. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the equity shareholders at the registered office of the Applicant Company between 11.00 a.m. and 01.00 p.m. upto the date of the meeting on all days (except Saturdays, Sundays and public holidays).

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH
COMPANY SCHEME APPLICATION NO. 585 OF 2017**

In the matter of the Companies Act, 2013 (18 of 2013);

And

In the matter of Sections 230 to 232 read with section 66
and 52 of the Companies Act, 2013 and other relevant
provisions of the Companies Act, 2013;

And

In the matter of Scheme of Arrangement (Demerger)
between IndiaNivesh Limited, the Demerged Company and
IndiaNivesh Financial Advisors Limited, the Resulting
Company and reduction of paid up equity share capital of
IndiaNivesh Limited.

IndiaNivesh Limited, a company incorporated	)
under the Indian Companies Act, 1913 having	)
its Registered Office at 601 & 602, Sukh Sagar,	)
N. S. Patkar Marg, Girgaum Chowpatty,	)
Mumbai 400 007.	) ...Applicant Company.

Explanatory statement under Section 230 of the Companies Act, 2013 (or under any corresponding provisions of the Companies Act, 2013 as may be notified) and Section 102 of the Companies Act, 2013 to the Notice of the NCLT convened meeting of the Equity Shareholders of IndiaNivesh Limited.

In this statement, IndiaNivesh Limited is referred to as the "Applicant Company" or "Demerged Company" and IndiaNivesh Financial Advisors Limited is referred to as the "Resulting Company". The other definitions contained in the Scheme of Arrangement (Demerger) of IndiaNivesh Limited and IndiaNivesh Financial Advisors Limited ("Scheme") will apply to this Explanatory Statement. The following statement as required under section 230 and section 102 of the Companies Act, 2013, sets forth the details of the Scheme, its affects and any material interests of the Directors or key Managerial Personnel in their capacity as members.

1. This is a statement accompanying the Notice convening the meeting of the Equity Shareholders of IndiaNivesh Limited, pursuant to an order dated 8th day of June, 2017 passed before the Mumbai Bench of National Company Law Tribunal at Mumbai in the Company Scheme Application No. 585 of 2017 (hereinafter referred to as the "Order"), to be held on **Tuesday, July 18, 2017 at 9.00 a.m. at 601 & 602, Sukh Sagar, N. S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007**, for the purpose of considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement (Demerger) between IndiaNivesh Limited, the Demerged Company and IndiaNivesh Financial Advisors Limited, the Resulting Company and reduction of paid up equity share capital of IndiaNivesh Limited, subject to confirmation of the Hon'ble Bench of NCLT at Mumbai.
2. The proposed Scheme provides for Demerger of Demerged Undertaking of IndiaNivesh Limited into IndiaNivesh Financial Advisors Limited and reduction of paid up equity share capital of IndiaNivesh Limited pursuant to the provisions of Sections 230 to 232 read with section 66 and 52 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof or amendment thereof) and the copy of the Scheme setting out in detail the terms and conditions as approved by the Board of Directors of the Demerged Company and Resulting Company at their respective meetings held on January 3, 2017 is attached to this Explanatory Statement and forms part of this statement.

3. Background of the Companies:

3.1 IndiaNivesh Limited ("Demerged Company" or "INL")

- a) IndiaNivesh Limited was incorporated on 25th day of May, 1929 under the Indian Companies Act, 1913 under the name and style of 'Nadiad Electric Supply Company Limited and received the Commencement of Business Certificate on 21st Day of December, 1931. On 26th day of December, 1990 the name was changed to 'Sanyei Mediquip Limited'. Later on 9th day of May, 2005 the name was changed to "Sanyei Corporation Limited". The name was changed to 'INDIANIVESH LIMITED' on 21st day of September, 2006. It is a Public Company and its Corporate Identification Number is L99500MH1931PLC001493. The Permanent Account Number of the Demerged Company is: AABC16743E.

The equity shares of the Demerged Company are listed on the Bombay Stock Exchange Limited.

- b) The registered office of the Demerged Company is situated at 601 & 602, Sukh Sagar, N. S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007. E-mail: indianivesh@indianivesh.in. There has been no change in the registered office of the Company since last 5 years.
- c) The authorized, issued, subscribed and paid up share capital of the Demerged Company as at September 30, 2016 (i.e. immediately before the Appointed Date i.e October 1, 2016) is as under:

Authorised Share Capital	Amount (in Rs.)
5,06,00,000 Equity Shares of Re.1/- each.	5,06,00,000/-
Total	5,06,00,000/-
Issued, Subscribed and Paid-up Share Capital	
3,77,50,000 Equity Shares of Re.1/- each.	3,77,50,000/-
Total	3,77,50,000/-

There has been no change in the capital structure of the Demerged Company subsequent to September 30, 2016 as above.

- d) The Demerged Company was set up in the year 1929. It is a Non- Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI) engaged in the business of Inter-Corporate Deposits, Short Term Financing and Bridge Loans, acquisition and management of Stressed Assets, Investment in shares and securities, quoted as well as unquoted including the business of providing corporate advisory and it is also holding investments in its subsidiaries and other Group/ Associate Companies.
- e) The main objects of the Demerged Company are as under:
- "1. To carry on the business as a holding and investment company and to purchase or otherwise acquire, underwrite, invest in, acquire hold trade or deal in immovable and movable properties of all kinds and including but without any limitation, lands, buildings, hereditaments, objects of art and decoration, gems, jewellery, precious stones and metals, mortgages, charges, annuities, shares, stocks, debentures, debenture stocks, bonds, promissory notes, units of mutual funds and other funds, obligations, securities, concessions, options, book debts and claims and any interests in immovable and movable property and any claims against such property or against any person or company and to vary all or any of the aforesaid investments.

2. To carry on the business as advisors, consultants on all matters and to provide consultancy services in financial, investment, corporate, management, shares, stocks, derivatives, capital markets, debt markets, custodian services, project finance, working capital finance, loan syndication, due diligence, corporate and financial restructuring, merger, amalgamation, arrangements, take over, rehabilitation, restructuring, initial public issue (IPO), further issue of shares & securities, business planning, business valuation, cross-border transactions, portfolio management, project finance, working capital finance, loan syndication, fund raising programmed and to investigate on behalf of any company, corporation, body corporate, industries, firm, association or any person.
3. To carry on in India or elsewhere the business to establish, form, promote, manage, organize handle, sponsor, operate, supervise or to float venture capital fund /company to manage all sorts of assets of venture capital through a duly incorporated company under the Companies Act, 1956 as approved by Securities & Exchange Board of India or other authorities from time to time under prevailing laws, rules & guidelines and to encourage and develop first generation entrepreneurs. To promote risk oriented projects entailing the use of advanced and / or complex technology or projects for the manufacture of new products for new usages and markets that will strengthen the national economy and to charge such management and advisory fees and incidental expenses and to do all such acts and things as are necessary for the attainment of the foregoing objects."

f) The Details of the Directors of the Demerged Company are as follows:

Sr. No	Name of Directors	Designation	Address of Directors
1.	Mr. Rajesh Madanlal Nuwal	Managing Director & CFO	Flat No. 3003, C/Wing 30th Flr., Ashok Tower CHS. Ltd., Dr B.A. Road, Parel, Mumbai - 400012
2.	Mr. Dinesh Madanlal Nuwal	Director	Flat No 3105, C/Wing, 31st Flr., Ashok Tower CHS. Ltd., Dr B.A. Road, Parel, Mumbai - 400012
3.	Mr. Hemant Tarachand Panpalia	Director	1206-C, Ashok Towers, Dr. B. Ambedkar Road, Parel, Mumbai 400 012
4.	Mr. Raja Ram Baldi	Independent Director	A-3/2, Vednagar, Nanakheda, Ujjain - 456 010
5.	Mr. Jimmy Rustom Anklesaria	Independent Director	Flat No 6, Bldg. 4, Batliwala Bldg Old Khareghat Colony, Hughes Road Mumbai - 400007
6.	Mrs. Sona Parag Hadkar	Director	A/404, Chadda Crescent, Sector 17, Vashi, Navi Mumbai - 400703

- g) The Details of the promoters of the Demerged Company are as follows:

Sr. No	Name of promoter	Address of promoter	Shares held in the Demerged Company
1.	Sneh Shares & Securities Private Limited	601 & 602, Sukh Sagar, N.S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007	1,67,53,000
2.	Balashri Commercial Limited	601 & 602, Sukh Sagar, N.S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007	50,25,747
3.	IndiaNivesh Capitals Limited	1705, 17th Floor, Lodha Supremus, Senapati Bapat Marg, Lower Parel, Mumbai 400 013	17,97,070
	Total		2,35,75,817

3.2 IndiaNivesh Financial Advisors Limited (the “INFAL” or “Resulting Company”)

- a) The Resulting Company was incorporated on 25th day of April, 2006 under the Companies Act, 1956 under the name and style of ‘INDIANIVESH MANAGEMENT CONSULTANTS PRIVATE LIMITED’. On 23rd day of November, 2010 the name was changed to ‘INDIANIVESH FINANCIAL ADVISORS PRIVATE LIMITED’. Later on 21st day of October, 2016 the Company was converted in to a Public Limited Company in the present name ‘INDIANIVESH FINANCIAL ADVISORS LIMITED’. It is a Public Limited company and its Corporate Identification Number is U74140MH2006PLC161342. The Permanent Account Number of the Resulting Company is AABC17052A.

The equity shares of the Resulting Company are not listed on any stock exchanges.

- b) The Registered Office of the Resulting Company is situated at 601 & 602, Sukh Sagar, N.S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007..E-mail: indianivesh@indianivesh.in. There has been no change in the registered office of the Company since last 5 years.
- c) The authorized, issued, subscribed and paid up Share Capital of the Resulting Company as on the September 30, 2016 (i.e. immediately before the Appointed Date i.e. October 1, 2016) is as under:

Authorised Share Capital	Amount (in Rs.)
50,00,000 Equity Shares of Rs. 10/- each.	5,00,00,000
Total	5,00,00,000
Issued, Subscribed and Paid-up Share Capital	
43,80,300 Equity Shares of Rs.10/- each.	4,38,03,000
Total	4,38,03,000

There has been no change in the capital structure of the Resulting Company subsequent to September 30, 2016 as above.

- d) The Resulting Company commenced its business in the year 2006 and is primarily engaged in the business of financial consultants, advisors, counselors in investment and capital market.

e) The objects for which the Resulting Company was originally incorporated are as under:

- '1. To undertake the business of providing consultancy in securing government and other approvals for various purposes; to move government and other regulatory authorities for various licences, permissions, sanctions, grants, papers, concessions including but not limited to act as financial consultants, management consultants, experts, managers, representatives, provide advisory and consultancy services to all persons entities, firms, HUFs, governments, bodies corporates, incorporate or not, whether private or public, in India and outside India in various fields of import, export, general administration, commercial, legal, economic, labour, marketing, industrial, engineering, project implementation, public relations, human resources, technology, operation, scientific and technical collaboration; in matters pertaining to investment, finance, management, joint venture, amalgamation and mergers, information technology, prospecting of business and valuation of undertakings, business concerns, assets, concessions, properties or rights, and to employ experts or to associate with other professionals, experts or organisations for carrying out or implementing any of these purposes.'

Subsequently, pursuant to the resolution passed by the Resulting Company at the meeting of its shareholders on December 6, 2013 the main objects of the Company were changed as under.

- '1. To carry on the business of merchant banking in all its aspects, to act as managers to issues and offers, whether by way of public offer or otherwise, of shares, stocks, debentures, bonds, units, participation certification, notes, bills, warrants or any other instrument whether or not transferable or negotiable, commercial or other paper or scrips (hereinafter collectively referred to as "securities"), to act as agents of and / or dealers in securities in the course of merchant banking business, to act as discount house for any securities, to act as financial consultants, advisers and counselors in investment and capital markets, to underwrite, sub-underwrite, or to provide stand-by or procurement arrangements, to issue guarantees or to give and other commitments for subscribing or agreeing to subscribe or procure or agree to procure subscription for securities, to manage portfolio investments, to provide financial assistance for the purposes herein, to act as an issue house, registrars to the issue, transfer agents for securities, to manage and administer computer of managers, agents and purchases for or of any securities, to act as brokers, dealers and agents of or in connection with securities, bullion and precious metals, to syndicate financial arrangements whether in the domestic market by way of loans, guarantees, export and card credits, to undertake the work of factoring of bills and other commercial papers, and to arrange and/or co-ordinate documentation and negotiation and negotiation in this regard.'

Subsequently, pursuant to the resolution passed by the Resulting Company at the meeting of its shareholders on September 9, 2016 the main objects of the Company were changed and are presently as set out in its Memorandum of Association as under:

- '1. To carry on the business as a holding company and to purchase or otherwise acquire, underwrite, invest in, acquire hold trade or deal in immovable and movable properties of all kinds and including but without any limitation, lands, buildings, hereditaments, objects of art and decoration, gems, jewellery, precious stones and metals, mortgages, charges, annuities, shares, stocks, debentures, debenture stocks, bonds, promissory notes, units of mutual funds and other funds, obligations, securities, concessions,

options, book debts and claims and any interests in immovable and movable property and any claims against such property or against any person or company and to vary all or any of the aforesaid investments.

2. To carry on the business as advisors, consultants on all matters and to provide consultancy services in financial, investment, corporate, management, shares, stocks, derivatives, capital markets, debt markets, custodian services, project finance, working capital finance, loan syndication, due diligence, corporate and financial restructuring, merger, amalgamation, arrangements, take over, rehabilitation, restructuring, initial public issue (IPO), further issue of shares & securities, business planning, business valuation, cross-border transactions, portfolio management, project finance, working capital finance, loan syndication, fund raising programmed and to investigate on behalf of any company, corporation, body corporate, industries, firm, association or any person.'

f) The Details of the directors of the Resulting Company are as follows:

Sr. No	Name of Directors	Designation	Address of Directors
1.	Mr. Rajesh Madanlal Nuwal	Director	Flat No. 3003, C/Wing, 30th Flr, Ashok Tower CHS. Ltd., Dr B.A. Road, Parel Mumbai 400012
2.	Mr. Dinesh Madanlal Nuwal	Director	Flat No 3105, C/Wing, 31st Flr, Ashok Tower CHS. Ltd., Dr B.A. Road, Parel, Mumbai - 400012
3.	Mr. Girish Bhagat	Director	Ajanta Building, Flat # 1, 1st floor, L.D. Ruparel Marg, Malabar Hill Mumbai 400006
4.	Mr. Raja Ram Baldi	Director	B/2, 307, Shehnai Residency, AB Road Indore 452001

g) The Details of the promoters of the Resulting Company are as follows

Sr. No	Name of promoter/ shareholder	Address of promoter/ shareholder	Shares held in the Resulting Company
1.	Sneh Shares & Securities Private Limited*	601 & 602, Sukh Sagar, N.S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007	43,80,294
2.	Shri Nirmal Pareek S/o Shri Jagdish Pareek (Held on behalf of Sneh Shares & Securities Private Limited)	701/B Wing, Monarch Ashar Residency, Pokharan Road 2, Near Lok Hospital, Vasant Vihar, Thane (West), Thane 400 610	1
3.	Shri Hemant Panpalia S/o Late Shri Tarachand Panpalia (Held on behalf of Sneh Shares & Securities Private Limited)	1206-C, Ashok Towers, Dr. B. Ambedkar Road, Parel, Mumbai 400 012	1

Sr. No	Name of promoter/ shareholder	Address of promoter/ shareholder	Shares held in the Resulting Company
4.	Smt. Rupalidevi Nuwal W/o Late Shri Madanlal Nuwal (Held on behalf of Sneh Shares & Securities Private Limited)	Gokul B-10, Mahesh Colony, Sewa Sadan Road, Opp. Sitaramji ki Bawri, Bhilwara, Rajasthan 311 001	1
5.	Shri Dinesh Nuwal S/o Shri Madanlal Nuwal (Held on behalf of Sneh Shares & Securities Private Limited)	Flat No.3105, C-Wing, 31st Floor, Ashok Tower CHS Ltd, Dr. B.A. Road, Parel, Mumbai 400 012	1
6.	Smt Usha Nuwal W/o Shri Dinesh Nuwal (Held on behalf of Sneh Shares & Securities Private Limited)	Flat No.3105, C-Wing, 31st Floor, Ashok Tower CHS Ltd, Dr. B.A. Road, Parel, Mumbai 400 012	1
7.	Smt. Snehlata Nuwal W/o Shri Rajesh Nuwal (Held on behalf of Sneh Shares & Securities Private Limited)	Flat No.3003, C-Wing, 30th Floor, Ashok Tower CHS Ltd, Dr. B.A. Road, Parel, Mumbai 400 012	1
	Total		43,80,300

* *Sneh Shares & Securities Private Limited holds 100% of the share capital in the company along with it's nominees.*

4. The Scheme of Arrangement was unanimously approved at the respective meetings of the Board of Directors of the Demerged Company and Resulting Company held on January 3, 2017. None of the directors voted against the resolution. Further there were no directors who did not vote or participate on resolution for approving the Scheme.

5. **Rationale of the Scheme:**

All the operating business of the Demerged Company, except for business of Inter-Corporate Deposits, Short Term Financing and Bridge Loans, acquisition and management of Stressed Assets, Investment in shares and securities, quoted as well as unquoted, corporate advisory are held in its subsidiaries including wholly owned subsidiaries. Accordingly, to align the overall operating structure, it is proposed to transfer the Demerged Undertaking of the Company into the Resultant Company.

The transfer and vesting of the Demerged Undertaking (as defined below) in the Resulting Company, shall be in the larger interest of the shareholders, creditors of the Demerged Company and shall be in the interest of future growth of the Resulting Company.

The transfer and vesting shall achieve the following benefits for the Demerged Company and the Resulting Company:

- a. the Proposed Demerger will enable the better and more efficient management, control and running of the Demerged Undertaking and the Investment in Subsidiary& Group/Associate Companies Business;

- b. the Proposed Demerger is in the interest of shareholders of INL and will enable both INL and the Resulting Company to achieve and fulfill their objectives more efficiently and offer opportunities to the management of both the companies to vigorously pursue growth and expansion opportunities;
- c. the Proposed Demerger will enable investors to separately hold investments which best suit their investment strategies and risk profiles;
- d. the Proposed Demerger will enable INL to focus and enhance its remaining business operations by streamlining operations and ensuring better and more efficient management control;
- e. the Proposed Demerger of Demerged Business Undertaking would result in issuance of equity shares to the shareholders of the Demerged Company by the Resulting Company, thereby, resulting in unlocking and maximizing shareholder value; and
- f. The Scheme shall be beneficial for the interest of the Companies, their shareholders, creditors and employees.

6. Salient Features of the Scheme are set out as under:

- a) The Scheme envisages the Demerger of Demerged Undertaking of IndiaNivesh Limited into IndiaNivesh Financial Advisors Limited and reduction of paid up equity share capital of IndiaNivesh Limited under the provisions of Sections 230 to 232 read with section 66 and 52 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013.
- b) The Appointed Date for the proposed Scheme is October 1, 2016.
- c) "Effective Date" shall mean the date or last of the dates on which the certified copies of the orders sanctioning the Scheme, passed by the Hon'ble NCLT, Mumbai Bench, are filed by the Demerged Company and the Resulting Company with their respective Registrar of Companies.
- d) The Scheme shall be effective from the Appointed Date but shall become operative from the Effective Date.
- e) With effect from the Appointed Date, the Demerged Undertaking (including all accretions and appurtenances) shall, without any further act, instrument or deed, be and stand demerged from the Demerged Company and transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company as a going concern
- f) The value of the assets pertaining to the Demerged Undertaking being transferred to and vesting with the Resulting Company in accordance with this Scheme on the basis of the Book Value as set out in the balance sheet of the Demerged Company as on September 30, 2016.
- g) The Scheme is conditional upon and subject to:
 - (i) the Scheme being agreed to by the requisite majorities of the various classes of members and creditors of the Demerged Company and the Resulting Company as may be required under the Act and as may be directed by the NCLT;
 - (ii) the Scheme has been sanctioned by the Hon'ble NCLT, Mumbai Bench under Sections 230 to 232 read with section 66 and 52 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 in favour of Demerged Company and the Resulting Company and to the necessary order or orders under Section 232 of the Companies Act, 2013 being obtained and the same has being filed with the Registrar of Companies, Mumbai, Maharashtra;

- (iii) the requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for implementation of the Scheme;
 - (iv) receipts of approvals of the relevant stock exchanges and the SEBI in terms of the SEBI circulars as applicable; and
 - (v) compliance with such other conditions as may be imposed by the NCLT.
- h) Upon the Scheme being effective, the change in the existing Authorised Share Capital of the Resulting Company of Rs.5,00,00,000/- (Rupees Five crores) divided into 50,00,000 (Fifty lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each shall be as follows in accordance with the Section 13 and Section 61 of the Companies Act, 2013 and / or any other applicable provisions, rules and regulations of the Companies Act, 2013
- a) the Authorised Share Capital of the Resulting Company of Rs.5,00,00,000/- (Rupees Five crores only) shall be increased by additional capital of Rs.83,00,00,000/- (Rupees Eighty Three Crores only) thereby making the Authorised Share Capital of the Resulting Company amounting to Rs.88,00,00,000/- (Rupees Eighty Eight crores only) divided into 8,80,00,000 (Eight Crores and Eighty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each.

Clause V (a) of the Memorandum of Association of the Resulting Company shall stand amended as follows:

- (a). The Authorized share capital of the Company is Rs.88,00,00,000/- (Rupees Eighty Four Crore only) divided into 8,80,00,000 (Eight Crores and Eighty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each.

Clause V (b) of the Articles of Association of the Resulting Company shall stand amended as follows:

- (b). The minimum paid up capital of the Company shall be Rs.5,00,000/- (Rupees Five Lakh only).

- i) Upon the coming into effect of the Scheme and in consideration of the transfer & vesting of Demerged Undertaking of the Demerged Company in the Resulting Company in terms of the Scheme, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Demerged Company, whose name is registered in the Register of Members of the Demerged Company on the Record Date or his/her/its legal heirs, executors or successors as the case may be 8,30,50,000 (Eight Crores Thirty Lakhs Fifty Thousand only) equity shares in the Resulting Company of face value Rs.10/- (Rupees Ten) each (credited as fully paid-up). The new equity shares will be issued to all the members of Demerged Company in the ratio of 22:10 (i.e) 22 (Twenty Two) equity shares of Rs.10/- each in Resulting Company for every 10 (Ten) equity shares of Re.1/- each in the Demerged Company)
- j) The difference between the value of the assets and the liabilities of the Demerged Undertaking transferred pursuant to the Scheme shall be adjusted in the following seriatim (i) against Profit & Loss Account (ii) remaining balance (if any) will be adjusted against Securities Premium Account (iii) remaining balance (if any) will be then appropriately adjusted against General Reserve Account. The balance of the Profit & Loss Account, Securities Premium Account & General Reserve Account as the case may be, shall stand reduced to that extent. As on September 30, 2016, the balance in the Profit & Loss Account is Rs.10,92,21,737 /- whereas the balance is Securities Premium Account & General Reserve Account is Rs.9,49,87,500/- & Rs.1,21,30,170/- respectively. Pursuant to demerger, the excess of net assets transferred amounting to Rs.27,43,61,062/- shall be first entirely debited

to Profit and Loss Account, Securities Premium Account & General Reserve Account, whereas the balance remaining if any shall be adjusted against the capital balance as reduced as per Clause 8 of the Scheme

- k) The difference being the excess/deficit of assets over liabilities transferred to and recorded by the Resulting Company, over the face value of the new equity shares allotted as per Clause 21.2 of this Scheme to the Resulting Company, shall be credited to Capital Reserve Account in the books of the Resulting Company. In case of there being a shortfall, the same shall be debited to and carried forward as Goodwill. The value of net assets transferred pursuant to demerger amounts to Rs. 27,43,61,062/- whereas the amount paid in consideration by way of issue of shares as per clause 21.2 is Rs.83,05,00,000/-. Thereby resulting into a goodwill of Rs.55,61,38,938/-.
- l) Upon the coming into effect of the Scheme, the subscribed and fully paid up share capital of the Demerged Company shall stand reduced from Rs.3,77,50,000/- (Rupees Three Crore Seventy Seven lakh Fifty Thousand only) divided into 3,77,50,000 (Three Crore Seventy Seven lakh Fifty Thousand) fully paid up equity shares of Re.1/- each to Rs.11,32,500/- (Rupees Eleven Lakhs Thirty Two Thousand Five Hundred only) divided into 3,77,50,000 (Three Crore Seventy Seven lakh Fifty Thousand) fully paid up equity shares of Re.0.03 each. Simultaneously thereafter, every 100 of such equity shares of the reduced face value of Re.0.03 each shall stand consolidated into 3 equity shares of the face value Re.1/- each, thus making reduced paid up capital of the Demerged Company to Rs. 11,32,500/- (Rupees Eleven Lakhs Thirty Two Thousand Five Hundred only) divided into 11,32,500/- (Eleven Lakhs Thirty Two Thousand Five Hundred) shares of Re.1/- each. Consequently, every shareholder of the Demerged Company, whose name appears on Register of Members on Record Date, shall receive 3 (three) equity share of Re.1/- each in lieu of every 100 equity shares of Re.1/- each, held earlier in the Demerged Company.
- m) In case any member's holding in the Demerged Company is such that the member becomes entitled to a fraction of an equity share of the Resulting Company, the Resulting Company shall not issue fractional share certificates to such members but shall consolidate such fractions and issue consolidated equity shares to separate trustees nominated by the Demerged Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred) to the members respectively entitled to the same, in proportion to their respective fractional entitlements in Resulting Company.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid salient features are only some of the key provisions of the Scheme

- 7. The Demerged Company shall carry on the business of the Demerged Undertaking, on and after the Appointed Date and until the Effective Date, with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of commitment either themselves or on behalf of its respective affiliates or associates or any other third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets.
- 8. In the context of the above, M/s K.M. Tulsian & Associates., Chartered Accountants has vide their Report dated January 3, 2017 opined the fair value of the equity share of IndiaNivesh Limited at Rs.23.827/- per equity share based on which the Resulting Company shall issue its equity share at a fair value in the ratio stated herein above to the equity shareholders of the Demerged Company. As per the valuation report, the valuation of IndiaNivesh Limited along with its Subsidiary Companies has been undertaken based on Net Asset Value Method (NAV) and Discounted Cash Flow Method (DCF). A copy of the valuation report is available for inspection at the registered office of the Applicant Company.

9. The amount due to Unsecured Creditors as on December 31, 2016 as per the provisional Unaudited accounts as on that date of the Demerged Company is Rs. 3,21,55,631/-. And the amount due to Unsecured Creditors as on December 31, 2016 as per the provisional Unaudited accounts as on that date of the Resulting Company is Rs.8,963/-. There are no Secured Creditors in Demerged as well as Resulting Company.
10. All the permanent employees of the Demerged Company engaged in or in relation to the Demerged Undertaking and who are in such employment as on the Appointed Date shall be deemed to have become the employees of the Resulting Company with effect from the Appointed Date on the same terms and conditions of employment on which they are engaged by the Demerged Company without any interruption, break or discontinuance in their service due to the transfer of the Demerged Undertaking to the Resulting Company.
11. **Capital Structure**

Pre and Post Shareholding pattern of the Demerged Company is as follows:

Category of Shareholders	Pre-Scheme Shareholding Pattern of IndiaNivesh Limited (Demerged Company)		Post-Scheme Shareholding Pattern of IndiaNivesh Limited (Demerged Company)	
	Number of Shares	% to total	Number of Shares	% to total
A. Promoter				
1) Indian				
a) Individual/ HUF	—	—	—	—
b) Central Govt	—	—	—	—
c) State Govt(s)	—	—	—	—
d) Bodies Corp	2,35,75,817	62.45	7,07,274	62.45
e) Banks / FI	—	—	—	—
f) Any Other	—	—	—	—
Sub-total(A)(1):-	2,35,75,817	62.45	7,07,274	62.45
2) Foreign	—	—	—	—
g) NRIs-Individuals	—	—	—	—
h) Other-Individuals	—	—	—	—
i) Bodies Corp.	—	—	—	—
j) Banks / FI	—	—	—	—
k) Any Other....	—	—	—	—
Sub-total (A)(2):-	—	—	—	—
B. Public Shareholding				
1. Institutions	—	—	—	—
a) Mutual Funds	—	—	—	—
b) Banks / FI	5,000	0.01	150	0.01
c) Central Govt	—	—	—	—
d) State Govt(s)	—	—	—	—
e) Venture Capital Funds	—	—	—	—
f) Insurance Companies	—	—	—	—
g) FIs	9,09,231	2.41	27,277	2.41
h) Foreign Venture Capital Funds	—	—	—	—
i) Others (specify)	—	—	—	—
Sub-total (B)(1)	9,14,231	2.42	27,427	2.42

2. Non Institutions				
a) Bodies Corp.				
(i) Indian				
(ii) Overseas	1,30,59,350	34.59	3,91,781	34.59
b) Individuals				
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1,92,377	0.51	5772	0.51
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	—	—	—	—
c) Others (Specify)	8225	0.02	247	0.02
NRI	—	—		
Sub-total (B)(2)	1,32,59,952	35.13	3,97,799	35.13
Total Public Shareholding (B) = (B)(1) + (B)(2)	1,41,74,183	37.55	4,25,226	37.55
C. Shares held by Custodian for GDRs & ADRs	—	—		
Grand Total(A+B+C)	3,77,50,000	100.00	11,32,500	100.00

Pre and Post Shareholding pattern of the Resulting Company is as follows:-

Category of Shareholders	Pre-Scheme Shareholding Pattern of IndiaNivesh Limited (Demerged Company)		Post-Scheme Shareholding Pattern of IndiaNivesh Limited (Demerged Company)	
	Number of Shares	% to total	Number of Shares	% to total
A. Promoter				
1) Indian				
a) Individual/ HUF	6	0.00	6	0.00
b) Central Govt	—	—	—	—
c) State Govt(s)	—	—	—	—
d) Bodies Corp	43,80,294	100.00	5,62,47,091	64.33
e) Banks / FI	—	—		—
f) Any Other	—	—		—
Sub-total(A)(1):-	43,80,300	100.00	5,62,47,097	64.33
2) Foreign	—	—	—	—
g) NRIs-Individuals	—	—	—	—
h) Other-Individuals	—	—	—	—
i) Bodies Corp.	—	—	—	—
j) Banks / FI	—	—	—	—
k) Any Other....	—	—	—	—
Sub-total (A)(2):-	—	—	—	—

B. Public Shareholding				
1. Institutions	—	—	—	—
a) Mutual Funds	—	—	—	—
b) Banks / FI	—	—	11000	0.01
c) Central Govt	—	—	—	—
d) State Govt(s)	—	—	—	—
e) Venture Capital Funds	—	—	—	—
f) Insurance Companies	—	—	—	—
g) FIs	—	—	2000308	2.29
h) Foreign Venture Capital Funds	—	—	—	—
i) Others (specify)	—	—	—	—
Sub-total (B)(1)	—	—	2011308	2.30
2. Non Institutions				
a) Bodies Corp.				
(i) Indian				
(ii) Overseas	—	—	28730570	32.86
b) Individuals				
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh			423229	0.48
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	—	—	—	—
c) Others (Specify)	—	—	18095	0.02
NRI	—	—		
Sub-total (B)(2)	—	—	29171894	33.37
Total Public Shareholding (B)=(B)(1)+ (B)(2)	—	—	31183203	35.67
C. Shares held by				
Custodian for GDRs & ADRs	—	—		
Grand Total				
(A+B+C)	43,80,300	100.00	8, 74,30,300	100.00

12. No investigation proceedings have been instituted or are pending under Sections 235 to 251 of the Companies Act, 1956 (any corresponding provisions of the Companies Act, 1956 as may be notified) and / or under Section 210 of the Companies Act, 2013, against the Demerged and the Resulting Company.
13. This Scheme is subject to the approval of the Hon'ble NCLT pursuant to and in terms of provisions of Sections 230 to 232 of the Companies Act, 2013 and read with section 66 and 52 of the Companies Act, 2013. Except for the approval/ sanction as provided here in, no other approvals or sanctions are required from any regulatory or governmental authorities.
14. Audited financial statements as on March 31, 2017 and Unaudited Financial Statements as on December 31, 2016 are available for inspection at the registered office of the respective companies.

15. The Directors of the Demerged Company and relatives of the aforementioned persons may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding directly in the respective companies that are the subject of the Scheme, or to the extent the said persons are interested or involved in any of the companies that are the subject of the Scheme or any entity that directly holds shares in any of the companies. The effect of the Scheme on interests of the Directors or KMPs or their relatives, is not any different from the effect of the Scheme on like interests of other persons.
16. The Demerged Company has obtained a fairness opinion from M/s Saffron Capital Advisors Private Limited dated January 3, 2017.
17. This statement may be treated as an Explanatory Statement under Section 230 of the Companies Act, 2013 and Section 102 of the Companies Act, 2013.
18. The following documents will be open for inspection by the equity shareholders of the Demerged Company and the Resulting Company:
 - (a) Audited financial statements as on March 31, 2017 and Unaudited Financial Statements as on December 31, 2016 are available for inspection at the registered office of the respective companies.
 - (b) Copy of the Order dated 8th day of June, 2017 of the Hon'ble Bench passed in the Company Scheme Application No. 585 of 2017.
 - (c) Scheme of Arrangement (Demerger) between IndiaNivesh Limited (Demerged Company) into IndiaNivesh Financial Advisors Limited (Resulting Company) and reduction of paid up equity share capital of IndiaNivesh Limited.
 - (d) Copy of the Valuation report dated January 3, 2017 issued by M/s. K.M. Tulsian & Associates, Chartered Accountants.
 - (e) Copy of the Fairness opinion dated January 3, 2017 issued by Saffron Capital Advisors Private Limited.

Sd/-
Mr. Rajesh Nuwal
Chairman appointed for the Meeting

Date: 12th day of June 2017
Place: Mumbai

Registered Office: **IndiaNivesh Limited**
601 & 602, Sukh Sagar, N. S. Patkar Marg,
Girgaum Chowpatty, Mumbai 400 007
CIN: L99500MH1931PLC001493

SCHEME OF ARRANGEMENT (DEMERGER)

BETWEEN

INDIANIVESH LIMITED

AND

INDIANIVESH FINANCIAL ADVISORS LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND SECTION 52 OF THE COMPANIES ACT 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

1. PREAMBLE

- 1.1. This Scheme of Arrangement (Demerger) (the “**Scheme**”) is presented under Sections 230 to 232 read with Section 66 and Section 52 of the Companies Act, 2013 and other relevant provisions of the Act for the de-merger of Investment business undertaking (Investment in Subsidiaries & Group/Associate Companies) of IndiaNivesh Limited into IndiaNivesh Financial Advisors Limited and reduction of paid up equity share capital of IndiaNivesh Limited.
- 1.2. The Scheme is divided into the following parts:
- (i) **Part I** deals with Definitions, Interpretations and Share Capital
 - (ii) **Part II** deals with Re-organisation of Share Capital
 - (iii) **Part III** deals with Demerger of The Demerged Undertaking of The Demerged Company And Vesting The Same With The Resulting Company
 - (iv) **Part IV** deals with Accounting Treatment
 - (v) **Part V** deals with Remaining Business of Demerged Company
 - (vi) **Part VI** deal with General Terms And Conditions

2. DESCRIPTION OF COMPANIES

- 2.1. IndiaNivesh Limited incorporated under the Indian Companies Act, 1913 on the May 25, 1929 and received the Commencement of Business Certificate on December 21, 1931 and has its registered office at 601 & 602 Sukh Sagar, N.S. Patkar Marg, Girgaum Chowpatty Mumbai 400 007, Maharashtra, India is a Non Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI). It is listed on Bombay Stock Exchange Limited (BSE) (the “**INL**” or “**Demerged Company**”). The Corporate Identity Number of the Demerged Company is L99500MH1931PLC001493. The Demerged Company is engaged in primarily two distinct and diverse business activities through the following undertakings, namely:
- a. Non-Banking Finance undertaking (“**NBFC Undertaking**”) comprising of business of Inter-Corporate Deposits, Short Term Financing and Bridge Loans, acquisition and management of Stressed Assets, Investment in shares and securities, quoted as well as unquoted including the business of providing corporate advisory. For the purpose of carrying on the above business, the Demerged Company has obtained registration of Reserve Bank of India (RBI).

- b. Investment business undertaking (Investment in Subsidiaries & Group/Associate Companies) - it is primarily a Holding Company, holding investments in its subsidiaries and other Group/Associate Companies. (**“Demerged Undertaking”**)
- 2.2. IndiaNivesh Financial Advisors Limited is a Public Limited Company (earlier known as IndiaNivesh Financial Advisors Private Limited) incorporated under the Companies Act, 1956 on the April 25, 2006 and has its registered office at 601 & 602 Sukh Sagar, N.S. Patkar Marg, Girgaum Chowpatty Mumbai 400 007, Maharashtra, India (the **“Resulting Company”**). The Corporate Identity Number of the Resulting Company is U74140MH2006PLC161342. The Resulting Company is primarily engaged inter alia in the business of financial consultants, advisors, counselors in investment and capital market.

3. RATIONALE & PURPOSE OF THE SCHEME

- 3.1. All the operating business of the Demerged Company, except for business of Inter-Corporate Deposits, Short Term Financing and Bridge Loans, acquisition and management of Stressed Assets, Investment in shares and securities, quoted as well as unquoted, corporate advisory are held in its subsidiaries including wholly owned subsidiaries. Accordingly, to align the overall operating structure, it is proposed to transfer the Demerged Undertaking of the Company into the Resultant Company.(**“Proposed Demerger”**)
- 3.2. The transfer and vesting of the Demerged Undertaking (as defined below) in the Resulting Company, shall be in the larger interest of the shareholders, creditors of the Demerged Company and shall be in the interest of future growth of the Resulting Company.
- 3.3. The transfer and vesting shall achieve the following benefits for the Demerged Company and the Resulting Company:
 - a. the Proposed Demerger will enable the better and more efficient management, control and running of the Demerged Undertaking and the Investment in Subsidiary& Group/Associate Companies Business;
 - b. the Proposed Demerger is in the interest of shareholders of INL and will enable both INL and the Resulting Company to achieve and fulfill their objectives more efficiently and offer opportunities to the management of both the companies to vigorously pursue growth and expansion opportunities;
 - c. the Proposed Demerger will enable investors to separately hold investments which best suit their investment strategies and risk profiles;
 - d. the Proposed Demerger will enable INL to focus and enhance its remaining business operations by streamlining operations and ensuring better and more efficient management control;
 - e. the Proposed Demerger of Demerged Business Undertaking would result in issuance of equity shares to the shareholders of the Demerged Company by the Resulting Company, thereby, resulting in unlocking and maximizing shareholder value; and
 - f. The Scheme shall be beneficial for the interest of the Companies, their shareholders, creditors and employees.

Thus, with the aforesaid objectives, it is proposed to demerge the Demerged Undertaking of the Demerged Company to the Resulting Company.

4. TREATMENT OF SCHEME FOR THE PURPOSE OF INCOME TAX ACT, 1961

- 4.1. The Demerger under this Scheme will be affected under the provisions of Sections 230 to 232 read with Section 66 and Section 52 of the Companies Act, 2013 and other relevant provisions of the Act. The Demerger of the Demerged Undertaking from the Demerged Company to the Resulting Company shall comply with the provisions of Section 2(19AA) of the Income Tax Act, 1961 (the “**Section**”) such that:
- (i) The provision of Part II, Part III, Part IV, Part V and Part VI of this Scheme have been drawn up, to comply with the conditions relating to “Demerger” as defined under the Section;
 - (ii) All the properties of the Demerged Undertaking being transferred by the Demerged Company, as on the Appointed Date shall become the properties of the Resulting Company by virtue of this Scheme;
 - (iii) All the liabilities relatable to the Demerged Undertaking, as on the Appointed Date shall become the liabilities of the Resulting Company by virtue of this Scheme;
 - (iv) The properties and the liabilities relatable to the Demerged Undertaking being transferred by the Demerged Company shall be transferred to the Resulting Company at values appearing in the books of account of the Demerged Company immediately before the Demerger;
 - (v) The Resulting Company shall pursuant to the demerger in consideration of the net assets received, issue, shares to the shareholders of the Demerged Company on a proportionate basis;
 - (vi) The transfer of the Demerged Undertaking shall be on a going concern basis.

PART I

DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL

5. DEFINITIONS AND INTERPRETATIONS

- 5.1. In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:
- (i) “**2013, Act**” shall mean the Companies Act, 2013 and the rules, regulations, circulars and notifications issued thereunder, each as amended from time to time and to the extent in force;
 - (ii) “**Act**” shall mean collective reference to the 2013 Act, as amended or **substituted** by any statutory modification/re-enactment thereof;
 - (iii) “**Appointed Date**” shall mean the opening of the business hours as on *1st October, 2016* or if the Board of Directors of the Demerged Company and the Resulting Company require any other date or the National Company Law Tribunal or other competent authority modifies the appointed date to such other date, then the same shall be the appointed date;
 - (iv) “**Board of Directors**” or “**Board**” in relation to Demerged Company and Resulting Company, as the case may be, shall mean the board of directors of such company and shall include a committee duly constituted and authorized for the purposes of matters pertaining to the Proposed Demerger, the Scheme and/or any other matter relating thereto;

- (v) **“Book Value”** shall mean the value(s) of assets and liabilities of the Demerged Undertaking, as appearing in the books of accounts of the Demerged Company at the close of business as on the day immediately preceding the Appointed Date;
- (vi) **“NCLT”** shall mean the Hon’ble National Company Law Tribunal at Bombay and shall be deemed to include, if applicable, a reference to such other forum or authority which may be vested with any of the powers of a Tribunal to Sanction the Scheme under the Act.
- (vii) **“Demerged Undertaking”** shall mean Investment business undertaking (Investment in Subsidiaries) - it is primarily a Holding Company, holding investments in its subsidiaries and other Group/Associate Companies.
 - a. all assets (whether movable or immovable, real or personal corporeal or incorporeal, present or future, contingent or definite, tangible or intangible) including furniture, fixtures, accessories, vehicles, in relation to the Demerged Undertaking, letters of intent, permits, registrations, settlements, rights, credits, title, interest, benefits, advantages, sundry debtors, deposits, provisions, advances, receivables, funds, leases, licenses, tenancy rights, premises, hire purchase and lease arrangements, benefits of agreements, contracts and arrangements, powers, authorities, industrial and other licenses, registrations, quotas, permits, allotments, approvals, consents, privileges, liberties, advantages, easements, and all the rights, titles, interests, goodwill, benefit entitlements and advantages, contingent rights or benefit belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Demerged Company with respect to Demerged Undertaking as on the Appointed Date;
 - b. All present or future, secured or unsecured, asserted or unasserted debts, duties, obligations, guarantees, assurances, and liabilities, including contingent liabilities in respect of the Demerged Undertaking and also including all other debts, liabilities, duties and obligations of the Demerged Company relating to the Demerged Undertaking which may accrue or arise after the Appointed Date but which is related to the period up to the day of immediately preceding the Appointed Date; and
 - c. the specific loans and borrowing raised, incurred and utilized solely for the activities and operations of the Demerged Company in relation to the Demerged Undertaking.
 - d. all permanent employees of the Demerged Company engaged in the Demerged Undertaking;
 - e. all intellectual property rights, including trademarks, trade names and the goodwill associated therewith, patents, patent rights, copyrights and other industrial designs and intellectual properties and rights of any nature whatsoever including know-how, or any applications for the above, assignments and grants in respect thereof of the Demerged Company in relation to the Demerged Business Undertaking as on the Appointed Date;
 - f. cash, bank balance and deposits of the Demerged Company with banks, government, semi-government, local and other authorities and bodies with respect to the Demerged Business Undertaking;

- g. all books, records, files, papers, information, software, computer programs along with their licenses, drawings, manual, data, catalogues, quotations, sales and advertising materials, list of present and former clients, and any other record whether in physical or electronic form, in connection with or relating to the Demerged Business Undertaking of the Demerged Company as on the Appointed date;
- h. all legal, tax, regulatory, quasi-judicial, administrative or other proceedings, suits, appeals, applications or proceedings of whatsoever nature initiated by or against the Demerged Company in connection with the Demerged Business Undertaking;

It is clarified that Demerged Undertaking of the Demerged Company shall not include any employees, assets, liabilities, rights and obligations belonging to and forming part of the NBFC Undertaking. Further, any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company. The statement of assets and liabilities of the Demerged Undertaking as at September 30, 2016 is set out in the Schedule I attached to this Scheme hereto.

- (viii) **“Effective Date”** shall mean the date or last of the dates on which the certified copies of the orders sanctioning the Scheme, passed by the National Company Law Tribunal at Bombay or such other competent authority are filed by the Demerged Company and the Resulting Company with their respective Registrar of Companies. Any references in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” or “upon the scheme becoming effective” shall mean the Effective Date;
- (ix) **“Encumbrance”** means any options, pledge, mortgage, lien, security, interest, claim, charge, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever;
- (x) **“NBFC Undertaking”** shall mean the business comprising of Inter-Corporate Deposits, Short Term Financing and Bridge Loans etc. and acquisition and management of Stressed Assets, Investment in shares and securities, quoted as well as unquoted including the business of providing corporate advisory. For the purpose of carrying on the above business, the Demerged Company has obtained registration of Reserve Bank of India (RBI);
- (xi) **“IT Act”** shall mean the Income Tax Act, 1961, rules and regulations made thereunder and shall include any statutory modification, re-enactment or amendments thereof for the time being in force;
- (xii) **“Record Date”** shall mean the date or dates to be fixed by the Board of Directors or duly authorised Director or Committee of Directors of the Board of Directors of Demerged Company for the purpose of determining the members of the Demerged Company to whom equity shares of the Resulting Company will be issued and allotted under this Scheme;
- (xiii) **“Scheme”** shall mean the Scheme of Arrangement (Demerger) presented under Sections 230 to 232 read with Section 66 and Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for de-merger of IndiaNivesh Limited into IndiaNivesh Financial Advisors Limited and reduction of paid up equity share capital of IndiaNivesh Limited;
- (xiv) **“Stock Exchange”** shall mean the BSE Limited where equity shares of IndiaNivesh Limited are listed;

- (xv) **“Resulting Company”** shall have the meaning ascribed to it in Clause 2.2 of this Scheme;
- (xvi) **“Demerged Company”** shall have the meaning ascribed to it in Clause 2.1 of this Scheme;

The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the Regulations made thereunder), the Depositories Act, 1996, the Income Tax Act, 1961 and other applicable laws, rules, regulations, byelaws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Hon'ble National Company Law Tribunal in this Scheme, the reference would include, if appropriate, reference to such other forum or authority, as may be vested with any of the powers of a NCLT under the Act.

6. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by NCLT shall be effective from the Appointed Date but shall be operative from the Effective Date.

7. SHARE CAPITAL

- 7.1. The share capital of the Demerged Company, as on September 30, 2016 was as under:

Particulars	September 30, 2016 (Unaudited) (in Rs.)
Authorized Share Capital 5,06,00,000 Equity Shares of Re.1/- each.	5,06,00,000/-
Total	5,06,00,000/-
Issued, Subscribed and Paid up Share Capital 3,77,50,000 Equity Shares of Re.1/- each.	3,77,50,000/-
Total	3,77,50,000/-

Subsequent to 30th September, 2016 and till the date the Scheme is approved by the Board of Directors of the Demerged Company, there has been no change in the authorised, issued, subscribed and paid-up capital of Demerged Company.

- 7.2. The share capital of the Resulting Company as on September 30, 2016 was as under:

Particulars	September 30, 2016 (Unaudited) (in Rs.)
Authorized Share Capital 50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000/-
Total	5,00,00,000/-
Issued, Subscribed and Paid up Share Capital 43,80,300 Equity Shares of Rs.10/- each	4,38,03,000/-
Total	4,38,03,000/-

Subsequent to September 30, 2016 and till the date of the Scheme being approved by the Board of Directors of the Resulting Company, there has been no change in the authorised, issued, subscribed and paid-up capital of the Resulting Company.

PART II
REORGANISATION OF SHARE CAPITAL

1. REDUCTION OF SHARE CAPITAL:

- 8.1 Upon the Scheme coming into effect on the Effective Date and immediately after issuance of the equity shares of the Resulting Company to the equity shareholders of the Demerged Company, the reduction in the issued and paid-up equity share capital of the Demerged Company shall be effected as an integral part of the Scheme in accordance with the provision of Section 66(1)(a) of the Companies Act, 2013 and/or any other applicable provisions of the Act without any further act or deed on the part of Demerged Company and without any approval or acknowledgement of any third party. The order of NCLT sanctioning the Scheme shall be deemed to also be the order passed by NCLT under Section 66 of the Companies Act, 2013, for the purpose of confirming such reduction. The aforesaid reduction would not involve either a diminution of liability in respect of the unpaid share capital or payment of paid-up equity share capital and the provision of Section 66 (1) (a) of the Companies Act, 2013, shall not be applicable. Notwithstanding the reduction in the issued and paid-up equity share capital of the Demerged Company shall not be required to add "And Reduced" as suffix to the same.
- 8.2 It is expressly clarified that the consent of the shareholders and secured and unsecured creditors of the Demerged Company to the Scheme shall be deemed to be sufficient for the purposes of effecting the above reorganization in the issued and paid-up equity share capital of the Demerged Company resulting in a reduction in the equity share capital of the Demerged Company, and no further resolution and/or action under Section 66 of the Companies Act, 2013 and/or any other applicable provisions of the Act would be required to be separately passed or taken.
- 8.3 The reduction of the issue and paid-up share capital of the Demerged Company as contemplated in this clause shall become effective, in accordance with the provisions of Section 66(5) of the Companies Act, 2013 and/or any other applicable provisions of the Act and rules and regulations framed there under, pursuant to the filing of the order of NCLT sanctioning the aforesaid capital reduction by the Demerged Company with ROC and upon registration by the ROC of such order of NCLT and of the minute approved by NCLT, if any, showing with respect to the issued and paid-up equity share capital of the Demerged Company as altered by the order: (a) the amount issued and paid-up share capital; (b) the number of shares into which it is to be divided; (c) the amount of each share; and (d) the amount, if any, deemed to be paid-up on each share at the date of registration of the aforesaid minute and order by the ROC. Such reduction in the issued and paid-up equity share capital of the Demerged Company as contemplated in the Scheme shall be conditional upon this Scheme becoming effective on the Effective Date. If this Scheme is, for any reason whatsoever, not sanctioned by NCLT, such reduction of issued and paid-up equity share capital as set out in the Clause 8 of the Scheme shall not become effective and shall be deemed to be redundant.
- 8.4 On the effective date, the subscribed and fully paid up share capital of the Demerged Company shall stand reduced from Rs.3,77,50,000/- (Rupees Three Crore Seventy Seven lakh Fifty Thousand only) divided into 3,77,50,000 (Three Crore Seventy Seven lakh Fifty Thousand) fully paid up equity shares of Re.1/- each to Rs.11,32,500/- (Rupees Eleven Lakhs Thirty Two Thousand Five Hundred only) divided into 3,77,50,000 (Three Crore Seventy Seven lakh Fifty Thousand) fully paid up equity shares of Re.0.03 each. Simultaneously thereafter, every 100 of such equity shares of the reduced face value of Re.0.03 each shall stand consolidated into 3 equity shares of the face value Re.1/- each, thus making reduced paid up capital of the Demerged Company to Rs. 11,32,500/- (Rupees Eleven Lakhs Thirty Two Thousand Five Hundred only) divided into 11,32,500/- (Eleven

Lakhs Thirty Two Thousand Five Hundred) shares of Re.1/- each. Consequently, every shareholder of the Demerged Company, whose name appears on Register of Members on Record Date, shall receive 3 (three) equity share of Re.1/- each in lieu of every 100 equity shares of Re.1/- each, held earlier in the Demerged Company. The revised structure of the share capital of the Demerged Company shall be as follows:

Particulars	(in Rs.)
Authorized Share Capital	
5,06,00,000 Equity Shares of Re.1 each	5,06,00,000/-
Total	5,06,00,000/-
Issued, Subscribed and Paid up Share Capital	
11,32,500 Equity Shares of Re.1 each	11,32,500/-
Total	11,32,500/-

The aforesaid reduction shall be the difference between the value of the assets and the liabilities of the Demerged Undertaking transferred pursuant to the Scheme after adjusting the reserves as contemplated under Clause 17.2 of the Scheme.

The reduction / restructuring of the equity capital of the Demerged Company shall not cause any shareholder to hold any fractional shares in the Company. In respect of the fractional shares, if any, caused by the reduction / restructuring of the equity capital, the same shall be rounded off to the nearest whole number. For example if shareholder would hold 10.4 shares after reduction / restructuring of the equity capital, it shall be rounded off to 10 shares and the 0.4 shares shall be ignored. However, if the shareholder will hold say 10.5 shares, it shall be rounded off to 11 shares.

With respect to reduction / restructuring of the equity capital, in case of fractions, the Demerged Company shall not issue the fractional shares and shall consolidate the same to the nearest entitlement. However, in view of rounding off to the higher integer in some cases, on consolidation of fractions to the nearest entitlement, capital may tend to increase more than 11,32,500 shares post consolidation, in such case excess shares should be adjusted from the Promoters entitlement of the Demerged Company. The nearest integer, the capital should not exceed 11,32,500 equity shares of Re.1/- each.

PART III

DEMERGER OF THE DEMERGED UNDERTAKING OF THE DEMERGED COMPANY AND VESTING THE SAME WITH THE RESULTING COMPANY

9. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING

- 9.1 With effect from the Appointed Date and upon this Scheme coming into effect, the Demerged Undertaking (including all accretions and appurtenances) shall, without any further act, instrument or deed, be and stand demerged from the Demerged Company and transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company as a going concern, so as to vest in the Resulting Company, all the estates, properties, assets, rights, claims, titles, interests and authorities pertaining to Demerged Undertaking, pursuant to Sections 230 to 232 of the Companies Act, 2013 and any other relevant provisions of the Act and the order of NCLT sanctioning the Scheme, subject however, to subsisting charges, if any. The value of the assets pertaining to the Demerged Undertaking being transferred to and vesting with the Resulting Company in accordance with this Scheme on the basis of the Book Value as set out in the balance sheet of the Demerged Company as on September 30, 2016.
- 9.2 The transfer and vesting of the Demerged Undertaking, as aforesaid, shall be subject to the existing charges, hypothecation, mortgages and/or encumbrances, if any, over the assets or any part thereof, provided however that such charges, hypothecation, mortgages and/or encumbrances shall be confined only to the assets of the Demerged Undertaking or part thereof on or over which they are subsisting upon transfer to and vesting of such assets in the Resulting Company and no such charges, hypothecation, mortgages and/or encumbrances shall extend to over or apply to any other asset(s) of the Resulting Company. Any reference to any security documents or arrangements (to which the Demerged Company is a party) to any assets of the Demerged Company shall be so construed to the end and intent that such security shall not extend nor be deemed to extend, to any other asset(s) of the Resulting Company unless specifically agreed to by the Resulting Company subject to the consents and approval of the existing secured creditors of the Resulting Company. Similarly, the Resulting Company shall not be required to create any additional security over the assets of the Demerged Undertaking acquired by it under this Scheme for any loans, debentures, deposits or other financial assistance already availed/to be availed by the Resulting Company and the charges, mortgages, hypothecation and/or encumbrances in respect of the such indebtedness of the Resulting Company shall not extend nor be deemed to extend or apply to the assets of the Demerged Undertaking so acquired by the Resulting Company.
- 9.3 It is clarified that the transfer of the Demerged Undertaking to the Resulting Company shall not affect the subsisting charges, hypothecations, mortgages and/or encumbrances over the assets retained by the Demerged Company or any part thereof and such charges, hypothecation, mortgages and/or encumbrances shall continue to be applicable in respect of such assets.
- 9.4 It is clarified that the transfer of the Demerged Undertaking to the Resulting Company shall automatically and without any further act, instrument or deed transfer any or all the Corporate Guarantees granted by the Demerged Company in respect of the Demerged Undertaking so as to become as and from the Appointed date, the Corporate Guarantees granted by the Resulting Company and the Resulting Company shall be bound by the terms and conditions thereof as were applicable to the Demerged Company.
- 9.5 In respect of the assets of the Demerged Undertaking which are movable in nature and/or otherwise capable of transfer by manual or constructive delivery or by paying over and/or by endorsement and delivery, the same shall be so transferred by the Demerged Company, without requiring any deed or instrument of conveyance for transfer of the same and shall become the property of the Resulting Company accordingly and as an integral part of the Demerged Undertaking transferred to the Resulting Company.

- 9.6 In respect of the assets of the Demerged Undertaking other than those referred to in Clause 9.5 above, including immovable properties, trade receivables, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, deposits and balances, if any, with Government, semi-government, local and other authorities and bodies, clients and other persons, the same shall be transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company on the Appointed Date, pursuant to the provisions of Section 232 of Companies Act, 2013 and other applicable provisions of the Act.
- 9.7 The Demerged Company may, at any time after coming into effect of this Scheme and in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any other party to any contract or arrangement to which the Demerged Company or either of them is party to, in writing as may be necessary to be executed in order to give formal effect to the above provisions. The Demerged Company shall, under the provision of this Scheme be deemed to be authorised to execute any such writings on behalf of the Companies or either of them and to implement or carry out all such formalities or compliances that are to be carried out or performed.
- 9.8 All registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trademarks and other intellectual property rights, appertaining to Demerged Company in relation to the Demerged Undertaking, if any, shall stand vested in the Resulting Company without any further act, instrument or deed.
- 9.9 With effect from the Appointed Date and subject to the provisions of this Scheme, all debts, liabilities, duties and obligations of every kind, nature and description of or relating to Demerged Undertaking shall, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to be transferred to and vested in from the Demerged Company to the Resulting Company so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Resulting Company, pursuant to Sections 230 to 232 of the Companies Act, 2013 and any other relevant provisions of the Act and the order of NCLT sanctioning the Scheme, 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, duties and obligations have arisen in order to give effect to the provisions of this clause.
- 9.10 It is clarified that any amounts received by the Demerged Company after the Effective Date on account of proceedings relating to the Demerged Undertaking, including proceedings under various tax laws, pending as on the Effective Date, shall be deemed to have been received in trust and on behalf of the Resulting Company and the same shall forthwith be remitted by the Demerged Company to the Resulting Company.

10. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 10.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, agreements, schemes, arrangements and other instruments, if any, of whatsoever nature relating to the Demerged Undertaking to which the Demerged Company is a party, subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of the Resulting Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto.
- 10.2 Without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, insurance covers, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Demerged Undertaking shall stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company.

- 10.3 The Demerged Company shall, if and to the extent required by the law, enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, to give formal effect to the provisions of this Scheme and to the extent that the Demerged Company is required, prior to the Effective Date, to join in such deeds, writings or confirmations, the Resulting Company shall be entitled to act for and on behalf of and in the name of the Demerged Company.
- 10.4 All records, files, papers, engineering and process information, computer program, software licenses, manuals, data, catalogues and other records whether physical and electronic form in connection with or relating to the Demerged Business Undertaking.

11. LEGAL, TAXATION AND OTHER PROCEEDINGS

Upon coming into effect of this Scheme, all legal, taxation or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted any time thereafter and in each case relating to the Demerged Undertaking shall be continued and enforced by or against the Resulting Company with effect from the Effective Date. Except as otherwise provided herein, the Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceedings against the Demerged Company. The Demerged Company shall be impleaded as a party to such proceedings and shall prosecute or defend such proceedings at its own right, cost.

12. EMPLOYEES

- 12.1 All the permanent employees of the Demerged Company engaged in or in relation to the Demerged Undertaking and who are in such employment as on the Appointed Date shall be deemed to have become the employees of the Resulting Company with effect from the Appointed Date (the “**Transferred Employees**”) on the same terms and conditions of employment on which they are engaged by the Demerged Company without any interruption, break or discontinuance in their service due to the transfer of the Demerged Undertaking to the Resulting Company. The Resulting Company undertakes to continue to abide by any agreement/settlement entered into by the Demerged Company with any union/employee of the Demerged Company in relation to the Transferred Employees.
- 12.2 The Resulting Company agrees that the services of the Transferred Employees with the Demerged Company prior up to the Appointed Date shall be taken into account for the purposes of all the benefits to which the Transferred Employees may be eligible, including in relation to the level of remuneration, contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in the Demerged Company.
- 12.3 In case, the Transferred Employees are members or beneficiaries of any existing government provident fund, government superannuation fund and LIC gratuity fund along with all accumulated contributions therein till the Appointed Date shall, with the approval of the concerned authorities, be transferred to and continued to be administered by Resulting Company for the benefit of the Transferred Employees on the same terms and conditions. Accordingly, the provident fund, superannuation fund and/or gratuity fund dues, if any, of the Transferred Employees would be continued to be deposited in the transferred provident fund, superannuation fund and/or gratuity fund account by Resulting Company, to the end and intent that all rights, duties, powers and obligations of the Demerged Company with respect to the Transferred Employees and in relation to such benefits shall become those of the Resulting Company.

13. CONDUCT OF BUSINESS TILL EFFECTIVE DATE:

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

- 13.1 The Demerged Company shall be carrying on and be deemed to have been carrying on all the business activities relating to the Demerged Undertaking and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions for the Demerged Undertaking for and on account of, and in trust for, the Resulting Company. The Demerged Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 13.2 All profits and income accruing or arising to the Demerged Company from the Demerged Undertaking, and losses and expenditure arising or incurred by it including taxes (including advance tax), if any, accruing or paid in relation to any profits or income relating to the Demerged Undertaking for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Resulting Company.
- 13.3 The Demerged Company shall carry on the business of the Demerged Undertaking, on and after the Appointed Date and until the Effective Date, with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of commitment either themselves or on behalf of its respective affiliates or associates or any other third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except:
- (i) When the same is expressly provided in this Scheme; or
 - (ii) When the same is in the ordinary course of business as carried on, as on the date of filing of this Scheme in NCLT; or
 - (iii) When written consent of the Resulting Company has been obtained in this regard.
- 13.4 On and after the Appointed Date and until the Effective Date, the Demerged Company shall not without the prior written approval of the Board of Directors of the Resulting Company except as contemplated in the Scheme, issue or allot further securities, either by way of rights or bonus or otherwise.

14. IMPACT OF THE SCHEME ON CREDITORS/ BANKS/FINANCIAL INSTITUTIONS

The Scheme shall not affect any of the Companies' creditors/ banks/ financial institutions. The Scheme does not provide any compromise or arrangement with the creditors except as provided in the Scheme.

15. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of Demerged Undertaking as above and the continuance of proceedings by or against the Resulting Company under Clause 11 of this Scheme and the effectiveness of contracts and deeds under Clause 10 of this Scheme shall not affect any transaction or proceedings or contracts or deeds already concluded by the Demerged Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto.

16. DIVIDEND

- 16.1 The Demerged Company and the Resulting Company shall be entitled to declare and pay dividend, whether interim or final to their respective shareholders in respect of the accounting period prior to the Effective Date.
- 16.2 Upon the Scheme becoming effective, on and from the Appointed Date, the profits of the Demerged Undertaking shall belong to and be the profits of the Resulting Company and will be available to Resulting Company for being disposed of in any manner as it thinks fit.
- 16.3 It is clarified that the aforesaid provisions in respect of declaration of dividend are enabling provisions only and shall not be deemed to confer any right on Demerged Company and / or Resulting Company to demand or claim any dividend which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Demerged Company and Resulting Company respectively, subject to such approval of the shareholders, as may be required.

PART – IV

ACCOUNTING TREATMENT

17. ACCOUNTING TREATMENT IN BOOKS OF THE DEMERGED COMPANY:

- 17.1 Upon the Scheme coming into effect, the assets and liabilities pertaining to the Demerged Undertaking of the Demerged Company being transferred to the Resulting Company, shall be at values appearing in the books of account of the Demerged Company as on the Appointed Date which are set forth in the closing balance sheet of the Demerged Company as on the closing of business hours on the date immediately preceding the Appointed Date.
- 17.2 The difference between the value of the assets and the liabilities of the Demerged Undertaking transferred pursuant to the Scheme shall be adjusted in the following seriatim (i) against Profit & Loss Account (ii) remaining balance (if any) will be adjusted against Securities Premium Account (iii) remaining balance (if any) will be then appropriately adjusted against General Reserve Account. The balance of the Profit & Loss Account, Securities Premium Account & General Reserve Account as the case may be, shall stand reduced to that extent. As on September 30, 2016, the balance in the Profit & Loss Account is Rs.10,92,21,737 /- whereas the balance is Securities Premium Account & General Reserve Account is Rs.9,49,87,500/- & Rs.1,21,30,170/- respectively. Pursuant to demerger, the excess of net assets transferred amounting to Rs.27,43,61,062/- shall be first entirely debited to Profit and Loss Account, Securities Premium Account & General Reserve Account, whereas the balance remaining if any shall be adjusted against the capital balance as reduced as per Clause 8 of the Scheme.
- 17.3 The reduction, in the Securities Premium Account shall be effected as an integral part of the Scheme in accordance with the provisions of Section 66 and Section 52 of the Companies Act, 2013 and the order of the Hon'ble NCLT sanctioning the Scheme shall be deemed to be also the order under Section 66 of the Companies Act, 2013 for the purpose of confirming the reduction. The reduction would not involve either the diminution of liability in respect of unpaid share capital or payment of share capital. Notwithstanding the reduction as mentioned above, the Demerged Company shall not be required to add "and reduced" as suffix to its name and the Demerged Company shall continue in its existing name.
- 17.4 Notwithstanding the above, the Demerged Company in consultation with the auditors, is authorized to account any of these balances in any manner whatsoever, if considered more appropriate.

18. ACCOUNTING TREATMENT IN BOOKS OF THE RESULTING COMPANY:

- 18.1 Upon the Scheme becoming effective but from the Appointed Date, the Resulting Company shall record the assets and liabilities pertaining to the Demerged Undertaking, at the respective book values as appearing in the books of account of the Demerged Company as on the Appointed Date, which are set forth in the closing balance sheet of the Demerged Company as on the closing of business hours on the date immediately preceding the Appointed Date. However, any inter Company balances between the Demerged Company and the Resulting Company shall stand set-off and cancelled post demerger. Accordingly, an amount of Rs.2,14,04,155/- receivable from the Demerged Company shall stand cancelled on the appointed date.
- 18.2 Upon the Scheme being effective, the Resulting Company shall credit to the Equity Share Capital Account in its books of accounts, the aggregate face value of the new equity shares issued and allotted to the equity shareholders of the Demerged Company.

The difference being the excess/deficit of assets over liabilities transferred to and recorded by the Resulting Company, over the face value of the new equity shares allotted as per Clause 21.2 of this Scheme to the Resulting Company, shall be credited to Capital Reserve Account in the books of the Resulting Company. In case of there being a shortfall, the same shall be debited to and carried forward as Goodwill. The value of net assets transferred pursuant to demerger amounts to Rs. 27,43,61,062/- whereas the amount paid in consideration by way of issue of shares as per clause 21.2 is Rs.83,05,00,000/-. Thereby resulting into a goodwill of Rs.55,61,38,938/-.

19. TAX TREATMENT

All taxes (including tax, sales tax, excise duty, custom duty, service tax, value added tax etc.) paid or payable by the Demerged Company in respect of the operations and/or the profits of the Demerged Undertaking before the Appointed Date, shall be on account of the Demerged Company and, insofar as it relates to the tax payment (including, without limitation, income tax, sales tax, excise duty, custom duty, service tax, value added tax, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Demerged Company in respect of the profits or activities or operation of the Demerged Undertaking after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.

The Goodwill appearing in the books of the Resulting Company pursuant to this scheme of demerger shall be amortized as per the provisions of sections 32 of the Income Tax Act, 1961 and as per applicable Accounting Standards issued by ICAI.

20. CHANGE IN AUTHORISED SHARE CAPITAL OF THE RESULTING COMPANY

- 20.1 The change in the existing Authorised Share Capital of the Resulting Company of Rs.5,00,00,000/- (Rupees Five crores) divided into 50,00,000 (Fifty lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each shall be as follows in accordance with the Section 13 and Section 61 of the Companies Act, 2013 and / or any other applicable provisions, rules and regulations of the Companies Act, 2013
- a) the Authorised Share Capital of the Resulting Company of Rs.5,00,00,000/- (Rupees Five crores only) shall be increased by additional capital of Rs.83,00,00,000/- (Rupees Eighty Three Crores only) thereby making the Authorised Share Capital of the Resulting Company amounting to Rs.88,00,00,000/- (Rupees Eighty Eight crores only) divided into 8,80,00,000 (Eight Crores and Eighty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each.
- 20.2 Clause V (a) of the Memorandum of Association of the Resulting Company shall stand amended as follows:

- (a). The Authorized share capital of the Company is Rs.88,00,00,000/- (Rupees Eighty Four Crore only) divided into 8,80,00,000 (Eight Crores and Eighty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each.
- 20.3 Clause V (b) of the Articles of Association of the Resulting Company shall stand amended as follows:
- (b). The minimum paid up capital of the Company shall be Rs.5,00,000/- (Rupees Five Lakh only).
- 20.4 The change in the Authorised Share Capital of the Resulting Company as per clause 20 above shall come into effect on the Effective Date.
- 20.5 The Resulting Company shall make the requisite filings with the Registrar of Companies for increase in authorised share capital in the manner as set out in Clause 20.2 above.

21. ISSUE OF SHARES BY THE RESULTING COMPANY

- 21.1 The provision of this Clause 21 of the Scheme shall operate notwithstanding anything contrary in this Scheme or in any other Instrument, deed or writing.
- 21.2 Upon the coming into effect of the Scheme and in consideration of the transfer & vesting of Demerged Undertaking of the Demerged Company in the Resulting Company in terms of the Scheme, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Demerged Company, whose name is registered in the Register of Members of the Demerged Company on the Record Date or his/her/its legal heirs, executors or successors as the case may be 8,30,50,000 (Eight Crores Thirty Lakhs Fifty Thousand only) equity shares in the Resulting Company of face value Rs.10/- (Rupees Ten) each (credited as fully paid-up). The new equity shares will be issued to all the members of Demerged Company in the ratio of 22:10 (i.e) 22 (Twenty Two) equity shares of Rs.10/- each in Resulting Company for every 10 (Ten) equity shares of Re.1/- each in the Demerged Company)
- 21.3 The ratio in which equity shares of the Resulting Company are to be issued and allotted to the members of the Demerged Company is herein referred to as the “**Share Entitlement Ratio**”.
- 21.4 The shares issued to the members of the Demerged Company by the Resulting Company pursuant to Clause 21.2 above shall be issued in dematerialized form by the Resulting Company, unless otherwise notified in writing by the members of the Demerged Company to the Resulting Company on or before such date as may be determined by the Board of Directors of the Resulting Company or a committee thereof. In the event that the Resulting Company has received notice from any member that shares are to be issued in physical form then in such event the Resulting Company shall issue shares in physical form.
- 21.5 In case any member's holding in the Demerged Company is such that the member becomes entitled to a fraction of an equity share of the Resulting Company, the Resulting Company shall not issue fractional share certificates to such members but shall consolidate such fractions and issue consolidated equity shares to separate trustees nominated by the Demerged Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred) to the members respectively entitled to the same, in proportion to their respective fractional entitlements in Resulting Company.
- 21.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any member of the Demerged Company, the Board of Directors of the Resulting Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in the Demerged Company and in relation to the shares issued by the Resulting Company

after the effectiveness of the Scheme. The Board of Directors of the Resulting Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Resulting Company on account of difficulties faced in the transaction period.

- 21.7 Equity shares to be issued by the Resulting Company pursuant to Clause 21.2 above in respect of such of the equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the 2013, Act or otherwise shall, pending allotment or settlement of dispute by order of NCLT or otherwise, also be kept in abeyance by the Resulting Company.
- 21.8 The issue and allotment of equity shares by Resulting Company to the shareholders of Demerged Company as provided in the Scheme is the integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Sections 42 and 62 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 were duly complied with.
- 21.9 Resulting Company shall, if and to the extent required to, apply for and obtain any approvals from the concerned regulatory authorities including the Reserve Bank of India, for the issue and allotment of new equity shares by Resulting Company to the non-resident equity shareholders of Demerged Company. Resulting Company shall comply with the relevant and applicable rules and regulations including the provisions of Foreign Exchange Management Act, 1999, if any, to enable Resulting Company to issue and allot new equity shares to the non-resident equity shareholders of Demerged Company.
- 21.10 The equity shares issued and allotted by the Resulting Company in terms of this Scheme shall rank pari passu in all respects with the then existing equity shares of the Resulting Company.
- 21.11 Resulting Company shall take necessary steps to increase or alter, (if necessary), its authorized share capital suitably to enable it to issue and allot new equity shares required to be issued and allotted by it under this Scheme;
- 21.12 The approval of this Scheme by the shareholders of Companies shall be deemed to have the approval under Section 13 and Section 14 of 2013, Act and other applicable provisions of the 2013, Act and any other consents and approvals required in this regard.
- 21.13 The shares of the Demerged Company are presently listed on BSE Limited. The Resulting Company shall apply for listing of its equity shares including those issued in terms of Clause 21.2 above on BSE in terms of SEBI Circulars within 30 days from the receipt of the order of Hon'ble National Company Law Tribunal and in compliance with SEBI Circulars and all the formalities for commencement of trading of equity shares shall be completed within 45 days of the order of Hon'ble National Company Law Tribunal. The shares allotted by Resulting Company pursuant to the 5Scheme shall remain frozen in the depositories system till listing / trading permissions is given by the Stock Exchange.
- 21.14 There shall be no change in the shareholding pattern of the Resulting Company between the Record Date and the listing which may affect the basis on which approval is received from the Stock Exchange.

PART V

REMAINING BUSINESS OF DEMERGED COMPANY

14. REMAINING BUSINESS TO CONTINUE WITH THE DEMERGED COMPANY

- (a) The remaining business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company subject to the provisions of the Scheme.
- (b) All legal, taxation or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in case relating to Remaining Business (including those relating to any property, right, power, liability, obligation or duties of Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company after the Effective Date. The Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceedings by or against the Demerged Company in respect of the matters referred as aforesaid, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the Demerged Company shall reimburse and indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.
- (c) With effect from the Appointed Date and upto and including the Effective Date:
 - (i) the Demerged Company shall carry on and be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;
 - (ii) all profits and income accruing or arising to the Demerged Company thereon and/or any cost, charges, losses and expenditure arising or incurred by the Demerged Company (including the effect of taxes, if any, accrued or paid in relation to any profits or income) relating to the Remaining Business shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Demerged Company; and
 - (iii) all assets and properties acquired and all liabilities incurred by the Demerged Company in relation to the Remaining Business on and after the Appointed Date shall belong to and continue to remain vested in the Demerged Company;
- (d) All employees engaged in or in relation to the Remaining Business shall continue to be employed by the Demerged Company and the Resulting Company shall not, in any case, be liable or responsible for any claims whatsoever arose in relation to such employees.

PART VI

GENERAL TERMS AND CONDITIONS

23. IMMEDIATELY UPON THE SCHEME BEING EFFECTIVE

- 23.1 The FPI / FII limits of 49% (forty nine percent) of the Demerged Company shall be deemed to be applicable to the Resulting Company.
- 23.2 To facilitate inter-company lending and investments for meeting business needs, the Board of the Resulting Company shall be deemed to have been authorized to give loans and / or give any guarantee or provide security in connection with a loan to any associate, person or body corporate (excluding exposure to wholly owned subsidiaries and joint ventures which

are exempted under Section 186 (3) of the Companies Act, 2013) and / or acquire by way of subscription, purchase or otherwise, the securities of any associate, joint venture or body corporate (excluding exposure to wholly owned subsidiaries and joint ventures which are exempted under Section 186 (3) of the Companies Act, 2013) upto an aggregate amount of not exceeding Rs.200,00,00,000/- (Rupees Two Hundred Crores only), notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and / or securities so far acquired or to be acquired by the Resulting Company may collectively exceed the limits prescribed under Section 186 of the Act;

- 23.3 The Board of the Resulting Company shall be deemed to have been authorized to give loans to any subsidiary companies and / or give any guarantee or provide security in connection with a loan to any subsidiary company(ies) and / or acquired by way of subscription, purchase or otherwise, the securities of any subsidiary company(ies) upto an aggregate amount not exceeding Rs.200,00,00,000/- (Rupees Two Hundred Crores only) notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and / or securities so far acquired or to be acquired by the Resulting Company may collectively exceed the limits prescribed under Section 186 of the Act;
- 23.4 It is clarified that the approval to the Scheme by the shareholders of the Demerged Company and Resulting Company under Section 230 and 232 of the Companies Act, 2013 shall be deemed to have their approval under : (i) Sections 180 (1) (c), 186, 188 and any other applicable provisions under the Act; (ii) the Listing Agreement; and (iii) the FDI policy, if and to the extent applicable; and that no separate approval from the shareholders to that extent shall be required to be sought by the Parties for the matter specified in this Clause 23.

24. LISTING REGULATIONS AND SEBI COMPLIANCE

- 24.1 On approval of the Scheme by Hon'ble NCLT, the Resulting Company shall apply for listing and trading permissions of its shares to BSE Limited and comply with the SEBI guidelines in this regard.
- 24.2 The Demerged Company being a listed company, shall comply with all requirements under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('Listing Regulations') and all the statutory directives of the SEBI in so far as they relate to sanction and implementation of this Scheme.
- 24.3 New equity shares allotted to the shareholders of the Demerged Company in the Resulting Company in terms of Clause 22.2 shall remain frozen in the depository system between the date of allotment of the equity shares of the Resulting Company to the shareholders of Demerged Company and the date of listing of the equity shares of the Resulting Company with the stock exchange and the grant of consequential listing / trading permission by the Stock Exchange.
- 24.4 The approval of the Public Shareholders of the Demerged Company to the Scheme shall be obtained through a Special Resolution passed through Postal Ballot and e-Voting. The Special Resolution shall be acted upon only if the vote cast by the public shareholders in favour of the Scheme amount to at least two times the number of votes cast by public shareholders against the Scheme in accordance with the SEBI Circular bearing no. CIR/CFD/CMD/16/2015 dated November 30, 2015.

25. APPLICATION TO NATIONAL COMPANY LAW TRIBUNAL

The Demerged Company and the Resulting Company shall make all applications/petitions under Sections 230 to 232 read with Sections 66 and 52 and 55 of the Companies Act, 2013, Act and other applicable provisions of the Act, to the National Company Law Tribunal, Bombay and Government authorities, as applicable, for sanctioning of this Scheme for carrying this Scheme into effect and obtain all approvals as may be required under law.

26. CONDITIONALITY OF THE SCHEME

- (a) The Scheme is and shall be conditional upon and subject to:
- (i) the Scheme being agreed to by the requisite majorities of the various classes of members and creditors of the Demerged Company and the Resulting Company as may be required under the Act and as may be directed by NCLT;
 - (ii) the Scheme has been sanctioned by NCLT or any other competent authority under Sections 230 to 232 read with Sections 66 and 52 of the Companies Act, 2013 in favour of Demerged Company and the Resulting Company and to the necessary order or orders under Section 232 of the Companies Act, 2013 being obtained and the same has being filed with the Registrar of Companies, Mumbai, Maharashtra;
 - (iii) the Scheme being approved by BSE Limited under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (iv) the requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for implementation of the Scheme;
 - (v) compliance with such other conditions as may be imposed by NCLT.

27. Effect of Non-Receipt of Approvals/Sanctions

In the event of the Scheme not being sanctioned by NCLT and/or the order or orders not being passed as aforesaid, the Scheme shall become fully null and void and in that event no rights and liabilities shall accrue to or be inter-se by the Companies in terms of the Scheme, save and except in respect of any act or deed done prior thereto 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. In such event, each party shall bear and pay its respective costs, charges and expenses for and/or in connection with the Scheme.

The Scheme although will come into operation from the Appointed Date, as the case may be, but shall not become effective till the date on which all necessary certified copies of orders under Sections 230 to 232 of the Companies Act, 2013 read with Sections 66 and 52 of the Companies Act, 2013 are duly filed with the Registrar of Companies at Mumbai, Maharashtra.

28. MODIFICATION OR AMENDMENT TO THE SCHEME

- (a) The Demerged Company and the Resulting Company by their respective Boards of Directors may in full and absolute discretion assent and/or consent from time to time, on behalf of all persons concerned, to any modifications or amendments or addition to the Scheme or to any conditions or limitations which NCLT and/or any other authority under law may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events and to execute all such acts, deeds, matters and things as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or orders of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

All the amendments / modifications to the Scheme shall be subject to approval of the Hon'ble National Company Law Tribunal.

Without prejudice to the generality of the foregoing, the Demerged Company and the Resulting Company by their respective Boards of Directors or such person or persons, as the respective Board of Directors may authorize) shall each be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any authority is unacceptable to the or as may otherwise be deemed expedient or necessary.

29. SEVERABILITY:

If any part of this Scheme is found invalid, unworkable for any reason whatsoever, ruled illegal by any court of competent jurisdiction or unenforceable under present or future laws, the same shall not, subject to the decision of the Demerged Company and the Resulting Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.,

30. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges, taxes including duties (including the stamp duty, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) of the Demerged Company and the Resulting Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Demerged Company.

31. FILING/ AMENDMENT OF RETURNS

Both, the Demerged Company and the Resulting Company are expressly permitted to file/ revise their respective income-tax, service tax, sales tax/ value added tax, excise and other statutory returns, consequent to the Scheme becoming effective, notwithstanding that the period for filing/ revising such returns may have lapsed. The Companies are expressly permitted to amend tax deduction at source certificate and other statutory certificates, and shall have the right to claim refunds, advance tax credits, set offs and adjustments relating to their respective incomes/ transactions from the Appointed Date.

IndiaNivesh Limited
Details of Assets & Liabilities as on 30.09.2016

Nature of Assets & Liabilities	Written Down value (WDV)	Amount of Assets / Liabilities to be transferred to the Resulting Company	Amount of Assets / Liabilities remaining with the Demerged Company	Transfer Price, if transferred other than Book Value and Valuation Report thereof
Assets				
Non-current assets				
Fixed Assets				
Tangible Assets	17,34,320	0	17,34,320	N.A.
Non-Current Investment	29,75,69,755	29,70,69,755	5,00,000	N.A.
Current assets				
Cash and Bank Balances	42,61,277	0	42,61,277	N.A.
Short term loans and advances	2,86,67,096	0	2,86,67,096	N.A.
Other current assets	6,81,200	0	6,81,200	N.A.
Total Assets	332913647	297069755	35843892	
Liabilities				
Non Current liabilities				
Long Term Borrowings	1,99,31,560	1,99,31,560	0	N.A.
Deferred Tax Liabilities (net)	2,10,809	0	2,10,809	N.A.
Current liabilities				
Unsecured Loans	30,00,000	27,77,133	2,22,867	N.A.
Trade Payable*	2,22,72,420	2,14,04,155	8,68,265	N.A.
Other current liabilities	11,77,668	0	11,77,668	N.A.
Short-Term Provisions	1,31,09,584	0	1,31,09,584	N.A.
Total Liabilities	59702041	44112848	15589193	
Net Asset	273211606	252956907	20254699	

*An amount of Rs.2,14,04,155/- receivable from the Demerged Company shall stand cancelled on the appointed date.

For **IndiaNivesh Limited**

Sd/-
Rajesh Nuwal
Managing Director
DIN: 00009660

Date: January 3, 2017
Place: Mumbai

2017

Report on Equity Share Valuation of IndiaNivesh Limited

As on 30th September, 2016

By

K.M. TULSIAN & ASSOCIATES
CHARTERED ACCOUNTANTS

A-703, Rajeshri Accord, Tolly Cross Lane, Off. S. N. Road, Andheri (E), Mumbai - 40069



Date: 3rd January, 2017

Kind Attn: Mr. Rajesh Nuwal

IndiaNivesh Limited

601/602, SukhSagar,

N.S. Patkar Marg,

Girgaum Chowpatty,

Mumbai - 400 007,

India

Re: Report on valuation analysis of IndiaNivesh Limited

Dear Sir,

We refer to the engagement letter dated 18th May, 2016 appointing us to undertake an Equity Valuation for the Demerger assignment of IndiaNivesh Limited (hereinafter referred to as 'INL' or 'the Company') for the purpose elaborately mentioned in para 1 below. This report contains the valuation assessment of INL.

1. PURPOSE OF VALUATION

- 1.1 The Company is registered with Reserve bank of India as a Non-Banking Finance Company (NBFC) engaged into the business of acquisition and management of stressed assets, investment in shares and securities (quoted as well as unquoted), short term financing and bridge loans. Further, INL holds investments in its subsidiaries and other group companies. We have been informed by the management of INL about their intention to demerge its investment business undertaking and hence wish to determine the fair equity share value of the abovementioned undertaking. In this connection, we have been appointed by INL to arrive at the Fair Equity value of the Company using the most appropriate method of valuation.

This report indicates value of the equity shares of the Company which in our opinion is fair & equitable.



2. SOURCES OF INFORMATION

For the purpose of conducting the valuation, we have relied upon the following sources of information:

- All company specific information, including but not limited to, future financial projections of the Company as provided and certified by the Management of the Company, sourced either in the written, hard copy form, or digital form or through discussion with the Management of the Company.
- Discussions with the Management of the Company regarding the business operations;
- Information provided by leading database sources, market research reports and other published data;
- Representation letter provided by the management of the Company dated 18th October, 2016;

3. EXCLUSIONS & LIMITATIONS

- 3.1 Valuation analysis and result are specific to the purpose of equity valuation and are based on the future financial projections provided by the Management. 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. The valuation analysis and result are substantively based only on information contained in this report and are governed by concept of materiality.
- 3.2 Our work does not constitute certification of the working results of the companies referred to in this report. Accordingly we are unable to & do not express an opinion on the fairness or accuracy of any financial information referred to in this report.
- 3.3 We provide no assurance that a sale or acquisition deal can be completed successfully at or close to our recommended valuation within a particular timeframe. Our valuation only aims to represent the likely price around which a deal can happen if more than one independently acting potential buyers/sellers are to be found after adequate efforts but within a limited timeframe after our analysis such that they have similar knowledge of the business being transacted and its environmental factors and who have no other strategic factors weighing upon their mind as regards potential of this business.
- 3.4 The recommendation(s) rendered in this report only represent the recommendation(s) based upon information furnished by the Management of the Company and the said recommendation(s) shall be considered advisory in nature. Our recommendation will however not be for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.



- 3.5 We have however, evaluated the information provided to us by the Company through broad inquiry and comparative analysis (but have not carried out a due diligence or audit of the Company for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided). Though the above evaluation, nothing has come to our attention to indicate that the information provided was materially mis-stated/incorrect or would not afford reasonable grounds upon which to base the report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose. We are not responsible for arithmetical accuracy / logical consistency of any financial model or business plan provided by the Company and used in our valuation analysis. The terms of our engagement were such that we were entitled to rely upon the information provided by the Company without detailed inquiry.
- 3.6 Also, we have been given to understand by the Management that it has made sure that no relevant and material factors have been omitted or concealed or given inaccurately by people assigned to provide information and clarifications to us for this exercise and that it has checked out relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. Our conclusions are based on these assumptions, forecasts and other information given by/on behalf of the Company. The management of the Company has indicated to us that it has understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results.
- 3.7 Accordingly, we assume no responsibility for any errors in the above information furnished by the Company and their impact on the present exercise. Also, we assume no responsibility for technical information furnished by the Company and believed to be reliable.
- 3.8 We express no opinion on the achievability of the forecasts given to us. The assumptions used in their preparation, as we have been explained, are based on the management's present expectation of both - the most likely set of future business events and circumstances and the management's course of action related to them. It is usually the case that some events and circumstances do not occur as expected or are not anticipated. Therefore, actual results during the forecast period may differ from the forecast and such differences may be material.
- 3.9 No enquiry into IndiaNivesh' claim to title of assets or property has been made for the purpose of this valuation. With regard to Company's claim to title of assets or property, we have relied solely on representations, whether verbal or otherwise, made by the Management of the Company to us for the purpose of this report. We have not verified such representations against any title documents or any agreements evidencing right or interest in or over such assets or property, and have assumed



IndiaNivesh' claim to such rights, title or interest as valid for the purpose of this report. No information has been given to us about liens or encumbrances against the assets, if any, beyond the loans disclosed in the accounts. Accordingly, no due diligence into any right, title or interest in property or assets was undertaken and no responsibility is assumed in this respect or in relation to legal validity of any such claims.

- 3.10 We do not accept any liability to any third party in relation to the issue of this valuation report.
- 3.11 Neither the valuation report nor its contents may be disclosed to any third party or referred to or statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or parties without our prior written consent. We retain the right to deny permission for the same.

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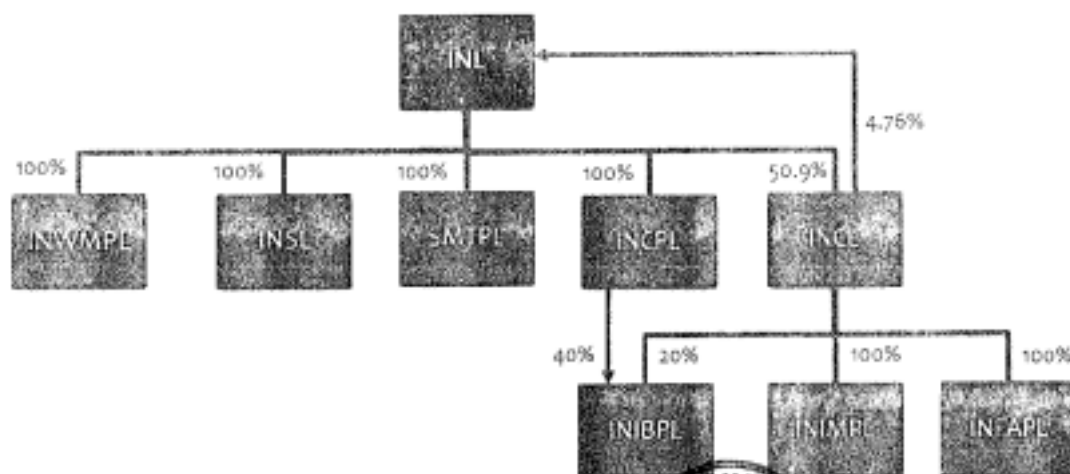
4. COMPANY BACKGROUND

IndiaNivesh Limited incorporated under the Indian Companies Act, 1913 on the 21st day of December, 1931 has its registered office at 601 & 602 Sukh Sagar, N.S. Patkar Marg, Cirgaum Chowpatty Mumbai 400 007, Maharashtra, India. It is a RBI registered Non-Banking Finance Company (NBFC) listed on the Bombay Stock Exchange (BSE). The Corporate Identity Number of INL is L99500MH1931PLC001493. The Company is engaged in primarily two distinct and diverse business activities through the following undertakings, namely:

- Non-Banking Finance undertaking ("NBFC Undertaking") comprising of business of Inter-Corporate Deposits, Short Term Financing and Bridge Loans, acquisition and management of Stressed Assets, Investment in shares and securities, quoted as well as unquoted including the business of providing corporate advisory. For the purpose of carrying on the above business, the Company has obtained registration of Reserve Bank of India (RBI);
- Investment business undertaking (Investment in Subsidiaries & Group/Associate Companies) - It is primarily a Holding Company, holding investments in its subsidiaries and other Group/Associate Companies. ("Demerged Undertaking")

The management proposes to demerge the investment business undertaking into another Company and hence we have been appointed by INL to arrive at the Fair Equity value of the Company using the most appropriate method of valuation.

The Group Structure has been depicted below:-



Brief particulars about the business of each of the Subsidiaries Companies are given hereunder:-

a. IndiaNivesh Wealth Management Private Limited (INWMPL)

IndiaNivesh Wealth Management Private Limited is incorporated on 18th August, 2008 has its registered office at 601 & 602, Sukh Sagar, N.S. Patkar Marg, Girgaum Chowpatty, Mumbai-400007.

The company is a part of the IndiaNivesh group of companies engaged into providing the following services:-

- Stressed asset management
- Investment Banking
- Securities broking
- Commodities & Currency broking
- Insurance broking
- Depository Services
- Wealth Management
- Other financial products

b. IndiaNivesh Securities Limited (INSL)

INSL is registered as a Stock Broker with SEBI and has memberships of Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) for both Cash and Derivatives segments and also for Currency Futures Segment. INSL is a registered Depository Participant with CDSL and NSDL and with AMFI for Mutual Fund distribution.

c. IndiaNivesh Commodities Private Limited (INCPL)

INCPL is a trading cum clearing member of Multi-Commodities Exchange and National Commodities & Derivatives Exchange of India. INCPL has been providing commodities trading facilities to both corporate and retail clients since 2005

d. Siddhi Multi-Trade Private Limited (SMTPL)

The Company is engaged in the business of multi trading (Dismantling of Assets) of assets acquired in auction by banks, ARC, PSU and private parties. Company has developed expertise in this line with experienced team of professionals specializing in assessment of land, building material, plant & machinery and other items, participate in auction process and resolution of the asset



e. IndiaNivesh Capital Limited (ICL)

ICL has been registered with the Reserve Bank of India (RBI) as a Non-Banking Finance Company (NBFC) under registration no. 05.0140 dated March 20, 1998. ICL's main business activities include Investment and Trading in Shares and Securities etc. ICL has been qualified as Qualified Institutional Buyer (QIB). In the light of the opportunities available in distress assets, ICL has expanded its scope of business activity into stressed assets management, investment in shares and securities, loans etc. ICL acquires debts / assets of distressed companies.

f. IndiaNivesh Insurance Brokers Private Limited (INIBPL)

IndiaNivesh was one of the very first brokers in India to be registered and licensed by IRDA. It was founded in 2003 on set of values and principles that still governs today. They provide personalized services and exceptional products tailored to match customer needs

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5. VALUE RECOMMENDATIONS

We have used the Discounted Free Cash Flow (DCF) method and Net Asset Value (NAV) method in our valuation analysis based on the provisional data and financial projections provided to us by the management for determining the value of the business undertaking & have adopted the market value approach for valuing the immovable (if any) transferred along with the business undertaking. The following methods were considered for the purpose of valuation:-

- (a) **Market Price Method (M & M):** The market price of a Company, if it is listed on stock exchange, is considered as a method of valuation. It reflects the price which a buyer is willing to pay for the shares, at a point in time. It is therefore influenced by various factors including but not limited to the stock market, the financial scenario, the global scenario, risks and opportunities of the business etc. In some cases, market prices can be taken for a period based on multiple factors and are averaged out or are assigned weights, depending on the past trends on market prices, trading volumes, and other relevant factors. In case of companies not frequently traded, the market price may be very different from the inherent/intrinsic value of the shares. It is important to note that market price itself cannot be considered as the fair value per share for the entire business undertaking transferred and its relevance on the fair value per share may be different based on the factors mentioned above.

Though, the shares of the Company are listed on a recognized exchange, the price prevailing on the exchange cannot be relied upon for its accuracy & fairness for determining the swap ratio on demerger of Investment arm. Hence, use of Market price method is not possible except immovable transferred along with the business undertaking.

Comparable Transaction Multiples (CTM) method: This is a method to determine the value of a company by examining and comparing certain key ratios and the valuation multiples of public listed companies, in the peer group, with that of the Company. Peers may be grouped based on any number of criteria such as industry focus, company size, growth characteristics etc. Generally, the multiples are derived by the ratio of Enterprise Value (EV) to Earnings before Interest, Tax and Depreciation (EBITDA) or Enterprise Value (EV) to Earnings before Interest and Tax (EBIT) or Enterprise Value (EV) to Net Operating Profit after Tax (NOPAT) of the peer group. We could not find any transaction in comparable companies / businesses in India in recent times where credible and sufficient information about the transaction is available in public domain.



6. WORKING OF EACH SUBSIDIARY

6.1 IndiaNivesh Wealth Management Private Limited – The valuation has been derived based on the NAV method which has been demonstrated as below:-

FMV as per Rule 11UA		As on 30/09/2016	
	Particulars	Amount in INR	Amount in INR
	Book value of all assets as recorded in the balance sheet	2,15,90,313	
Less:	TDS/TCS/Advance Tax net of Provision for taxes	(1,88,500)	
	Total A		2,14,01,813
Less:	Book value of all liabilities as recorded in the balance sheet	2,15,90,313	
	Except:		
	Paid up equity capital	(2,09,43,400)	
	Reserves & Surplus	(4,48,642)	
	TOTAL B		1,98,271
	(A-B)		2,12,03,542
	Total no of Equity Shares		20,94,340
	Fair Market Value of the shares		10.12

The fair value of equity shares of IndiaNivesh Wealth Management Limited as at 30th September, 2016 is ~ INR 10.12 per share.



6.2 IndiaNivesh Securities Limited – The broking arm has been valued using the DCF method of valuation whereas the investments held by INSL has been separately valued using the NAV method

6.2.1 Discounted Cash Flow(DCF) method:

The Broking Arm has been valued by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. We have undertaken Free Cash Flow to Equity method to arrive at the equity value of the company.

Based on the past years financials provided to us by the management of INSL, we have computed the free cash flows to equity for the Company which have been discounted @ Cost of equity of 7.90%. Cost of equity has been taken on the basis of Risk Free Rate of Return and Market Risk Premium and then computed as per CAPM method. Risk Free Rate of Return of 7.59% is assumed to be equivalent to 10 years G-Sec as on 30th September, 2016 and Market Return is assumed to be 9.15% (Average of 10 Years CAGR of NIFTY September, 2016). Further, BETA has been taken as 0.3. Accordingly, CAPM based cost of equity has been arrived at 7.90%.

- a) Terminal value has been computed by using H model. The H model is a two-stage model for growth, wherein the growth rate in the initial growth phase is not constant but declines linearly over time to reach the stable growth rate in steady stage. Normal Growth rate of 1% from FY 2021 onwards has been considered for perpetuity.
- b) Number of shares considered to arrive at value per share is 1, 30, 00,000 (One crore Thirty lac) shares fully paid-up.

The working for the DCF method is attached herewith marked as Annexure "A"



Annexure A

Discounted Cash Flow Table:

(Amt in Rs.)

Particulars	1.10.2016 to 31.3.2017	2017-18	2018-19	2019-20	2019-20
EBIT	2,61,86,996	2,46,25,418	3,15,85,374	4,76,43,129	6,17,27,683
Less: Tax	-	-	-	-	-
Add: Depreciation & NCC	80,54,812	1,40,95,921	1,08,84,441	84,13,331	63,09,998
Less: Working Capital Investment	2,85,91,892	50,30,58,494	(2,12,05,530)	36,73,12,587	(72,73,386)
Less: CAPEX	-	(12,50,000)	(10,00,000)	-	-
Free Cash Flow to Firm (FCFF)	6,28,33,699	54,05,29,833	2,02,64,285	42,33,69,047	6,07,64,296
Terminal Value					88,94,95,478
Period	0.50	1.00	1.00	1.00	1.00
Discounting Factor	0.96	0.89	0.83	0.77	0.71
PV of FCFF	6,04,89,869	48,22,69,400	1,67,56,474	32,44,51,056	4,31,57,729
Discounted Terminal Value					63,17,62,524

Value of firm	1,55,88,87,003
Less: Net Debt	(1,10,04,51,413)
Value of Equity	45,84,35,590
Add:-market value of Office Premise	5,73,50,907
Less: Book value of Office premises	1,25,18,061
No. of Equity share	1,30,00,000
Equity Value per share as on 30th September, 2016	38.71

The fair value of equity shares of Broking Arm of IndiaNivesh Securities Private Limited as at 30th September, 2016 is ~ INR 38.71 per share.



6.2.2 Net Asset Value (NAV) method – Investment Arm

FMV as per Rule 11UA		As on 30/09/2016(MV)	
	Particulars	Amount in INR	Amount in INR
	Book value of all assets as recorded in the balance sheet(except non-current investment)	8,80,34,090	
Add:	Market Value of quoted securities	18,64,744	
Add:	Fair market value of Investment in LLP	10,40,79,702	
Less:	(TDS/TCS/Advance Tax net of Provision for taxes	(16,01,360)	
Less:	Deferred Tax Asset	(20,40,893)	
	Total A		19,03,36,283
Less:	Book value of all liabilities as recorded in the balance sheet	6,24,50,000	
	Except:		
	Paid up equity capital		
	Provisions except for arrears of dividend payables in respect of cumulative preference shares		
	Reserves & Surplus		
	Contingent liabilities		
	TOTAL B		6,24,50,000
	(A-B)		12,78,86,283
	Total no of Equity Shares		1,30,00,000
	Fair Market Value of the shares		9.84

The fair value of equity shares of Investment Arm of IndiaNivesh Securities Private Limited as at 30th September, 2016 is ~ INR 9.84 per share

Particulars	As on 30.9.16		
	VPS	Weights	Wtd Avg
Investment arm	9.84	0.26	2.56
Broking arm	38.71	0.74	28.64
Weighted average value as on 30th September 2016			31.20

The Weighted Average value of equity shares of IndiaNivesh Securities Limited as at 30th September, 2016 is ~ INR 31.20 per share.



6.3 Siddhi Multitrade Private Limited – The valuation has been derived based on the NAV method which has been demonstrated as below:-

FMV as per Rule 11UA		As on 30/09/2016	
	Particulars	Amount in INR	Amount in INR
	Book value of all assets as recorded in the balance sheet	18,74,96,792	
Less:	(TDS/TCS/Advance Tax net of Provision for taxes)	(11,104)	
	Total A		18,74,85,689
Less:	Book value of all liabilities as recorded in the balance sheet	18,74,96,792	
	<u>Except:</u>		
	Paid up equity capital	(1,00,000)	
	Reserves & Surplus	3,21,58,078	
	Excess Provision for Dep	(896)	
	TOTAL B		21,95,53,975
	(A-B)		-3,20,68,286
	Total no of Equity Shares		10,000
	Fair Market Value of the shares		-3,207

The fair value of equity shares of Siddhi Multitrade Private Limited as at 30th September, 2016 is- INR -3,207/- per share.



6.4 IndiaNivesh Commodities Private Limited

6.4.1 Discounted Cash Flow (DCF) method:

Under the DCF method, the company is valued by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. We have undertaken Free Cash Flow to Equity method to arrive at the equity value of the company.

Based on the past years financials provided to us by the management of INCPL, we have computed the free cash flows to equity for the Company which have been discounted @ Cost of equity of 8.90%. Cost of equity has been taken on the basis of Risk Free Rate of Return and Market Risk Premium and then computed as per CAPM method. Risk Free Rate of Return of 7.45% is assumed to be equivalent to 10 years G-Sec as on 30th September, 2016 and Market Return is assumed to be 8.90% (Average of 10 Years CAGR of NIFTY September, 2016). Further, BETA has been taken as 1. Accordingly, CAPM based cost of equity has been arrived at 8.90%.

- a) Terminal value has been computed by using H model. The H model is a two-stage model for growth, wherein the growth rate in the initial growth phase is not constant but declines linearly over time to reach the stable growth rate in steady stage. Normal Growth rate of 1% from FY 2021 onwards has been considered for perpetuity.
- b) Number of shares considered to arrive at value per share is 1,050,000 (Ten Lacs Fifty Thousand) shares fully paid-up.

The working for the DCF method is attached herewith marked as Annexure "B"



Annexure B

Discounted Cash Flow Table:

(Amt in Rs.)

Particulars	1-10-2016 to 31-03-2017	2017-18	2018-19	2019-20	2019-20
EBIT	(57,42,665)	(7,07,267)	2,07,094	7,88,053	18,52,173
Less: Tax	-	2,44,771	(71,671)	(2,72,729)	(6,41,000)
Add: Depreciation & NCC	8,70,266	8,96,213	7,16,970	9,73,576	10,95,861
Less: Working Capital Investment	(1,19,66,551)	55,47,824	61,02,607	(32,87,133)	73,84,154
Less: CAPEX	-	(10,00,000)	-	(20,00,000)	(15,85,000)
Free Cash Flow to Firm (FCFF)	(1,68,38,950)	49,81,541	69,55,000	(37,98,233)	81,06,188
Terminal Value					10,36,36,078
Period	0.5	1	1	1	1
Discounting Factor	0.96	0.88	0.81	0.74	0.68
PV of FCFF	(1,61,36,192)	43,83,509	56,19,885	(28,18,279)	55,23,206
Discounted Terminal Value					7,06,13,138

Value of firm	6,71,85,267
Less: Net Debt	-
Value of Equity	6,71,85,267
Add market value of property	1,60,80,976
Less Book value of property	(25,30,000)
Add market value of INIB	6,65,88,000
Less Book value of INIB	(20,00,000)
	14,53,24,243
No. of Equity share	10,50,000
Equity Value per share as on 30th September 2016	138.40

Accordingly, based on above, value of Equity shares of IndiaNivesh Commodities Private Limited as at 30th September, 2016 is -INR 138.40 per share.



6.5 IndiaNivesh Capital Limited -The valuation has been derived based on the NAV method which has been demonstrated as below:-

FMV as per Rule 11UA		As on 30/09/2016	
	Particulars	Amount in INR	Amount in INR
	Book value of all assets as recorded in the balance sheet	1,98,24,89,723	
Less:	(TDS/TCS/Advance Tax net of Provision for taxes	(7,55,578)	
Add/Less:	Appreciation/depreciation in value of Investment	(5,65,67,097)	
	Total A		1,92,51,67,048
Less:	Book value of all liabilities as recorded in the balance sheet	1,98,24,89,723	
	Except:		
	Paid up equity capital	8,19,25,000	
	Reserves & Surplus	68,03,27,461	
	TOTAL B		1,22,02,37,262
	(A-B)		70,49,29,785
	Total no of Equity Shares		81,92,500
	Fair Market Value of the shares		86.05

The fair value of equity shares of IndiaNivesh Capital Limited as at 30th September, 2016 is -INR 86.05 per share.



6.6 SUMMARY OF VALUATION

The current valuation has been carried out on the discussed valuation methodology explained herein earlier. Further, various qualitative factors, the business dynamics and growth potential of the business, having regard to information base, management perceptions, key underlying assumptions and limitations were given due consideration.

On the basis of the above, in our opinion, the fair value of equity shares of IndiaNivesh Limited, as on September 30, 2016 is arrived at -INR -23.827 as below.

Particulars of Investment	Valuation Method Adopted	No of Shares held (A)	Value per share derived (B)	Equity Value (A*B)
INSL	DCF-Broking Arm			
	NAV-Investment Arm	1,30,00,000	31.2	40,56,00,000
SMTPL	NAV	10,000	-3207	-3,20,70,000
INCPL	DCF	10,50,000	138.40	14,53,20,000
INCL	NAV	41,77,000	86.05	35,94,30,850
INWMPL	NAV	20,94,340	10.12	2,11,94,721
Total				89,94,75,571
No. Of Shares				3,77,50,000
VPS				23.827

For K.M. Tulsian & Associates
Chartered Accountants
(Firm Reg. No.111075W)

N. K. Musahib
Nitesh Musahib
Partner
Membership No.: 131146
Place: Mumbai
Date: 3rd January, 2017



K.M. TULSIAN & ASSOCIATES
CHARTERED ACCOUNTANTS

TO WHOMSOEVER IT MAY CONCERN

This is to certify that the fair value of an Equity Share as on 30th September, 2016 of **IndiaNivesh Limited**, being a company incorporated in India having its registered office at 601/602, Sukh Sagar, N.S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007, India, is estimated at **-Rs.23.827** (Rupees Twenty Three and Eighty Two Paise Only).

The Fair Market Value of the Company is based on the Business Plan provided by the management of the IndiaNivesh Limited on 18th October, 2016 for the years FY 2016-17 to FY 2020-21.

All assumptions, data & facts are provided by the management of IndiaNivesh Limited, and these may deviate from actuals. Since the estimates of earnings are contingent upon future transactions, we have not vouched the accuracy of the forecast.

For K.M. Tulsian & Associates
Chartered Accountants
Firm Regn. No.: 111075W

N.K. Musahib

CA Nitesh Musahib
Partner
Membership No. 131146
Place: Mumbai
Date: 3rd January, 2017



A-703, Rajeshri Accord, Tolly Cross Lane, Off. S. N. Road, Andheri (East), Mumbai - 400 069.
Tel. : +91 22 4246 6363, Fax : +91 22 4246 6300, Email Id : info@kmtulsian.co.in

Fairness Opinion Report on 'Valuation Certificate' issued for

Proposed Scheme of Arrangement between

IndiaNivesh Limited

And

IndiaNivesh Financial Advisors Limited

And

Their Respective Shareholders and Creditors

Prepared by



Saffron Capital Advisors Private Limited

(Company Identification Number: U67120MH2007PTC166711)

SEBI Registered Category I Merchant Banker

605, Sixth Floor, Centre Point, Andheri-Kurla Road, J. B. Nagar,

Andheri East, Mumbai – 400059.

Tel No.: +91-22-4082 0906; Fax: +91-22-4082 0999

www.saffronadvisor.com

SEBI Registration No: INM000011211

January 03, 2017



This report is prepared by Saffron Capital Advisors Private Limited ("Saffron") solely for the purpose of giving a "Fairness Opinion" on "Valuation Certificate" issued in connection with the proposed "Scheme of Arrangement" (the Scheme) between IndiaNivesh Limited ("INL") and IndiaNivesh Financial Advisors Limited ("INFAL") and their respective shareholders and creditors. The fairness opinion report is required to be submitted to the stock exchanges to facilitate the companies under regulations 11, 37 and 94 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Securities Exchange Board of India ("SEBI") Circular No. CIR/CFD/CMD/16/2015 dated 30th November 2015. This report is not to be used, circulated, and quoted otherwise than for the purpose stated herein. This report is subject to the scope of limitations detailed hereinafter. As such the report is to be read in totality and not in parts. This report has been prepared solely for the purpose set out in this report and should not be reproduced (in part or otherwise) in any other document whatsoever without Saffron's written consent.

For the purpose of this assignment, Saffron has relied on the Valuation Certificate dated January 03, 2017 prepared by K.M. Tulsian & Associates (FRN.: 111075W) represented by Mr. Nitesh Musahib, Partner, (Membership No.: 131146) having their office at A-703, Rajeshri Accord, Telly Cross Lane, Off. S. N. Road, Andheri (E), Mumbai-40069, for the proposed "Scheme of Arrangement" of INL and INFAL and their respective shareholders and information and explanation provided to it, the accuracy whereof has not been evaluated by Saffron. Saffron's work does not constitute certification or due diligence of any past working results and Saffron has relied upon the information provided to it as set out in working results of the aforesaid reports.

Saffron has not carried out any physical verification of the assets and liabilities of the companies and takes no responsibility on the identification and availability of such assets and liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of INL and INFAL and to the Stock Exchanges and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the

-2-



compliance of the proposed scheme of Arrangement with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

The information contained in this report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The report has been prepared solely for the purpose of giving a fairness opinion on Valuation Certificate issued for the proposed Scheme of Arrangement between INL and INFAL and their respective shareholders and creditors, and may not be applicable or referred to or quoted in any other context.

For Saffron Capital Advisors Private Limited



Authorised Signatory



1. Resulting Company— IndiaNivesh Financial Advisors Limited:

INFAL was incorporated on the April 25, 2006 under the Companies Act, 1956. The registered office of INFAL is situated at 601 & 602, Sukh Sagar, N.S. Patkar Marg, Girgaum Chowpatty, Mumbai - 400 007.

INFAL has been primarily incorporated inter alia to act as financial consultants/ advisors, counsellors in investment and capital market.

2. Demerged Company— IndiaNivesh Limited:

INL was incorporated as on May 25, 1929. The Registered office of INL is situated at 601 & 602, Sukh Sagar, N.S. Patkar Marg, Girgaum Chowpatty, Mumbai - 400 007.

INL is a Reserve Bank of India ("RBI") registered Non-Banking Finance Company ("NBFC") listed on Bombay Stock Exchange ("BSE"). It is engaged in primarily two distinct and diverse business activities through the following undertakings, namely:

a. Non-Banking Finance undertaking ("NBFC Undertaking") comprising of business of Inter-Corporate Deposits, Short Term Financing and Bridge Loans, acquisition and management of Stressed Assets, Investment in shares and securities, quoted as well as unquoted including the business of providing corporate advisory. For the purpose of carrying on the above business, the Company has obtained registration of Reserve Bank of India (RBI);

b. Investment business undertaking (Investment in Subsidiaries & Group/Associate Companies) - it is primarily a Holding Company, holding investments in its subsidiaries and other Group/Associate Companies. ("Demerged Undertaking").

The management proposes to demerge the investment business undertaking into another Company.



-4-



3. Capital Structure

- 3.1 The authorized, issued, subscribed and paid-up share capital of INL as on September 30, 2016 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
5,06,00,000 Equity Shares of Rs. 1/-each	5,06,00,000
Total	5,06,00,000
Issued, Subscribed and Fully Paid up Share Capital	
3,77,50,000 Equity Shares of Rs. 1/-each.	3,77,50,000
Total	3,77,50,000

As per the Scheme, subsequent to September 30, 2016 and up to the approval of this Scheme by the Board of the Demerged Company, there has been no change in the issued, subscribed and paid-up capital of the Demerged Company.

- 3.2 The authorized, issued, subscribed and paid-up share capital of INFAL as on September 30, 2016 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
50,00,000 Equity Shares of Rs. 10/-each	5,00,00,000
Total	5,00,00,000
Issued, Subscribed and Fully Paid up Capital	
43,80,300 Equity Shares of Rs. 10/-each.	4,38,03,000
Total	4,38,03,000

As per the Scheme, subsequent to September 30, 2016 and up to the approval of this Scheme by the Board of the Resulting Company, there has been no change in the issued, subscribed and paid-up capital of the Resulting Company.

4. Valuation has been decided based on the Valuation Certificate prepared by K.M. Tulsian & Associates (FRN.: 111075W) represented by Mr. Nitesh Musahib, Partner, (Membership No.:



131146) having their office at A-703, Rajeshri Accord, Tolly Cross Lane, Off. S. N. Road, Andheri (E), Mumbai-40069.

5. The business Undertaking that is being hived off from INL to INFAL has been valued at Rs.89,94,75,571. INFAL will be issuing 8,30,50,000 shares to INL in consideration thereof.
6. We, Saffron Capital Advisors Private Limited, a SEBI registered Category-I Merchant Banker, have been engaged by INL to give a fairness opinion on Valuation Certificate issued for the proposed Scheme of Arrangement of INL and INFAL and their respective shareholders and creditors. The valuation mentioned herein reflects our independent opinion which is arrived at based on the information/n provided to us.



-6-



Exclusions and Limitations

- In this connection, Saffron has been requested by INL to submit a report by giving a fairness opinion on Valuation Certificate issued for the proposed Scheme of Arrangement between INL and INFAL and their respective shareholders and creditors.
- We have prepared the Fairness Opinion on the basis of the following information provided to us by INL and INFAL/ collated by us from publicly available sources, like website of BSE/NSE:
 - a) Certified copy of Scheme of Arrangement provided by INL.
 - b) Certified true copy of the resolutions passed at the meeting of the Board of Directors of INL and INFAL.
 - c) Valuation Certificate issued by K.M. Tulsian & Associates (FRN.: 111075W) represented by Mr. Nitesh Musahib, Partner, (Membership No.: 131146) having their office at A-703, Rajeshri Accord, Telly Cross Lane, Off. S. N. Road, Andheri (E), Mumbai-40069.
 - d) Such other information and explanations as we required and which have been provided by the management of INL.
- Our valuation exercise and conclusions reached by us are dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to the date of our report.
- Our report will not be offered to any section of the public to subscribe for or purchase any securities in or assets or liabilities of any company or business valued by us. This report is prepared with a limited purpose/ scope as identified/ stated earlier and will be confidential being for use only to whom it is issued. It must not be copied, disclosed or circulated in any correspondence or discussions with any person, except to whom it is issued and to those who are involved in this transaction and for various approvals for this transaction.



-7-



Conclusion and Opinion on Valuation Certificate

Conclusion:

We have reviewed the valuation certificate and based on the information, material data made available to us, to best of our knowledge and belief, the valuation prepared by the Valuer K.M. Tulsian & Associates, Chartered Accountants is **Fair and Reasonable**.



-8-



Report of the Audit Committee of IndiaNivesh Limited recommending the Draft Scheme of Arrangement (Demerger) between IndiaNivesh Limited and IndiaNivesh Financial Advisors Limited and their respective Shareholders at its meeting held on January 3, 2017 at the registered office of the Company

Present

Mr. Raja Ram Baldi	Chairman
Mr. Jimmy Anklesaria	Member
Mr. Rajesh Nuwal	Member

In Attendance

Mr. Jinesh Doshi	Company Secretary
------------------	-------------------

Background:

A meeting of the Audit Committee of IndiaNivesh Limited ("INL" or "Demerged Company") was held on January 3, 2017 to consider and recommend the proposed Demerger and vesting of the Demerged Undertaking (Investment in Subsidiaries Business) of INL into IndiaNivesh Financial Advisors Limited ("INFAL" or the "Resulting Company") and reduction of paid up equity share capital of IndiaNivesh Limited to be implemented in terms of a Scheme of Arrangement between IndiaNivesh Limited and IndiaNivesh Financial Advisors Limited and their respective Shareholders and Creditors pursuant to the provisions of Sections 230 to 232 read with Sections 52 and 66 of the Companies Act, 2013 and all other applicable provisions, if any, of the Act ("Scheme")

As per the Directions issued by the Securities and Exchange Board of India vide its Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 ("Circular"), a report from the Audit Committee of the Listed Company recommending the draft Scheme of Arrangement under the Companies Act, 2013 taking into consideration, *inter alia*, the Valuation Report and the Fairness Opinion is required. This report of the Audit Committee is made in order to comply with the requirements of the Circular.

The following documents were placed before the Audit Committee:

- a. Draft Scheme of Arrangement (Demerger);



CIN: L99500MH1931PLC001493

Regd. Off.: 601/602 "Sukh Sagar" N. S. Patkar Marg, Girgaum Chowpatty, Mumbai – 400 007.
Tel: +91(22) 6618 8800 Fax: +91(22) 6618 8899 Email: indianivesh@indianivesh.in Website: www.indianivesh.in

- b. Valuation Report dated January 3, 2017 issued by M/s K.M.Tulsian & Associates, Independent Chartered Accountants;
- c. Fairness Opinion dated January 3, 2017 issued by M/s. Saffron Capital Advisors Private Limited an independent Merchant Banker providing the Fairness Opinion on the Valuation Report prepared by M/s K.M.Tulsian & Associates, Chartered Accountants; and
- d. Audited financial statements of INL and INFAL for the year ending and half year ended March 31, 2016 and September 30, 2016 respectively.

Proposed Scheme of Arrangement (Demerger)

Salient features of the proposed Scheme were as under:

- a. INL is a Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI). It is engaged in primarily two distinct and diverse business activities namely
 - i) Non-Banking Finance undertaking comprising of business of Inter-Corporate Deposits, Short Term Financing and Bridge Loans etc. and acquisition and management of Stressed Assets, Investment in shares and securities, quoted as well as unquoted, corporate advisory; and
 - ii) Investment business undertaking (Demerged Undertaking) holding investments in its subsidiaries and other group companies/associate companies.
- b. IndiaNivesh Financial Advisors Limited is a Public Limited Company primarily engaged in the business of financial consultants, advisors, counselors in investment and capital market.
- c. The appointed date for the Scheme is October 1, 2016.
- c. Upon coming into effect of the Scheme and with effect from the appointed date, the Demerged Undertaking of the Company will be transferred into the Resulting Company.

The transfer and vesting shall achieve the following benefits for the Demerged Company and the Resulting Company:

- i. the Proposed Demerger will enable the better and more efficient management, control and running of the Demerged Undertaking and the Investment in Subsidiary Business;
- ii. the Proposed Demerger is in the interest of shareholders of INL and will enable both INL and the Resulting Company to achieve and fulfill their objectives more



- efficiently and offer opportunities to the management of both the companies to vigorously pursue growth and expansion opportunities;
- iii. the Proposed Demerger will enable investors to separately hold investments which best suit their investment strategies and risk profiles;
 - iv. the Proposed Demerger will enable INL to focus and enhance its remaining business operations by streamlining operations and cutting costs and ensuring better and more efficient management control;
 - v. the Proposed Demerger of Demerged Business Undertaking would result in issuance of equity shares to the shareholders of the Company by the Resulting Company, thereby, resulting in unlocking and maximizing shareholder value.
 - vi. The Scheme shall be beneficial for the interest of the Companies, their shareholders, creditors and employees.
- d. The Scheme would be effective pursuant to the approval of the Scheme by relevant authorities including the Securities and Exchange Board of India through the designated stock exchange and the National Company Law Tribunal, Mumbai Bench.

Recommendation of the Audit Committee

Having considered the Valuation report, fairness opinion as well as the Scheme, the Audit Committee do hereby unanimously recommend the Draft Scheme, for favourable consideration by the Board of Directors of the Company, BSE Limited and the Securities and Exchange Board of India.



Raja Ram Baldi

Chairman – Audit Committee



Place: Mumbai

Date: January 3, 2017

ANNEXURE IX

Complaints Report:

Details of Complaints received from January 13, 2017 to February 2, 2017 for the proposed Scheme of Arrangement (Demerger) of Investment Business Undertaking of IndiaNivesh Limited into IndiaNivesh Financial Advisors Limited in accordance with Sections 230 to 232 read with Section 66 and Section 52 of the Companies Act, 2013 and other relevant provisions of the Act.

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	N.A.
5.	Number of complaints pending	N.A.

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.		Nil	

For IndiaNivesh Limited


Rajesh Nuvral
Managing Director
DIN: 00009660



Date: February 6, 2017
Place: Mumbai

DCS/AMAL/ND/R37/740/2016-17

March 20, 2017

The Company Secretary
INDIANIVESH LTD
601/602, Sukt Sagar N S Palkar Marg,
Girgaum Chowpatty,
Mumbai 400007

Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement between IndiaNivesh Limited and IndiaNivesh Financial Advisors Limited and their Respective Shareholders & Creditors.

We are in receipt of Draft Scheme of Arrangement between IndiaNivesh Limited and IndiaNivesh Financial Advisors Limited and their Respective Shareholders & Creditors.

As required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated March 20, 2017 has inter alia given the following comment(s) on the draft scheme of Arrangement:

- "Para 21.13 of the draft scheme reads "The Resulting Company shall apply for listing of its equity shares including those issued in terms of Clause 21.2 above on BSE in terms of SEBI Circulars within 60 days from the receipt of the order of Hon'ble National Company Law Tribunal (NCLT) and in compliance with SEBI Circulars.". The company may be advised to change the above para in line with the requirements under clause (II)(A)(5) and (II)(A)(6) of Annexure I of SEBI Circular dated November 30, 2015 which mandates the company to take steps for listing of its specified securities within 30 days of the receipt of the order and that the formalities for commencing of trading shall be completed within 45 days of the order of Hon'ble High Court/NCLT."
- "The approval from public shareholders through postal ballot and e-voting as required under Para (I)(A)(2)(a) of Annexure I of SEBI Circular dated November 30, 2015 is included as part of the scheme as submitted by INL vide undertaking dated January 13, 2017 to BSE."
- "Company shall duly comply with various provisions of the Circulars."

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

- To change Para 21.13 of the draft scheme in line with the requirements under clause (II)(A)(5) and (II)(A)(6) of Annexure I of SEBI Circular dated November 30, 2015 which mandates the company to take steps for listing of its specified securities within 30 days of the receipt of the order and that the formalities for commencing of trading shall be completed within 45 days of the order of Hon'ble High Court/NCLT.
- To ensure that The approval from public shareholders through postal ballot and e-voting as required under Para (I)(A)(2)(a) of Annexure I of SEBI Circular dated November 30, 2015 is included as part of the scheme as submitted by INL vide undertaking dated January 13, 2017 to BSE.
- To duly comply with various provisions of the 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.

However, the listing of equity shares of IndiaNivesh Financial Advisors Limited or the BSE Limited, shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015. Further, IndiaNivesh Financial Advisors Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

S&P BSE
SENSEX

BSE Limited (Formerly Bombay Stock Exchange Ltd.)
Registered Office: Floor 25, P. J. Towers, Dalal Street, Mumbai 400 001 India
T: +91 22 2272 1234/33 F: +91 22 2272 1234 E: info@bseindia.com www.bseindia.com
Corporate Identity Number: U97320MH2005PLC055180

The Company shall fulfill the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of IndiaNivesh Financial Advisors Limited is at the discretion of the Exchange. In addition to the above, the listing of IndiaNivesh Financial Advisors Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about IndiaNivesh Financial Advisors Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all the information IndiaNivesh Financial Advisors Limited in line with the details required as per the aforesaid SEBI circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.
3. To disclose all the material information about IndiaNivesh Financial Advisors Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
 - i. "The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."
 - ii. "There shall be no change in the shareholding pattern of IndiaNivesh Financial Advisors Limited between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

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 NCLT 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; and
- g) Complaints Report as per Annexure II of this Circular.
- h) Any other document/disclosure as informed by the Exchange.

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,


Nith Pujari
Manager

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF INDIANIVESH LIMITED AT ITS MEETING HELD ON THURSDAY THE 31ST DAY OF MARCH 2017 EXPLAINING EFFECT OF THE SCHEME ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTER SHAREHOLDERS.

1. The proposed Scheme of Arrangement (Demerger) between IndiaNivesh Limited, the Demerged Company and IndiaNivesh Financial Advisors Limited, the Resulting Company and reduction of paid up equity share capital of IndiaNivesh Limited was approved by the Board of Directors vide Board resolution dated 3rd January, 2017.

This report of the Board is accordingly made in pursuance to the requirements of Section 232 (2) (c) of the Companies Act, 2013. As per Section 232 (2)(c) of the Companies Act, 2013, a report adopted by the Directors explaining effect of arrangement on Equity Shareholders, Key Managerial Personnel, Promoters and Non-Promoter Shareholders laying out in particular the Share Exchange ratio is required to be circulated to the Shareholders.

The following documents were placed before the Board:

- i. The Scheme of Arrangement
- ii. Valuation Report issued by M/s K. M. Tulsian & Associates
- iii. Fairness Opinion issued by M/s Saffron Capital Advisors Private Limited
- iv. Report of the Audit Committee of the Company

2. Effect of the Scheme of Arrangement on Equity Shareholders (Promoters and Non-Promoter Shareholder), Employees, and KMPs of IndiaNivesh Limited

- i. Upon the coming into effect of the Scheme and in consideration of the transfer & vesting of Demerged Undertaking of the Demerged Company in the Resulting Company in terms of the Scheme, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Demerged Company, whose name is registered in the Register of Members of the Demerged Company on the Record Date or his/her/its legal heirs, executors or successors as the case may be 8,30,50,000 (Eight Crores Thirty Lakhs Fifty Thousand only) equity shares in the Resulting Company of face value Rs.10/- (Rupees Ten) each (credited as fully paid-up). The new equity shares will be issued to all the members of Demerged Company in the ratio of 22:10 (i.e) 22 (Twenty Two) equity shares of Rs.10/- each in Resulting Company for every 10 (Ten) equity shares of Re.1/- each in the Demerged Company)
 - ii. All the permanent employees of the Demerged Company engaged in or in relation to the Demerged Undertaking and who are in such employment as on the Appointed Date shall be deemed to have become the employees of the Resulting Company with effect from the Appointed Date (the "Transferred Employees") on the same terms and conditions of employment on which they are engaged by the Demerged Company without any interruption, break or discontinuance in their service due to the transfer of the Demerged Undertaking to the Resulting Company.
 - iii. The Scheme would not have any effect on Key Managerial Personnel's of the Company.
3. No Specific Valuation Difficulties were reported in the valuation report issued by M/s K. M. Tulsian & Associates

For IndiaNivesh Limited

Sd/-
Dinesh Nuwal
Director
DIN: 00500191

March 31, 2017

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF INDIANIVESH FINANCIAL ADVISORS LIMITED AT ITS MEETING HELD ON FRIDAY, THE 31ST DAY OF MARCH 2017 EXPLAINING EFFECT OF THE SCHEME ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTER SHAREHOLDERS.

1. The proposed Scheme of Arrangement (Demerger) between IndiaNivesh Limited, the Demerged Company and IndiaNivesh Financial Advisors Limited, the Resulting Company and reduction of paid up equity share capital of IndiaNivesh Limited was approved by the Board of Directors vide Board resolution dated 3rd January, 2017.

This report of the Board is accordingly made in pursuance to the requirements of Section 232 (2) (c) of the Companies Act, 2013. As per Section 232 (2)(c) of the Companies Act, 2013, a report adopted by the Directors explaining effect of arrangement on Equity Shareholders, Key Managerial Personnel, Promoters and Non-Promoter Shareholders laying out in particular the Share Exchange ratio is required to be circulated to the Shareholders.

The following documents were placed before the Board:

- i. The Scheme of Arrangement.
- ii. Valuation Report issued by M/s K. M. Tulsian & Associates.
- iii. Fairness Opinion issued by M/s Saffron Capital Advisors Private Limited.
- iv. Report of the Audit Committee of the Company.

2. Effect of the Scheme of Arrangement on Equity Shareholders (Promoters and Non-Promoter Shareholder), Employees, and KMPs of IndiaNivesh Limited

- i. Upon the coming into effect of the Scheme and in consideration of the transfer & vesting of Demerged Undertaking of the Demerged Company in the Resulting Company in terms of the Scheme, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Demerged Company, whose name is registered in the Register of Members of the Demerged Company on the Record Date or his/her/its legal heirs, executors or successors as the case may be 8,30,50,000 (Eight Crores Thirty Lakhs Fifty Thousand only) equity shares in the Resulting Company of face value Rs.10/- (Rupees Ten) each (credited as fully paid-up). The new equity shares will be issued to all the members of Demerged Company in the ratio of 22:10 (i.e) (22 (Twenty Two) equity shares of Rs.10/- each in Resulting Company for every 10 (Ten) equity shares of Re.1/- each in the Demerged Company)
- ii. All the permanent employees of the Demerged Company engaged in or in relation to the Demerged Undertaking and who are in such employment as on the Appointed Date shall be deemed to have become the employees of the Resulting Company with effect from the Appointed Date (the "Transferred Employees") on the same terms and conditions of employment on which they are engaged by the Demerged Company without any interruption, break or discontinuance in their service due to the transfer of the Demerged Undertaking to the Resulting Company.
- iii. The Scheme would not have any effect on Key Managerial Personnel's of the Company.

3. No Specific Valuation Difficulties were reported by the Valuers M/s K. M. Tulsian & Associates

For IndiaNivesh Financial Advisors Limited

Sd/-
Dinesh Nuwal
Director
DIN: 00500191

March 31, 2017

Supplementary Accounting Statements

INDIANIVESH LIMITED

BALANCE SHEET as at 31st March, 2017

(Amount in Rs.)			
	Note No.	As at 31-Mar-17	As at 31-Mar-16
I. EQUITY AND LIABILITIES			
1 Share Holders Fund			
(a) Share capital	3	37750000	37750000
(b) Reserve and Surplus	4	242463718	236285792
		<u>280213718</u>	<u>274035792</u>
2 Non-current liabilities			
(a) Long Term Borrowings	5	20423933	33971687
(b) Deferred Tax Liabilities (net)	6	186434	205740
		<u>20610367</u>	<u>34177427</u>
3 Current liabilities			
(a) Short Term Borrowings	7	191225890	-
(b) Trade Payable	8	5129404	102764
(c) Other current liabilities	9	1012075	1157237
(d) Short-Term Provisions	10	5935295	13109584
		<u>203302664</u>	<u>14369585</u>
TOTAL		<u>504126749</u>	<u>322582804</u>
II. ASSETS			
1 Non-current assets			
(a) Fixed Assets	11		
(i) Tangible Assets		1691884	1777319
(b) Non-Current Investment	12	308109479	276165600
		<u>309801363</u>	<u>277942919</u>
2 Current assets			
(a) Cash and Bank Balances	13	1343175	3658581
(b) Short term loans and advances	14	192973511	40950504
(c) Other current assets	15	8700	30800
		<u>194325386</u>	<u>44639885</u>
TOTAL		<u>504126749</u>	<u>322582804</u>

Significant Accounting Policies 2
The notes are an integral part of the Financial Statement

In terms of our Report attached
For CLB & Associates.
Chartered Accountants

For and behalf of the Board

Sd/-
(S.Sarupria)
Partner
M.No. 35783
Place:Mumbai
Dated: May 30, 2017

Sd/-
Dinesh Nuwal
Vice Chairman
DIN : 00500191

Sd/-
Raja Ram Baldi
Director
DIN : 00074715

Sd/-
Jinesh Doshi
Company Secretary

INDIANIVESH LIMITED

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2017

(Amount in Rs.)

	Note No.	Year Ended. 31-Mar-17	Year Ended. 31-Mar-16
I. Income			
Revenue from operations	16	13040636	14957982
Other Income	17	2544250	-
II. Total Revenue		15584886	14957982
III. Expenses			
Employee benefit expense	18	4198364	3023100
Finance cost	19	3564759	3943294
Depreciation and amortisation expenses	20	107535	137380
Other Expenses	21	860918	1033811
IV. Total Expenses		8731576	8137585
V. Profit (Loss) before Tax		6853310	6820397
VI. Tax Expense			
(a) Current Tax expense for current year		1150000	1400000
(b) Deferred Tax		(19306)	12460
(c) Current Tax expense relating to prior year		(300726)	90380
		829968	1502840
VII. Profit (Loss) for the year		6023342	5317557
VIII. Basic & diluted Earning par share (Rs.)	22	0.16	0.14
(Face value Rs.1 Per Share)			

Significant Accounting Policies

2

The notes are an integral part of the Financial Statement

In terms of our Report attached

For CLB & Associates

Chartered Accountants

For and behalf of the Board

Sd/-

(S.Sarupria)

Partner

M.No. 35783

Place:Mumbai

Dated: May 30, 2017

Sd/-

Dinesh Nuwal

Vice Chairman

DIN : 00500191

Sd/-

Raja Ram Baldi

Director

DIN : 00074715

Sd/-

Jinesh Doshi

Company Secretary

INDIANIVESH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH , 2017

	2016-17 Rupees	2015-16 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit /(Loss) Before Tax and extra ordinary items	6853310	6820397
Adjustments for :		
Depreciation & Amortisation expenses	107535	137380
Cash inflow/(Outflow) before working capitals charges	6960845	6957777
Adjustments for :		
(Increase)/ Decrease Current Assets	(152023007)	3267828
(Decrease)/Increase in Current liabilities	4881478	(323811)
Cash used in operating activities	(140180684)	9901794
Direct Taxes (paid)/Tax Refund received.	0	(8300380)
Net cash used in operating activities	"A" (140180684)	1601414
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/ acquisition of fixed assets	-	-
Investments in Subsidiary	(31943879)	500000
Investments in others	-	-
Net cash from investing activities	"B" (31943879)	500,000
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long term borrowings	(13547754)	(305548)
Short term borrowings	191225890	-
Dividend paid	0	(755000)
Corporate dividend tax	0	(154584)
Net cash used in financing activities	"C" 177678136	(1215132)
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	5553573	886282
CASH AND CASH EQUIVALENTS		
Opening	3658581	2772299
Closing	1343175	3658581
NET INCREASE /(DECREASE) AS DISCLOSED ABOVE	(2315406)	886282

Note: 1. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

For and on behalf of the board

As per our report attached
For CLB & Associates.
Chartered Accountants

Sd/-
(S.Sarupria)
Partner
M.No. 35783
Place:Mumbai
Dated: May 30, 2017

Sd/-
Dinesh Nuwal
Vice Chairman
DIN : 00500191

Sd/-
Raja Ram Baldi
Director
DIN : 00074715

Sd/-
Jinesh Doshi
Company Secretary

INDIANIVESH LIMITED

Notes to financial statement for the year ended 31st March, 2017

3 Share Holders Fund

The details of Authorised , Issued and paid up Share Capital is as below :

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Authorised 5,06,00,000 (5,06,00,000) Equity shares of Rs. 1/- each	50600000	50600000
Issued 3,77,50,000 (3,77,50,000) Equity Shares of Rs.1/- each Fully paid up	37750000	37750000
Subscribed and Paid Up 3,77,50,000 (3,77,50,000) Equity Shares of Rs. 1/- each Fully paid up	37750000	37750000

- (i) The Company has one class of equity shares having a par value of Rs.1/- each. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the Shareholder in the ensuing Annual General Meeting (AGM), except in the case of interim dividend which is ratified by the Shareholders at the AGM.

- (ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	No.of shares	Amount In Rupees
Shares outstanding at the opening of the year	37750000 (37750000)	37750000 (37750000)
Issued during the period	- (NIL)	- (NIL)
Shares Bought back during the year	- (NIL)	- (NIL)
Outstanding at the end of the period	37750000 (37750000)	37750000 (37750000)

Note : figures shown in brackets are for previous year

- (iii) Details of shares held by each shareholder holding more than 5% share:

Name of the Share Holder	Equity Shares			
	As at 31-Mar-2017		As at 31-Mar-2016	
	No.of shares	% of Holding	No.of shares	% of Holding
Sneh Shares & Securities Pvt.Ltd.	16753000	44.38%	1675300	44.38%
Bright Impex & Agencies Pvt.Ltd.	5820473	15.42%	5820473	15.42%
Balashri Commercial Ltd.	5025747	13.31%	5025747	13.31%

- (iv) The Company does not have any holding Company / ultimate holding company.

- (v) No ordinary shares have been reserved for issue under option and contracts / commitments for the sale of shares / disinvestment as at the Balance Sheet date.

- (vi) No securities convertible into Equity / Preference shares issued by the Company during the year.

- (vii) No calls are unpaid by any Director or Officer of the Company during the year.

4 Reserve and Surplus

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
(a) Capital Redemption Reserve As per last Financial Statement	350000	350000
(b) General Reserve As per last Financial Statement Add: Transferred from Surplus	12130170 - 12130170	12130170 - 12130170
(c) Statutory Reserve As per last Financial Statement Add: Transferred from Surplus	18772199 1204668 19976867	17708688 1063511 18772199
(d) Securities Premium Reserve As per last Financial Statement	94987500	94987500

(e) Surplus in Statement of Profit and Loss		
As per last Financial Statement	110045923	106701461
Add: Transferred from surplus in statement of profit and loss	6023342	5317557
	116069265	112019018
Less: Appropriations		
Proposed Dividend	-	755000
Corporate Dividend tax	-	154584
Reversal Corporate Dividend Tax	(154584)	-
Transfer to General Reserve	-	-
Transfer to Statutory Reserve Fund	1204668	1063511
	1050084	1973095
Closing Balance	115019181	110045923
Total Reserve and Surplus	242463718	236285792

5 **Long Term Borrowings**

(Amount in Rs.)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Unsecured Borrowings		
From Body Corporate	20423933	33971687
	20423933	33971687

6 **Deferred Tax Liabilities (net)**

(Amount in Rs.)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
As per last Financial Statement	205740	193280
Add: Arising on account of depreciation	-19306	12460
	186434	205740

7 **Short Term Borrowings**

(Amount in Rs.)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Secured Borrowings		
From Financial Institutions (secured against shares of Subsidiary Companies)	100025890	-
Unsecured Borrowings		
From Body Corporate	91200000	-
	191225890	-

8 **Trade Payable**

(Amount in Rs.)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Sundry Creditors for Exp.	108514	102764
Sundry Creditors - others	5020890	-
	5129404	102764

9 **Other current liabilities**

(Amount in Rs.)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Other Payables - Statutory Dues	104180	109577
Unclaimed Dividend	907895	1047659
	1012075	1157237

10 **Short-Term Provisions**

(Amount in Rs.)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Provision for Taxation	5935295	12200000
Proposed Dividend	-	755000
Corporate Dividend Tax	-	154584
	5935295	13109584

11 **Fixed Assets**

(Amount in Rs.)

Description	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK	
	As at	Add. / Del.	As at	Upto	For the	Upto	As at	As at
	31-Mar-16	during the	31-Mar-17	31-Mar-16	Year	31-Mar-17	31-Mar-17	31-Mar-16
	Rs.	year	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Tangible Assets								
Building								
Office Premises	2880410	-	2880410	1148068	84018	1232086	1648324	1732342
Total	2880410	-	2880410	1148068	84018	1232086	1648324	1732342
Plant & Equipment								
Computers	620000	-	620000	617974	-	617974	2026	2026
Generator	770504	-	770504	731979	-	731979	38525	38525
A. C.	36500	-	36500	34345	330	34675	1825	2155
Office Equipment	9000	-	9000	6729	1087	7816	1184	2271
Total	1436004	-	1436004	1391027	1417	1392444	43560	44977
Grand Total	4316414	-	4316414	2539095	85435	2624530	1691884	1777319
Previous Year	4316414	-	4316414	2445915	93180	2539095	1777319	

12 **Non-Current Investment**

(Amount in Rs.)

Particulars			As at	As at
			31-Mar-2017	31-Mar-2016
Cur. Year	Pr. Year	Non- Trade Investment		
(Nos.)	(Nos.)	Quoted - Investment in shares (at cost)		
18270	NIL	Max Financial Services	10539724	-
		Equity Shares of Rs. 2/- each, fully paid up		
		Total Quoted Non Trade Investments	10539724	-
		Trade Investment - Subsidiary Companies		
		Quoted - Investment in equity shares (at cost)		
4177000	4177000	IndiaNivesh Capitals Limited	45065600	45065600
		Equity Shares of Rs. 10/- each, fully paid up		
		Total Quoted Trade Investments in subsidiary	45065600	45065600
		Unquoted		
13000000	13000000	IndiaNivesh Securities Private Limited,,	220000000	220000000
		Equity Shares of Rs. 10/- each, fully paid up		
10000	10000	Siddhi Multi-trade Private Limited,	100000	100000
		Equity Shares of Rs. 10/- each, fully paid up		
1050000	1050000	IndiaNivesh Commodities Pvt. Ltd.,	10500000	10500000
		Equity Shares of Rs. 10/- each, fully paid up		
1050000	NIL	IndiaNivesh Wealth Management Pvt. Ltd.,	21404155	-
		Equity Shares of Rs. 10/- each, fully paid up		
		Total Unquoted Investments in subsidiary	252004155	230600000
		Total Investments in Subsidiary	297069755	275665600
		Other Investments		
		Non-Trade Investment		
NIL	NIL	Investment in Debts Assets	500000	500000
		Personal Guarantee		
		Total Other Investments	500000	500000
		Total Quoted Investments	55605324	45065600
		Total Unquoted Investments	252504155	231100000
		Total Investments	308109479	276165600
Note :				
Market Value of Quoted & Unquoted Shares.			Book Value as at	
			31-Mar-2017	31-Mar-2016
Quoted Investment			55605324	45065600
Unquoted Investment			252504155	231100000
Total Investment			308109479	276165600

13 **Cash and Bank Balances**

(Amount in Rs.)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Cash and Cash Equivalents		
Cash on hand	52770	147770
Bank Balance with Scheduled Bank - On current account	382510	2463152
Bank Balance with Scheduled Bank - On dividend account	907895	1047659
	1343175	3658581

14 **Short Term Loans & Advance**

(Amount in Rs.)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Unsecured, considered good		
Loans & Advances to body corporates	473275	19473275
Advance Tax & TDS	7251678	21400047
Other Advances	185248558	77182
	192973511	40950504

15 **Other current assets**

(Amount in Rs.)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Service Tax on Audit Fees	8700	8700
Unamortised Expenditure (To the extent not written off or adjusted)		
Preliminary Expenses	-	22100
	8700	30800

16 **Revenue from operations**

(Amount in Rs.)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Interest Received	1605195	2157410
Professional Fees	5433000	10000000
Profit on Trading / Investments in securities	4367070	2100000
Other Operating Income	1635372	700572
	13040636	14957982

17 **Other Income**

(Amount in Rs.)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Dividend	1044250	-
Rent Received	1500000	-
	2544250	-

18 **Employee benefit expense**

(Amount in Rs.)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Director's Remuneration	1188012	1188012
Staff Salary & Allowances	3010352	1835088
	4198364	3023100

19 **Finance cost**

(Amount in Rs.)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Interest expenses - borrowings	3564759	3943294
	3564759	3943294

20 **Depreciation and amortisation expenses**

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Depreciation	85435	93180
Amortisation expenses	22100	44200
	107535	137380

21 **Other Expenses :**

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Payment to Auditors		
- As audit fee	60000	60615
Insurance Premium	10958	12798
Legal & Professional Fees	327750	63267
Miscellaneous Expenses	358099	409449
Property Tax	10197	-
Rent Paid	93914	94530
Repair and Maintenance (Building)	-	51373
Share of Loss from LLP	-	341779
	860918	1033811

Supplementary Accounting Statements

INDIANIVESH FINANCIAL ADVISORS LIMITED

(Formerly known as INDIANIVESH FINANCIAL ADVISORS PRIVATE LIMITED)

BALANCE SHEET as at 31st March, 2017

(Amount in Rs.)

	Note No.	As at 31-Mar-17	As at 31-Mar-16
I. EQUITY AND LIABILITIES			
1 Share Holders Fund			
(a) Share capital	3	43803000	43803000
(b) Reserve and Surplus	4	3705501	3201531
		<u>47508501</u>	<u>47004531</u>
2 Current liabilities			
(a) Trade Payable	5	15750	11500
(b) Other current liabilities	6	3300	-
(c) Short-Term Provisions	7	94864	-
		<u>113914</u>	<u>11500</u>
TOTAL		<u>47622415</u>	<u>47016031</u>
II. ASSETS			
1 Non-current assets			
(a) Non-Current Investment	8	46766766	46710166
		<u>46766766</u>	<u>46710166</u>
2 Current assets			
(a) Cash and Bank Balances	9	846670	296886
(b) Short term loans and advances	10	8979	8979
		<u>855649</u>	<u>305865</u>
TOTAL		<u>47622415</u>	<u>47016031</u>

Significant Accounting Policies 2

The notes are an integral part of the Financial Statement

In terms of our Report attached

For CLB & Associates
Chartered Accountants

For and on behalf of the Board

Sd/-
(S.Sarupria)
Partner
M.No. 35783
Place:Mumbai
Dated: June 10, 2017

Sd/-
Dinesh Nuwal
Director
DIN : 00500191

Sd/-
Rajesh Nuwal
Director
DIN : 00009660

INDIANIVESH FINANCIAL ADVISORS LIMITED

(Formerly known as INDIANIVESH FINANCIAL ADVISORS PRIVATE LIMITED)

STATEMENT OF PROFIT AND LOSS for the period ended 31st March , 2017

(Amount in Rs.)			
	Note No.	Year Ended. 31-Mar-17	Year Ended. 31-Mar-16
Income			
I. Revenue from operations		-	-
II. Other Income	11	728955	-
III. Total Revenue		728955	-
IV. Expenses			
Other Expenses	12	127310	24957
Total Expenses		127310	24957
V. Profit (Loss) before Tax		601645	(24957)
VI. Tax Expense			
(a) Current Tax expense for current year		94864	-
(b) Deferred Tax		-	-
(c) Current Tax expense for previous year		2810	-
		97674	-
VII. Profit (Loss) for the year		503971	(24957)
VIII. Basic & diluted Earning par share (Rs.) (Face value Rs.10 Per Share)	13	0.12	(0.01)

Significant Accounting Policies 2
The notes are an integral part of the Financial Statement

In terms of our Report attached
For CLB & Associates
Chartered Accountants

For and on behalf of the Board

Sd/-
(S.Sarupria)
Partner
M.No. 35783
Place:Mumbai
Dated: June 10, 2017

Sd/-
Dinesh Nuwal
Director
DIN : 00500191

Sd/-
Rajesh Nuwal
Director
DIN : 00009660

INDIANIVESH FINANCIAL ADVISORS LIMITED
(Formerly known as INDIANIVESH FINANCIAL ADVISORS PRIVATE LIMITED)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH , 2017

		2016-17 Rupees	2015-16 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit /(Loss) Before Tax and Extraordinary items		601645	(24957)
Adjustments for :			
Depreciation		-	-
Interest Income (Net)		-	-
Miscellaneous Expenditure (w/off)		-	-
Cash inflow/(Outflow) before working capital changes		<u>601645</u>	<u>(24957)</u>
Adjustments for :			
(Increase)/ Decrease in Other Current Assets		0	-
(Decrease)/Increase in Current liabilities		7550	264
Prior Period items/ Tax Payments		-	-
Cash used in operating activities		<u>7550</u>	<u>264</u>
Direct Tax Paid		(2810)	(75449)
Net cash used in operating activities	"A"	<u>606385</u>	<u>(100142)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES			
Interest income		-	-
Sale of fixed assets		-	-
(Increase)/ Decrease in Investment		(56600)	-
Net cash used in investing activities	"B"	<u>(56600)</u>	<u>-</u>
C. CASH FLOW FROM FINANCING ACTIVITIES			
Increase in Borrowings		-	-
Net cash generated from financing activities	"C"	<u>-</u>	<u>-</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		<u><u>549785</u></u>	<u><u>(100142)</u></u>
CASH AND CASH EQUIVALENTS			
Opening cash & cash equivalents		296886	397028
Closing cash & cash equivalents		846670	296886
NET INCREASE /(DECREASE) AS DISCLOSED ABOVE		<u><u>549785</u></u>	<u><u>(100142)</u></u>

Note: The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

As per our report attached
For CLB & Associates.
Chartered Accountants

Sd/-
(S.Sarupria)
Partner
M.No. 35783
Place : Mumbai
Dated: June 10, 2017

For and on behalf of the board

Sd/-
Dinesh Nuwal
Director
DIN : 00500191

Sd/-
Rajesh Nuwal
Director
DIN : 00009660

INDIANIVESH FINANCIAL ADVISORS LIMITED
(Formerly known as INDIANIVESH FINANCIAL ADVISORS PRIVATE LIMITED)

Notes forming part to the financial statements for the year ended 31st March, 2017

1 BACKGROUND:

IndiaNivesh Financial Advisors Limited was originally incorporated as IndiaNivesh Management Consultants incorporated on 25th April 2006. The name of Company was changed during the financial year 2010-11. The company is in the business of providing consultancy services. Recently the Company has changed its legal status from IndiaNivesh Financial Advisors Private Limited to IndiaNivesh Financial Advisors Limited.

2 SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of preparation of Financial Statements

The financial statements have been prepared to comply in all material respect with the Generally Accepted Accounting Principles in India including the applicable Accounting Standards issued pursuant to the Companies (Accounting Standards) Rules, 2006 and relevant provisions of the Companies Act, 1956. The financial statements are prepared under the historical cost convention on accrual and going concern basis.

b) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) on the date of financial statements, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those of the estimates. Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable.

c) Taxation

Income Tax comprises of Current Tax and net changes in Deferred Tax Assets or Liabilities during the year. Current Tax is determined at the amount of tax payable in respect of taxable income for the year as per the Income-tax Act, 1961.

Deferred Tax Assets and Liabilities are recognised for the future tax consequences of timing differences between the book profit and tax profit. Deferred Tax Assets and Liabilities other than on carry forward losses and unabsorbed depreciation under tax laws are recognised when it is reasonably certain that there will be future taxable income. Deferred Tax Asset on carry forward losses and unabsorbed depreciation, if any, are recognised when it is virtually certain that there will be future taxable profit. Deferred tax assets and liabilities are measured using substantively enacted tax rates. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the Statement of Profit and Loss in the period of substantive enactment of the change.

d) Investment

Long term investments are stated at cost. Provision for diminution in the value of investments is made if such a decline is other than temporary in the opinion of the management.

e) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimates at the balance sheet date required to settle the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimation. A contingent liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote. Contingent Assets are neither recognised nor disclosed in the financial statements.

f) Cash and Cash Equivalents

Cash comprises of Cash on Hand, Cheques on Hand and demand deposits with Banks. Cash Equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in value.

g) Earnings per Share

Basic earnings per share is calculated by dividing the net profit/ (loss) after tax for the period attributable to equity shareholders of the Company by the weighted average number of equity shares in issue during the period.

Diluted earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholder of the Company by the weighted Average number of shares outstanding during the year adjusted for the effects of all dilutive potential equity shares.

3 Share Holders Fund

The details of Authorised , Issued and paid up Share Capital is as below :

Share Capital

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Authorised 50,00,000 (50,00,000) Equity shares of Rs. 10/- each	50000000	50000000
Issued 43,80,300 (43,80,300) Equity Shares of Rs.10/- each Fully paid up	43803000	43803000
Subscribed and Paid Up 43,80,300 (43,80,300) Equity Shares of Rs. 10/- each Fully paid up	43803000	43803000

(i) The Company has one class of equity shares having a par value of Rs.10/- each. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the Shareholder in the ensuing Annual General Meeting (AGM).

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	No. of shares	Amount in Rupees
Shares outstanding at the opening of the year	4380300 (4380300)	43803000 (43803000)
Issued during the period	- (NIL)	- (NIL)
Shares Bought back during the year	- (NIL)	- (NIL)
Outstanding at the end of the period	4380300 (4380300)	43803000 (43803000)

Note : figures shown in brackets are for previous year

(iii) Details of shares held by each shareholder holding more than 5% share:

Name of the Share Holder	Equity Shares			
	As at 31-Mar-2017		As at 31-Mar-2016	
	No. of shares	% of Holding	No. of shares	% of Holding
IndiaNivesh Capitals Limited (and its Nominees)	0	100.00%	4380300	100.00%
Sneh Shares & Securites Pvt.Ltd. (and its Nominees)	4380300	100.00%	0	0.00%

(iv) Details of shares held by IndiaNivesh Capitals Limited (and its Nominees), the holding Company

Particulars	Aggregate number of shares	
	As at	As at
	31-Mar-2017	31-Mar-2016
Fully paid up equity shares with voting rights	4380300	4380300

4 **Reserve and Surplus**

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
(a) <u>Surplus in Statement of Profit and Loss</u>		
As per last Financial Statement	3201531	3226488
Add: Transferred from surplus in statement of profit and loss	503971	(24957)
Total	3705501	3201531

5 **Trade Payable**

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Sundry Creditors for Exp.	15750	11500
	15750	11500

6 **Other current liabilities**

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Other Payables - Statutory Dues	3300	-
	3300	-

7 **Short-Term Provisions**

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Provision for Taxation	94864	-
	94864	-

8 **Non-Current Investment**

(Amount in Rs.)

Particulars			As at	As at
			31-Mar-2017	31-Mar-2016
Cur. Year	Pr. Year	<u>Trade Investment</u>		
(Nos.)	(Nos.)	<u>Investment in Subsidiary Company (at cost)</u>		
<u>Unquoted</u>				
NIL	2094340	IndiaNivesh Wealth Management Pvt.Ltd. (Equity Shares of Rs. 10/- each, fully paid up)	-	20943400
Total unquoted Investments in subsidiary			-	20943400
<u>Unquoted - Investment (at cost)</u>				
<u>Non- Trade Investment</u>				
1490000	1490000	Sneh Shares & Securities Pvt.Ltd. (Preference Shares of Rs. 1/- each, fully paid up)	25766766	25766766
Total unquoted Investments in non-subsiary			25766766	25766766
<u>Quoted - Investment (at cost)</u>				
<u>Non- Trade Investment</u>				
162187	NIL	Axtel Industries Ltd.	11262000	-
64920	NIL	Bhagiradha Chemicals Inds. Ltd.	9738000	-
Total quoted Investments in non-subsiary			21000000	-

Total Investments				
		46766766	46710166	
Note 1 :				
Market Value of Unquoted Shares.	Book Value as at		Market Value as at	
	31-Mar-2017	31-Mar-2016	31-Mar-2017	31-Mar-2016
Unquoted Investment	25766766	46710166	25766766	46710166
Quoted Investment	21000000	-	24689480	-
	25766766	46710166	25766766	46710166

9 **Cash and Bank Balances**

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Cash and Cash Equivalents		
Cash on hand	51127	66127
Bank Balance with Scheduled Bank - On current account	795543	230759
	846670	296886

10 **Short Term Loans & Advance**

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Unsecured, considered good		
Other Advances	1208	1208
Advance Tax & TDS	7771	7771
	8979	8979

11 **Other Income**

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Interest Received on Refund	-	-
Dividend	268200	-
Profit on sale of investment	460755	-
	728955	-

12 **Other Expenses :**

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Payment to Auditors		
- As audit Fee	17250	11500
Legal & Professional Fees	86382	9730
Misc. Expenses	23679	3727
	127310	24957

13 **Earning per Share:**

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Profit /(Loss) after tax (Rs.)	503971	(24957)
Weighted average number of equity shares outstanding	4380300	4380300
Face Value per equity share Rs.	10.00	10
Basic & Diluted Earnings per share (Rs.)	0.12	(0.01)

14 **Payment to Auditors:**

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Audit Fees	5000	10000
Service Tax	750	1500
Total	5750	11500

15 **Contingent Liabilities / Commitments:**

(Amount in Rs.)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
Contingent Liabilities	NIL	NIL
Commitments	NIL	NIL

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH COMPANY SCHEME
APPLICATION NO. 585 OF 2017**

In the matter of the Companies Act, 2013 (18 of 2013);

And

In the matter of Sections 230 to 232 read with section 66
and 52 of the Companies Act, 2013 and other relevant
provisions of the Companies Act, 2013;

And

In the matter of Scheme of Arrangement (Demerger)
between IndiaNivesh Limited (Demerged Company) into
IndiaNivesh Financial Advisors Limited (Resulting
Company) and reduction of paid up equity share capital of
IndiaNivesh Limited.

IndiaNivesh Limited, a company incorporated)
under the Indian Companies Act, 1913 having)
its Registered Office at 601 & 602, Sukh Sagar,)
N. S. Patkar Marg, Girgaum Chowpatty,)
Mumbai 400 007.) ...Applicant Company.

Form MGT -11

Proxy Form

NAME OF THE EQUITY SHAREHOLDER(S): _____
(IN CAPITAL LETTERS)

REGISTERED ADDRESS: _____

E-mail Id: _____ @ _____

Folio No.

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I/We being the Equity Shareholder(s) of _____ Equity shares of IndiaNivesh Limited hereby appoint:

1. Name: _____ Email Id: _____
Address: _____, or failing him/her;
2. Name: _____ Email Id: _____
Address: _____, or failing him/her;
3. Name: _____ Email Id: _____
Address: _____,

as my/ our proxy, to act for me/ us at the NCLT Convened Meeting of the Equity Shareholders to be held on Tuesday, July 18, 2017 at 09.00 a.m. at 601 & 602, Sukh Sagar, N. S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007, for the purpose of considering and if thought fit, approving , with or without modification, the Scheme of Arrangement (Demerger) between IndiaNivesh Limited (Demerged Company) into IndiaNivesh Financial Advisors Limited (Resulting Company) and reduction of paid up equity share capital of IndiaNivesh Limited., ("**Scheme**") at such meeting and any adjournment thereof.

Signed this day of 2017.

Signature of Proxy holder(s):

Signature of Shareholder(s):

Signature of the sole/ first proxy

Signature of the Second proxy
(if any)

Signature of the Third Proxy
(if any)

Notes:

1. This form in order to be effective must be duly stamped, completed, signed and deposited at the registered office of the Company not later than 48 hours before the commencement of the meeting.
2. Please affix revenue stamp before putting signature.
3. Alterations, if any, made in the Form of Proxy should be initialed.
4. In case of multiple proxies received from the same Equity shareholder, the Proxy received later in time shall be taken into consideration.

INDIANIVESH LIMITED

CIN: L99500MH1931PLC001493

Regd Off: 601 & 602, Sukh Sagar, N. S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007.

E-mail: indianivesh@indianivesh.in

ATTENDANCE SLIP

NCLT CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF THE COMPANY HELD ON TUESDAY, JULY 18, 2017 AT 09.00 AM AT 601 & 602, SUKH SAGAR, N. S. PATKAR MARG, GIRGAUM CHOWPATTY, MUMBAI - 400 007.

PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Folio No.	
No. of Equity Share(s) held	

NAME AND ADDRESS OF THE EQUITY SHAREHOLDER (in block letters):

NAME AND ADDRESS OF THE PROXY HOLDER (to be filled in by the Proxy attending the meeting instead of the Equity shareholder(s):

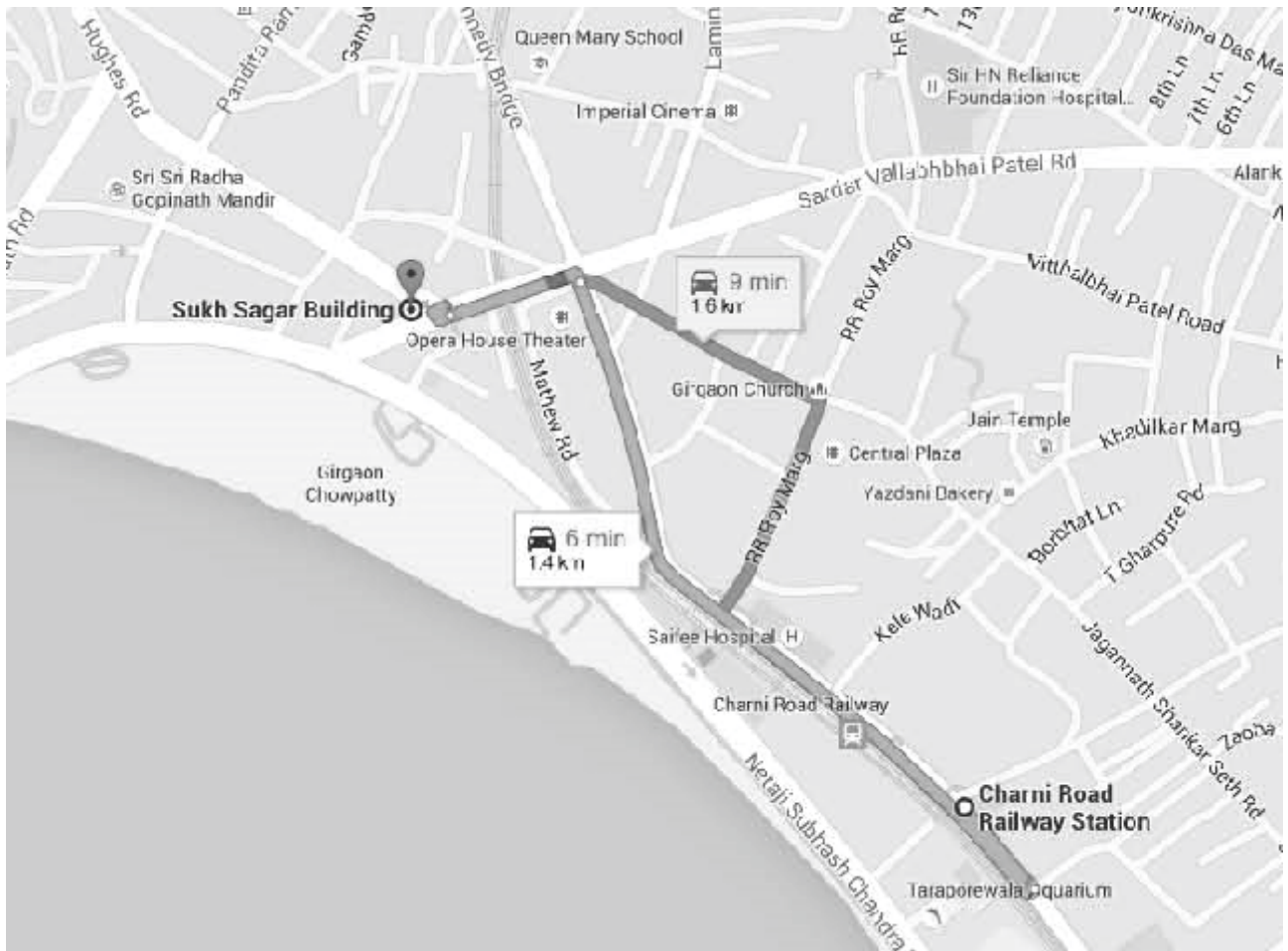
I/We hereby record my present at the NCLT convened meeting of the Equity Shareholders of the Applicant Company to be held on Tuesday, July 18, 2017 at 09.00 a.m at 601 & 602, Sukh Sagar, N. S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007, pursuant to the order dated 8th day of June, 2017 of the Hon'ble Bench of National Company Law Tribunal at Mumbai.

Signature of the Equity Shareholder or Proxy:

Notes:

1. Shareholders are requested to bring the Attendance slip when they come to the meeting and hand it over at the gate after affixing their signature on it.
2. Shareholders who come to attend the meeting are requested to bring with them a copy of the Notice and the Scheme of Amalgamation.
3. Shareholders are informed that in case of joint holders attending the meeting only such joint holder who is higher in order of the names will be entitled to vote.

ROUTE MAP OF THE VENUE



INDIANIVESH LIMITED

CIN: L99500MH1931PLC001493

Registered Office: 601 & 602, Sukh Sagar, N.S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007

E-mail Id: indianivesh@indianivesh.in; Website: www.indianivesh.in;

Tel No.: 66188800, Fax: 66188899

(Pursuant to Section 109(5) of the Companies Act, 2013 and rule 21(1)(C) of the Companies (Management and Administration) Rules, 2014)

BALLOT FORM

(To be returned to Scrutinizer appointed by IndiaNivesh Limited)

1. Name(s) of Member(s)
(including joint-holders, if any)
2. Registered Folio No/ DPID No/ Client ID No.*
(*Applicable to Members holding shares in dematerialized form)
3. I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s) / Special Resolution(s) as specified in the Notice of the Company dated 12th Day of June, 2017 to be passed through Ballot for the business stated in the said Notice by conveying my/our assent or dissent to the said resolution in the relevant box below:

Sr. No.	Description	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1.	Sanctioning the Scheme of Arrangement between IndiaNivesh Limited ("the Demerged Company" or "INL") and IndiaNivesh Financial Advisors Limited ("the Resulting Company" or "INFAL") and their respective shareholders and creditors.		
2.	Reduction of Share Capital of the Company		

Place:

Date:

Signature of Member/ Beneficial Owner

INSTRUCTIONS

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutinizer, M/s Bhavana N. Pandya & Co., Practicing Chartered Accountants at B/18, Kastur Mahal, Sion Station Road, Sion (East), Mumbai 400 022 as to reach by 5.00 p.m. on July 17, 2017 Ballot Form received thereafter will strictly be treated as if not received.
2. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
3. In case the member casts his votes through both the processes i.e., E-voting and Physical Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
4. The right of voting by Ballot Form shall not be exercised by a proxy.
5. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/ demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company i.e., Adroit Corporate Services Private Limited. Members are requested to keep the same updated.
6. There will be only one Ballot Form for every Folio / DP ID & Client ID irrespective of the number of joint members.
7. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his / her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
8. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/ Society etc., a certified copy of the relevant authorization / Board Resolution to vote should accompany the Ballot Form.
9. Instructions for e-Voting procedure are available in the Notice of the Tribunal called Meeting.

Please follow the steps for e-Voting procedure as given in the Notice or as available on www.evotingindia.com