

Date: February 17, 2022

To,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001  
**Scrip Code: 500189**

To,  
**National Stock Exchange of India**  
Exchange Plaza, Bandra-Kurla Complex, Bandra  
East Mumbai- 400 051  
**Company Scrip Code: NXTDIGITAL**

Dear Sir/ Madam,

**Sub: Outcome of the Board Meeting held on February 17, 2022**

**Ref: Scheme of Arrangement between NXTDIGITAL Limited (Demerged Company) and Hinduja Global Solutions Limited (Resulting Company) and their respective shareholders.**

Please refer to our letter dated January 14, 2022, wherein it was informed to the Stock Exchanges that the Board of Directors at their meeting held on January 14, 2022 had accorded an In-Principle approval for acquisition of Digital Media & Communications business undertaking of NXTDIGITAL Limited and investments in its subsidiaries by Hinduja Global Solutions Limited.

We would like to inform you that the Board of Directors of the Company at their meeting held today i.e February 17, 2022, have, *inter-alia* approved the Scheme of Arrangement between NXTDIGITAL Limited ('NDL') and Hinduja Global Solutions Limited ('HGSL') and their respective shareholders, in accordance with the provisions of Section 230 to 232 read with Section 52 and 66 of the Companies Act, 2013.

The Scheme, *inter-alia*, provides for demerger of the 'Demerged Undertaking' (as defined in the Scheme) of NDL into HGSL. As a consideration for the proposed Scheme, equity shares of the HGSL shall be issued to the eligible shareholder of NDL and such shares will be listed at Stock Exchanges for trading.

The said Scheme would be subject to requisite approvals of the shareholders of the Company and subject to requisite approvals and consent of stock exchanges, Securities and Exchange Board of India (SEBI) and /or any other regulatory Body, as case may be and the sanction of the National Company Law Tribunal ("NCLT") or such other competent authority as may be applicable.

The details disclosure as required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular CIR/CFD/CMD/4/2015 dated September 9, 2015, is enclosed herewith as **Annexure I**.

The above intimation is under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Request you to kindly take the same on your records.

Thanking you,

Yours Faithfully  
**For NXTDIGITAL Limited**



**Ashish Pandey**  
**Company Secretary**  
**Encl: as stated above.**



(Formerly known as Hinduja Ventures Limited)

Registered Office: IN CENTRE, 49/50 MIDC, 12<sup>th</sup> Road, Andheri (E), Mumbai - 400 093.

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## Annexure I- Demerger

Sr. No.	Particulars	Details
1.	Brief details of the divisions to be demerged	<p>1.1 <b>“Demerged Undertaking”</b> means activities of development, operation, marketing, sale and distribution of television channels through the medium of various modes of transmission undertaken by the Demerged Company and investment in its subsidiaries and includes:</p> <p>1.1.1 All assets (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent) and liabilities pertaining thereto.</p> <p>1.1.2 Without prejudice to the generality of the provisions of sub-clause 1.8.1 above, the Demerged Undertaking shall include in particular:</p> <p>1.1.3 All properties of or required for the above business wherever situated, including all fixed assets, plant and machinery, intangible assets including but not limited to network and customer rights, current assets, funds, capital work in progress, furniture, fixtures, office equipment, debtors, investments, vehicles, deposits, loans and advances, appliances and accessories;</p> <p>1.1.4 All permits, rights, entitlements, industrial and other licenses (including but not limited to HITS license), brands (including but not limited to NXTDIGITAL, INDIGITAL, INNENETWORK, INCABLENET, and IN Brands), registered and unregistered trademarks, copyrights, designs, and all other intellectual property, bids, tenders, letters of intent, expressions of interest, municipal and other statutory permissions, approvals, consents, licenses, registrations, tenancies, subsidies, concessions, exemptions, remissions, tax deferrals, brought forward tax losses and unabsorbed depreciation, benefits of all taxes including but not limited to Minimum Alternate Tax (“MAT”) paid under Section 115JA/115JB of the Income Tax Act, 1961 (“IT Act”), advance taxes and tax deducted at source, etc., Goods and Service Tax (GST) credit, SGST, CGST and IGST credits, right to carry forward and set off unabsorbed losses and depreciation, unutilized MAT credit under the provisions of the IT Act, right to claim deductions under Section 80-IA of the IT Act including its continuing benefits; engagements, arrangements of all kinds, exemptions, benefits, incentives, privileges and rights under State tariff regulations and under various laws,, bank accounts, lease rights, licenses,</p>

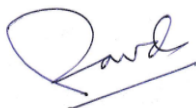
		<p>powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Demerged Undertaking;</p> <p>1.1.5 All records, files, papers, engineering and process information, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form in connection with or relating to the Demerged Undertaking; and</p> <p>1.1.6 Fixed deposits, debts, duties, obligations, and liabilities (including contingent liabilities) relating to the Demerged Undertaking.</p> <p>1.1.7 For the purpose of this Scheme, it is clarified that liabilities pertaining to the Demerged Undertaking includes:</p> <p>1.1.8 The liabilities, which arise out of the activities or operations of the Demerged Undertaking.</p> <p>1.1.9 Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the Demerged Undertaking.</p> <p>1.1.10 Liabilities other than those referred to in sub-clauses (i) and (ii) above, being the amounts of general or multipurpose borrowings of Demerged Company, allocated to the Demerged Undertaking in the same proportion in which the value of the assets transferred under this Scheme bear to the total value of the assets of Demerged Undertaking immediately before giving effect to this Scheme.</p> <p>1.1.11 All permanent employees of the Demerged Undertaking, as identified by the Board of Directors of Demerged Company, as on the Effective Date.</p> <p>1.1.12 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</p>
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		Demerged and Resulting Company;
2.	Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year	Annual Turnover of Media and Communications Business Undertaking for FY 2020-21 – Rs. 69473.96 Lakhs Percentage to total turnover on standalone basis- 100%
3.	Rationale for demerger	<p>The demerger of the Business is being undertaken due to the following reasons:</p> <ol style="list-style-type: none"> <li>1. Demerged Company and Resulting Company are part of the Hinduja Group. Demerged Company has grown into one of India's largest integrated media and communications companies. Accordingly, in 2020 as a step towards consolidation of media and communications business, the media and communications business was transferred by Indusind Media and Communications Limited (a Hinduja Group Company), to Demerged Company pursuant to scheme of arrangement approved by National Company Law Tribunal, Mumbai Bench vide its Order dated August 21, 2020.</li> <li>2. Recognizing the growth potential of the 'Media and Communications Undertaking' of the Demerged Company (more particularly defined hereinafter) in the backdrop of the fact that Demerged Company's 'Media and Communications Undertaking' has matured and the associated risks have reduced significantly as well as the recent regulatory reforms (New Tariff Order) providing additional stimuli, Resulting Company is proposing to consolidate this vertical as it feels that this will create a new platform for it go to the next level of performance.</li> <li>3. The shareholders of the Demerged Company, pursuant to the demerger, will get Equity Shares of the Resulting Company for the values of Business transferred in the manner set out under this Scheme.</li> <li>4. The demerger will also result in Demerged Company and Resulting Company achieving operational efficiencies by streamlining of the relevant businesses.</li> <li>5. By demerger of the Demerged Undertaking into Resulting Company, the financial resources will be conveniently raised in</li> </ol>

		<p>accordance with the requirement of the business.</p> <p>6. The demerger will enable the Resulting Company to diversify and expand its presence in the fast moving media and communication business in India.</p> <p>7. Apart from the various benefits/advantages stated and illustrated above, the management of the Resulting Company and Demerged Company are of the opinion that the following benefits shall also be enjoyed and realized by all the stakeholders:</p> <ol style="list-style-type: none"> <li>i. <b>Consolidation and growth of the Demerged Undertaking in the Resulting Company:</b> The demerger will enable Resulting Company to consolidate similar businesses into a single company. This will enable Resulting Company with an opportunity to provide services in a seamless manner to its customers. Further, this will also help Resulting Company to demonstrate its capability and provide competitive advantages vis-à-vis its competitors. This will immensely benefit the Demerged Undertaking to focus on growth in the digital space.</li> <li>ii. <b>Focused Management, Organization Efficiency and Operational Synergies:</b> Consolidation of the business into a single consolidated entity shall enable focused strategies, management, investment and leadership for the consolidated entity and further result into organization efficiency and operational synergies;</li> <li>iii. <b>Unlock shareholders value:</b> The proposed consolidation will create long term value for the shareholders by unlocking value since the business and profits will accrue to a single entity i.e. Resulting Company;</li> <li>iv. <b>Efficiency in Fund raising for harnessing future growth:</b> Housing of Demerged Undertaking in Resulting Company directly shall facilitate and provide adequate opportunities to mobilize the financial resources of Resulting Company for the growth of the Demerged Undertaking and also streamline the process for fund raising</li> </ol> <p>8. The proposed Scheme, with effect from the Appointed Date is in the interest of the shareholders, creditors, stakeholders and employees, as it would enable a focused business approach for the maximization of benefits to all stakeholders and for the purposes of synergies of business.</p>
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4.	Brief details of change in shareholding pattern (if any) of all entities; *	<p>There will be no change in the shareholding of NDL-Demerged Company.</p> <p>There will be change in shareholding pattern of HGSL-Resulting Company after issuing shares to the shareholders of NDL pursuant to the Scheme of Arrangement (post demerger).</p> <p>Upon the Scheme becoming effective and in consideration of transfer and vesting of 'Demerged Undertaking' of NDL with the HGSL and in terms of the Scheme, HGSL shall issue and allot equity shares having face value of Rs. 10 each, credited as fully paid-up, to the Shareholders of NDL, holding fully paid up equity shares having face value of Rs. 10 each, based on the Independent Registered Valuer's Report/Share Entitlement Ratio Report of SSPA &amp; Co., Chartered Accountants and KPMG Valuation Services LLP as under:</p> <p>"Twenty (20 only) Equity Shares of Hinduja Global Solutions Limited of INR 10/- each fully paid up for every Sixty Three (63 only) Equity Shares of NXTDIGITAL Limited".</p>
5.	In case of cash consideration – amount or otherwise share exchange ratio;	<p>Swap ratio for demerger of Demerged Undertaking. As per Valuation Report issued by Independent Registered Valuer M/S. SSPA &amp; Co., Chartered Accountants and M/s KPMG Valuation Services LLP as under:</p> <p>"Twenty (20 only) Equity Shares of Hinduja Global Solutions Limited of INR 10/- each fully paid up for every Sixty Three (63 only) Equity Shares of NXTDIGITAL Limited".</p>
6.	Whether listing would be sought for the resulting entity	<p>Resulting Company Hinduja Global Solutions Limited (HGSL) being already listed entity, the shares issued by HGSL pursuant to scheme shall also be listed for trading.</p>

Yours Faithfully  
For **NXTDIGITAL Limited**



**Ashish Pandey**  
Company Secretary