



Mahindra Holidays & Resorts India Limited

Regd. Office: Mahindra Towers, 2nd Floor, No. 17/18 Patullos Road, Chennai – 600 002, Tamil Nadu.

MEETING OF EQUITY SHAREHOLDERS

Date	19 th February, 2014
Time	3.00 p.m.
Venue	4 th Floor, Mahindra Towers, No. 17/18 Patullos Road, Chennai – 600 002.

CONTENTS		Page Nos.
1.	Notice convening Meeting of Equity Shareholders	2
2.	Explanatory Statement under Section 393 of the Companies Act, 1956	4
3.	Scheme of Amalgamation and Arrangement of Bell Tower Resorts Private Limited with Mahindra Holidays & Resorts India Limited and their shareholders and creditors under Section 391 to 394 read with Sections 78, 100 to 104 and other applicable provisions of the Companies Act, 1956.	10
4.	Observation Letters as issued by the BSE Limited and National Stock Exchange of India Limited	17
5.	Complaints Report	20
6.	Form of Proxy	21
7.	Attendance Slip	23

FORM NO: 36

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(Ordinary Original Civil Jurisdiction)

COMPANY APPLICATION NO. 1349 OF 2013

In the matter of the Companies Act, 1956 (1 of 1956)

AND

In the matter of Section 391 read with Sections 78, 100 to 104 of the Companies Act, 1956

AND

In the matter of Scheme of Amalgamation & Arrangement of Bell Tower Resorts Private Limited with Mahindra Holidays & Resorts India Limited and their shareholders and creditors

Mahindra Holidays & Resorts India Limited

a Company incorporated under the Companies Act, 1956,
having its Registered Office at Mahindra Towers, 2nd floor,
No. 17/18, Patullos Road, Chennai – 600 002, Tamil Nadu
represented by Dinesh Shetty, Company Secretary

}Applicant / Transferee Company

NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS

To,

All Equity Shareholders,
Mahindra Holidays & Resorts India Limited

TAKE NOTICE that by an Order made on 9th day of December, 2013 the Hon'ble High Court of Judicature at Madras has directed that a meeting of Equity Shareholders of the Applicant Company be convened and held at 4th Floor, Mahindra Towers, No. 17/18, Patullos Road, Chennai - 600 002 on, Wednesday 19th day of February, 2014 at 3.00 p.m. for the purpose of considering, and if thought fit, approving, with or without modification, the arrangement embodied in the Scheme of Amalgamation & Arrangement of Bell Tower Resorts Private Limited with Mahindra Holidays & Resorts India Limited and their respective shareholders and creditors.

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a Meeting of the Equity Shareholders of the Applicant Company will be Convened and held at 4th Floor, Mahindra Towers, No. 17/18, Patullos Road, Chennai - 600 002 on Wednesday, 19th day of February, 2014 at 3.00 p.m. at which place, day, date and time you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy, provided that the proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the Registered Office of the Applicant Company at Mahindra Towers, 2nd floor, No. 17/18 Patullos Road, Chennai – 600 002, Tamil Nadu not later than 48 hours before the meeting.

The quorum for the meeting shall be 30 (Thirty) members present in person or by proxy.

The Hon'ble High Court has appointed Mr. A. K. Nanda, Chairman of the Company and failing which Mr. Uday Phadke, Director of the Company, and failing which Mr. Rajiv Sawhney, Managing Director & CEO of the Company to be the Chairman of the said meeting. A copy of the said Scheme of Amalgamation & Arrangement, the explanatory statement under Section 393 of the Companies Act, 1956 and a form of proxy is enclosed.

Dated at Chennai this 3rd day of January, 2014.

Sd/-

Mr. A.K. Nanda

Chairman appointed for the meeting

Regd Office :

Mahindra Towers, 2nd floor,
No. 17/18 Patullos Road,
Chennai – 600 002, Tamil Nadu.
Email: investors@mahindraholidays.com

Notes:

1. All alterations made in the Form of Proxy should be initialed.
2. Only registered Equity Shareholders of the Applicant Company may attend and vote (either in person or by proxy) at the Equity Shareholders' meeting. The authorised representative of a body-corporate which is a registered Equity Shareholder of the Applicant Company may attend and vote at the Equity Shareholders Meeting provided that a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorising such a representative to attend and vote at the Equity Shareholders Meeting is deposited at the registered office of the Applicant Company not later than 48 hours before the Meeting.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE APPLICANT COMPANY. The Form of Proxy duly completed should, however, be deposited at the registered office of the Applicant Company not less than 48 hours before the Meeting.
4. A Member or his proxy is requested to bring the copy of the notice to the meeting and produce at the entrance of the meeting hall the Attendance Slip duly completed and signed.
5. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID nos. for easy identification of attendance at the meeting.
6. Members are informed that in case of joint holders attending the meeting, only such joint holder whose names stands first in the registrar of members of the Applicant Company in respect of such joint holding will be entitled to vote.

Enclosed: as above

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(Ordinary Original Civil Jurisdiction)

COMPANY APPLICATION NO. 1349 OF 2013

In the matter of the Companies Act, 1956 (1 of 1956)

AND

In the matter of Section 391 read with Sections 78, 100 to 104 of the Companies Act, 1956

AND

In the matter of Scheme of Amalgamation & Arrangement of Bell Tower Resorts Private Limited with Mahindra Holidays & Resorts India Limited and their shareholders and creditors

Mahindra Holidays & Resorts India Limited

a Company incorporated under the Companies Act, 1956, having its Registered Office at Mahindra Towers, 2nd floor, No. 17/18, Patullos Road, Chennai – 600 002, Tamil Nadu represented by Dinesh Shetty, Company Secretary

}Applicant / Transferee Company

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. By an order dated 9th day of December, 2013 the Hon'ble High Court of Judicature at Madras has directed that a meeting of Equity Shareholders of Mahindra Holidays & Resorts India Limited ("**Applicant Company**" or "**Company**") be convened and held at 4th Floor, Mahindra Towers, No. 17/18, Patullos Road, Chennai - 600 002 on Wednesday, 19th day of February, 2014 at 3.00 pm for the purpose of considering, and if thought fit, approving with or without modification, Scheme of Amalgamation & Arrangement of Bell Tower Resorts Private Limited ("**Transferor Company**") with Mahindra Holidays & Resorts India Limited and their shareholders and creditors ("**Scheme**" or "**Scheme of Amalgamation & Arrangement**").
2. This statement explaining the terms of the Scheme is being furnished as required under Section 393(1)(a) of the Companies Act, 1956 including any statutory modification or re-enactment or amendment thereof ("**Act**").

BACKGROUND OF MAHINDRA HOLIDAYS & RESORTS INDIA LIMITED

3. The Applicant Company was originally incorporated as private limited company on 20th September, 1996 under the Companies Act, 1956 in the state of Tamil Nadu and subsequently Applicant Company got converted into public limited company and fresh certificate of incorporation was issued on 17th April, 1998. The equity shares of the Applicant Company are listed on the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**").
4. The registered office of the Applicant Company is situated at Mahindra Towers, 2nd floor, No. 17/18, Patullos Road, Chennai – 600 002, Tamil Nadu.
5. The share capital structure of the Applicant Company as on 31st March, 2013 is as follows:

Particulars	Amount in Rs
Authorised	
100,000,000 equity shares of Rs. 10/- each	1,000,000,000
Total	1,000,000,000
Issued, subscribed and paid-up	
84,639,772 equity shares of Rs. 10/- each fully paid	846,397,720
Less: 758,888 equity shares of Rs. 10/- each fully paid up issued to the Applicant Company employees stock option trust but not exercised by employees	(7,588,880)
Total	838,808,840

Subsequent to 31st March 2013, the Applicant Company has issued 41,41,084 equity shares of Rs. 10/- each fully paid up. The revised share capital of the Applicant Company is as under (as on 31st December, 2013)

Particulars	Amount in Rs
Authorised	
100,000,000 equity shares of Rs. 10/- each	1,000,000,000
Total	1,000,000,000
Issued, subscribed and paid-up	
88,780,856 equity shares of Rs. 10/- each fully paid	887,808,560
Less: 757,290 equity shares of Rs. 10/- each fully paid up issued to the Applicant Company employees stock option trust but not exercised by employees	(7,572,900)
Total	880,235,660

6. The Applicant Company is a leading player in the vacation ownership business and is a part of the leisure and hospitality sector of the Mahindra Group (hereinafter referred to as the **"Business of the Applicant Company"**).
7. The Main Objects of the Applicant Company as set out in Clause iii (A) of its Memorandum of Association is given here under:
1. *To carry on the business of hotel, guest house, lodging house, restaurant, conference centre, motel, holiday camp, leisure centre, centre for water sports, adventure sports, amusement parks and golf courses, theme parks, exhibition centres, movie theatres, discotheques, caravan site and apartment-house proprietors; to equip and furnish any such property for the purpose of letting it to visitors or guests or giving it on time sharing or property sharing basis by days, weeks, months, points and any undivided shares with or without holiday exchange basis both in India and outside India (including outright sale thereof) whether in single rooms, suits, chalets, villas, caravans, movable structures, cottages or otherwise and to buy, sell, import, produce, manufacture and deal in food and food products, meat, fish, groceries, fruit, confectionery, wine, spirits, beer and other beverages whether alcoholic or not.*
 2. *To manage and to provide consultancy services and other services and facilities of every kind and sort for the management of hotels, lodging houses, resorts, motels and dwelling units, restaurants, cafes, refreshment rooms, clubs, gymnasiums, casinos, kitchen, canteens and for the sale of food and beverages of every kind and to manage and to provide consultancy services for all manners of entertainment, amusement and recreation and leisure sports of every description for the public in India and any part of the world.*
 3. *To carry on the business of or to manage or provide consultancy in connection with services related to and ordinarily provided by a hotel, motel, lodging house, resort, dwelling unit of every kind and sort including but not restricted to business centres, medical and health services, laundry, sports facilities and conference facilities and to carry on and engage in the business of providing consultative and technical services relating to the business of the Company by way of market survey, preparing feasibility and project reports and to enter into any arrangements of licensing, chartering, brokerage, technical business or financial collaboration with any other party or concern, for singular or mutual benefit of intake or outflow of know-how, whether existing or newly developed techniques, including any rights or special methods and trade secrets.*
 4. *To carry on the business of or manage or provide consultancy services in connection with hospitality management schools, catering schools, hotel management schools, and other training institutions, professional colleges and training and educational institutions relating to the business of the company with or without any affiliation from Indian or foreign governments, universities, or any other professional bodies, or individuals in India or abroad and to impart academic, professional or technical education to provide knowledge in the field of hospitality management or other related field.*
 5. *To purchase, sell, develop, take in exchange, or on lease, hire or otherwise acquire, whether for investment or sale, or working the same, any real estate including lands, business, building, houses, cottages, shops, houses, flats, row houses, residential and commercial buildings, sheds, concessions, privileges, license, easement or interest in or with respect to any property or interest in or with respect to any property whatsoever for the purposes or in relation to the holiday resort business of the company in consideration for a gross sum or rent or for any other consideration and to rent, lease or sell or let out otherwise apartments, flats and other residential units therein and to provide for the conveniences commonly provided in flats, sites and residential and business quarters relating to the holiday resort business of the Company."*

BACKGROUND OF BELL TOWER RESORTS PRIVATE LIMITED

8. The Transferor Company was originally incorporated as a public limited company on 24th April, 1995 under the name of Rajath Finshare Limited in the State of Gujarat. Subsequently, its name was changed to Rajath Finshare Private Limited with effect from 13th May, 2002, which was changed further to Unicorn Hotel Management Academy Private Limited with effect from 5th March, 2003. The name of the Transferor Company was further changed to its present name Bell Tower Resorts Private Limited on 30th May, 2005. The Registered Office of the Transferor Company was thereafter shifted from State of Gujarat to State of Goa.
9. The registered office of the Transferor Company is situated at Plot number 223/1 & 222/2, Pedda, Uttordoxi village, Varca, District Salcete, Goa – 403 721.
10. The share capital structure of Transferor Company as on 31st March, 2013 is as follows:

Particulars	Amount in Rs
Authorised	
20,000,000 Equity Shares of Rs. 10/- each with voting rights	200,000,000
Total	200,000,000
Issued, subscribed and paid-up	
19,938,674 Equity Shares of Rs. 10/- each with voting rights	199,386,740
Total	199,386,740

Subsequent to the above date, there has been no change in authorised, issued, subscribed and paid-up share capital of the Transferor Company. Further, the entire equity share capital of the Transferor Company is held by the Applicant Company (i.e. the Transferor Company is a wholly owned subsidiary of the Applicant Company).

11. The Main Objects of the Applicant Company as set out in Clause III (A) of its Memorandum of Association is given here under:
1. *To purchase, take on lease, hire, erect, construct, build, alter, equip, maintain or otherwise acquire, establish, run, manage, administer, own and to carry on the business of running hotels, holiday resorts, adventure-tours, motel, inns, holiday homes, guest house, restaurants, canteens, caterer, cafes, taverns, pubs, bars, beerhouses, refreshment rooms*

and lodging apartments, housekeepers, night clubs, casinos, discotheques, swimming pools, health clubs, dressing rooms, ayurvedic cleaning room, massage parlour, beauty parlour, health club, entertainment programme theatre, game rooms, licensed victuallers, wine beer and spirit merchants, dealers and manufacturers, aerated and artificial water and other drinks, purveyors, couriers in India and abroad and to act as collaborators, technicians of any other hotels in India, or in any other part of the world and to acts as agents of any hotels or as buying and selling agents of any hotels and to do and perform all and singular the several duties, services and offices, which the agents, buying and selling agents of any hotel company usually do and perform and undertake conditions of any agreement or agreements entered in to for any of the purposes aforesaid and Vacation Time Share Resorts, condominium, restaurant, flight kitchen, theatre agents, box-office concert rooms proprietors, dramatic and musical publishers, caterers for public amusements or Ice merchants, importers and brokers of food live and dead stock and colonial and foreign food products of all description, hair dressers, perfumes, proprietors of clubs, swimming pool, libraries playgrounds and to perform as tourist agents and contractors and to facilitate traveling air, road and sea, to provide all types of facilities for tourists and travelers and to promote the provision of convenience of all the kinds in the way through tickets, circulars, sleeper coaches or berths, reserve places, lodging accommodation, guide to arrange safaris and sightseeing arrangement, enquiry bureau, libraries, reading rooms, baggage transport, laundries, lavatories, grounds and place of amusements, recreations, sports and entertainment instructions of all kinds, theatrical and opera box office proprietors and general agents and to own or hire taxi cars, buses, coaches, air taxis and other means of transportation for running them on hire.”

12. RATIONALE AND PURPOSE OF THE SCHEME

To consolidate the hotel and resorts business in a single entity which will provide synergy benefits, attain efficiencies and reduce overall cost, it is intended that the Transferor Company should merge into the Applicant Company. The Scheme also provides for the consequent reorganization of securities premium of the Applicant Company.

The amalgamation of the Transferor Company with the Applicant Company would *inter alia* have the following benefits:

- i. Enable creation of a larger entity and derive optimal management and synergy benefits;
- ii. Result in business synergies besides economies in cost by combining all the functions, related activities and operations and benefits in the form of managerial and technical expertise;
- iii. Greater integration and flexibility for the amalgamated entity and strengthening position in the industry, in terms of the asset base, revenues, product and service range;
- iv. Enable cost saving, pooling of managerial skills and optimum utilization of valuable resources which will enhance the management focus thereby leading to higher operational efficiency and enhancing shareholders' value.

13. SALIENT FEATURES OF THE SCHEME

- a) The Appointed Date for the Scheme means the 1st day of April, 2013 or such other date as the High Court may direct.
- b) The Effective Date of the Scheme shall mean the last of the dates on which the certified or authenticated copies of the orders of the High Court of Bombay at Goa, Panaji, and High Court of Madras are filed with the Registrar of Companies, Goa and Chennai (Tamil Nadu) respectively.
- c) The amalgamation of the Transferor Company with the Applicant Company shall be in accordance with Section 2(1B) of the Income-tax Act, 1961.
- d) Upon coming into effect of the Scheme and with effect from the Appointed Date, the entire business and whole of the Undertaking of the Transferor Company, shall without any further act or deed, but subject to the charges affecting the same be transferred and/or deemed to be transferred to and vested in the Applicant Company as a going concern.
- e) As the Transferor Company is a wholly-owned subsidiary of the Applicant Company, no consideration shall be payable pursuant to the amalgamation of the Transferor Company with the Applicant Company, and the equity shares held by the Applicant Company and along with the joint holders in the Transferor Company shall stand cancelled without any further act, application or deed.
- f) The merger shall be accounted for in accordance with Pooling of Interest Method of accounting as per Accounting Standard 14 as notified under Section 211(3C) of the Act.
- g) Amount of share capital of the Transferor Company and the value recorded as investment in the books of the Applicant Company shall be adjusted against each other and difference, if any, shall be adjusted in the Amalgamation Reserve Account in the books of the Applicant Company.
- h) Upon the Scheme coming into effect and with effect from the Appointed Date, debit balances in Amalgamation Reserve Account, if any, after giving effect to Clause 6 of the Scheme shall be adjusted against the Securities Premium Account of the Applicant Company. The application and reduction of the securities premium account shall be effected as an integral part of the Scheme without having to follow the process under Section 78 and Sections 100, 102 and 103 of the Act separately and the order of the High Courts sanctioning the Scheme shall be deemed to be also the order under Section 102 of the Act confirming the reduction. The reduction would not involve either diminution of liability in respect of unpaid share capital or payment of paid up share capital and provisions of Section 101 of the Act will not be applicable.
- i) The Scheme is conditional upon and subject to:
 - (a) approval of the Scheme by the requisite majority of each class of the respective members and creditors of the Transferor Company and the Applicant Company, in terms with the applicable provisions of the Act;
 - (b) sanctions and orders under the provisions of Section 391 read with Section 394 and Sections 78, 100 to 104 of the Act being obtained by the Transferor Company and the Applicant Company from the respective High Courts;

- (c) the certified or authenticated copies of the orders of the respective High Courts sanctioning this Scheme being filed with the appropriate Registrar of Companies; and
- (d) any other sanctions and approvals as may be required by law in respect of this Scheme being obtained.
- j) All costs, charges, taxes including duties and levies and all other expenses in relation to or in connection with carrying out and completing the terms and conditions of the Scheme and matters incidental thereto, shall be borne and paid by the Applicant Company.
- 14. The features set out above being only the salient features of the Scheme, the members are requested to read the enclosed Scheme to get themselves acquainted with all the detailed provisions thereof.**
15. The Scheme would not be prejudicial to the interests of the creditors of the Applicant Company and the Transferor Company. The latest audited accounts for the year ended 31st March, 2013 of the Applicant Company indicate that they are in a solvent position and would be able to meet liabilities as they arise in the course of business. Hence, the arrangement will not cast any additional burden on the creditors of either company, nor will it affect the interest of any of the shareholders or creditors.
16. In accordance with the Circular no. CIR/CFD/DIL/5/2013 issued by the Securities and Exchange Board of India (“SEBI”) on 4th February, 2013, the Audit Committee of the Applicant Company recommended the proposed Scheme, inter alia, taking into account the Valuation Report dated 12th September, 2013 issued by Joglekar & Gokhale, Chartered Accountants.
17. The Applicant Company obtained a Fairness Opinion dated 16th September, 2013 from Ernst & Young Merchant Banking Services Pvt. Ltd., on the valuation carried out by Joglekar & Gokhale, Chartered Accountants.
18. The Board of Directors of the Applicant Company have in their Board Meeting, held on 17th September, 2013, approved and adopted the proposed Scheme of Amalgamation & Arrangement. The proposed Scheme of Amalgamation & Arrangement under Section 391 to 394 read with Sections 78, 100 to 104 of the Companies Act, 1956 is deemed to form part of this statement.
19. The Applicant Company has obtained in-principle approvals from the BSE and NSE under clause 24(f) of the Listing Agreement. The Applicant Company, in compliance with the Securities and Exchange Board of India (“SEBI”) circulars dated 4th February, 2013 (“Circular 1”) and 21st May, 2013 (“Circular 2”) has obtained no-objection letter/observation letter from BSE vide its letter dated 18th November, 2013 and from NSE vide its letter dated 15th November, 2013.
20. With respect to the voting mechanism, the process of voting through postal ballot and e-voting as stated under Para 5.16 (a) of Circular 1 as modified by clause 7 of Circular 2 would not be applicable to the Applicant Company as the present Scheme of Amalgamation & Arrangement does not qualify within the circumstances and illustrations as laid down under Para 5.16 (a) of Circular 1 as modified by clause 7 of Circular 2. The Applicant Company, therefore in accordance with Para 5.16 (b) of Circular 1 as modified by clause 7 of Circular 2, has provided an undertaking certified from its auditor in this regard, which is also approved by the Board of Directors of the Applicant Company. Therefore the voting for the Scheme of Amalgamation & Arrangement shall be undertaken only in accordance with Section 391 of the Companies Act, 1956, wherein, the proposed Scheme of Amalgamation & Arrangement will have to be approved by a majority in number representing three-fourths in value of the Equity Shareholders present and voting either in person or by proxy at the meeting.
21. A proxy form is also enclosed to this Explanatory Statement. It is hoped that in view of the importance of the business to be transacted, you will personally attend the meeting. The signing of the form or forms of proxy will, however, not prevent you from attending and voting in person, if you so desire.
22. No investigation proceedings have been instituted or are pending under Sections 235 to 251 of the Companies Act, 1956, in respect of the Applicant Company.
23. The Scheme of Amalgamation & Arrangement does not in any way violate or override or circumscribe the provisions of the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts and the provisions of the Listing Agreement or the requirements of the Stock Exchanges where the equity shares of the Applicant Company are listed.
24. Pursuant to Clause 24(h) of the Listing Agreement and based on the shareholding pattern as on 31st December, 2013, the expected pre and post Scheme shareholding pattern of the Applicant Company is given below herein:

DISTRIBUTION OF SHAREHOLDING AS ON 31st December, 2013:

Category Code	CATEGORY OF SHAREHOLDER	No. of Shareholders	Total Number of Shares	No of Shares held in Dematerialized Form	Total Shareholding as a % of Total no of Shares		Shares pledge or otherwise encumbered	
					As a Percentage of (A+B)	As a Percentage of (A+B+C)	Number of Shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII)/(IV)*100
(A)	Promoter And Promoter Group							
(1)	Indian							
(a)	Individual /Huf	0	0	0	0.00	0.00	0	0.00
(b)	Central Government/State Government(S)	0	0	0	0.00	0.00	0	0.00
(c)	Bodies Corporate	1	66585642	66585642	75.00	75.00	0	0.00

Category Code	CATEGORY OF SHAREHOLDER	No. of Share-holders	Total Number of Shares	No of Shares held in Dematerialized Form	Total Shareholding as a % of Total no of Shares		Shares pledge or otherwise encumbered	
					As a Percentage of (A+B)	As a Percentage of (A+B+C)	Number of Shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII)/(IV)*100
(d)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00
(e)	Others	0	0	0	0.00	0.00	0	0.00
	Sub-Total A(1) :	1	66585642	66585642	75.00	75.00	0	0.00
(2)	Foreign							
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
(e)	Others	0	0	0	0.00	0.00	0	0.00
	Sub-Total A(2) :	0	0	0	0.00	0.00	0	0.00
	Total A=A(1)+A(2)	1	66585642	66585642	75.00	75.00	0	0.00
(B)	Public Shareholding						N.A.	N.A.
(1)	Institutions							
(a)	Mutual Funds /UTI	12	2068435	2068435	2.33	2.33		
(b)	Financial Institutions /Banks	4	46790	46790	0.05	0.05		
(c)	Central Government / State Government(S)	0	0	0	0.00	0.00		
(d)	Venture Capital Funds	0	0	0	0.00	0.00		
(e)	Insurance Companies	0	0	0	0.00	0.00		
(f)	Foreign Institutional Investors	18	9493816	9493816	10.69	10.69		
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00		
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00		
(i)	Others	0	0	0	0.00	0.00		
	Sub-Total B(1) :	34	11609041	11609041	13.08	13.08		
(2)	Non-Institutions							
(a)	Bodies Corporate	421	2915444	2915444	3.28	3.28		
(b)	Individuals							
	(i) Individuals Holding Nominal Share Capital Upto Rs.1 Lakh	13005	2141521	2127339	2.41	2.41		
	(ii) Individuals Holding Nominal Share Capital In Excess of Rs.1 Lakh	61	3451260	3451260	3.89	3.89		
(c)	Qualified Foreign Investor	0	0	0	0.00	0.00		
(d)	Others				0.00	0.00		
	Trusts	2	757690	757690	0.85	0.85		
	Non Resident Indians	299	289860	289860	0.33	0.33		
	Foreign Bodies	1	824565	824565	0.93	0.93		
	Clearing Members	49	15386	15386	0.02	0.02		
	HUF	529	190447	190446	0.21	0.21		
	Sub-Total B(2) :	14367	10586173	10571990	11.92	11.92		
	Total B=B(1)+B(2) :	14401	22195214	22181031	25.00	25.00		
	Total (A+B) :	14402	88780856	88766673	100.00	100.00		
(C)	Shares Held By Custodians, Against Which							
	Depository Receipts Have Been Issued							
(1)	Promoter And Promoter Group							
(2)	Public	0	0	0	0.00	0.00		
	Grand Total (A+B+C) :	14402	88780856	88766673	100.00	100.00	0	0.00

25. The Directors of the Applicant Company and the Transferor Company have no interest in the Scheme except as shareholders in general, the extent of which will appear from the Register of Directors' Shareholding maintained by the Applicant Company which are as follows:

The details of the Directors of the Applicant Company and the Transferor Company and their shareholding as on 31st December, 2013 is provided below:

Applicant Company

Name of Director	No. of Shares held in Applicant Company	No. of shares held in the Transferor Company
Mr. A K Nanda	601,680*	NIL
Mr. Rajiv Sawhney	NIL	NIL
Mr. Uday Y Phadke	17,362	NIL
Mr. Cyrus J Guzder	26,700	NIL
Mr. Sridar Iyengar	NIL	NIL
Mr. Rohit Khattar	26,700	NIL
Mr. Vineet Nayyar	26,700	NIL
Mr. Sanjeev Aga	3,351	NIL

*includes 7,050 Equity Shares held by A K Nanda HUF.

Transferor Company

Name of Director	No. of Shares held in Applicant Company	No. of shares held in the Transferor Company
Mr. Aloke Ghosh	NIL	NIL
Mr. Dinesh Shetty	NIL	NIL
Mr. Ravindera Khanna	27,459	NIL

None of the Directors and Managers of the Applicant Company and Transferor Company have any material interest in the Scheme, save and except to the extent of their shareholding in the respective companies. Their interest shall not in any way be treated differently than other shareholders.

26. The following documents will be open for inspection at the Registered Office of the Applicant Company between 10.00 a.m. and 12 Noon on any working day of the Applicant Company (except Saturday, Sunday and Public Holidays) upto the date of the meeting:
- The Memorandum and Articles of Association of Applicant Company and the Transferor Company.
 - Annual Report of the Applicant Company and the Transferor Company for the year ended 31st March, 2013.
 - Half yearly results of the Applicant Company as on 30th September, 2013.
 - Unaudited results of the Transferor Company as on 30th September, 2013.
 - The Valuation Report dated 12th September, 2013 issued by Joglekar & Gokhale, Chartered Accountants.
 - Fairness opinion dated 16th September, 2013 issued by Ernst & Young Merchant Banking Services Pvt. Ltd.
 - Report of Audit Committee of the Applicant Company dated 17th September, 2013.
 - Copy of resolution dated 17th September, 2013 passed by Board of Directors of the Applicant Company approving the Scheme of Amalgamation & Arrangement.
 - Observation letter issued by BSE on 18th November, 2013 and NSE on 15th November, 2013.
 - Proposed Scheme of Amalgamation & Arrangement.
 - Complaints Report filed with the BSE as on 23rd October, 2013.
 - Register of Directors' shareholdings of the Applicant Company.
 - Certified copy of the Order dated 9th December, 2013 passed by the Hon'ble High Court of Judicature at Madras in Company Application No. 1349 of 2013.
27. A copy of the Scheme, Explanatory Statement under Section 393, Form of Proxy and Attendance Slip may be obtained from the Registered Office of the Applicant Company situated at Mahindra Towers, 2nd Floor, No. 17/18 Patullos Road, Chennai – 600 002, Tamil Nadu.

Dated at Chennai this 3rd day of January, 2014.

Sd/-
Mr. A.K. Nanda
Chairman appointed for the meeting

**SCHEME OF AMALGAMATION AND ARRANGEMENT
OF
BELL TOWER RESORTS PRIVATE LIMITED
WITH
MAHINDRA HOLIDAYS & RESORTS INDIA LIMITED
AND
THEIR SHAREHOLDERS AND CREDITORS
UNDER SECTIONS 391 TO 394 READ WITH SECTIONS 78, 100 to 104 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956**

This Scheme of Amalgamation and Arrangement (the “Scheme”) is presented under Sections 391 to 394 read with Sections 78, 100 to 104 and other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment or amendment thereof) for amalgamation of Bell Tower Resorts Private Limited with Mahindra Holidays & Resorts India Limited.

A. Description of Companies

Transferee Company

- (a) Mahindra Holidays & Resorts India Limited (“MHRIL” or “Transferee Company”) is a listed company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Mahindra Towers, 2nd floor, No. 17/18, Patullos Road, Chennai – 600 002, Tami Nadu. Transferee Company is a leading player in vacation ownership business and a part of the leisure and hospitality sector of the Mahindra Group.

Transferor Company

- (b) Bell Tower Resorts Private Limited (“BTRPL” or “the Transferor Company”) is a private limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Plot number 223/1 & 222/2, Pedda, Uttorodoxi village, Varca, District Salcete, Goa– 403 721. The Transferor Company is a wholly owned subsidiary of the Transferee Company and is in the business of operating a resort/hotel in Varca, Goa.

B. Rationale and Purpose of the Scheme

To consolidate the hotel and resorts business in a single entity which will provide synergy benefits, attain efficiencies and reduce overall cost, it is intended that the Transferor Company should merge into the Transferee Company. The Scheme also provides for the consequent reorganization of securities premium of the Transferee Company.

The amalgamation of the Transferor Company with the Transferee Company would *inter alia* have the following benefits:

- i) Enable creation of a larger entity and derive optimal management and synergy benefits;
- ii) Result in business synergies besides economies in cost by combining all the functions, related activities and operations and benefits in the form of managerial and technical expertise;
- iii) Greater integration and flexibility for the amalgamated entity and strengthening position in the industry, in terms of the asset base, revenues, product and service range;
- iv) Enable cost saving, pooling of managerial skills and optimum utilization of valuable resources which will enhance the management focus thereby leading to higher operational efficiency and enhancing shareholders' value.

In view of the aforesaid, the Board of Directors of the Transferor Company as well as the Board of Directors of the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of the said companies. Accordingly, the Board of Directors of both the Transferor Company and the Transferee Company have formulated this Scheme for the transfer and vesting of the entire business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Section 391 to Section 394 read with Sections 78, 100 to 104 and other relevant provisions of the Companies Act, 1956 (including any statutory modification or re-enactment or amendment thereof).

This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

For sake of convenience this Scheme is divided into following parts:

Part A dealing with definitions and share capital;

Part B dealing with amalgamation of Bell Tower Resorts Private Limited with Mahindra Holidays & Resorts India Limited;

Part C dealing with general terms and conditions.

PART A

1. DEFINITIONS

1.1. In this Scheme, unless repugnant to or inconsistent with the subject or context thereof, the following expressions shall have the following meanings:

- 1.1.1. “Act” means the Companies Act, 1956 including any statutory modification or re-enactment or amendment thereof;

- 1.1.2. **“Appointed Date”** means the 1st day of April 2013 or such other date as the High Court may direct;
- 1.1.3. **“Board of Directors”** or **“Board”** means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof;
- 1.1.4. **“BTRPL”** or **“the Transferor Company”** means Bell Tower Resorts Private Limited, a company incorporated under the provisions of the Act and having its registered office at Plot number 223/1 & 222/2, Pedda, Uttordoxi village, Varca, District Salcete, Goa – 403721;
- 1.1.5. **“Effective Date”** means the last of the dates on which the certified or authenticated copies of the orders of the High Court of Bombay at Goa, Panaji, and High Court of Madras are filed with the Registrar of Companies, Goa and Chennai (Tamil Nadu) respectively;
- Any references in this Scheme to “upon this Scheme becoming effective” or “upon coming into effect of this Scheme” or “upon the Scheme coming into effect” shall be construed to be a reference to the Effective Date; provided however, that such references shall not affect the deemed taking into effect of certain parts of this Scheme, whether prior to, or after, other parts of this Scheme, as specifically contemplated herein.
- 1.1.6. **“Governmental Authority”** means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction;
- 1.1.7. **“High Court(s)”** means either the High Court of Bombay at Goa, Panaji or the High Court of Madras or all these High Courts or such other competent authority under the provisions of Sections 391 to 394 read with Sections 78 and 100 to 104 of the Act, as the case may be, and shall include the National Company Law Tribunal, or any other similar judicial body, if applicable;
- 1.1.8. **“MHRIL”** or **“Transferee Company”** means Mahindra Holidays & Resorts India Limited, a company incorporated under the provisions of the Act and having its registered office at Mahindra Towers, 2nd floor, No. 17/18, Patullos Road, Chennai – 600002, Tamil Nadu.
- 1.1.9. **“Scheme”** or **“the Scheme”** or **“this Scheme”** or **“Scheme of Amalgamation”** means this Scheme of Amalgamation and Arrangement in its present form or with any modification(s) made under Clause 16 of this Scheme or any modifications approved or directed by the High Court(s) or any other Government Authority;
- 1.1.10. **“Stock Exchanges”** means National Stock Exchange of India Limited and BSE Limited;
- 1.1.11. **“Undertaking”** shall mean the entire business and the whole of the undertaking of the Transferor Company as a going concern, all its assets, rights, licenses and powers, and all its debts, outstandings, liabilities, duties, obligations and employees as on the Appointed Date including, but not in any way limited to, the following:
- (a) All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including, without being limited to, land, plant and machinery, computers, equipment, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, furniture, fixtures, interiors, office equipment, vehicles, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units or pass through certificates), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including but not limited to lease rights of the Transferor Company), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies or licenses in relation to the office and/or residential properties (including for the employees or other persons), guest houses, godowns, warehouses, licenses, fixed and other assets, intangible assets (including but not limited to software), trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including tax benefits), tax holiday benefit, incentives, credits (including tax credits), Minimum Alternate Tax Credit entitlement (“MAT Credit”), tax losses, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature 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 Transferor Company, whether in India or abroad.
 - (b) All agreements, rights, contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company business activities and operations.

- (c) All intellectual property rights, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Company business activities and operations.
- (d) Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment.
- (e) Right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India.
- (f) All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Company and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised. Provided that, any reference in the security documents or arrangements entered into by the Transferor Company and under which, the assets of the Transferor Company stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that Undertaking of the Transferor Company only as are vested in the Transferee Company by virtue of the Scheme.
- (g) All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees, or the employees of any of their subsidiaries, with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment.

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 meanings ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be.

2. DATE OF TAKING EFFECT

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court under Clause 16 of the Scheme shall be effective from the Appointed Date but shall become operative only from the Effective Date.

The amalgamation of the Transferor Company with the Transferee Company shall be in accordance with Section 2(1B) of the Income-tax Act, 1961.

3. SHARE CAPITAL

- 3.1. The share capital structure of the Transferee Company as per the last audited accounts for the year ended as on March 31, 2013 is as under:

Particulars	Amount in Rs
Authorised	
100,000,000 equity shares of Rs. 10/- each	1,000,000,000
Total	1,000,000,000
Issued and subscribed	
84,639,772 equity shares of Rs. 10/- each fully paid	846,397,720
Less: 758,888 equity shares of Rs. 10/- each fully paid up issued to the Transferee Company employees stock option trust but not exercised by employees	(7,588,880)
Total	838,808,840

Subsequent to March 31, 2013, the Transferee Company has issued 41,41,084 equity shares of Rs 10/- each fully paid up. The revised share capital of the Transferee Company is as under: (as on 16th September, 2013)

Particulars	Amount in Rs
Authorised	
100,000,000 equity shares of Rs. 10/- each	1,000,000,000
Total	1,000,000,000
Issued and subscribed	
88,780,856 equity shares of Rs. 10/- each fully paid	887,808,560
Less: 7,57,950 equity shares of Rs. 10/- each fully paid up issued to the Transferee Company employees stock option trust but not exercised by employees	(7,579,500)
Total	880,229,060

3.2. The share capital structure of the Transferor Company as per the latest audited balance sheet as on March 31, 2013 is as under:

Particulars	Amount in Rs
Authorised	
20,000,000 Equity Shares of Rs. 10/- each with voting rights	200,000,000
Total	200,000,000
Issued, subscribed and fully paid up	
19,938,674 Equity Shares of Rs. 10/- each with voting rights	199,386,740
Total	199,386,740

Subsequent to March 31, 2013, and up to the date of approval of this Scheme by the Board of the Transferor Company, there has been no change in the share capital of the Transferor Company. Further, the entire equity share capital of the Transferor Company is held by the Transferee Company (i.e. the Transferor Company is a wholly owned subsidiary of the Transferee Company).

PART B

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY

4. TRANSFER AND VESTING OF UNDERTAKING

4.1. Upon coming into effect of the Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the entire business and whole of the Undertaking of the Transferor Company, as a going concern, including but not limited to all the debts, liabilities, duties and obligations of every description and also including, without limitation, all the movables and immovable properties and assets comprising amongst others all freehold and leasehold land, all freehold and leasehold buildings, investments, vehicles, furniture and fixtures, computers, office equipment, permits, licenses, authorisations, if any, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall without any further act or deed except as mentioned in Sub Clauses 4.2 to 4.4 below, but subject to the charges affecting the same be transferred and/or deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and liabilities of the Transferee Company.

Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the Transferor Company or the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security therefore after the Effective Date or otherwise.

4.2. All the movable assets of the Transferor Company along with assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, including cash on hand, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, without the need to execute any separate instrument, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date.

4.3. Such delivery and transfer shall be made on a date mutually agreed upon between the Transferor Company and the Transferee Company.

4.4. In respect of any assets of the Transferor Company, other than those mentioned in Sub Clause 4.2 above, including actionable claims, sundry debtors, outstanding loans, income tax refunds, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, the Transferor Company shall, if so required by the Transferee Company, and the Transferee Company may, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the High Courts having sanctioned this Scheme, the relevant debt, loan, income tax refunds, advance or other asset, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realise the same stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

4.5. With effect from the Appointed Date, all debts, liabilities, including contingent liabilities, duties and obligations of the Transferor Company, as on the Appointed Date whether provided for or not in the books of accounts of the Transferor Company, and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or upto the day of the Appointed Date shall, pursuant to the Orders of the High Courts or such other competent authority as may be applicable under provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

4.6. Without prejudice to the above provisions, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company per se shall be considered as intra-party transactions for all purposes from the Appointed Date.

5. CONSIDERATION

As the Transferor Company is a wholly-owned subsidiary of the Transferee Company, no consideration shall be payable pursuant to the amalgamation of the Transferor Company with the Transferee Company, and the equity shares held by the

Transferee Company and along with the joint holders in the Transferor Company shall stand cancelled without any further act, application or deed.

6. ACCOUNTING TREATMENT

- 6.1. On the Scheme becoming effective, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of account with effect from the Appointed Date.
- 6.2. Amalgamation of the Transferor Company with the Transferee Company shall be accounted for in accordance with "Pooling of Interest Method" of accounting as per Accounting Standard – 14 as notified under Section 211 (3C) of the Act.
- 6.3. All assets & liabilities, including reserves, of the Transferor Company shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form as they appear in the financial statement of the Transferor Company.
- 6.4. Amount of share capital of the Transferor Company and the value recorded as investment in the books of the Transferee Company shall be adjusted against each other and difference, if any, shall be adjusted in the Amalgamation Reserve Account in the books of the Transferee Company.
- 6.5. All inter-corporate deposits, loans and advances, outstanding balances or other obligations between the Transferor Company and the Transferee Company, shall be cancelled and there shall be no obligation/outstanding in that behalf.
- 6.6. In case of any differences in accounting policy between the Transferee Company and the Transferor Company, the impact of the same till the Appointed Date will be quantified and recorded in accordance with the applicable Accounting Standards notified under Section 211(3C) of the Act to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

PART C

GENERAL TERMS AND CONDITIONS

7. UTILIZATION OF SECURITIES PREMIUM ACCOUNT IN THE BOOKS OF THE TRANSFEEE COMPANY

- 7.1. Upon the Scheme coming into effect and with effect from the Appointed Date, debit balances in Amalgamation Reserve Account, if any, after giving effect to Clause 6 of this Scheme shall be adjusted against the Securities Premium Account of the Transferee Company.
- 7.2. The application and reduction of the securities premium account, as above shall be effected as an integral part of the Scheme without having to follow the process under Section 78 and Sections 100, 102 and 103 of the Act separately and the order of the High Courts sanctioning the Scheme shall be deemed to be also the order under Section 102 of the Act confirming the reduction. The reduction would not involve either diminution of liability in respect of unpaid share capital or payment of paid up share capital and provisions of Section 101 of the Act will not be applicable.

8. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 8.1. Upon the coming into effect of this Scheme and subject to the provisions of the Scheme and without any further act of the parties, all memoranda of understanding, contracts (including but not limited to customer contracts, service contracts and supplier contracts), schemes, assurances, licences, insurance policies, guarantees, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto.
- 8.2. The Transferee Company shall, if so required or becomes necessary, upon the coming into effect of this Scheme enter into and/or issue and/or execute deeds, writings or confirmations to give effect to the provisions of this Scheme and to the extent that the Transferor Company is required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company, as the case may be.

9. LEGAL PROCEEDINGS

If any legal proceedings including but not limited to suits, summary suits, indigent petitions, appeal, or other proceedings of whatever nature (hereinafter called "**the proceedings**") by or against the Transferor Company is pending as on the Effective Date, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the entire business and Undertaking of the Transferor Company or of anything contained in the Scheme, but the proceedings shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted or enforced by or against the Transferor Company, if the Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.

10. EMPLOYEES OF TRANSFEROR COMPANY

- 10.1. All the permanent employees of the Transferor Company, who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the employees of the Transferee Company, without any break or interruption in service as a result of the transfer and on terms and conditions not less favourable than those on which they are engaged by the Transferor Company immediately preceding the Effective Date. Services of the employees of the

Transferor Company shall be taken into account from the date of their respective appointment with the Transferor Company for the purposes of all retirement benefits and all other entitlements for which they may be eligible. For the purpose of payment of any retrenchment compensation, if any, such past services with the Transferor Company shall also be taken into account.

10.2. On and from the Effective Date, the services of the employees of the Transferor Company will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of membership and the application of the rules or bye-laws of provident fund or gratuity fund or pension fund or superannuation fund or other statutory purposes as the case may be.

- 10.3. It is provided that as far as the provident fund, gratuity fund and pension and / or superannuation fund or any other special fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company in respect of the employees transferred with the entire business and Undertaking of the Transferor Company for all purposes whatsoever relating to the administration or operation of such funds or trusts or in relation to the obligation to make contribution to the said funds or trusts in accordance with the provisions of such funds or trusts as provided in the respective trust deeds or other documents. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds or trusts shall become those of the Transferee Company. The trustees including the Board of Directors of the Transferor Company and the Transferee Company or through any committee / person duly authorised by the Board of Directors in this regard shall be entitled to adopt such course of action in this regard as may be advised provided however that there shall be no discontinuation or breakage in the services of the employees of the Transferor Company.

11. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

With effect from the Appointed Date and upto and including the Effective Date:

- 11.1. The Transferor Company shall carry on and be deemed to have been carrying on its business and activities and shall stand possessed of and hold all of the Undertaking for and on account of and for the benefit of and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 11.2. The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence and shall not without the prior consent in writing of any of the persons authorised by the Board of Directors of the Transferee Company, (i) sell, alienate, charge, mortgage, encumber or otherwise deal with or dispose of the assets comprising the Undertaking or any part thereof or undertake any financial commitments of any nature whatsoever, except in the ordinary course of business (ii) nor shall it undertake any new business or substantially expand its existing business.
- 11.3. All the profits or income, taxes (including advance tax, tax deducted at source and MAT Credit) accruing or arising to the Transferor Company or expenditure or losses arising to or incurred or suffered by the Transferor Company, with effect from the said Appointed Date shall for all purposes and intents be treated and be deemed to be and accrue as the profits, incomes, taxes, tax losses, MAT Credit, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- 11.4. The Transferor Company shall not alter its equity capital structure either by fresh issue of shares or convertible securities (on a rights basis or by way of bonus shares or otherwise) or by any decrease, reduction, reclassification, sub-division, consolidation, re-organisation or in any other manner, except by and with the consent of the Board of Directors of the Transferee Company.
- 11.5. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

12. DIVIDENDS

The Transferor Company shall not declare any dividend for the period commencing from and after the Appointed Date without the prior written consent of the Transferee Company.

13. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the entire business and Undertaking of the Transferor Company pursuant to this Scheme, and the continuance of proceedings under Clause 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

14. DISSOLUTION OF THE TRANSFEROR COMPANY

- 14.1. On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and without any further act by the parties.
- 14.2. On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the appropriate Registrar of Companies. The Transferee Company shall make necessary filings in this regard.
- 14.3. Even after the Scheme becoming effective, the Transferee Company shall be entitled to operate all bank accounts relating to Transferor Company and realize all monies and complete and enforce all pending contracts and transactions in the name of Transferor Company insofar as may be necessary until the transfer and vesting of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally effected by the parties concerned.

15. APPLICATIONS/PETITIONS TO THE HIGH COURTS AND APPROVALS

- 15.1. The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make and file all applications under Sections 391 to 394 read with Sections 78, 100 to 104 and other applicable provisions of the Act to the High Courts, for sanction of this Scheme and for dissolution of the Transferor Company.

15.2. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.

16. MODIFICATIONS/AMENDMENTS TO THE SCHEME

16.1. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may make and/or consent to any modifications/amendments to the Scheme, or to any conditions or limitations that the High Courts or any other Government Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the High Courts or such other Government Authority, or make any modifications / amendments to the Scheme in pursuance of a change in law or otherwise. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions 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.

16.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s) of the Transferor Company and/or the Transferee Company may give and are hereby authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulties that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

17. VALIDITY OF EXISTING RESOLUTIONS, ETC

Upon the coming into effect of the Scheme, the resolutions of the Transferor Company as are considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company.

18. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

18.1. The Scheme is conditional upon and subject to:

18.1.1. approval of the Scheme by the requisite majority of each class of the respective members and creditors of the Transferor Company and the Transferee Company, in terms with the applicable provisions of the Act;

18.1.2. sanctions and orders under the provisions of Section 391 read with Section 394 and Sections 78, 100 to 104 of the Act being obtained by the Transferor Company and the Transferee Company from the respective High Courts;

18.1.3. the certified or authenticated copies of the orders of the respective High Courts sanctioning this Scheme being filed with the appropriate Registrar of Companies; and

18.1.4. any other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

19. EFFECT OF NON RECEIPT OF APPROVALS/SANCTIONS

19.1. In the event of any of the said approvals referred to in Clause 18 above not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the respective High Courts and/or order or orders not being passed as aforesaid at a date as may be mutually agreed upon by the respective Board of Directors of the Transferor Company and the Transferee Company (who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s)), this Scheme shall stand revoked, cancelled and be of no effect.

19.2. The Boards of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme could have adverse implications on the Transferor Company and/ or the Transferee Company.

19.3. If any part of this Scheme hereof is invalid, ruled illegal by any High Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme.

20. COSTS AND EXPENSES

All costs, charges, taxes including duties and levies and all other expenses in relation to or in connection with carrying out and completing the terms and conditions of this Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company.

Ref: DCS/AMAL/RD/24(f)/314/2013-14

November 18, 2013

The Company Secretary
Mahindra Holidays & Resorts India Limited
17/18, Patullos Road
Mahindra Towers
Chennai – 600 002.

Dear Sir,

Sub: Observation letter regarding the Scheme of Amalgamation / Arrangement involving merger of Bell Tower Resorts Private Limited with Mahindra Holidays & Resorts India Limited

We refer to your draft Scheme of Amalgamation / Arrangement under Sections 391 to 394 of the Companies Act, 1956 involving merger of Bell Tower Resorts Private Limited with Mahindra Holidays & Resorts India Limited.

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013, SEBI has vide its letter dated November 13, 2013 given the following comments on the draft scheme of arrangement:

"The company shall duly comply with various provisions of the Circulars".

Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

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.

The Exchange reserves its right to withdraw its No-objection/approval 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.

Yours faithfully,



Jayesh Ashtekar
Manager



Bhuvana Sriram
Deputy Manager



Ref: NSE/LIST/221710-X

November 15, 2013

The Company Secretary
Mahindra Holidays & Resorts India Limited
17/18, Patullos Road,
Mahindra Towers,
Chennai - 600002

Kind Attn.: Mr. Dinesh Shetty

Dear Sir,

Sub.: Observation letter for Scheme of Amalgamation and Arrangement of Bell Tower Resorts Private Limited with Mahindra Holidays & Resorts India Limited

We are in receipt of the draft Scheme of Amalgamation and Arrangement of Bell Tower Resorts Private Limited with Mahindra Holidays & Resorts India Limited and their shareholders and creditors under Sections 391 to 394 read with sections 78, 100 to 104 and other applicable provisions of the Companies Act, 1956.

We have perused the draft Scheme of Amalgamation and Arrangement and the related documents /details submitted by Mahindra Holidays & Resorts India Limited including the confirmation of the Company Secretary that the scheme so submitted does not in any way violate, over-ride or circumscribe the provisions of Securities Laws or the Stock Exchange requirements.

Pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI vide its letter dated November 13, 2013, has given following comments on the draft scheme of arrangement: "The company shall duly comply with various provisions of the Circulars."

Accordingly, we do hereby convey our 'no-objection' with limited reference to those matters having a bearing on listing / delisting / continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Company to file the scheme with the Hon'ble High Court. The validity of the "Observation Letter" shall be six months from November 15, 2013, within which the scheme shall be submitted to the Hon'ble High Court.

However, the Exchange reserves its right to withdraw this No-objection approval 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.



Ref: NSE/LIST/221710-X

November 15, 2013

Kindly also note that Pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

- a) Copy of the High Court approved Scheme;
- b) Result of voting by shareholders for approving the Scheme;
- c) Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
- d) Status of compliance with the Observation Letter/s of the stock exchanges
- e) The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f) Complaints Report as per Annexure II of this Circular.

Yours faithfully,
For National Stock Exchange of India Limited

Vishal Patelia

Vishal Patelia
Manager

71

**Complaint Report: Mahindra Holidays & Resorts India Limited
from 30th September, 2013 to 21st October, 2013**

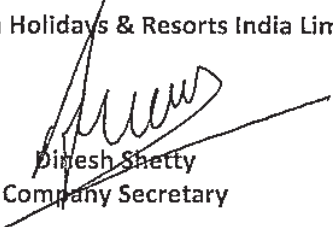
Part A

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

Part B

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

For Mahindra Holidays & Resorts India Limited


Dinesh Shetty
Company Secretary



IN THE HIGH COURT OF JUDICATURE AT MADRAS

(Ordinary Original Civil Jurisdiction)

COMPANY APPLICATION NO. 1349 OF 2013

In the matter of the Companies Act, 1956 (1 of 1956)

AND

In the matter of Section 391 read with Sections 78, 100 to 104 of the Companies Act, 1956

AND

In the matter of Scheme of Amalgamation & Arrangement of Bell Tower Resorts Private Limited with Mahindra Holidays & Resorts India Limited and their shareholders and creditors

Mahindra Holidays & Resorts India Limited

a Company incorporated under the Companies Act, 1956, having its Registered Office at Mahindra Towers, 2nd floor, No. 17/18, Patullos Road, Chennai – 600 002, Tamil Nadu represented by Dinesh Shetty, Company Secretary

..... Applicant/Transferee Company

FORM OF PROXY

I/We, the undersigned Equity Shareholder(s) of Mahindra Holidays & Resorts India Limited hereby appoint _____ of _____ and failing him/her _____ of _____ as my/our proxy to act for me/us on my/our behalf at the Court Convened Meeting of the Equity Shareholders of Mahindra Holidays & Resorts India Limited to be held on Wednesday, 19th day of February, 2014 at 3.00 p.m. at 4th Floor, Mahindra Towers, No. 17/18 Patullos Road, Chennai – 600 002 for the purpose of considering and if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Amalgamation & Arrangement of Bell Tower Resorts Private Limited with Mahindra Holidays & Resorts India Limited at such meeting and at any adjournment or adjournments thereof to vote for me/us and in my/our name _____, (here, if 'for', insert 'for', if 'against' insert 'against', and in the latter case, strike out the words below after "Scheme of Amalgamation & Arrangement") the said arrangement embodied in the Scheme of Amalgamation & Arrangement and the resolution, either with or without modification, as my/our proxy may approve.

[Strike out what is not necessary]

Dated this _____ day of _____ 2014

Name : _____

Address : _____

Folio No./Client ID		D.P. ID		No. of Shares	
---------------------	--	---------	--	---------------	--

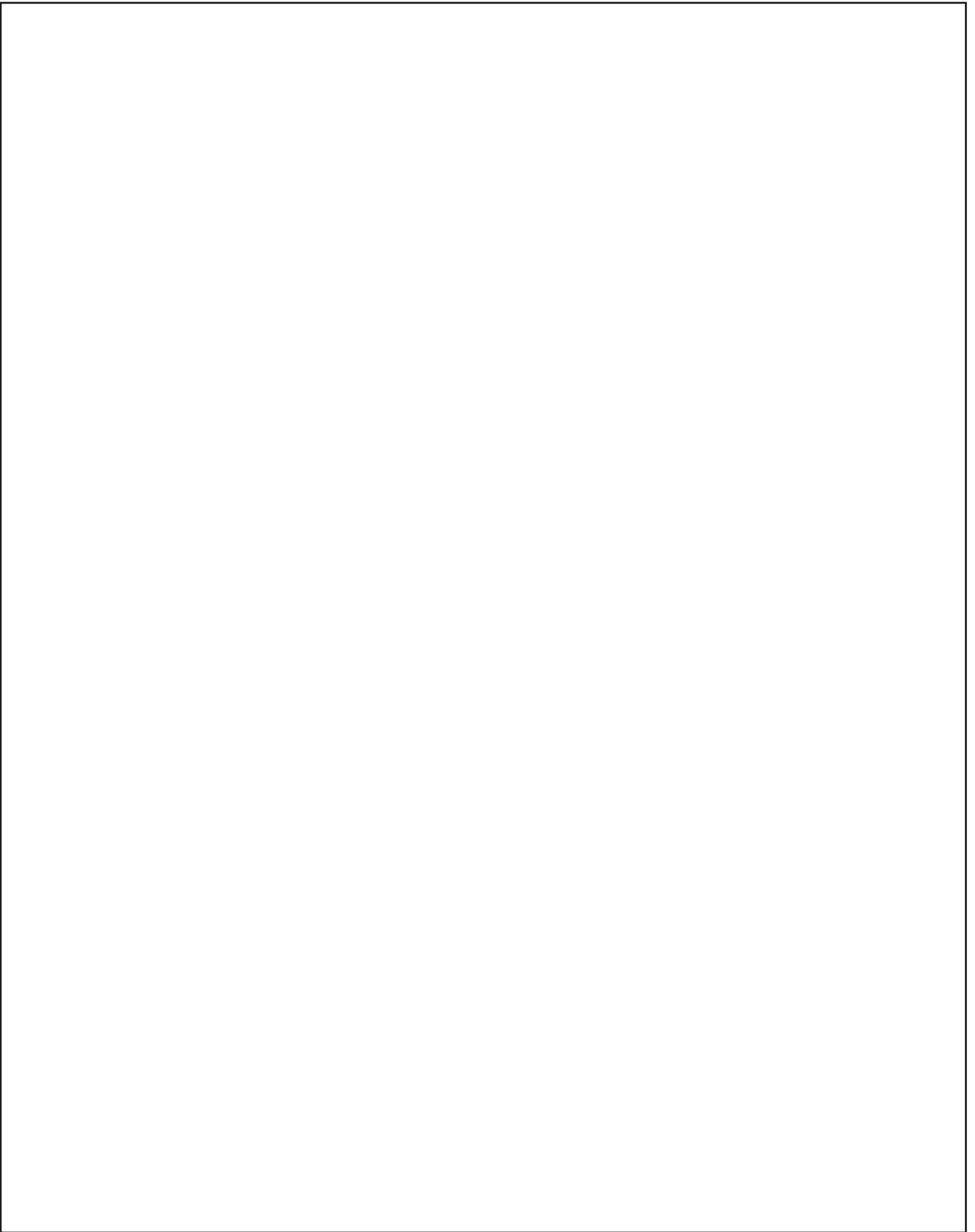
SIGNATURE : _____

Affix Re.1
Revenue
Stamp

NOTES:

1. All alterations made in the Form of Proxy should be initialed.
2. Proxy, in order to be effective, to be deposited at the registered office of the Company at Mahindra Towers, 2nd floor, No. 17/18, Patullos Road, Chennai – 600 002, Tami Nadu, not later than 48 hours before the meeting.
3. Please affix revenue stamp before putting signature.
4. In case of multiple proxies, the proxy later in time shall be accepted.
5. Proxy need not be a shareholder of the Applicant Company.

Signature across the stamp





MAHINDRA HOLIDAYS & RESORTS INDIA LIMITED

Regd. Office: Mahindra Towers, 2nd Floor, No. 17/18 Patullos Road, Chennai – 600 002, Tamil Nadu

ATTENDANCE SLIP

(PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL)

DP ID*		Folio No.	
Client ID*		No. of shares held	

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

.....
.....

NAME AND ADDRESS OF THE PROXY HOLDER (in Block Letters, to be filled in by the Proxy attending instead of the Equity Shareholders):

.....
.....

I hereby record my presence at the Court Convened Meeting of the Equity Shareholders of Mahindra Holidays & Resorts India Limited, the Applicant Company, convened pursuant to the Order dated 9th day of December 2013 of the Hon'ble High Court of Judicature at Madras of the Equity Shareholders of the Company on Wednesday, the 19th day of February, 2014 at 3.00p.m.

Signature of the Equity Shareholder/ Proxy holder :

*Applicable for shareholders holding share(s) in dematerialized form.

Notes:

1. Equity Shareholders attending the Meeting in person or by Proxy or through authorised representative are requested to complete and bring the Attendance Slip and hand it over at the entrance of the meeting hall after affixing their signature on it.
2. Equity Shareholders who come to attend the meeting are requested to bring with them copy of the Notice and Scheme of Amalgamation & Arrangement.
3. Joint Shareholders may obtain additional attendance slip at the venue of the meeting.

