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**MEMORANDUM OF ASSOCIATION  
AND  
ARTICLES OF ASSOCIATION  
OF  
TV VISION LIMITED**

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सत्यमेव जयते

प्रारूप 1  
पंजीकरण प्रमाण-पत्र

कार्पोरेट पहचान संख्या : U64200MH2007PTC172707

2007 - 2008

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

TV VISION PRIVATE LIMITED

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) के अंतर्गत आज किया जाता है और यह कम्पनी प्राइवेट लिमिटेड है।

यह निगमन-पत्र आज दिनांक तीस जुलाई दो हजार सात को मेरे हस्ताक्षर से मुंबई में जारी किया जाता है।

Form 1

Certificate of Incorporation

Corporate Identity Number : U64200MH2007PTC172707

2007 - 2008

I hereby certify that TV VISION PRIVATE LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is private limited.

Given under my hand at Mumbai this Thirtieth day of July Two Thousand Seven.



*Shyam Sunder*

(SHYAM SUNDER .)

कम्पनी रजिस्ट्रार / Registrar of Companies

महाराष्ट्र, मुंबई  
Maharashtra, Mumbai

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

TV VISION PRIVATE LIMITED

ADHIKARI CHAMBER OBEROI COMPLEX NEW LINK ROAD, ANDHERI (W),

MUMBAI - 400053,

Maharashtra, INDIA

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय  
कम्पनी रजिस्ट्रार कार्यालय, महाराष्ट्र, मुंबई

लिमिटेड कम्पनी के रूप में परिवर्तित होने के परिणामस्वरूप, कम्पनी के नाम में परिवर्तन का नया  
निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U64200MH2007PLC172707

मैसर्स TV VISION PRIVATE LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

TV VISION PRIVATE LIMITED

जो मूल रूप में दिनांक तीस जुलाई दो हजार सात को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स

TV VISION PRIVATE LIMITED

के रूप में निगमित की गई थी, और उसके द्वारा कम्पनी अधिनियम, 1956 की धारा 44 के साथ पठित धारा 31/21 की शर्तों के अनुसार विधिवत  
आवश्यक विनिश्चय दिनांक 13/06/2011 को पारित किया है, उक्त कम्पनी का नाम परिवर्तित होकर आज मैसर्स

TV VISION LIMITED

हो गया है तथा यह प्रमाण-पत्र उक्त अधिनियम की धारा 23(1) के अनुसरण में जारी किया जा रहा है।

यह प्रमाण-पत्र, आज दिनांक तेईस जून दो हजार ग्यारह को मुंबई नगर में जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS  
Registrar of Companies, Maharashtra, Mumbai

Fresh Certificate of Incorporation Consequent upon Change of Name on  
Conversion to Public Limited Company

Corporate Identity Number : U64200MH2007PLC172707

In the matter of M/s TV VISION PRIVATE LIMITED

I hereby certify that TV VISION PRIVATE LIMITED which was originally incorporated on Thirtieth day of July Two Thousand Seven under the Companies Act, 1956 (No. 1 of 1956) as TV VISION PRIVATE LIMITED having duly passed the necessary resolution on 13/06/2011 in terms of Section 31/ 21 read with Section 44 of the Companies Act, 1956; the name of the said company is this day changed to TV VISION LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given at Mumbai this Twenty Third day of June Two Thousand Eleven.

Registrar of Companies, Maharashtra, Mumbai

कम्पनी रजिस्ट्रार , महाराष्ट्र, मुंबई

\*Note: The corresponding form has been approved by M KANNAN, Deputy Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.

The digitally signed Certificate can be verified at the Ministry website ([www.mca.gov.in](http://www.mca.gov.in)).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

TV VISION LIMITED

4th Floor, Adhikari Chambers, Oberoi Complex,, New Link Road, Andheri(West),,

Mumbai - 400053,

Maharashtra, INDIA



**THE COMPANIES ACT, 1956**

**COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**

**OF**

**TV VISION LIMITED**

- I. The name of the Company is **TV VISION LIMITED**.
- II. The Registered Office of the Company will be situated in the State of Maharashtra i.e. within the jurisdiction of Registrar of Companies, Maharashtra at Mumbai.
- III. The objects for which the Company is established are:
  - (A) **THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:**
    1. To carry on the business of communications, media, by any means including with the advanced techniques of computer technology and to design, develop, maintain, market, buy, import, export, sell, media, organizing celebrity management, media endorsement, star appearance, corporate launches, entertainment programs, film branding, event management, corporate events, promotion, fashion shows, road shows, festivals, exhibitions, trade fairs, electronic media designing, providing online support services for related business, processes and activities and providing information technology support service.
    2. To carry on the business of production of television programmes, television serials, films, news based programmes, current affair programmes, talk shows, chat shows, game shows and any other entertainment based content, programmes in different Indian & other regional languages to broadcast on satellite television, cable,

broadband, web, internet, radio and any other broadcast medium and to print, publish, sell and market newspapers, magazines and any other print form of content publication in regional languages and to deal in establishing, maintaining and managing studios, television channels and film production equipment and facilities, producing, buying, selling, import and export of content and information in print, audio, video and any other form and also to carry on business as broadcasters, channel operators, publishers in India and abroad.

**(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO ATTAINMENT OF THE MAIN OBJECTS ARE:**

3. To enter into agreements or to do all acts necessary to enter into partnerships or into any arrangement or agreement or to take membership with any person, agency, firm, association or body corporate in India or abroad to carry on the business of Television Channel operation & management, content production, news gathering & broadcasting of news and current affairs related programmes through television, radio, web, internet, broadband & also to carry on the business of buying, selling, trading, & exporting programmes for television, satellite television, cable television & radio programs and to establish links via satellites, downlinks and uplinks, through TVRO's, Reception systems and also to establish, maintain, and manage Television and or Radio centers, studios for production of serials and export thereof.
4. To enter into negotiations with foreign companies and other persons and acquire by grant, purchase, lease, license or other terms, satellite transmission arrangements and other rights and benefits and to obtain financial and/or technical collaboration, technical information, know-how and expert advice on Television, Media and Production of films and television programs.
5. To carry on the business as advertising and media agents, consultants and to produce and procure advertising and other publicity and promotion materials in furtherance of the main object of the Company.
6. To purchase, take on hire or otherwise acquire, Film and Television and Video with the exhibiting, distributing and renting of the same and to sell, give on hire or otherwise the films, talkies and the rights so acquired and the Company's production with their exhibiting, distributing and renting rights.
7. To erect, construct, purchase, take on lease or hire or otherwise acquire and maintain, to carry on the business of films, production studios, laboratories, cinemas, processing, picture places, halls, theatres, concert halls, lands, theatrical companies, touring talkies and all other kinds of buildings necessary or required for any of the business of the Company.

8. To make, purchase, take on lease or hire or otherwise acquire and deal in cinematographic television and video films, cameras, lightning sets, sound recording and sound machines, instruments, tools, apparatus, dresses, costumes, furniture, furnishing and decorating material chemicals and all other machinery, instruments, materials and things required for or in connection with any of the business hereby authorised.
9. To import foreign films, television and video machinery, apparatus, cameras and other cinematographic equipment and export Indian films to foreign countries.
10. To acquire, build, purchase, construct, take on lease or otherwise, acquire at any place in any part of the country and abroad any theatre halls, musical halls, rooms, any halls or place which will be dealt with, utilized for the purpose of carrying on business of production, distribution of the feature films, documentary films, cinematographic films, telefilms and any other audio-visual software.
11. To negotiate loans, underwriting contracts, mortgages, equity participation, cash credits, overdraft and other financial facilities from banks, financial institutions, government or semi government bodies and others or on behalf of companies, firms, societies, associations and others.
12. To acquire by purchase, lease, rent or otherwise deal in lands, buildings and hereditaments of any tenure or description and any interest therein and any rights over or connected with lands so situated and to turn the same to account as may be deemed expedient for the purpose of business of the Company.
13. To enter into contracts, agreements and arrangements with any other company, licensees, persons, firms, trust, or any other party whether in India and abroad for the carrying out by such other company or party on behalf of the company of any of the objects for which the company is founded.
14. To enter into contracts with Governments, whether local, provincial or central, in the Union of India and abroad.
15. To pay out of the funds of the company all expenses which the company may lawfully pay off, or incidental to the formation, registration of and advertising of or raising money for the company and the issue of its capital including brokerage and commissions for obtaining applications for placing or underwriting or procuring the underwriting of shares, debentures or debenture-stock and to apply at the cost of the company to any competent authority for the extension of the company's powers.
16. To obtain any order or license of any Government or of any other authority of any legislature for establishing the company to carry any

of its objects into effect or for effecting any modification of the company's constitution or for any other purpose which may seem expedient, and to oppose any proceedings or applications, which may seem calculated to prejudice the company's interests.

17. To enter into any arrangements with any Government authorities, municipal, local or otherwise or any persons or company that may seem conducive to the objects of the company or any of them and to obtain from any such Government authority, person or company any rights, privileges, charters, contracts, finance, licenses and concessions including in particular rights in respect of railway, waterways, roads and highways, which the company may think fit desirable and carry out, exercise and comply therewith.
18. To form, constitute, promote, subsidise, organise and assist or aid in forming, constituting, promoting, subsidising, organising and assisting or aiding any company or companies, of all kinds for the purpose of acquiring all or any of the property, rights and liabilities of this company, or for carrying on any business which this company is authorised to carry on or to promote or advance the interest of this company.
19. To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances of any business concern or undertaking and generally of any assets, property or rights and to provide for their remuneration by payment in cash or otherwise having similar objects.
20. To do the business or branch of a business, which this company is authorised to carry on, by means, or through the agency of any subsidiary company or companies, and to enter into any arrangement with such subsidiary company for taking the profits and bearing the losses of any business or branch as carried on, or for financing subsidiary company or guaranteeing its liabilities, or to make any other arrangement which may seem desirable with reference to any time and either temporarily or permanently to close any such branch or business.
21. To adopt such means of making to the public the business of this company and in particular by giving prizes, awards and donations or advertising in the press by circulars, by hoardings, posters, placards, publication of books, journals, banners subject to the provisions of the Companies Act, 1956.
22. To establish agencies in India and abroad for sale and purchase and regulate and discontinue the same for the business of the Company.
23. To nominate directors or managers of any subsidiary company in which this company is or may be interested.

24. To send out to foreign countries Directors, Employees, in promoting the interest of the company and to pay all the expenses incurred in this connection.
25. To take part in the management, supervision and control of the business or operations of any company or undertaking.
26. For the purpose mentioned in the preceding clause, to appoint and remunerate any directors, trustees, accountants or other experts or agents.
27. To purchase, take on lease or hire or otherwise acquire any movable or immovable property and rights or privileges which the company may think necessary or convenient for the purpose of its business and in particular, any vehicle, ship or such other craft, any land, buildings, easements and stock-in-trade and either to retain any property acquired for the purpose of the company's business or to turn the same to account as may seem expedient.
28. To let, lease, sell, re-sell, part with transfer, purchase, mortgage, charge or otherwise with the company's undertaking, buildings, or other property or any part of thereof belonging to the company, or which may be deemed necessary or convenient for the purpose of company's business or may be thought desirable.
29. To sell, lease, mortgage, grant licenses, easements and other rights over and in any other manner deal with or dispose of the undertaking, property, assets, rights and effects of the company, may think fit, and in particular, for shares, debentures or securities of any of the company, to promote any other company or companies for the purpose of its or their acquiring all or any of the property, rights or liabilities of the company.
30. To amalgamate, enter into any partnership or acquire the whole or any part of the business, property and liabilities of, or acquire any interest in the business or undertaking of, or enter into partnership or any arrangement for sharing into partnership or any arrangement for sharing profits or losses, or for any union of interest, joint ownership, joint venture, franchisee arrangement whether domestic or international, reciprocal concession or co-operation with any person, association of persons, firm or company, carrying on or engaged in or about to carry on engage in business or transaction, which the company is or may authorised to carry on for mutual assistance, with any such person, association, firm or company and to form subsidiaries and to own and hold the investments in the same.
31. To purchase, take on lease or license or, hire or otherwise any real and/or personal property and any rights or privileges and advantages of any kind whatsoever which the company may think necessary or convenient for the purpose of its business or may enhance the value of any other property of the company and, in particular, any land (freehold, leasehold, or other tenure), tenements, buildings,

easements, machinery, plant and stock-in-trade and on any such lands, to erect buildings, in factories, sheds, godowns, or other structures for the works and purposes of the company, and also for the residence and amenity of its employed staff and other workmen and erect and install machinery and plant and other equipments deemed necessary or convenient or profitable for the purpose of the company and either to retain any property to be acquired for the purpose of the company's business or to re-sell, mortgage, let on lease and or otherwise deal with or to turn the same to account as may seem expedient.

32. To establish or promote or concur in establishing or promoting any company or companies having similar objects for the purpose of acquiring all or any of the property, rights and liabilities of the company or for any other purpose and to place or guarantee the placing of, underwrite, subscribe for or otherwise, acquire all or any part of the shares, debentures or other securities of any such other company.
33. To enter into any arrangement with any state or the Union Government or Authority, Municipal or Local authorities or other persons or firms or otherwise that may seem conducive to the attainment of the company's objects or any of them and to apply for and to obtain or to purchase or otherwise acquire from any such Government, Municipal or Local authorities or other persons or firms all monopolies, rights, concessions, licenses, grants, decrees, sanctions, powers and privileges whatsoever which the company may think beneficial or desirable to obtain and to carry out exercise and comply with any such arrangements, rights, privileges and concessions for the benefit of this company.
34. To apply to promote and obtain any act, charter, privilege, concession, licenses order or municipality provisional order or license or any authority for enabling the company to carry any of its objects into effect, or for extending any of the powers of the company or for effecting any modification of the company's constitution, or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly, to prejudice the company's interest.
35. To apply for, purchase or otherwise acquire, and protect and renew in any part of the world, any patents, patent rights, brevet invention, trademarks, designs, licenses, concessions and the like conferring any absolute exclusive, non-exclusive or limited right to their use or any secret or other information as to any invention which may seem capable of being used for any of the purpose of the company or and to sue, exercise develop or grant licenses in respect of or otherwise turn to account the property, rights or information so acquired and to expend money in experimenting upon, testing or improving any such patents, inventions, rights or information.

36. To become member of association or company or members of any chamber of commerce or other body or association of business trade or industries.
37. To procure the recognition of the company in any country, state or place and to apply for or join in applying to any parliament, government, local municipal or other authority or body, India, British Common Wealth or foreign for any act, or laws, decrees and concessions.
38. To refer, or agree to refer, any claim, demand, dispute or any other question, by or against the company, or in which the company is interested or concerned, and whether between the company and a member(s) or his or their representatives, or between the company and third parties, to arbitration in India or at any place outside India, and to observe and perform and to do all acts, deeds, matters and things to carry out or enforce the awards.
39. To lend and advance money with or without security or to give credit to such persons, firms, companies or corporations and on such terms as may seem expedient and in particular, to customers and others having dealing with the company.
40. To undertake and execute any trusts, the undertaking of which may seem to the company desirable for the benefit of employees or former employees.
41. Subject to the provisions of the Companies Act, 1956, to distribute among the members in specie, any property of the company, or any proceeds of sale or disposal of any property of the company, in the event of winding up.
42. To insure the whole or any part of the property of the company, either fully or partially, to protect and indemnify the company from liability or loss in any respect, either fully or partially and also to insure and to protect thereof, either on mutual principle or otherwise.
43. To carry out in India and abroad, all or any part of the company's objects as principal, agents, carrier, broker, underwriter, insurer, factor, trustee, contractor, or otherwise, either alone or in conjunction with any other person, firm, association, corporate body, municipality, province, state or government or colony or dependency thereof.
44. To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in India and in any or all states, territories, possessions, colonies and dependencies there and in any or all foreign countries, and for the purpose to have and maintain and to discontinue such number of offices and agencies therein as may be convenient.
45. To stand guarantors and be surety or answerable for the debts or defaults of any person, firm or company arising on contracts for

payment or repayment of moneys or loans or the fulfillment of any obligation or performance by any such person, firm or company, and to enter into contracts of indemnity or guarantee on such terms and conditions as may seem necessary or expedient for effecting the same.

46. To create any depreciation fund, reserve fund, sinking fund, reserve fund, insurance fund, equalisation fund for dividend or any special or other fund, whether for depreciation or for repairing, improving, extending, or maintaining any of the property or properties of the company or for redemption of debenture or redeemable preference shares or for any other purpose whatsoever conducive to the interest of the company.
47. To furnish and provide deposits and guarantee any funds required in relation to any tender or application for any contract, concession, decree, enactment, property or privilege or in relation to the carrying out of any contract, concession, decree or enactment subject to the provisions of Companies Act, 1956.
48. To own, establish, or have and maintain branches and agencies all over India and abroad for serving its business.
49. To open, maintain, adjust, start or close account of all nature and description with any Bank or Banks as may from time to time be thought fit and to operate upon and pay into or withdraw money from such accounts and do all acts necessary for the purpose or outside India.
50. To act as agents of any other person/s or any other company in the interests of the company, with or without remuneration.
51. To mortgage and charge the whole or any part of the undertaking and all or part of the movable and immovable property present or future and all or any part of the uncalled capital for the time being of the company and to create issue at par or at premium or discount or for such consideration as may be thought fit debentures, mortgage debentures and debenture stock payable to bearer or otherwise and either permanent or redeemable or repayable and collaterally or further, to secure any securities of the company by a Trust Deed or other assurances.
52. To indemnify Officers, Directors, Promoters and Servants of the company against proceedings, costs, damages, claims and demands in respect of anything done, or ordered to be done, and in the interests of the company or for any loss or damage or misfortune whatsoever which happens in execution of the duties of their office or in relation thereto.
53. To open all kinds of Bank Accounts, and to operate the same.
54. To subscribe, contribute or guarantee money for any general or useful object or funds or political parties or institutions and to aid pecuniarily

or otherwise any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or trouble or the promotion of industry or trade.

55. To issue debentures, debenture-stock, bonds, obligations and securities of all kinds and to frame, constitute and secure the same, as may seem expedient, with full power to make the same transferable by delivery or by instrument of transfer or otherwise and either perpetual or terminable and either redeemable or otherwise and to charge or secure the same by trust deed or otherwise on the undertaking of the company or upon any specific property and rights, present and future, of the company including, if thought fit, uncalled capital or otherwise howsoever.
56. To invest and deal with moneys and funds belonging or entrusted to the company, not immediately required in land, buildings, bullion, commodities, shares, debentures, articles, goods, negotiable instruments, advances against ships, vessels, vehicles, air crafts or such other crafts or any movable or immovable property or rights, government, municipal and other bonds and securities and in such other investment and in such manner as may from time to time be determined and to vary such investments and transactions and to lend moneys on such terms with or without security as may seem expedient and in particular to customers and other having dealings with the company and to guarantee the performance of contracts by any such persons.
57. To let any portion of any premises for residential, trade or business purposes or other private or public purposes and to collect rents and income and to supply to tenants and occupiers and others, refreshments, clubs, public halls, massagers, lights, waiting rooms, reading rooms, meeting rooms, libraries, laundry conveniences, electric conveniences, garages and other amenities.
58. To insure or guarantee the payment of advances, credits, bills of exchange and other commercial obligations or commitments of every description as well as the fulfillment of contracts and other trading and commercial transactions of every description, whether at home or abroad and to indemnify any person against the same and to guarantee the payment of money secured by or payable under or in respect of any debentures, debenture stock, bond, mortgage, charge, security, contracts or obligations of any persons or corporation or any authority, supreme, municipal, local or otherwise.
59. To undertake any advisory, clerical or similar work for the business of the Company.

**(C) OTHER OBJECTS:**

60. To carry on the business of an investment company and to invest in shares or securities of group companies and to underwrite, sub-underwrite, to invest in, acquire and hold, sell, buy or deal,

whether as brokers or sub brokers or otherwise, in shares, debentures, debenture-stocks, bonds, units, obligations and securities issued or guaranteed by Indian or foreign governments, State, Dominions, sovereigns, municipalities, or public authorities or Bodies and shares, stocks, debentures, debenture-stocks, bonds, obligations, derivatives, futures and options and securities issued and guaranteed by any company, corporation, firm or person whether incorporated or established in India or elsewhere and to act as share broker, share sub-broker & stock broker.

61. To carry on and provide services and to act as financial advisers, management consultants, personal and corporate investment and finance portfolio managers, direct, indirect and allied tax consultants to companies, firms or persons either by themselves or in partnership with others and to perform all the several duties, services and offices of secretaries, treasurers and/or agents of any company.
62. To provide all types of financial services including raising and placement of funds, placement of securities, advising on investment of funds, act as financial consultants, asset management consultants, project counseling and advisory services, foreign exchange advisory services, syndication of funds, portfolio investment consultants in respect of shares, debentures, securities, bonds, units, obligations, tax planning consultants.
63. To undertake the work of advertising on television and other audio-visual media and for that purpose to design posters, picture cards and hoardings and other publicity material and undertake the work of erecting and maintaining hoardings, enter into and execute show and other similar for of entertainment, carry on the business of conceiving sets and models for motion and video pictures for use in studio or on location.
64. To carry on and provide services and to act as financial advisers, management consultants, personal and corporate investment and finance portfolio managers, direct, indirect and allied tax consultants to companies, firms or persons either by themselves or in partnership with others and to perform all the several duties, services and offices of secretaries, treasurers and/or agents of any company.
65. To acquire, hold and utilize musical rights of every description and arrange for their commercial or non-commercial production and reproduction either itself or through third parties for commercial or non-commercial exploitation of the same.
66. To copyright, print, re-print, publish, manufacture, copy, distribute, exploit, vend, purchase, obtain on license or otherwise acquire, sell, offer for sale, transfer, grant, license and dispose of, translate, make versions of, dramatise, arrange, adapt, transpose, transcribe, perform, represent, record, produce, reproduce, make or procure the making of any transcription or record, deal in or otherwise use music, musical compositions, numbers and works and literary and dramatic

works / property and materials, pictures, photographs, sketchings, drawings or the reproductions of any of them and the copyrights thereon in and every form and manner and by any and every method and means, now or hereafter known or in existence, and any and all rights and interests therein and thereto, of every nature and description anywhere in the world.

67. To acquire, build, purchase, construct, take on lease or otherwise, acquire at any place in any part of the country and abroad any theatre halls, musical halls, rooms, any halls or place which will be dealt with, utilized for the purpose of carrying on business of production, distribution of the feature films, documentary films, cinematographic films, telefilms and any other audio-visual softwares.
68. To carry on the business of general music and book publishers and printers and of recording and video company and of compilers, publishers and binders of books, sheet music, scores, librettos and to engage, provide and employ or to act as agents in the engaging, providing and employing of authors and composers of musical and dramatic compositions of all kinds, printers, engravers, general and trade printers, book binders, arrangers and dealers, proprietors and publishers of every description, advertising and publicity agents, consultants and contractors, press and literary agents and stationers.
69. To carry on the business of managing artists.
70. To carry on the business of manufacturers, producers, processors, bleachers, dyers, ginners, spinners, importers, exporters, buyers, sellers and dealers in all kinds of yarns and fibers, whether synthetic, artificial silk, linen, cotton, wool, jute and any other fibers or fibrous materials, allied products, by products and substitutes for all or any of them, wool combers, worsted spinners, woolen spinners and to treat and utilise any waste arising from any such manufacture, production or process.
71. To carry on in India or abroad business in the virtual world, cyberspace world, real world, or otherwise in the fields of manufacturing, developing, importing, exporting, financing, buying, selling, distributing, transferring, leasing, hiring, licensing, using, disposing-off, operating, fabricating, constructing, assembling, recording, maintaining, repairing, reconditioning, working, altering, converting, improving, procuring, installing, modifying and to act as consultant, agent, broker, franchiser, job worker, representative, advisor or otherwise to deal in all kinds of computers, calculators, micro processors, electronic and electrical apparatuses, software, electronic-commerce and application development thereof, all cyberspace related business, electronic-entertainment application development, electronic - business, ERP consulting, re-engineering, migration, SAP, oracle/or any other such software, training, recruiting, development and consultancy, system integration, software development process, web designing and web hoisting, web

marketing, internet / intranet service providing and any other such/similar services of whatsoever kind, equipments, gadgets, peripherals, module's, auxiliary instruments, tools, plants, machines, works, systems, conveniences, spare parts, accessories, devices, components, fixtures of different capacities, sizes, specifications, applications, descriptions and models used or may be used in the field of space aviation, surface water and air transports, railways, defense, medical, engineering, industries, construction, mining, powers, traffics, offices, police, communications, trade, commerce, medical transcription, Tele-communications, call centers, entertainment industry, media, weather satellite, research, hospitals, hotels, advertising's, film industries, modeling industries, healthcare industries, education, decoration, automobiles, geographical, recreational, domestic and other allied purpose, computers, mini computers, super computers, main frames, lap tops, pocket computers, personal computers, micro computers, engineering computers, general purpose and process control computers, information and word processing equipments, copying machines, electronic telephone exchange, typewriters, video games, signals or any other activities /items related to any or all of the above in present or in future and to provide internet related services through cable networking.

72. To own, operate and conduct the business of travel and tourist agents, to facilitate traveling, reserve and book accommodation at hotels, motels, restrooms and other types of accommodation in India and other parts of the world for boarding and/or lodging, to provide guides, safe deposit vaults, enquiry bureaus, libraries, laboratories, reading rooms, baggage, transport and otherwise, booking and reserving of accommodation, seats, compartments and berths on railways, steamships, motor ships and boats, aircrafts, luxury buses and to issue tickets for the same.
73. To carry on in India or abroad the business of imparting Education and Training in computer hardware and software, providing complete computer based solutions, consultancy in computer based information systems, selection of hardware and software, marketing of software products, design, develop and implement software solutions, placement of personnel and to carry on the business of marketing computer hardware, peripherals, accessories and related supplies, trading in computer hardware, peripherals and accessories, importers and exporters of computer systems, peripherals, accessories, software and other related activities and to carry on the business of research and development activities related to computer hardware and software, rendering consultancy and implementation service in computer related communication system, providing data processing services, maintenance of computer hardware and peripherals, to provide all kind of activities relating to internet including its marketing, training, web development, electronic commerce, electronic mail and all kind of internet related activities and to carry on business as manufacturers, maintenance, installers,

traders, importers, exporters and to generally deal in all kinds of computer hardware and software products and computer peripherals.

74. To carry on the business of developing, improving, designing, marketing, selling, educating, importing, exporting, renting, hiring and licensing software and program products of any and all descriptions and to act as consultants, managers, maintainers of computers, computer oriented systems and all branches of computer sciences including electrical, electronics, engineering of rendering services related to the preparation and maintenance of accounting, statistical or scientific information and programming, collecting, storing, processing and transmitting information to provide computer wise, and services in all areas of management, finance, investment, commerce, marketing, personnel, organization and methods with the aid of computers and generally to render services related to or for solving or aiding commercial, industrial, scientific and research problems and to provide the services of software technologist and personnel to foreign companies.
75. To do and be in real estate business and for the purpose buy, sell, take on lease, give on lease, or on licenses, build and turn to account any land or buildings, owned or acquired or leased by the company or in which the company may be interested as owners, lessors, lessees, licensors, licensees, architects, builders, interior decorators and designers as vendors, contractors, property developers and real estate owners and agents whether such land or building or the development thereof be for or in respect of residential or commercial purposes such as multi storeyed building, complexes, houses, flats, offices, shops, garages, cinemas, theatres, hotels, offices, shops, garages, cinemas, restaurants, motels or others structures of whatsoever description including pre-fabricated and pre-cast houses, building and erections and to enter into contracts, subcontracts and arrangement including the raising of finances from whatsoever sources and giving of loans and advance to give effect to implement the said objects.
76. To carry on, provide and act as technical and management consultancy covering all branches and disciplines of engineering and management such as organisational studies, systems analysis, production, materials, marketing, personnel, finance, Industrial engineering, corporate legal affairs, taxation, administration, secretarial, accounting, information systems and other allied areas, to conduct market research, operations research, studies in organisation behaviour, to advice, assist and suggest ways and means of improving efficiency by operation of new and improved techniques of production, procurement, administration, recruitment and sales so as to obtain optimum utilisation of resources, men, material and money and to undertake the preparation of project reports, detailed financial and project engineering studies, execution of turnkey projects and for planning and promoting new industries.
77. To act as commission agents, manufacturers, representatives or agents, selling and purchasing agents, distributors, brokers, trustees,

attorneys and subject to the provisions of the Companies Act, 1956, managers and transfer agents for any other company, firm, corporation or person.

78. To act as foreign exchange brokers, insurance brokers, to deal and trade in foreign exchange, commercial paper and money market instruments of all kinds, fixed deposits, intercorporate loans and deposits, debentures, to manage issues, public private placements of shares, debentures and public deposits to handle executor and trustees business, and for this purpose to become member of stock exchanges and to subscribe to and become members of such other exchanges, associations, organisation.
79. To carry on the business as manufacturers, buyers, sellers, resellers, hires, importers, exporters, dealers, agents, distributors, repairers, stores, warehousemen of any goods, articles or things or merchandise, licenses.
80. To carry on the business, namely spinners, doublers, combers, scourers, weavers, knitters, finishers, bleachers, dyers and printers and manufacturers of yarn textiles fabrics whether made from cotton, wool, silk, raw silks, nylon, terylene and any other natural, synthetic, man-made or fibrous substance or material whether natural, pure or mixed or blended with one another or otherwise and whether woven or non-woven and of buying, selling, importing, exporting and dealing in yarn cloth, fabrics, linen and other goods and merchandise made therefrom and generally to carry on the business of cloth, textile, linen and fabric merchant, bleachers, dyers, makers of vitriol bleaching and dyeing materials, and also to manufacture and deal in synthetic fibers other man made fibers, natural fibers and fibers and fibers products.
81. To manufacture, process, prepare, preserve in can refine, bottle, buy, sell, and deal whether as wholesalers or retailers or as exporters or importers or as principal or agents in foods, meats, eggs, poultry, fruits and vegetables, canned or tinned and processed foods, protein, health and instant foods of all kinds including, baby dietetic foods, cereals, beverages, cordials, tonics, restoratives and aerated mineral water and food stuff and consumable provisions of every description for human or animal consumption.
82. To carry on the business of manufacturers and distributors of and dealers in cement, lime, plaster, whiting clay, gravel, sand, minerals, earth, coke, fuel, artificial tone and other builder requisites including wood work, tiles, ceramics, bricks, sanitary wares and other conveniences of all descriptions as also the business of quarry and mine working.
83. To carry on the business of manufacturers, assemblers, sub-assemblers, distributors and dealers in electronic goods of every description including units such as computers, calculators, time pieces, system of communication control and monitoring, radios,

television, video sets, entertainment, electronics and other appliances, apparatus, equipment and instruments and any components and spare parts thereof employing electronic and electrical technology in the manufacture of the same and to carry on the business as engineers, designers, installers, maintainers, repairers and services in field of electronic and electrical technology.

84. To carry on business in India and abroad mine-owners, manufacturers or representatives, importers and exporters of all kinds of minerals and ores.
85. To carry on the trade or business of manufacturers or/and wholesale and retail and export and import, dealers in chocolate, cocoa, butter substitutes, vegetables, fats, chocolate, food drinks, chicory, sweet meats, biscuits, confectionery, milk food and milk products of all kinds, sugar, candy, toffee, sweets of all kinds, health food and allied products and marine and processed food of all kinds whether canned or not and other frozen foods of all kinds whether canned or not.
86. To promote, establish and carry on the business of transportation and handlers of cargo, goods, luggage and any material of whatsoever description whether by road, rail, air, sea or by trucks, tempos, taxies, wagons, planes or ships to operate the business of transport including leasing and hiring for any number of journeys, lorries, trucks, buses, cars, ships, planes, public carriers, forwarding agents, warehousemen petrol pumps, garages and other activities connected to such trade or industry in India and abroad.
87. To carry on the business of manufacture and sale of architectural fittings, architectural panels, doors, windows, or staircase fittings, domestics or industrial furniture, grills, gates or any other fabricated material used in construction of buildings. These may be made from steel, anodised or unanodised aluminum, wood, sponge, plastic, rubber or other material.
88. To acquire build, construct, alter, maintain, enlarge, pull down, remove or replace and to work, manage and control any buildings, offices, factories, workshops, machinery engines, roadways, branches or sidings, bridges, reservoirs, water resources, wharves electric works and convenience.
89. To carry on business of producers as well as refiners of all kinds of metals including all precious metals and as manufacturers, importers, exporters of and dealers in sheets, circles, rods, electrodes and wires of all metals and alloys including precious metals and alloys and also as manufacturers of solders of all kinds including silver solders.
90. To gin, press, pack or clean cotton, wool, hemp, jute or other substances by steam or motive powers, as may be required in connection with the objects of the company.

91. To carry on the business of furriers, haberdashers, hosiers, manufacturers, importers and wholesale and retail dealers of and in textile fabrics of all kinds, milliners, dress-makers, tailors, batters, clothiers, glovers, lace manufacturers and feather dressers.
92. To carry on business as manufacturers, refiners, importers and exporters of vegetable oil, artificial and natural butter and ghee, glycerin, boiled and lubricating oil, varnish and paints and their allied products, soap, perfumery and other toilet preparation and/or candle makers.
93. To carry on the business of manufacture of malleable casting, pipe fittings, agricultural and other implements and other machinery, tool makers, brass founders, metal workers, boiler makers, millwrights machinists, iron and steel converters, smiths and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in machinery, implements, rolling-stock and hardware of all kind which may seem to the company capable of being conveniently carried on in connection with the above or otherwise calculated, to enhance the value of any of the company's property and rights for the time being.
94. To establish, maintain, conduct, provide procure or make available, services of all kinds including commercial, statistical, financial, accountancy, medical, legal, social services and to take such steps as may be necessary for the purpose.
95. To carry on the business of water proofers and manufacturers of leather, imitation leather, leather cloth, oil cloth, linoleum, tarpaulins, hospitals sheeting's and surgical bandages, groundsheets and also to manufacture and deal in rubber and latex products and rubber compounds and chemicals, chlorinated varnishes, dopes, celluloid, and cellulose bearing compositions.
96. To carry on the business of hotels, restaurants, cafes, refreshment rooms, flight kitchens, taverns beer houses, hotels and lodgings houses, clubs and casinos of every sort and kinds, to establish shops, bars, canteens, kitchens, bakeries, confectioneries and any other establishments for this purpose and for the sale of food and drink of every sort and to arrange for and provide all manner of entertainment, amusements, recreation facilities and instruments for the public.
97. To carry on the business of manufacturers and dealers in audio visual and electronic equipments of every sort and kind, musical instruments of all kinds and every kind of instruments, devices, appliances, components, accessory where by sound or vision is recorded, amplified, produced, reproduced, transmitted or received.
98. To carry on the business as manufacturers and processors and dealers in ferrous and non-ferrous metals, enamels, aluminum galvanising, milling machines, hobbing and opinion, cutting machines, polishing equipments, alloys and plating of every description and kind and to carry on all or any of the business of

engineers, tool makers, wire drawers, tube, pipe and tank manufacturers, moulders, metallurgists and metal workers, fitters, galvanisers, grinders, tool sharpeners and japaners and to buy, sell, export, import, manipulate and deal both wholesale and retail, in products, commodities, goods, articles and things of all kinds whatsoever.

99. To carry on the business of manufacturers, dealers importers, exporters of all kinds of automobile accessories, implements, tools, gas generators, engines, tyres, rubber goods, tube, bodies, chassis, carburetors, magnets, silencers, radiators, spark plug, self starters, gears, wheels, parts and accessories of all kinds.
100. To plant, cultivate, produce, rise, manufacture, purchase, or sell, import, export, or otherwise handle or deal in grass, timber, wood, bamboo, straw and other forests products, cotton jute, flex, hemp, sugarcane, leather, asbestos, rags, waste paper, gunnies, water hyacinth, jute strips or other fibers, fibrous substances or other things as may furnish materials for pulp and for paper, or board manufacture in any of its branches, and for the attainment of the above to carry on the business as owners, lessors, managers, or planters of forest plantations and farms and growers and cutters of wood, bamboo, timber, grasses and other forest products.
101. To carry on the business as importers, exporters manufacturers of and dealers in all types of storage batteries dry or otherwise, for all kinds of uses and battery plates, cells, battery components and for that purpose to install purchase, import, or otherwise acquire, plant, machinery and related equipment.
102. To carry on the business of manufacturing, fabricating, mining, manipulating, exchanging, altering, importing, exporting, hiring, letting on hire or distributing or dealing in steel tabs, blooms, billets, steel ingots, bright bars and manufacture and deal in mild steel special steel carbon steel, structural steel, tool and alloy steel, stainless steel and all other types of castings, or ingots forgings, box strips and hoops all types of plates, angles, pipes, valve and tubes, wires, tin mill products, wheel sets, wagons.
103. To carry out the business of manufacturers, processors, assemblers, reconditioners, sellers, exporters, distributors, dealers, buyers, importers and agents of industrial control valves of various kinds and other industrial engineering goods and components, parts, products, assemblers, sub assemblers, raw materials and devices connected herewith and to engage in all kinds of electronic, engineering, electrical goods, apparatus.
104. To manufacture, buy, sell, exchange, alter, improve, process, import, export, trade, deal in and carry on other activities in hydraulic, steam, pneumatic, chemical and special application hoses made from natural and synthetic rubber, including polymers and hose assemblers.

105. To promote, own, establish, maintain shops, shopping centers, to facilitate and/or undertake trading in goods, commodities, services as are required for catering the needs of consumers.
106. To carry on the business of manufacturing, buying, selling, re- selling, exchanging, altering, importing, exporting, improving, repairing, converting and letting on hire, assembling, distributing, hiring on hire purchase system, otherwise manufacturing and dealing in high tension and low tension suitable for alternating current and direct current and also provide components/parts thereof of every description.
107. To acquire by purchase, lease or otherwise, lands and buildings in Mumbai and elsewhere in India and to erect and maintain safe custody, fire proof and/to burglar proof, strong rooms, safes, vaults, warehouses, godowns and depositories and let on hire safe deposit locker or keep in safe custody jewellery, ornaments, moneys, securities, bullions, gold, silver, goods, merchandise and document, relating to title and property and other valuable articles and works of art and other articles and materials of all kinds whatsoever for purpose of storage gratuitously or otherwise letting on hire.
108. To carry on business of producers and manufacturers of dealers in foodstuffs and feeds such as chutneys, papads, masalas, sweets, jams, jellies items of south, north, east and west Indian dishes, both vegetarian and non-vegetarian, preservatives squashes, syrups, beverages, cakes, pastries, chocolates, patties, bread, buns, biscuits, eatables including milk and fruits products, dehydrated food and allied products, sausages, spices, juices, powers, vegetables, and their essences and concentrated, sea foods and of taking contracts for supplying and catering the food articles and eatables to different institutions and organisation.
109. To provide all types of financial services including raising and placement of funds, placement of securities, advising on investment of funds, act as financial consultants, asset management consultants, project counseling and advisory services, foreign exchange advisory services, syndication of funds, portfolio investment consultants in respect of shares, debentures, securities, bonds, units, obligations, tax planning consultants.
110. To carry on and undertake the business of finance investment, and trading and leasing including business of bills discounting and purchasing, financing, discounting, rediscounting bills of exchange to act as discount and exchange house to undertake acceptance or co-acceptance of bills to finance lease operation of all kinds that the company may think fit, and to assist in deferred payment of similar transaction and to subsidise finance or assist in subsidising or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever and to purchase or otherwise deal in all forms of immovable and movable property including lands and building, plant

and machinery, equipment ships, aircrafts ,automobiles, computers and all consumer commercial and industrial item and to lease or otherwise deal with them in any manner whatsoever including resale thereof, regardless of whether the property purchased and leased be new and/or used and to undertake finance of industrial enterprises.

111. To carry on the trade or business of manufacturers of or traders, commission agents, buying agents, importers, exporters and dealers in computers and tabulators of every kind, description including accounting machine, calculating machine, counting machines, cash registers, tabulators, sorting machine, copying and reproducing machines and machinery units, apparatus, appliances and devices including manufacture of peripherals controls for discounts, tapes units, central processing units, and printers for communication network, terminals, add-on memories, computer systems and related electronic assemblies and sub-assemblies or any other electronic component and assemblies for any attachment to the aforesaid or otherwise including electronic gadgets and electronics appliances for office use or otherwise and electronic test equipments, electronic typewriters, word processors, fiber optics and laser disk for storage and retrieval of data and such other devices and electronic appliance for all purpose.
112. To conduct, carry on and manage the business of trade of whisky, gin, rum, brandy and general distillers, compounders, and rectifiers, merchants, exporters, importers, brokers, bottlers, sales agents and general traders in relation to the marketing and distribution at home and abroad, of spirits, wines, liquors and all other productions derived from the cultivation of the grape, and generally to undertake, perform and carry out all or of the operations, ordinarily undertaken by distillery proprietors, wine growers, contractors and shippers, or by persons or companies engaged in such business.
113. To give advice on or to offer, give, take, circulate and/or otherwise, accept or implement any take over bids, mergers, amalgamations, acquisitions, diversifications, rehabilitation or restructuring of any business, concern, undertaking, company, body corporate, partnership firm or any other association of persons whether incorporated or not, by acquisition of shares or assets and liabilities, and whether as a going concern or as part of the concern or otherwise as may be required having regard to business exigencies; and or setting up of concerns and undertakings whether as company, body corporate, partnership or any other association of persons for engaging in any industrial, commercial or business activities.
114. To carry on the business of merchant banking in all its aspects, whether by way of public offer or otherwise, of shares, stock, debentures, bonds, units, participation certificates, deposits, certificate notes, bills, warrants or any other instruments whether or not transferable or negotiable, commercial or other paper or scripts (hereinafter collectively referred to as the "Securities") to act as agents of and or dealers in business, to act as financial consultants, advisers

and counselors in investment and capital markets, to underwrite, sub-underwrite or to provide stand-by or procurement arrangements, to issue guarantee or to give any other commitments for subscribing or agreeing to subscribe or procure or agree to procure subscription for the securities, to manage portfolio investments, to provide financial an investment assistance for the purposes herein, to act as issue house, registrar to issue, transfer agents, for the securities, to manage and administer computer centers and clearing houses for the securities to form syndicates or consortia of managers, agents and purchasers for or of any of the securities, to act as brokers, dealers and agents of or in connection with the securities, bullions and precious metals, to syndicate any financial arrangements whether in domestic market or on international market and whether by way of loans, guarantees, export and yard credit; to undertake the work of factoring of bills and other commercial papers, and to arrange and/or co-ordinate documentation and negotiation in this regard.

115. To carry on the business as Depository Participant / custodian of securities or any other intermediary associated with the securities market as contemplated under the Securities and Exchange Board of India Act, 1992 ( as amended), Depositories Act, 1996 and / or the rules and regulations framed thereunder from time to time or amendments affected there in relation to the said line of activity or any related activity including as an agent, associate, representative or assignee of any related activity including as an agent, associate, representative or assignee of any depository, registered owner or participant and for the said purpose to carry out all activities necessary and proper and exercise all rights and powers in relation or under the statutes governing the said line of activity from time to time.
116. To carry on the business of manufacturers, processors. formulators, sellers, purchasers, distributors packers, labelers, importers, exporters and traders in all kinds of pesticides, combined pesticides, technical grade pesticides, formulations, granules dusts, liquids, powders, slurries, pastes, fungicides, weedicides, rodenticides, pesticides, plant hormones, botanical and insecticides, biotechnological, straight, simple and granulated, fertilisers and their mixtures, cattle feeds, agricultural chemicals, basis chemicals, soil nutrients of micro and micro types clays and acres of different colours.
117. To carry out financial business and perform financial services including factoring, direct and indirect of taxation matters, making of loans, both short and long term with provision of financing software such as computer programs to provide advisory/consulting service to other entities on all manners of financing to provide services relating to credit rating for debentures, debenture stocks, bonds, other securities and fixed deposits to act as foreign exchange adviser and to provide various services relating to foreign exchange matters, opening letters of credit, or causing to open letter of credit to give guarantee including or causing to give guarantee including deferred payment

guarantee excise, custom clearance to manage advice and give service for merger acquisition of any industrial business undertakings, to give custodial services to financial institution whether Indian or foreign, to provide financial information on performance of companies, industries and the economy.

118. To purchase, acquire, take on lease or in exchange, hire, construct, repair, adapt, overhaul, conduct, manage, control and superintend in whole or in part any studies, theatres, place or amusements or entertainments, music hall cinemas, picture places and concert halls, solely or in partnership periodically or permanently renting, leasing, installing, stocking, exhibiting or displaying cinemas, films, plays and other concerts, musical or other places, venues, dances, ballets, shows, exhibitions, operas, burlesques, pantomimes, promenade, variety and other performances and entertainment materials commodities, talking and silent pictures and to deal in and carry on the business of producers, exhibitors, exploiters, financiers, importers, exporters and distributors of cinematographic films and pictures of every kind and variety of subjects.
119. To negotiate loans of every description to discount or arrange and negotiate international exports credits, imports credits, buyers and seller credits worldwide and to arrange finance for projects in India and abroad.
120. To acquire and hold one or more membership in stock/security exchange, trade association, commodity exchange, clearing houses or association or otherwise in India or any part of the world, to secure and hold membership in any association of bankers, insurance companies, brokers, security dealers, or commodity dealers or any other association, membership of which will or is likely in any way to facilitate the conduct of the company business.
121. To carry on the business of an investment company and to underwrite, sub-underwrite, to invest in, and acquire and hold, sell, buy or deal, whether as brokers or sub brokers or otherwise, in shares, debentures, debenture-stocks, bonds, units, obligations and securities issued or guaranteed by Indian or foreign governments, State, Dominions, sovereigns, municipalities, or public authorities or Bodies and shares, stocks, debentures, debenture-stocks, bonds, obligations, derivatives, futures and options and securities issued and guaranteed by any company, corporation, firm or person whether incorporated or established in India and abroad and to act as share broker, share sub-broker & stock broker.
122. To carry on the business, of developing, improving, designing, marketing, selling, educating, importing, exporting, renting, hiring and licensing software and program products of any and all descriptions as consultants, managers, maintainers of computers, computer oriented systems and all branches of computer science including electrical, electronics, engineering of rendering services related to the preparation and maintenance of accounting, statistical

or scientific information and programming, collecting, storing, processing and transmitting information, to provide computer education by running classes, franchise or otherwise and services in all areas of management, finance, investment, commerce, marketing, personnel, organisation and methods with or without the aid of computers; and generally to render services related to or for solving or aiding commercial, industrial, scientific and research problems and to provide the services of software technologist and personnel to foreign companies.

123. To carry on the business of manufactures, traders, maintainers, installers, repairers, importers, exporters and to generally deal in and all kinds of computers, hardware and software products and services, computer peripherals and storage media, computer stationery and books, computer furniture and site equipment, video display units, telecommunication equipments or other automated machines currently in use or to be invented/developed utilized any time in future.
124. To carry on and provide consultancy services in the areas of computer management and engineering covering computerized information systems, feasibility studies, systems design and development, computer based management information systems, on line real time systems, process control, distributed computing, data base design and implementation, operation system, simulators, design of compilers, studies on computer architecture, software development, surveying and survey data systems, industrial engineering applications and conduct data processing facilities including provision of maintenance systems for mini micro and large computer systems and to act as dealers and/or agents for any computer manufacturer.
125. To develop software for various organisations, including computer manufacturers, Government or Industry in India and abroad and to conduct training programs and to undertake research studies in computer services and management.
126. To carry on the business as agents, merchants, traders, brokers, adatas, buyers, sellers, importers, exporters, dealers in, collectors, distributors of and to import, export, buy, sell, distribute, or otherwise trade and deal in machinery and equipment's including agricultural product, farm and dairy product, other consumable, household commodities and industrial commodities and machinery, spares, accessories related to industries such as textile, engineering, electrical, electronics, chemical, pharmaceutical, mining, automobile, fertilizers, metal, precious stone, precious metal, leather and other goods, merchandise, commodities product, things, spares, accessories as wholesalers, or retailers, on the basis of ready delivery or forward contracts, exchange system, counter trade, switch over deal on commission basis or otherwise.
127. To act as transfer agents and registrars conducting share transfer, share registration and other company secretarial work, to act as

transfer Managers and/or Trustees and to provide issue house services in connection with the creating, issue or conversion of debentures, debenture stocks, bonds, obligations, shares, stocks and securities and to facilitate, encourage and guarantee the issue and subscription of capital, shares, stocks, units, debenture stocks, obligations and other securities by virtue of acting as underwriters, placement agents, retail distributors, wholesale distributors, investment sourcing agents, or brokers and to acquire such capital, shares, stocks, debenture stocks, obligations and other securities in the course of fulfillment of such objectives.

128. To carry on in India or abroad the business as designers, researchers, developers, manufactures, buyers, assemblers, modifiers, installers, reconditioners, sellers, hirers, subleases, market makers, dismantlers, repairers, operators, exporters, importers, distributors and to act as agent, broker, adatia, consignor, C & F agent, indenting agent, representative, correspondent, franchiser, stockiest, supplier, vendor, transporter, collaborator, export house or otherwise to deal in all its branches in automatic, semi automatic, manual and other types of consumables stores, tools and machinery for Diamond and Jewellery Industry and tools like founding, mountings of Gold, Platinum and Silver, instruments, apparatus, systems & equipments, including lathes, turret- lathes, capstan lathes, engine lathes, drills, drilling machine, shaping machine, planning machine, milling machine, grinding machine, slotting machine, broaching machine, boring machine, hobbing machine, coning machine, lapping machine, punching machine and other allied goods, whether for special operations or for general operations and whether operated by human, electrical, magnetic, electro magnetic, chemical, electro chemical, photo chemical, solar, tidal wind, nuclear, thermal, thermonuclear or other form of energy and their parts, products, assemblies, sub assemblies, components, instrument, raw material, display units, control devices, peripheral devices, elements gadgets, circuits, micro circuits, used in machine tools including boules, bars, slices, warfare, sheets, clips, micro clips, powders, fluids, gases, solids which may be polished, processed, coated, fused, diffused or otherwise treated.
129. To provide and arrange for technical consultancy, training, education aid and advice to any person in respect of any matters connected with agricultural business and to provide services to develop, establish, maintain and aid in the development, establishment and maintenance of laboratories, research stations, and programmes, technology centers, green houses, processing and distribution centers or otherwise for the purpose of effecting improvement in all kinds of activities related to agriculture.
130. To carry on the business of shippers, ship owners, shipping agents, ship brokers, ship managers, insurance brokers, clearing and forwarding agents, dub ashes and contractors, loading brokers, freight contractors, carriers, transport, cartage, haulage contractors, warehouse keepers, wharfingers, tug owners, barge owners, lighter men, dredgers, forwarding agents, dock agents, pier and landing

agents, storekeepers, ice merchants, ships, store merchants, ship husbands, ship chandlers, stevedores, salvors, ship breakers; to establish, maintain and operate shipping service for providing services of transportation and handling of produce, substance, goods, cargo, luggage, materials, merchandise, articles and things of every description, and other services ancillary to the shipping business, and for this purpose or as an independent and undertaking to purchase, charter, take in exchange, hire, build, construct or otherwise acquire and to own, manage, trade and deal with ships, tugs, barges, boats and other vessels of every size and description with all necessary suitable and convenient equipment, engines, furniture and stores and to maintain repair, fit or refit, improve, alter, sell, exchange or let out on hire or hire purchase or charter or otherwise deal with or dispose of any of the ships, tugs, barges, boats and other vessels or any of the engines, equipment, furniture and stores of the Company and to provide in general, services and facilities of all kinds to ships, barges, tugs, boats and other vessels, including but not limited to the servicing, maintenance and repairs of and to the same.

131. To carry on in India or abroad the business to manufacture, produce, process, compound, mix, pack, formulate, condense, distill, rectify, sterilize, pasteurize, steam, evaporate, vapourise, cool, filter, commercialize, develop, treat, cure, refine, extract, operate, manipulate, prepare, purify, protect, preserve, disinfect, turn to account and to act as broker, agent, stockists, distributors, consultants, collaborator, buyer, seller, exporter, importer, job worker, vendor, contractor, supplier or otherwise to deal in all types of alcohol, ethanol, E.N.A., rectified spirit, special denature spirit, denature spirit, industrial alcohol, acids, solvents, oils, solutions, derivatives, fluids, products, by-products, residues, catalyst, reagents, mixtures, concentrates, lumps, powders, granules, malt spirit, grapes spirit and spirit from all types of fruits, jawar, maize, wheat, sugarbits, topical sugar cane, potato and all starchable material and molasses, country liquor, foreign liquor, Indian made foreign liquor, all types of wine, spirits and liquor made from rectified spirit, E.N.A. and alcohol.
132. To commence, establish, set up, carry on, conduct, manage, supervise, control the business of buying, selling, importing, exporting, indenting, refining, assorting, cleaning, polishing, preparing, cleaving, sawing, chiseling, clifting, acquiring, disposing off, supplying, distribution, ordering, regulation, controlling, classifying, allocation, trading and dealing in cut and/or uncut, rough coarse and/or polished gems, diamonds including industrial diamonds and whether rough or coarse or polished, precious and semi-precious stones, pearls, whether real or cultured, rubies, corals or semi-precious metal/stones and also jewellery of all kinds including of metal and/or studded with diamonds and pearls and/or precious and semi-precious stones.
133. To carry on the business or vocation of acting as advisers and consultants in all areas of personal, Technical industries, Civil,

Administration, Finance Organisation, Management, Commencement or expansion of Industry, purchasing techniques and business (including construction of plants and buildings) production, purchase, sales, material and cost control, to and for institution, concern, bodies, association (incorporated or unincorporated) Departments and services, the Government, public or local authorities, Trusts, Scientific and Research and Development centers, and to be appointed as technical, financial, industries, administration, civil consultants.

IV. The liability of the Members is limited.

V.\* The Authorised Share Capital of the Company is amounting in aggregate to Rs. 550,000,000/- (Rupees Fifty Five Crores Only) comprising of Rs.549,900,000/- (Rupees Fifty Four Crores Ninety Nine Lacs Only) divided into 54,990,000 Equity Shares of Rs. 10/- each and Rs. 1,00,000/- (Rupees One Lacs Only) divided into 10,000 Redeemable Preference Shares of Rs. 10/- each and with a power to increase or reduce the capital of the company in accordance with the provisions of the Companies Act, 1956 and/or Companies Act, 2013.

***\*Altered pursuant to sanction of the Composite Scheme of Amalgamation And Arrangement between Maiboli Broadcasting Private Limited and Sri Adhikari Brothers Assets Holding Private Limited and Sri Adhikari Brothers Television Network Limited and UBJ Broadcasting Private Limited and HHP Broadcasting Services Private Limited and MPCR Broadcasting Service Private Limited and TV Vision Limited and SAB Events & Governance Now Media Private Limited (Formerly Known As “Marvick Entertainment Private Limited”) and their respective shareholders by the Hon’ble High Court Of Judicature At Bombay Vide Order dated November 21, 2015.***

X-X-X-X-X-X

We the several persons, whose names, addresses and descriptions are hereunder subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite to our respective names:

Sr. No.	Name, Address, description and occupation of each Subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscribers	Signature of witness and his name address, description and occupation
1.	<p>Mr. Gautam Adhikari S/o: Mr. Navneetlal Adhikari</p> <p>Add: 1001, Avishkar, 10th Floor, S. V. Road, Irla Bridge, Andheri (W), Mumbai 400 058.</p> <p>Occu: Business</p>	5000 (Five Thousand)	<b>Sd/-</b>	<p>Witness For Subscriber 1 &amp; 2</p> <p><b>Sd/-</b></p> <p>Manish Ghia S/o: Lalitchandra Ghia</p> <p>Add: 4, Chandan Niwas (Old), M. V. Road, Off Andheri Kurla Road, Andheri (East), Mumbai : 400069</p> <p>Occu: Practicing Company Secretary</p>
	<b>Total</b>	<b>10000 (Ten Thousand)</b>		

**Place: Mumbai**

**Dated: 04/07/2007**

**TV VISION LIMITED**

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**THE COMPANIES ACT, 1956**  
**(1 OF 1956)**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**TV VISION LIMITED**

(New set of Articles of Association adopted in substitution with the existing Articles of Association as approved by the Members at their Extraordinary General Meeting held on 13<sup>th</sup> June, 2011)

**Preliminary**

Table A not to apply but Company to be governed by these Articles

1. No regulations contained in Table `A' in the First Schedule to the Companies Act, 1956, shall apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereof and their representatives, shall subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or additional to, its regulation by Special Resolution, as prescribed by the Companies Act, 1956, be such as are contained in these Articles.

**Interpretation**

2. In the interpretation of these Articles, unless repugnant to the subject or context: -

The Company or this Company

The "**Company**" or **this "Company"** means "**TV VISION LIMITED**"

The Act

The "**Act**" means the "Companies Act, 1956" or any statutory modification or re-enactment thereof for the time being in force.

Annual General Meeting

**"Annual General Meeting"** means a general meeting of the Members held in accordance with the provisions of Section 166 of the Act and any adjourned holding thereof.

Auditors

**"Auditors"** means and includes those persons appointed as such for the time being by the Company at its General Meeting.

Board or Board of Directors

**"Board" or "Board of Directors"** means the duly constituted Board of Directors of the Company.

Bye-Laws

**"Bye-laws"** means bye-laws made by a Depository under Section 26 of the Depositories Act.

Beneficial Owner

**"Beneficial Owner"** means a person whose name is recorded as such

with a Depository.

BSE	“ <b>BSE</b> ” means the Bombay Stock Exchange at Mumbai.
Capital	“ <b>Capital</b> ” means the Share capital for the time being raised or authorised to be raised, for the purpose of the Company.
Debenture	“ <b>Debenture</b> ” includes Debenture-stock.
Depositories Act	“ <b>Depositories Act</b> ” means the Depositories Act, 1996, including any statutory modifications or re-enactment thereof for the time being in force.
Depository	“ <b>Depository</b> ” means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.
Directors	“ <b>Directors</b> ” means the Directors for the time being of the Company, appointed in terms of these Articles or as the case may be, the directors assembled at a board
Dividend	“ <b>Dividend</b> ” includes bonus and interim dividend.
Extraordinary General Meeting	“ <b>Extraordinary General Meeting</b> ” means an extraordinary general meeting of the Members duly called and constituted and any adjourned holding thereof.
TVL	“ <b>TVL</b> ” means “ <b>TV VISION LIMITED</b> ”
In writing and written	“ <b>In writing</b> ” and “ <b>Written</b> ” include printing, lithography and any or all other modes of representing or reproducing words in visible form duly authenticated.
Manager	“ <b>Manager</b> ” means an individual as defined under Section 2(24) of the Act.
Managing Director	“ <b>Managing Director</b> ” means an individual as defined under Section 2(26) of the Act.
Member	“ <b>Member</b> ” means the duly registered holder, from time to time, of the shares of the Company and includes every person whose name is entered as a Beneficial Owner as defined in clause (a) of Sub-section (1) of Section 2 of the Depositories Act, 1996.
Meeting or General Meeting	“ <b>Meeting</b> ” or “ <b>General Meeting</b> ” means a meeting of Directors or Members or creditors as the case may be.
Month	“ <b>Month</b> ” means a calendar month.
Non-retiring Director	“ <b>Non retiring Director</b> ” means a director not subject to retirement by rotation.

NSE		" <b>NSE</b> " shall mean the National Stock Exchange.
Office		" <b>Office</b> " means the registered office for the time being of the Company.
Paid up		" <b>Paid up</b> " includes capital credited as paid up.
Participant		" <b>Participant</b> " means a person registered as such under Section 12(1A) of the Securities and Exchange Board of India Act, 1992.
Person		" <b>Person</b> " means any natural person, firm, company, governmental authority, joint venture, partnership, association or any other entity (whether or not having a separate legal personality)
Register of Members	of	" <b>Register of Members</b> " means the Register of Members to be kept pursuant to Section 150 of the Act.
The Registrar		" <b>The Registrar</b> " means the Registrar of Companies of the State in which the office of the Company is for the time being situated.
Record		" <b>Record</b> " includes the records maintained in the form of books or stored in Computer or in such other form as may be determined by regulations made by SEBI in relation to the Depositories Act, 1996.
Regulations		" <b>Regulations</b> " means the regulations made by the SEBI.
Secretary		" <b>Secretary</b> " means the Company Secretary appointed in pursuance of Section 383 A of the Act.
Seal		" <b>Seal</b> " means the Common Seal for the time being of the Company.
Share		" <b>Share</b> " means a share in the share capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied.
Statutory Meeting		" <b>Statutory Meeting</b> " means a meeting of the Members as defined under Section 165 of the Act.
SEBI		" <b>SEBI</b> " means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.
Security		" <b>Security</b> " means such security as may be specified by the SEBI.
Words		" <b>Words</b> " importing the singular number include, where the context admits or requires, the plural number and vice versa.
Ordinary Resolution and Special Resolution		" <b>Ordinary Resolution</b> " and " <b>Special Resolution</b> " shall have the meanings assigned thereto by Section 189 of the Act.
Year		" <b>Year</b> " means the calendar year and " <b>Financial Year</b> " shall have the

meaning assigned thereto by Section 2 (17) of the Act.

Words bear same meaning as defined under Act

Subject as aforesaid, any words or expression defined in the Act, shall, except where the subject or context forbids, bear the same meaning in these Articles.

Gender

Words importing the masculine gender also include the feminine gender.

Marginal Notes shall not affect construction

The marginal notes and catch lines used in these Articles shall not affect the constructions hereof.

Save as aforesaid, any words or expression defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

### **Capital Increase and Reduction of Capital**

Capital

3. The Authorised Share Capital of the Company shall be as per Clause V of the Memorandum of Association of the Company with rights to alter the same in whatever way as deemed fit by the Company. The company may increase or decrease the Authorised Share Capital in accordance with Company's regulations and legislative provisions for the time being in that behalf.

Increase of capital by the Company and how carried into effect.

4. The Company in General Meeting may, from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amount as the resolution shall prescribe. Subject to the provisions of the Act, any share of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction is given, as the Directors shall determine; and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting at general meeting of the Company in conformity with Section 87 of the Act. Whenever the capital of the Company has been increased under the provisions of these Articles, the Directors shall comply with the provisions of Section 97 of the Act.

Subject to the applicable provisions of the Act and/or any other applicable Rules, Guidelines or any other statutory provisions, the Company acting through its Board of Directors shall have power to issue equity share capital with differential rights as to dividend, voting and/or otherwise in such manner and on such terms and conditions as may be prescribed by the resolution authorising such issue.

New Capital same as existing capital

5. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting

and otherwise. Provided however that all the equity shares issued by the Company to the Members shall be of the same class and shall be alike ranking pari -passu in all respect and the holders thereof shall be entitled to identical rights and privileges including, without limitation, to identical rights and privileges with respect to dividend, voting rights, payment of calls, liens, transfers, transmission, forfeiture, and the distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company on a pro rata basis. Provided that the above provision does not prohibit the Company from issuing redeemable preference shares. Subject to Article 6 hereinbelow, the Company in general meeting may also, from time to time, by special resolution capitalise the undistributed profits standing to the credit of the Company's Free Reserves and to apply the same in paying up new equity shares in the share capital of the Company and to appropriate the same as capital and not as income and allot and distribute as fully paid-up bonus shares to and amongst the persons registered in the Register of Members as the holders of equity shares of the Company on such date and in such proportion as may be decided by the Board of Directors.

Redeemable Preference Shares

6. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which are, or at option of the company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.

Provisions to apply on issue of Redeemable Preference Shares

7. On the issue of Redeemable Preference Shares under the provisions of Article 6 hereof the following provisions shall take effect: -

- (a) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
- (b) no such shares shall be redeemed unless they are fully paid;
- (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;
- (d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act, relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company;
- (e) subject to the provisions of Section 80 and 80A of the Act, the redemption of preferential share hereunder may be effected in accordance with the terms and conditions of their issue and the absence of any specific terms and conditions in that behalf in such manner as the Directors determine;

(f) whenever the Company shall redeem any redeemable preference shares, the Company shall, within one month thereafter, give notice thereof to the Registrar of Companies as required by Section 95 of the Act.

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| Reduction of Capital                     | of | 8.  | The Company may (subject to the provisions of Section 78, 80 and 100 to 105 inclusive, of the Act) from time to time by Special Resolution, reduce its share capital and any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorised by law and in particular capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.   |
| Sub-division and consolidation of shares |    | 9.  | Subject to the provisions of Section 94 of the Act, the Company, in General Meeting, may, from time to time, sub-divide or consolidate its shares, or any of them or any part of them, and the resolution whereby any share is sub-divided, may determine that as between the holder of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others or other. Subject to aforesaid, the Company, in General Meeting, may also cancel shares, which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.   |
| Modification of rights                   |    | 10. | a) Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act be varied, modified, commuted, affected or abrogated, or dealt with by Agreement between the Company and any person purporting to contract on behalf of that class provided such agreement is ratified in writing by holders of at least three fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate General Meeting of the holders of shares of that class. This Article is not to derogate from any power the Company would have if this Article were omitted.<br><br>b) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise the shares of that class be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith. |
| Shares at a discount                     |    | 11. | Subject to the provisions, the Company may issue Shares at a discount of a class already issued, if the conditions contained in Section 79 of the Act are fulfilled.  |
| Shares without voting rights             |    | 12. | Subject to the provisions of the Act, the Company may issue shares without voting right attached to them, upon such terms and conditions and with such rights and privileges attached thereto, as the Board may deem fit.   |

## Shares and Certificates

- Register and Index of Members
13. The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act. The Company shall be entitled to keep in any State or country outside India a Branch Register of Members resident in that State or Country.
- (a) Notwithstanding anything herein contained, a person, whose name is at any time entered in the Register of Members of the Company as the holders of a share in the Company, but who does not hold the beneficial interest in such share, shall, within such time and in such form as may be prescribed, make a declaration to the Company specifying the name and other particulars of the person or persons, who hold the beneficial interest in such share in the manner provided in Section 187-C of the Act;
  - (b) A person who holds a beneficial interest in a share or a class of shares of the Company shall, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in Section 187-C of the Act;
  - (c) Whenever there is a change in the beneficial interest in a share referred to above, the beneficial owner shall, within the time prescribed from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed as provided in Section 187-C of the Act;
  - (d) Notwithstanding anything herein contained in Section 153 of the Act and Sub-Article (a), (b), (c) above, where any declaration referred to above is made to the Company, the Company shall make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.
- Shares to be numbered progressively and no share to be sub-divided
14. Save and except for dematerialisation of Share or Shares held in fungible form with a Depository, the shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Further Issue of capital

15. (a) Subject to the provisions of the Act, where at any time after the expiry of two years from the formation of the Company or the expiry of one year from the allotment of shares made for the first time after its formation whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of increased share capital, then such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on these shares at the date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. Such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to above hereof shall contain this statement of this right, provided that the directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him. After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company.
- (b) Notwithstanding anything contained in the preceding sub-clause, the Company may:-
- i) by a special resolution; or
  - ii) where no such special resolution is passed, if the votes cast (whether on a show of hands, or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy exceed the votes, if any, cast against the proposal by Members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company, offer further shares to any person or may not include the persons who at the date of the offer, are the holders of the equity shares of the Company.
- (c) Notwithstanding anything contained in sub-clause (a) above, but subject, however, to Section 81 (3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debenture or loans into shares, or to subscribe for shares in the Company, provided however that the terms of the debentures or loans include a term providing for such option is in conformity with the rules, if any made by the Central

Government in this behalf and has also been approved by a special resolution in the General Meeting.

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| Shares under control of Directors                        | 16. Subject to the provisions of these Articles and of the Act, the shares (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors; who may allot or otherwise dispose of the same to such persons in such proportion on such terms and conditions and at such times as the Directors think fit and subject to the sanction of the Company in General Meeting with full power, to give any person the option to call for or be allotted shares of any class of the Company either (subject to the provisions of Sections 78 and 79 of the Act) at premium or at par or a discount and such option being exercisable for such time and for such consideration as the Directors think fit. The Board shall cause to be filed the returns as to allotment provided for in Section 75 of the Act.  |
| Power also to Company to issue shares in General Meeting | 17. The Board shall observe the restrictions as to allotment of shares to the public contained in Sections 69 and 70 of the Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act.   |
| Acceptance of Shares                                     | 18. In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 15 and 16 the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any shares. |
| Deposit and call etc. to be a debt payable immediately   | 19. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is entered on the Register of Members shall, for the purposes of these Articles, be a Member.   |
| 20.  | The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.  |

- Liability of Members 21. Every Member, or his heirs, executors, or administrator shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.
- Share Certificates 22. (a) Every Member or allottee of shares shall be entitled, with or without payment, within three months after the allotment of shares and within two months after the application for the registration of transfer of any shares, the certificate in respect of such shares, unless the conditions of issue of shares otherwise provide. Every Member or allottee of shares shall be entitled, with or without payment, to receive one share certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation or in case of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose, and two Directors or their Attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole time Director. Particulars of every share Certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue, provided however that no share certificate(s) shall be issued for shares held by a Depository.
- (b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee One. The Company shall comply with the provisions of Section 113 of the Act.
- (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

- (d) The Company shall not be bound to register more than 3 persons as the joint holders of any share except in the case of executors or trustees of a deceased member and in respect of a share held jointly by several persons, the Company shall not issue more than one certificate and the delivery of a certificate for a share to any one of several joint holders shall be sufficient delivery to all such holders.
- (e) Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued indicating the date of issue.
- (f) The provisions stated above shall not be applicable to dematerialised Shares and shares held in fungible form with a Depository.
- Renewal of Share Certificate      23. (a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the cages on the reverse for recording transfers have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company.
- (b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and the stub or counterfoil to the effect that it is "issued in lieu of share certificate No. And sub-divided/ replaced/on consolidation of shares".
- (c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board or its duly constituted Committee and on such terms, if any, as to evidence and indemnity as to the payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.
- (d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "duplicate issued in lieu of share certificate No." The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate.
- (e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewal and Duplicate Certificates indicating against the name of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" Column.
- (f) All blank forms to be issued for issue of share certificates shall

be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

- (g) The Managing Director of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificates referred to in Sub-Article (f).

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| First named holder is deemed to be sole owner   | 24. If any share stand in the names of two or more persons, the person first named in the Register of Members shall as regards receipt of dividends or bonus or service of notices, subject to the provisions of Article 22 and all or any other matter connected with Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share and for all incidents thereof according to the Company's regulations.           |
| Company not bound to recognize any interest in share other than that of registered holder | 25. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognise any benami trust or equity or equitable, contingent or other claim or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof. |
| Funds of the Company not to be applied in the purchase of shares of the company           | 26. None of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company save as provided by Section 77 of the Act.   |
| Dematerialisation of Securities   | 27. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing securities, rematerialise its securities held in the Depositories and / or offer its fresh securities in a dematerialised form pursuant to the Depositories Act, and the rules framed thereunder, if any.   |
| Option to receive Securities certificates or hold Securities with Depository              | 28. Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository.  |

29. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottees as the Beneficial Owner of the security.
- Securities in Depositories 30. All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act, shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owner.
- Rights of Depositories and Beneficial Owners 31. Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the Beneficial Owner.
32. Save as otherwise provided in (a) above, the Depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the security held by it.
33. Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a Depository.
- Beneficial Owner deemed as absolute owner 34. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be entitled at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
- Depository to furnish information 35. Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
- Cancellation of certificates upon surrender by a person 36. Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.

Option to opt out in respect of any security	<p>37. If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly.</p> <p>38. The Depository shall, on receipt of information as above, make appropriate entries in its records and subsequently inform the Company.</p> <p>39. The Company shall within thirty (30) days of the receipt of the intimation from the Depository and on fulfillment of such conditions and payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.</p>
Service of Documents	<p>40. Notwithstanding anything in the Act, or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.</p>
Provisions of Articles to apply to shares held in Depository	<p>41. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares in physical form subject to the provisions of the Depository Act.</p>
Allotment of Securities dealt with in a Depository	<p>42. Notwithstanding anything in the Act, or these Articles where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.</p>
Distinctive number of securities held in a Depository	<p>43. The shares in the capital shall be numbered progressively according to their several denominations provided, however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.</p>
Register and Index of Beneficial Owners	<p>44. The Company shall cause to keep a Register and index of Members and a Register and index of Debenture holders in accordance with Section 151 and 152 of the Act, respectively, and the Depositories Act, with details of shares and debentures held in material/physical and dematerialised form in any media as may be permitted by law including in any form of electronic media. The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be Register and Index of Members and Register and Index of Debenture holders, as the case may be, for the purpose of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Members resident in that state or country.</p>
Register of Members	<p>45. The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form.</p>

## **Underwriting and Brokerage**

- Commission may be paid      46.    Subject to the provisions of Section 76 of the Act, the Company may, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares or debentures in the Company, but so that the commission shall not exceed, in the case of shares, five per cent of the price at which the shares are issued and in the case of debentures, two and a half per cent of the price at which the debentures are issued, or such higher rate or rates as may be permissible under any statutory provision for the time being in force. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
- Brokerage on issue of Shares or Debentures      47.    The Company may pay a reasonable sum for brokerage.

## **Interest out of Capital**

- Interest may be paid out of capital      48.    Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building, or the provision of plant.

## **Calls**

- Directors may make calls      49.    The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by resolution by circulation) make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the person or persons and at all times and places appointed by the Board. A call may be made payable by installments.
50.    Whenever any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.
- Notice of Calls      51.    Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to who such call shall be paid.

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| Call to date from resolution                   | 52. | A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board and may be made payable by the Members whose names appears on the Register of Members on such date or at the discretion of the Board on such subsequent date as may be fixed by the Board.  |
| Call may be revoked or postponed               | 53. | A call may be revoked or postponed at the discretion of the Board.  |
| Liability of joint holders                     | 54. | The joint-holder of a share shall be jointly and severally liable to pay all calls in respect thereof.  |
| Directors may extend time                      | 55. | The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members who from residence at a distance or other cause, the Board may, deem fairly entitled to such extension but no Member shall be entitled to such extension save as a matter of grace and favour.  |
| Calls to carry interest                        | 56. | If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member.   |
| Sums deemed to be calls                        | 57. | If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member.   |
| Proof on trial of suit for money due to shares | 58. | On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the Minute Book, and that notice of such call was duly given to the Member or his representatives issued in pursuance of these Articles, and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. |

- Partial payment not to preclude forfeiture 59. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.
- Payment in anticipation of calls may carry interest 60. (a) The Board may, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate as the Member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time the amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing. Provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or participate in profits.
- Voting rights in respect of calls in advance (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.
- Provisions to apply to Debentures 61. The provisions of these articles shall mutatis mutandis; apply to the calls on debentures of the Company.

## **LIEN**

- Company's Lien on shares / debentures 62. The Company shall have a first and paramount lien upon all the shares and/or debentures (other than fully paid-up shares and/or debentures) registered in the name of each Member and/or Debenture holder (whether held singly or jointly with others) in respect of all monies, whether presently payable or not and shall extend to all dividends, interest rights and bonuses from time to time declared in respect of such shares and/or debentures. Unless otherwise agreed the registration of transfer of shares and/or debentures shall operate as a waiver of Company's lien, if any, on such shares and/or debentures.

The Directors may at any time declare any share and/or debenture wholly or in part exempt from the provisions of this Article. Notwithstanding anything contained hereinabove, Company shall have lien on fully paid shares or debentures and such lien shall extend only in respect of payment of excess dividend/interest or any sums owing to the Company by a member/debentureholder.

- As to enforcing lien by sale 63. For the purpose of enforcing such lien, the Board may sell the shares/debentures subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such share and/or debentures and may authorise one of their member or appoint any officer or Agent to execute a transfer thereof on behalf of and in the name of such member/debentureholder. No sale shall be made until such period, as may be stipulated by the Board from time to time, and until notice in writing of the intention to sell shall have been served on such member and/or debentureholder or his legal representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.
- Application of proceeds of sale 64. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares / before the sale) be paid to the persons entitled to the shares and/or debentures at the date of the sale.
- Outsiders lien not to affect Company's lien 65. The Company shall be entitled to treat the registered holder of any share or debenture as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or by statute required) be bound to recognise equitable or other claim to, or interest in, such shares or debentures on the part of any other person. The Company's lien shall prevail notwithstanding that it has received notice of any such claims.

### **Forfeiture of Shares**

- If money payable on shares not paid notice to be given to Members 66. If any Member fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at any time thereafter, during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- Form of notice 67. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.

In default of payment, shares to be forfeited	68.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share not actually paid before the forfeiture.
Notice of forfeiture to a Member	69.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be in any manner invalidated by any commission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited Share to be property of the Company and may be sold etc.	70.	Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.
Members still liable to pay calls owing at the time of forfeiture and interest	71.	Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.
Effect of forfeiture	72.	The forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
Evidence of forfeiture	73.	A declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.
Validity of sale under Articles 64 and 70	74.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and may cause the purchaser's name to be entered in the Register of Members in respect of the shares sold, and the Purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

- Cancellation of share certificate in respect of forfeited shares
75. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect. Where any shares under the powers in that behalf herein contained are sold by the Board of Directors and the certificate in respect thereof has not been delivered to the Company by the former holder of such shares, the Board of Directors may issue a new certificate for such shares distinguishing it in such manner as it may think fit from the certificate not so delivered.
- Power to annual forfeiture
76. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof, upon such conditions as it think fit.
- Joint-holders
77. Where two or more persons are registered as the holders of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint holders with benefits of survivorship subject to the following and other provisions contained in these Articles:-
- (a) The Company shall be entitled to decline to register more than three persons as the holders of any share.
  - (b) The joint-holders shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of the share.
  - (c) On the death of any one or more of such joint- holders, the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the directors may require such evidence of death as may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.
- Receipts
- (d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.

Delivery of Certificate and giving of notice to first named holder (e) Only the person whose name stands first in the Register of Members as one of the joint-holders shall be entitled to delivery of the certificates relating to the share or to receive notices. In the case of shares held in a dematerialised or fungible form every beneficial owner in the records of the Depository shall be entitled to receive notices.

Votes of Joint-holders 78. Any one of two or more joint-holders may vote at any meeting either personally or by an agent duly authorised under a power of attorney or by proxy in respect of a share as if he were solely entitled thereto and if more than one of such persons be present, that person whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote.

Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent, duly authorised under power of attorney or by proxy although the name of such person present by an agent or proxy stands first or higher in the Register. Several executors of a deceased member in whose (deceased member's) name any share stands shall for the purposes of this sub clause be deemed joint-holders.

### **Transfer and Transmission of Shares**

Register of Transfers 79. The Company shall keep a "Register of Transfer" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share in the material form.

Form of Transfer 80. A Common Form of Transfer shall be used.  
  
The instrument of transfer shall be in writing and all the provisions of Section 108 of the Act, and or any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and their restrictions thereof.

Execution and Registration of transfer etc. 81. The Instrument of transfer duly stamped and executed by the Transferor and the Transferee shall be delivered to the Company in accordance with the provisions of the Act. The Instrument of Transfer shall be accompanied by such evidence as the Board may require to prove the title of Transferor and his right to transfer the shares and every registered Instrument of Transfer shall remain in the custody of the Company until destroyed by order of the Board. The Transferor shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer, the certificate or certificates of the shares must be delivered to the Company.

Closure of Register of members of Debenture holders	82.	The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situate to close the Transfer Books, the Register of Members or Register of Debenture-holder at such time or times and for such period or periods, not exceeding in the aggregate forty-five days in each year, and thirty days at one time.
Director's power to refuse to register a transfer	83.	Subject to the provisions of Section 111A of the Act, the Board may, at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares (whether fully paid or not and notwithstanding that the proposed Transferee be already a member), but in such case it shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the Transferee and the Transferor notice of the refusal to register such transfer provided that the registration of a transfer shall not be refused on the ground that the Transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on shares.
Notice of application when to be given	84.	Where, in the case of partly paid share, an application for registration is made by the transferor, the company shall give notice of the application to the Transferee in accordance with the provisions of Section 110 of the Act.
Death of one or more joint-holders of shares	85.	In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from an liability on shares held by him jointly with any other person.
Title to shares of deceased holders	86.	In absence of a nomination recorded in accordance with Section 109A of the Act, read with Section 109B of the Act, which shall, in any event, have precedent, the executors or administrators of holders of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint-holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such Member and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be, from a duly constituted court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnify or otherwise as the Board in its absolute discretion may think necessary and under Article 88 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a Member.
Restriction of transfer	87.	No share shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.

Transmission  
Clause

88. Subject to the provisions of the Act and Articles 86 and 87, any person becoming entitled to share in consequence of the death, lunacy, bankruptcy, insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an Instrument of Transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares. This clause is hereinafter referred to as the "transmission clause".
89. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share.
90. There shall be no fee paid to the Company, in respect of the transfer or transmission of any number of shares, registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

The Company is  
not liable for  
disregard of notice  
prohibiting  
registration of  
transfer

91. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.
92. The Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in the case of a transfer of shares presented for registration.

- Right of successors 93. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividend and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Member in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company provided that the directors shall, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares and if the notice is not complied with within ninety days, the directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the shares until the requirements of the notice have been complied with.

## **Nomination**

94. Every shareholder or debenture holder of the Company, may at anytime, nominate, in the prescribed manner, a person to whom his shares in, or debentures of the Company shall vest in the event of his or her death. A member may revoke or vary his or her nomination, at any time, by notifying the company to that effect.
95. Where the shares in, or debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company as the case may be, shall vest in the event of death of all the joint holders.
96. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, the nominee shall, on the death of the shareholder or debenture holder or, as the case may be, on the death of the joint holders, become entitled to all the rights in such shares or debentures or, as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied, cancelled in the prescribed manner.
97. Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares in or debentures of the Company, in the event of his death, during the minority.

## Transmission of Securities by Nominee

98. A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either -
- (a) to be registered himself as holder of the share or debenture, as the case may be; or
  - (b) to make such transfer of the share or debenture, as the case may be, as the deceased shareholder or debenture holder, could have made;
  - (c) if the nominee elects to be registered as holder of the share or debenture, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder as the case may be;
  - (d) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the share or debenture except that he shall not, before being registered as a member in respect of his share or debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.

## Buy back of Shares

99. Subject to the provisions of sections 77A, 77AA, 77B and 217 (2B) of the Act, the Company is hereby authorised to buy-back the Company's shares or other specified securities out of its free reserves or its securities premium account or from the proceeds of any shares or other specified securities; Provided that no buy-back of any kind of shares or other specified securities shall be made out of the proceeds of an earlier issue of the same kind of shares or the same kind of other specified securities.

- Splitting of shares      100. The Company may, subject to the Act and these Articles, in general meeting, alter the conditions of its Memorandum as follows:
- (a) Consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares.

- (b) Sub-divide its shares, or any of them, into shares of smaller amounts than those originally fixed by the Memorandum, subject nevertheless to the provisions of the Act and of these Articles. The resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regard dividend, capital or otherwise over or as compared with the others.
  - (c) Cancel any shares, which, at the date of such general meeting, have not been taken or agreed to be taken by any Person, and diminish the amount of its share capital by the amount of the shares so cancelled.
101. Whenever the share capital of the Company, by reason of the issue of preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to written consent or a Special Resolution under the provisions of Section 106 and the right of dissident Members comprising not less than 10% of the issued capital of that class to apply to the court to have a variation of Shareholders rights cancelled under section 107 of the Act and these Articles be varied, modified or dealt with, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class, and all the provisions contained in these Articles as to general meetings, (including the provisions relating to quorum at such meetings), shall mutatis mutandis apply to every such meeting.
102. The rights conferred upon the holders of the shares of any class, issued with preferred or other rights, shall not, unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
103. The Company shall not issue any shares, (not being preference shares), which carry voting right, or rights in the Company as to dividend, capital or otherwise, which are disproportionate to the rights attached to the holders (not being preference shares).
104. All equity shares shall be of the same class and shall rank pari passu and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including, without limitation, to identical rights and privileges with respect to dividend, voting rights, and the distribution of the assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company. If two or more persons are registered as joint holders of any shares, any of such persons may give effectual receipts for any dividends or other moneys payable in respect of such shares.
105. All further issues of shares or increases in the share capital of the Company shall require the prior approval of the Board.

106. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct and if no direction is given on the directions as the Board shall determine, and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with special or without any voting rights.

### **Copies of Memorandum and Articles to be sent to Members**

- Copies of Memorandum and Articles to be sent by the Company
107. A copy of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Company to every member at his request within seven days of the request on payment of the sum of Rupee One for each copy.

### **Borrowing Powers**

- Borrowing Powers
108. Subject to the provisions of Sections 58A, 292 and 293 of the Act, the Board may, from time to time at its discretion by a resolution passed at a meeting of the Board, accept deposit from members either in advance of calls or otherwise and generally raise or borrow or secure the repayment of any sum or sums of money for the purposes of the Company. Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of the business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting. Subject to the provisions of the Act and of these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board, receive deposits from its members, directors or their relatives and receive loans from its members, either in advance of call or otherwise, and generally raise or borrow money either in India or abroad by way of loans, overdrafts, cash credit or by issue of bonds denominated in various currencies, debentures or debenture stock with or without any option attached to it (perpetual or otherwise), commercial paper or in any other manner, from any bank, financial institution, company, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed.
109. Subject to the provisions of these Articles hereof, the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Ordinary Resolution shall prescribe including by the issue of debentures or debenture-stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being and debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

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| Terms of issue of Debentures            | 110. Any debentures, debentures stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in general meeting accorded by a Special Resolution. |
| Register of mortgages, etc. to be kept  | 111. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company and shall cause the requirements of Section 118, 125 and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with.  |
| Register and Index of Debenture holders | 112. The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture-holders in accordance with Section 152 and 157 of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Debenture-holders resident in that State or country.   |

### Share Warrants

113. The Company may issue share warrants subject to, and in accordance with, the provisions of Section 144 and 115 of the Act and accordingly the Board may in its discretion, with respect to any share which is fully paid, upon application in writing, signed by the person registered as holder of the share, from time to time, require as to identity of the person signing the application, on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.
114. The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposits, as if his name was inserted in the Register of Members as the holder of the share including in the deposited warrant.
115. Not more than one person shall be recognised as depositor of the share warrant.
116. The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

117. (a) Subject as herein otherwise expressly provided, no person shall, as bearer of share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notices from the Company.
- (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the share included in the warrant and he shall be a member of the Company.
118. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

### **Conversion of Shares into Stock and Reconversion**

Shares may be converted into stock

119. The Company, in General Meeting, may convert any paid-up shares into stock, and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interests therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arise might have been transferred if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, at any time, convert any stock into paid-up shares of any denomination. Where any shares have been so converted into stock, the holders of stock may then transfer their respective interests in the same or part thereof in the same manner, as and subject to the same restrictions under which the shares from which the stock arose before conversion might have been transferred., or as near thereto as circumstances admit. Provided however that the Board may, from time to time, fix the minimum amount of stock transferable.

Rights of stock holders

120. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings, of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets of winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

### **Meeting of Members**

121. The Company shall, within a period of not less than one month nor more than six months from which it is entitled to commence business, hold the Statutory Meeting of the members of the Company subject to and in accordance with the provisions of Section 165 of the Act.

Annual General Meeting

122. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings. An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Provided that it will be permissible to hold its first Annual General Meeting within a period of not less than eighteen months from the date of its incorporation; and if such meeting is held within that period it shall not be necessary for the Company to hold any Annual General Meeting in the year of its incorporation or in the following calendar year. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166 (i) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for at a time during business hours, on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the office of the Company is situate as the Board may determine and the notice calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meetings. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with Proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Section 159, 161 and 220 of the Act.

Extraordinary General Meeting

123. The Board may, whenever it thinks fit, call an Extra ordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the paid-up capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.

Requisition of Members to state object of Meeting

124. Any valid requisition so made by Members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

- On receipt of requisition, directors to call Meeting and in default requisitionists may do so.
125. Upon the receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within twenty-one days from the date of the requisition being deposited at the office and cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one - tenth of such of the paid-up share capital of the Company as is referred to in Section 169 (4) of the Act, whichever is less, may themselves call the Meeting, but in either case any Meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
- Meeting called by requisitionists
126. Any Meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.
- Notice of Meeting
127. Save and except the Statutory Meeting, twenty-one days' notice at the least of every General Meeting, Annual or Extraordinary, and by whomsoever called specifying the day, place and hour of Meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the members entitled to vote thereat and in case of any other Meeting, with the consent of the Members holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives a right to vote at the Meeting, a Meeting may be convened by a shorter notice. In the case of an Annual General Meeting if any business other than (i) the consideration of the Accounts, Balance Sheet and Reports of the Board of Directors and Auditors (ii) the declaration of dividend (iii) the appointment of Directors in place of those retiring, (iv) the appointment of, and fixing of the remuneration of the Auditors, is to be transacted, and in the case of any other Meeting in any event there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein of every Director, and the Manager (if any). Where any such item or special business relates to, or affects any other company, the extent of share holding interest in the other company of every Director, and the Manager, if any of the Company shall also be set out in the statement if the extent of such shareholding interest is not less than 20 percent of the paid-up share capital of that other company. Where any item of business consists of the according of approval to any documents by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Notice and other documents of General meeting of the company can be given to shareholders even by email provided every shareholder should be given advanced opportunity to register their email address and changes therein from time to time with the company. In case any member has not registered his email address with the company, the service of notice and documents should be in accordance with the provisions of section 53 of the Companies Act, 1956. The Notice of the General Meeting must inform the shareholders regarding availability of participation in the meeting through Video Conferencing and must provide necessary information to shareholders to access the available facility of video conferencing.

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| Omission to give notice not to invalidate a resolution passed | 128. | The accidental omission to give any such notice as aforesaid to any of the Members, or the non receipt of such notice by, any member or other person to whom it should be given shall not invalidate any resolution passed at any such Meeting.   |
| Meeting not to transact business not mentioned in notice      | 129. | No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.  |
| Quorum for the General Meeting                                | 130. | Five Members present in person shall be a quorum for a General Meeting. The Quorum for the meeting shall be as provided in Section 174 of the Act. Members attending the meeting through the Video conferencing will not be counted for the purpose of ascertaining the quorum of the meeting.  |
| Body Corporate deemed to be personally present                | 131. | A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act.  |
| If quorum not present, meeting to be dissolved or adjourned   | 132. | If, at the expiration of half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if convened by or upon the requisition of Members, shall stand dissolved and in any other case the Meeting shall stand adjourned to the same day in the next week or if that day is a public holiday, until the next succeeding day which is not a public holiday at the same time and place or to such other day and at such other time and place in the City or town in which the Office of the company is for the time being situate, as the Board may determine, and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum, and may transact the business for which the meeting was called. |

- Chairman of General Meeting 133. The chairman (if any) of the Directors shall be entitled to take the Chair at every General Meeting, whether Annual or Extra-ordinary. If there be no such Chairman of the Directors, or if at any Meeting he shall not be present within fifteen minutes of the time appointed for holding such Meeting or if he shall be unable or unwilling to take the chair then the members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the Chair, then the Members present shall elect one of their number to be Chairman.
- Business confined to election of Chairman whilst chair vacant 134. No business shall be discussed at any General Meeting except the election of a Chairman, whilst the Chair is vacant.
- Chairman with consent with adjourn 135. The Chairman with the consent of the Members may adjourn any Meeting from time to time and from place to place where the Office is situated. But no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- Question at General Meeting how decided 136. At any General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands, a poll is ordered to be taken by the Chairman of the meeting of his own motion or unless a poll is demanded by any member or members present in person or by proxy and holding shares in the company;
- (a) which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or
- (b) on which an aggregate sum of not less than Rupees 50,000 has been paid up.
137. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
138. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Minutes Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.
- Chairman's casting vote 139. In the case of an equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.

- Poll to be taken, if demanded 140. If a poll is demanded as aforesaid, the same shall be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the City or town in which the Office of the Company is for the time being situate and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
- Scrutineers at poll 141. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting provided such a Member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause.
- In what case poll taken without adjournment 142. Any poll duly demanded on the election of a Chairman of a Meeting or on any question of adjournment shall be taken at the Meeting forthwith.
- Demand for poll not to prevent transaction of other business 143. The demand for a poll, except on the questions of the election of the Chairman and on an adjournment, shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which the poll has been demanded.
- Postal Ballot 144. Notwithstanding anything contained in the Articles of Association of the Company, the Company does adopt the mode of passing the resolutions by its members by means of a postal ballot (including voting by an electronic mode) pursuant to the provisions of Section 192 A of the Act, read with the Companies (Passing of the Resolution by Postal Ballot Rules), 2001, and any modifications or amendments made thereto from time to time.

### **Vote of Members**

- Member in arrears not to vote 145. No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised, any right of lien.

Number of votes to which member entitled	146.	Subject to the provisions of the Articles 149 & 153 and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, not disqualified by the last preceding Article, shall be entitled to be present and to speak and vote at such Meeting and on a show of hands, every Member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company. Provided, however, if any preference shareholder be present at any Meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions placed before the Meeting which directly affect the rights attached to his preference shares.
Casting of votes by a Member entitled to more than one vote	147.	On a poll taken at a meeting of the Company, a Member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
Vote of Member of unsound mind and minor	148.	A Member of unsound mind or and in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian in respect of any shares registered in his name and any such committee or guardian may, on poll, vote by proxy. If any Member be a minor, the vote in respect of his share or shares shall be by his guardian, or any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the Meeting.
Representation of body corporate	149.	<p>(A) (i) A body corporate (whether a Company within the meaning of the Act or not) may, if it is a member or creditor of the Company (including a holder of debentures) having a right to vote, may in pursuance of Sections 187 or 187A of the Act, authorise such person as it thinks fit by a resolution of its Board of Directors or other governing body to act as its representative at any meeting of the Company or of any class of Members of the Company or at any meeting of the creditors of the Company or debenture holders of the Company.</p> <p>(ii) A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor, or holder of debentures of the Company. The production of a copy of the resolution aforesaid certified by a Director of such body corporate before the commencement of the meeting shall be accepted by the Company as sufficient evidence of the validity of the said representative appointment and his right to vote thereof.</p>

(B) (i) The President of India or the Governor of a State, if he is a member of the Company, may appoint such person as he thinks fit to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company.

(ii) A person appointed to act as aforesaid shall, for the purpose of this Act, be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers (including the right to Vote by proxy) as the President or as case may be, the Governor could exercise as a member of the Company.

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| Votes of joint member                                       | 150. If there be joint registered holders of any shares, any one of such persons may vote at any meeting or may appoint another person (whether a Member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint-holders be present at any Meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose names shares stand shall, for the purpose of these Articles, be deemed joint-holders thereof. |
| Voting in person or by proxy                                | 151. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member.  |
| Votes in respect of shares of deceased and insolvent Member | 152. Any person entitled under Article 87 to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.  |
| Appointment of proxy  | 153. Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the Meeting.   |

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| Proxy either for specified meeting or for a period                    | 154. | An instrument of proxy may appoint a proxy either for the purpose of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every Meeting of the Company or of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.   |
| Votes by members present or by proxy                                  | 155. | A member present by proxy shall be entitled to vote only on a poll. However where such Member is a body corporate present by a proxy who is not himself a Member in which case such proxy shall also be eligible to vote on show of hands as if he were a Member.   |
| Deposit of instrument of appointment                                  | 156. | The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument or proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.             |
| Form of proxy   | 157. | Every instrument of proxy whether for a specified Meeting or otherwise shall as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.   |
| Validity of votes given by proxy notwithstanding death of member      | 158. | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any authority or of any power of attorney under which such proxy was signed or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the commencement of the meeting or adjourned meeting at which the proxy is used. |
| Time for objection to vote  | 159. | No objection shall be made to the validity of any vote, except at any Meeting or poll at which such vote shall be tendered and every vote, whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever.  |
| Chairman of the meeting to be the Judge of the validity of every vote | 160. | The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final, binding and conclusive.  |

### **Minutes of Meeting**

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| Minutes of General Meetings and inspection thereof by Members | 161. | The Company shall cause minutes of all proceedings of every General Meeting to be kept within thirty days of the conclusion of every such Meeting and concerned entries thereof in books kept for that purpose with their pages consecutively numbered. |
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162. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each Meeting in such book shall be dated and signed by the Chairman of the same Meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorised by the Board for the purpose.
163. In no case the minutes of proceedings of a Meeting shall be attached to any such book as aforesaid by pasting or otherwise.
164. The minutes of each Meeting shall contain a fair and correct summary of the proceedings thereat.
165. All appointments of Officers made at any Meeting aforesaid shall be included in the minutes of the Meeting.
166. Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the Meeting (a) is or could reasonably be regarded as defamatory on any person, or (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
167. Any such minutes shall be evidence of the proceedings recorded therein.
168. The book containing the Minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any Member without charge.

## **Directors**

Number of Directors

169. a) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and not be more than twelve.

Certain persons not to be Directors.

b) No body corporate, association or firm shall be appointed a Director and only an individual shall be so appointed. As provided by Section 274 of the Act, certain persons mentioned therein shall not be capable of being appointed Directors of the Company, unless the Central Government, by Notification, removes the disqualification for some of the persons mentioned therein.

c) The First Directors of the Company are :

1. Shri Gautam Adhikari
2. Shri Markand Adhikari

170. The above named Directors of the Company shall hold the office as per the provisions contained in these articles and as per the provisions of

the Companies Act, 1956.

- Provision to appoint ex-officio Directors
171. Whenever the Company/ directors enter into a contract with any Government, Central, State or Local, any bank or financial institution or any person or persons (hereinafter referred to as the "appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the Directors shall have, subject to the provisions of Section 255 of the Act, the power to agree that such appointer shall have the right to appoint or nominate, by a notice in writing addressed to the Company, one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy, which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

#### **Nominee Director**

172. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the State Bank of India (SBI), Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC), National Insurance Company Limited (NIC), The Orient Fire and General Insurance Company Limited (OFGI), The New India Assurance Company Limited (NIA), United India Insurance Company Limited (UI) or a State Financial Corporation or any financial institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more of them or by Central Government or State Government by themselves (each of the above is hereinafter in this Article referred to as "the Corporation"), out of any loans/debenture assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/ Shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint, from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time, (which Director or Directors, is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

173. The Board of Directors of the Company shall have no power to remove the Nominee Director/s from its/their office/s. At the option of the Corporation, such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation, such Nominee Director/s shall not be liable to retirement by rotation of Directors. The Company agrees that if the Board of Directors of the Company has constituted or proposes to constitute any management committee or other committee(s) it shall, if so required by the Corporation include the Nominee Director as a member of such management committee or other committee(s). Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.
174. The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.
175. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meeting, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.
176. The Nominee Director/s shall be entitled to the same sitting fees, commission, remuneration and expenses as are applicable to other Directors of the Company. The Company shall pay the sitting fees and other expenses to the Nominee Director/s directly, but the commission, remuneration or other monies and fees to which the Nominee Director/s is entitled shall accrue due to the Corporation and shall accordingly be paid by the Company directly to the Corporation.
- Provided that if any such Nominee Director/s is an officer of the Corporation the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.
177. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

178. Provided also that in the event of Nominee Director/s being appointed as whole time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole time Director in the management of the affairs of the Company. Such whole time Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.
179. If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as "Debenture Director". A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares.
- Appointment of Alternate Directors 180. The Board may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to that State. If the term of office of the original Director is determined before he so returns to that State, any provisions in the Act or in these Articles for the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.
- Directors power to add to the Board 181. (a) Subject to the provisions of Section 260 of the Act, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall not, at any time, exceed the maximum strength fixed for the Board under the Article 169. Any such additional Director shall hold office only upto the next Annual General Meeting.
- (b) Subject to the provisions of Sections 262, 264 and 284 of the Act, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.
- Qualification of Directors 182. A Director shall not be required to hold any equity shares to qualify him to act as a Director of the Company.

- Remuneration of Directors 183. (a) Subject to the provisions of Sections 198,309 and 310 of the Act, a Managing Director or Directors, who is in the whole-time employment of the Company may be paid remuneration either by way of monthly payment or at specified percentage of the net profits of the Company or partly by one way and partly by the other.
- (b) Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either;
- (i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or
- (ii) by way of Commission if the Company by a special resolution authorised such payment.
- Fees payable to a Director for attending a meeting 184. The fees payable to a Director for attending a meeting of the Board or committee/s thereof shall be such sum as may be decided by the Board from time to time, subject to such limit as may be prescribed in that behalf, from time to time, by the Central Government under or pursuant to the Act.
- Special remuneration of director performing extra service 185. If any Director is called upon to perform extra services or special exertion or efforts (which expression shall include work done by a Director as a member of any Committee/s formed by the Directors), the Board may arrange with such Director, for such special remuneration, for such extra services or special exertion or efforts either by a fixed sum or otherwise as may be determined by the Board and the said remuneration may be either in addition to or in substitution of his remuneration elsewhere specified in the Articles.
- Traveling expenses incurred by Director not a bonafide resident or by Director going out on Company's business 186. The Board may allow and pay to any Director, who travels for the purpose of attending and returning from meetings of the Board of Directors or any Committee/s thereof or General Meetings, or in connection with the business of the Company, his travelling and hotel and other expenses incurred by him in consequence or for the purpose of his attendance, and in connection with the business of the Company in addition to his fees for attending such meetings as above specified and other remuneration payable to him.
- Provided that if so desired by the Corporation appointing a Corporation Director, the Company may instead reimburse the Corporation appointing such Director any sums that may be paid by it to that Director in respect of his attendance at the meeting of the Board.
- Directors may act notwithstanding any vacancy 187. The continuing Directors may act, notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by the Act. The continuing Directors, not being less than two, may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting but for no other purpose.

When the office of Director may become vacant

188. Subject to Section 283 (2) of the Act, the Office of a Director shall become vacant if :
- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
  - (b) he applies to be adjudicated an insolvent; or
  - (c) he is adjudged an insolvent; or
  - (d) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of such call unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or
  - (e) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is longer, without leave of absence from the Board; or
  - (f) he becomes disqualified by an order of the Court under Section 203 of the Act; or
  - (g) he is removed in pursuance of Section 284; or
  - (h) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company of which he is a director accepts a loan or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or
  - (i) he acts in contravention of Section 299 of the Act; or
  - (j) he is convicted by a court of an offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or
  - (k) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or
  - (l) he resigns his office by a notice in writing addressed to the Company.

Director may contract with Company

189. (a) A Director or his relative, firm in which such Director or relative is a partner, or any other partner in such firm or a private company of which the Director is a member or Director, may enter into any contract with the Company for the sale, purchase or supply of any goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company, provided that the sanction of the Board and the previous approval of the Central Government, if and as may be required, shall be obtained in accordance with Section 297 of the Act.
- (b) No sanction shall, however, be necessary for -
- (i) any purchase of goods and materials from the Company, or the sale of goods or materials to the Company by any such Director, relative, firm, partner or private company as aforesaid for such cash at prevailing market prices; or
  - (ii) any contract or contracts between the Company on, one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of goods, materials and services in which either the Company or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business, where the value of the goods and materials or the cost of such services does not exceed Rs. 5,000/- in the aggregate in any year comprised in the period of the contract or contracts.

Provided that in circumstances of urgent necessity, a Director, relative, firm, partner or private company as aforesaid may, without obtaining the consent of the Board, enter into any such contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or the cost of such services exceeds Rs. 5,000/- in the aggregate in any year comprised in the period of the contract, if the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract was entered into.

Every consent of the board required under this article shall be accorded by resolution passed at a meeting of the board and not otherwise; and the consent of the Board required under clause (i) above shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.

If consent is not accorded to any contract under this article, anything done in pursuance of the contract shall be voidable at the option of the Board.

- Disclosure of interest 190. A Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299(2) of the Act;. Provided that it shall not be necessary for Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into between two companies where any of the Directors of the Company or two or more of them together holds or hold not more than two per cent of the paid-up share capital in any such other company.
- General notice of interest 191. A General notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such General notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.
- Interested Directors not to participate or vote in Board's proceedings 192. No Director shall as a Director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, nor shall his presence be counted for the purpose of forming a quorum at the time of any such discussion or vote, and if he does vote, his vote shall be void, provided however that nothing herein contained shall apply to :
- (a) any contract of indemnity against any loss which Directors, or any one or more of them, may suffer by reason of becoming or being a surety or sureties for the Company.
  - (b) any contract or arrangement entered into or to be entered into with a Public Company or a Private Company which is a subsidiary of Public Company in which the interest of the Director consist solely in his being :

- (i) a director of such company, and
- (ii) the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such director by the Company.
- (iii) in his being a member holding not more than 2% of its paid-up share capital.

This article is subject to the provisions of section 300 (2)(c) of the Act.

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| Register of Contracts in which Directors are interested                  | 193. The Company shall keep a Register in accordance with Section 301(1) and shall, within the time specified in Section 301(2), enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 191. The Register shall be kept at the office of the Company and shall be open to inspection at such office, and extracts may be taken there from and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 163 of the Act shall apply accordingly. |
| Directors may be Directors of Companies promoted by the Company          | 194. A Director may be or become a Director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 309(6) or Section 314 of the Act may be applicable.  |
| Retirement and rotation of Directors                                     | 195. At every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from Office of Directors. The non-retiring Directors, Ex-Officio Directors/Nominee Directors and Debentures Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of Directors to retire.   |
| Ascertainment of directors retiring by rotation and filling of vacancies | 196. Subject to provisions of the Act, the Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire, shall in default of and subject to any agreement among themselves, be determined by lot.  |
| Eligibility for Re-election  | 197. A retiring Director shall be eligible for re-election.   |

198. Subject to Section 258 of the Act, the Company, at the General Meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto.
- Provisions in default of appointment 199. (a) If the place of the retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
- (b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and that Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned Meeting unless :
- (i) at the Meeting or at the previous Meeting, resolution for the re- appointment of such Director has been put to the Meeting and lost;
- (ii) the retiring Director has, by notice in writing addressed to the Company or its Board, expressed his unwillingness to be so appointed;
- (iii) he is not qualified or is disqualified for appointment;
- (iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act, or
- (v) the proviso to sub-section (2) of Section 263 of the Act is applicable to the case.
- Company may increase or reduce the number of Directors 200. Subject to Section 259 of the Act, the Company may, by Ordinary Resolution from time to time, increase or reduce the number of Directors within the limits fixed in that behalf by these Articles, and may alter their qualifications and the Company may (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person in his place. The person so appointed should hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.
- Notice of candidature and consent 201. (a) No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some other Member intending to propose him has, not less than fourteen days before the Meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office.

- (b) The Company shall inform its members of the candidature of a person for the office of Director or the intention of member to propose such person as a candidate for that office, by serving individual notices on the members not less than seven days before the meeting:

Provided that it shall not be necessary for the Company to serve individual notices upon the members as aforesaid if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the place where the registered office of the Company is located, of which one is published in the English language and the other in the regional language of that place.

- (c) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as candidate for the office of a Director shall sign and file with the Company the consent in writing to act as a Director, if appointed.
- (d) A person, other than a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company, unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

Register of Directors etc. and notification of change to registrars

- 202. (a) The Company shall keep at its office a Register containing the particulars of its Directors, Manager, Secretary and other persons mentioned in Section 303 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.
- (b) The Company shall, in respect of each of its Directors, also keep at its office a Register, (as required by sub-section (1) of Section 307 of the Act), and shall otherwise comply with the provisions of the said Section.

Disclosure by Directors of appointment to any other body corporate

- 203. (a) Every Director (including a person deemed to be a Director by virtue of the Explanation to sub-section (1) of Section 303 of the Act), Managing Director, Manager or Secretary of the Company shall, within twenty days of his appointment to any of the above offices to any other body corporate, disclose to the company the particulars relating to his office in the other body corporate which are required to be specified under sub-section (1) of Section 303 of the Act.

- (b) Every Director and every person deemed to be a Director of the Company by virtue of sub-section (1) of Section 307 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section.

Restriction on Management

204. The Managing Director or Managing Directors shall not exercise the power to :

- (a) make calls on shareholders in respect of money unpaid on the shares in the Company,

- (b) issue debentures,

and except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act, shall also not exercise the power to :

- (c) borrow moneys, other than on debentures,

- (d) invest the funds of the company and

- (e) Make loans.

Certain persons only to be appointed Managing / Wholetime Directors

205. The Company shall not appoint or employ, or continue the appointment or employment of a person as its Managing or Whole-time Director who -

- (a) is an undischarged insolvent, or has at any time been adjudged an insolvent.

- (b) suspends, or has at any time suspended, payment to his creditors, or makes, or has at any time made, a composition with them, or

- (c) is or has at any time been convicted by a Court of an offence involving moral turpitude.

206. A Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation and if he ceases to hold the office of Director, he shall ipso facto and immediately cease to be a Managing Director.

## Proceedings and Powers of the Board of Directors

- Meeting of Directors 207. The Directors may meet either in person or through video conferencing, capable of recording and recognizing the participation of the directors, for the dispatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings, as they think fit.
- The provisions relating to notice, agenda, quorum and minutes stated hereinafter shall mutates mutandis apply to the meetings held through such video conferencing.
- Notice of Directors Meeting 208. Notice of every meeting of the Board shall be given in writing to every Director whether in or outside India or through written communication sent electronically, and otherwise regulate their meetings, as they think fit
- Notice of the Board Meeting must inform directors regarding availability of participation through video conferencing and should also provide necessary information to enable the directors to access the available facility of Video conferencing. Notice of the meeting shall also seek confirmation from the Director as to whether he will attend the meeting physically or through electronic mode and shall also contain contact number (s), email addresses of the Secretary / designated officer to whom the director shall confirm in this regard.
- Quorum of Board Meeting 209. Subject to Section 287 of the Act the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two directors, present in person or attending through video-conferencing, whichever is higher, provided that where at any time the number of interested directors exceeds or is equal to two thirds of the total strength the number of the remaining director that is to say, the number of directors who are not interested shall be the quorum during such time provided such number is not less than two.
- Provided that any Director participating through video conferencing shall attend in person at least one Board Meeting held every year.
- Adjournment of meeting for want of quorum 210. If a meeting of the Board could not be held for want of a quorum then, the meeting shall stand adjourned to such other date and time (if any) as may be fixed by the Chairman.
- When meeting to be convened 211. The Secretary shall, as and when directed by any Director to do so, convene a meeting of the Board by giving a notice in writing to every other Director.
- Chairman and Vice – Chairman of the Board 212. If at any meeting of the Board, the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of their numbers to be Chairman of the meeting.

Questions at Board meetings how to be decided	213.	Questions arising at any meeting of the Board of Director or a committee or sub-committee thereof or in resolution to be passed by circular shall be decided by a majority of votes and in the case of an equality of votes, the Chairman shall have a second or casting vote.
Powers of Board in Meetings	214.	A meeting of the Board, for the time being at which a quorum is present, shall be competent to exercise all or any of the authorities, powers, and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.
Directors may appoint Committees	215.	Subject to the restrictions contained in Section 292 of the Act, the Board may delegate any of their powers to one or more Committees of the Board consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part, and either as to persons or purposes; but every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such Committee of the Board shall be in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Provided that every such Committee shall have, as one of its member, the Director referred to in Article 213 or his alternate Director.
Meeting of Committee how to be governed	216.	The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article; provided that no resolution shall be deemed to have been passed by the Committee unless the Director referred to in the proviso to Article 213 or his Alternate Director has voted in favour of the Resolution.
Resolution by circulation	217.	No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors or all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board, or a Committee, as the case may be), and to all other Directors or Members of the Committee at their usual address in India and has been approved by such of the Directors or Members as are then in India, or by a majority of such of them, as are entitled to vote on the resolution. The provisions of this Article shall be subject to the provision of Article 213.

Acts of Board or Committee valid notwithstanding informal defect in appointment

218. All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Minutes of proceedings of the Board

219. (a) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered.
- (b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the next succeeding meeting.
- (c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (e) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (f) The minutes shall also contain -
- (i) The name of the Directors present at the meeting and
  - (ii) In the case of each resolution passed at the meeting, the name of the Directors, if any, dissenting from or not concurring in the resolution.
- (g) Nothing contained in sub-clause (a) to (f) shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting -
- (i) is, or could reasonably be regarded as defamatory of any person,
  - (ii) is irrelevant or immaterial to the proceedings; or
  - (iii) is detrimental to the interest of the Company.

- (h) The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.
- (i) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

Powers of the Board

220. The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting :-

- (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;
- (b) remit, or give time for the repayment of, any debt due by a Director;
- (c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;
- (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose;
- (e) Provided further that the powers specified in Section 292 of the Act shall subject to these Articles be exercised only at meetings of the Board, unless the same be delegated to the extent therein stated; or

- (f) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding whichever is greater.

Certain powers to be exercised by board only at meeting

221. The board of directors of the company shall exercise the following powers on behalf of the company and it shall do so only by means of resolution passed at meetings of the Board.

- (a) the power to make calls on shareholders in respect of money unpaid on their shares;
- (b) the power to issue debentures;
- (c) the power to borrow money otherwise than on debenture;
- (d) the power to invest the funds of the Company; and
- (e) the power to make loans.

Provided that the Board may by a resolution passed at a meeting, delegate to any committee of Directors, the Managing Director, if any, the manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the Branch office, the powers specified in clause (c), (d) and (e) of this Article to the extent specified in sub-sections (2), (3) and (4) respectively of Section 292 of the Act on such conditions as the Board may prescribe. In respect of dealings between the Company and its bankers the exercise by the Company of the power specified in clause (c) shall mean the arrangement made by the Company with its bankers for the borrowing of money by way of overdraft or cash credit or otherwise and not the actual day-to-day operation on overdraft, cash credit of other accounts by means of which the arrangement so made is actually availed of.

Certain powers of the Board

222. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power :

- (a) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;
- (b) To pay and charge to the capital account of the Company commission or interest lawfully payable thereout under the provisions of Section 76 and 208 of the Act;

- (c) Subject to Sections 292, 293 and 297 of the Act, to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition, to accept such title as the Directors may believe or may be advised to be reasonably satisfied;
- (d) At their discretion and subject to the provisions of the Act, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or otherwise securities of the Company, and any such shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;.
- (e) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit;
- (f) To accept from any Member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;
- (g) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- (h) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon;
- (i) To act on behalf of the Company in all matters relating to bankrupts and insolvents.;
- (j) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;

- (k) Subject to the provisions of Sections 292, 293(1)(a), 295, 370, 372 and 372A,373 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time vary or realize such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;
- (l) To execute, in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability, whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;
- (m) To determine, from time to time, who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose;
- (n) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company and to give to any office or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as part of the working expenses of the Company;
- (o) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee any charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;

- (p) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as Reserve Fund or any special fund to meet contingencies or to repay debentures or debentures stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of Reserve Fund or division of a Reserve Fund and with full power to employ assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of debentures or debenture stock, and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper;
- (q) To appoint and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may, from time to time, think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the generally conferred by this sub-clause;
- (r) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration;

- (s) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation;
- (t) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board think fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such Powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them;
- (u) Subject to Section 294, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts deeds and things in the name and on behalf of the Company as they may consider expedient;
- (v) From time to time to make, vary and repeal by laws for the regulations of the business of the Company, its officers and servants;
- (w) To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary or expedient to comply with.

## Management

- Power to appoint Managing or Whole-time Director(s) 223. Subject to the provisions of the Act and of these Articles, the Board of Directors may from time to time appoint one or more person/s to be Managing Director or Managing Directors (in which expression shall be included a Joint Managing Director) or Whole-time Director or Whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit and upon such terms and conditions as the Board may think fit and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.
- What provisions they shall be subject to 224. Subject to the provisions of the Act and of these Articles, a Managing Director or a Whole-time Director shall not while he continues to hold that office, be subject to retirement by rotation under the Act or these Articles but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole-time Director if he ceases to hold the office of Director for any cause, provided that if at any time the number of Directors (including the Managing Director or whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such Managing Director or Managing Directors or Whole-time Director or Whole-time Directors. as the Directors may from time to time select, shall be liable to retirement by rotation in accordance with these Articles to the intent that the Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.
- Remuneration of Managing Director or Whole-time Director(s) 225. Subject to the provisions of the Act and to the approval of the Company in General Meeting, if required by the Act. the remuneration of a Managing Director or Whole-time Director shall from time to time be fixed by the Board of Directors and may be by way of fixed salary, perquisites, benefits or commission or profits of the Company, or by participation in any such profit or by any or all of these modes or any other mode not expressly prohibited by the Act.
- Powers and duties of Managing 226. Subject to the superintendence, control and direction of the Board of Directors, the day to day management of the Company may be entrusted to the Director or Directors appointed under Article 224 with power to the Board to distribute such day to day functions among such Directors, if more than one. in any manner as directed by the Board, or to delegate such power of distribution to any one of them. The Board of Directors may from time to time entrust to and confer upon a Managing Director or Whole-time Director for the time being, save as prohibited in the Act. such of the powers exercisable under these presents by the Directors as they may think fit. and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such

powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient and they may subject to the provisions of the Act and these Articles confer upon such powers. either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

227. The Managing Director or Managing Directors or Whole-time Director or Whole-time Directors shall not exercise the powers to:
- a. make calls on shareholders in respect of moneys unpaid on their shares in the company;
  - b. issue debentures; and
  - c. except as may be delegated by the Board under Section 292 of the Act, invest the funds of the Company, or make loans or borrow moneys.

Certain persons not to be appointed Managing Director or Whole-time Director(s)

228. The Company shall not appoint or employ, or continue the appointment or employment of any person as its Managing or Whole-time Director who
- a. Is an undischarged insolvent, or has at any time been adjudged an insolvent
  - b. Suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made a composition with them; or
  - c. Is or has at any time been, convicted by a Court in India of an offence involving moral turpitude

229. The Directors shall, from time to time, appoint a Secretary and, at their discretion, remove any such Secretary to perform any functions, which by the Act are to be performed by the Secretary and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also appoint at any time any person or persons (who need not be the Secretary) to keep the Registers required to be kept by the Company.

## The Seal

The Seal its custody and its use

230. (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have the power, from time to time, to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
- (b) The Company shall also be at liberty to have an official Seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.

Deeds how executed 231. Every Deed or other instrument, to which the Seal of the Company is required to be affixed, shall, unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board for the purpose provided that in respect of the Share Certificate the Seal shall be affixed in accordance with Article 230(a).

## Dividends

Division of profits and dividends in proportion to amount paid up 232. The profits of the Company, subject to any special rights relating thereof created or authorised to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up or credited as paid up and to the period during the year for which the capital is paid-up on the shares held by them respectively.

The Company in General Meeting may declare a dividend 233. The Company in General Meeting may declare dividends to be paid to Members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

Dividends only to be paid out of profits 234. No dividend shall be declared or paid otherwise by the Company for any financial year out of profits for the year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act except after the transfer to the reserves of the Company of such percentage of its profits for the year as may be prescribed or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that :

(a) If the Company has not provided for depreciation for any previous financial year or years, it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;

(b) If the Company has incurred any loss in any previous financial year or years, the amount of loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the years for which the dividend is provided to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Sub-section (2) of Section 205 of the Act or against both.

Provided further that, no dividend shall be declared or paid for any financial year out of the profits of the Company for the year arrived at after providing for depreciation as above, except after the transfer to the reserves of the Company of such percentage of its profits for that year as may be prescribed in accordance with Section 205 of the Act or such higher percentage of its profits as may be allowed in accordance with that Section.

Interim dividend	235.	The Board may, from time to time, pay to the Members such interim dividend as in their judgment the position of the Company justifies.
Capital paid up in advance at interest not to earn dividend	236.	Where Capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.
Dividends in proportion to amount paid –up	237.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.
	238.	The Board may retain dividends payable upon shares in respect of which any person is, under Article 89, entitled to become a Member, or which any person under that Article is entitled to transfer, until such person shall become a Member, in respect of such shares or share duly transfer the same.
Dividend, etc. to joint-holders	239.	Any one of several persons who are registered as the joint-holder of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.
No Member to receive Dividend while indebted to the Company and Company's rights of reimbursement thereof	240.	No Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money be due or owing from him to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons, and the Board may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company.
Transfer of shares must be registered	241.	A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.  Provided, however, that where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered, the company shall :  (a) transfer the dividend in relation to such shares to the special account referred to in Section 205A unless the company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and  (b) keep in abeyance in relation to such shares any offer of rights shares under clause (a) of sub-section (1) of Section 81 and any issue of fully paid up bonus shares in pursuance of sub-section (3) of section 205.

- Unclaimed dividend 242. Any dividend which has not been claimed or the warrant in respect whereof has not been encashed within the period prescribed under Section 205A of the Act, shall be deposited in a special account as provided for in the said section 205A of the Act and the whole of the amount envisaged in clause (a) to (e) of sub-section (2) of section 205C of the Companies Act, 1956 remaining unpaid or unclaimed for a period of seven years from the date they become payable by a company have been credited to the Investor Education and Protection Fund as per Section 205C of the Act and subject to any amendments that may be made thereto from time to time.
- No interest on dividend 243. No unpaid dividend shall bear interest as against the Company.
- Dividend and call together 244. Any General Meeting declaring a dividend may, on the recommendation of the Directors, make a call on the Members of such amount as the meeting fixes but so that the call on each Member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the Member, be set off against the calls.
- Capitalization 245. (a) The Company, in General Meeting, may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend for representing premium received on the issue of shares and standing to the credit of the Share Premium Account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same, if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares of debentures or debentures stock and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum, provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article only be applied in the paying of any unissued shares to be issued to members of the Company as fully paid bonus shares.
- (b) A General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company, or in investments representing the same, or any other undistributed profit of the Company not subject to charge for income tax be distributed among the members on the footing that they receive the same as capital.

- (c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of less value than Rs. 10/- may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the Board. Where requisite a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Companies Act, 1956, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

## Accounts

- Directors to keep true accounts
246. The Company shall keep at the office or at such other place in India as the Board thinks fit proper Books of Account in accordance with Section 209 of the Act with respect to :
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;
  - (b) all sales and purchases of goods by the Company.
  - (c) the assets and liabilities of the Company.
247. Where the Board decides to keep all or any of the Books of Accounts at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.
248. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns, made up to date at intervals of not more than three months, are sent by the branch office to the Company at its office or other place in India, at which the Company's Books of Accounts are kept as aforesaid.
249. The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transactions. The books of Account and other books and papers shall be open to inspection by any Director during business hours.

- As to inspection of accounts or books by Members 250. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors, and no members (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board.
- Statement of accounts to be furnished to General Meeting 251. The Directors shall from time to time, in accordance with Section 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting such Balance Sheets, Profits and Loss Accounts and Reports as are required by these sections.
252. The Directors shall, if they consider it to be necessary and in the interest of the Company, be entitled to amend the Audited Accounts of the Company of any financial year which have been laid before the Company in General Meeting. The amendments to the Accounts effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval.
- Copies shall be sent to members and others 253. Subject to the provisions of Section 219 of the Act, a copy of every such profit and loss account and balance sheet (including the Auditors report and every other document required by law to be annexed or attached to the balance sheet) shall at least 21 days before the meeting at which the same are to be laid before the members, be sent to the members of the company, to every trustee for the holders of any debentures issued by the company, whether such member, or trustee is or is not entitled to have notices of general meetings of the Company sent to him, and to all persons other than such members or trustees, being persons so entitled.

## **Audit**

- Accounts to be audited 254. Auditors shall be appointed and their rights and duties regulated in accordance with Section 224 to 233 of the Act.

## **Documents and Notice**

- Manner or service of documents or notice on Members by Company 255. A document or notice may be served or given by the Company on any Member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him.

- When notices of documents served on Members 256. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document or notice, provided, that where a Member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of a Notice of a meeting at the expiration of forty eight hours (48) after the letter containing the document or notice is posted and in any other cases, at the time at which the letter would be delivered in the ordinary course of post.
- By Advertisement 257. A document or notice advertised in a newspaper circulating in the neighbourhood of the office shall be deemed to be duly served or sent on the day on which the advertisement appears on to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.
- On Joint Holders 258. A document or notice may be served or given by the Company on or to the joint-holders of a share by serving or giving the document or notice on or to the joint-holder named first in the Register of Members in respect of the share.
- On personal representatives, etc. 259. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in prepaid letter addressed to them by name or by the title of representatives of the deceased, or assignee of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.
- To whom documents or notices must be given 260. Documents or notices of every General Meeting shall be served or given in same manner hereinbefore authorised on or to (a) every Member, (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor or Auditors for the time being of the Company.
- Members bounds or documents or notices served on or given to previous holders 261. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share shall be bound by every document or notice in respect of such share, which previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such share.

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|--|---|
| Service of document or notice by Members             | 262. All documents or notices to be served or given by members on or to the Company or any Officer thereof shall be served or given by sending it to the Company or Officer at the Office by post under a certificate of posting or by registered post, or by leaving it at the office. |
| Documents or notice by Company and signature thereto | 263. Any documents or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signature thereto may be written, printed or lithographed.  |

### **Winding-up**

- |  |  |
|--|--|
| Liquidator may divide assets in specie | 264. The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit. |
|--|--|

### **Indemnity and Responsibility**

- |           |   |
|-----------|---|
| Indemnity | <p>265. (a) Subject to Section 201 of the Act, every Director, Officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.</p> <p>(b) Every officer, auditor and agent for the time being of the Company and every trustee for the time being acting in relation to any affairs of the company shall be indemnified and secured harmless out of the assets and the profits of the company against all action, cost, charges, losses, damages and expenses which any such officer, auditor, agent or trustee may incur or sustain by reason of any contract entered into or act or thing done, concurred in or omitted by him as such officer, auditor, agent or trustee or in any way in or about the discharge of his duties or supposed duties otherwise than in respect of any negligence, default, misfeasance, breach of duty or breach of trust of which he may be guilty in relation to his company.</p> <p>(c) The heirs, executors and administrators of every one of the aforesaid officer, auditor, agents and trustees shall be entitled to the benefits of the indemnities set forth in clause (a) and (b) of this Article.</p> |
|-----------|---|

## Secrecy Clause

- Secrecy Clause      266. (a) Every Director, Manager, Auditor, Treasurer, Trustee, member of a committee, officer, servant, agent, accountant, or other person employed in the business of the Company shall, if so required by the Board, before entering upon his duties sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- (b) No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process of any other matter, which may relate to the conduct of the business of opinion of Directors, it would be inexpedient in the interest of the Company to disclose.

\*\*\*\*\*

We the several persons, whose names, addresses and descriptions are hereunder subscribed, are desirous of being formed into a Company in pursuance of these Articles of Association:

Sr. No.	Name, Address, description and occupation of each Subscriber	Signature of Subscribers	Signature of witness and his name address, description and occupation
1.	<p>Mr. Gautam Adhikari S/o: Mr. Navneetlal Adhikari</p> <p>Add: 1001, Avishkar, 10th Floor, S. V. Road, Irla Bridge, Andheri (W), Mumbai 400 058.</p> <p>Occu: Business</p>	<b>Sd/-</b>	<p>Witness For Subscriber 1 &amp; 2</p> <p><b>Sd/-</b></p> <p>Manish Ghia S/o: Lalitchandra Ghia</p> <p>Add: 4, Chandan Niwas (Old), M. V. Road, Off Andheri Kurla Road, Andheri (East), Mumbai : 400069</p>
2.	<p>Mr. Markand Adhikari S/o: Mr. Navneetlal Adhikari</p> <p>Add: Adhikari Villa, 501, Hatkesh Road No. 7, Juhu, Mumbai 400 049.</p> <p>Occu: Business</p>	<b>Sd/-</b>	<p>Occu: Practicing Company Secretary</p>

**Place: Mumbai**

**Dated: 04/07/2007**

# HIGH COURT, BOMBAY

500335

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO. 592 OF 2015  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 498 OF 2015

Maiboli Broadcasting Private Limited....Petitioner Company

With

COMPANY SCHEME PETITION NO. 593 OF 2015  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 499 OF 2015

Sri Adhikari Brothers Assets Holding Private Limited....Petitioner Company.

With

COMPANY SCHEME PETITION NO. 594 OF 2015  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 396 OF 2015

Sri Adhikari Brothers Television Network Limited....Petitioner Company

With

COMPANY SCHEME PETITION NO. 595 OF 2015  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 500 OF 2015

UBJ Broadcasting Private Limited....Petitioner Company

With

COMPANY SCHEME PETITION NO. 596 OF 2015  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 501 OF 2015

HHP Broadcasting Services Private Limited....Petitioner Company

With



**HIGH COURT, BOMBAY**

COMPANY SCHEME PETITION NO.597 OF 2015  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 502 OF 2015

MPCR Broadcasting Service Private Limited....Petitioner Company

With

COMPANY SCHEME PETITION NO. 598 OF 2015  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 503 OF 2015

TV Vision Limited.....Petitioner Company

With

COMPANY SCHEME PETITION NO. 599 OF 2015  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 504 OF 2015

Sab Events & Governance Now Media Private Limited....Petitioner Company

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

AND

In the matter of Sections 391 to 394 of the  
Companies Act, 1956 read with Section 78,  
Sections 100 to 103 of the Companies Act, 1956  
and Section 52 and other relevant provision of  
the Companies Act, 2013

AND

In the matter of Composite Scheme of  
Amalgamation and Arrangement between  
Maiboli Broadcasting Private Limited ('Transferor  
Company') and Sri Adhikari Brothers Assets  
Holding Private Limited ('First Demerged  
Company') and Sri Adhikari Brothers Television

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500337

Network Limited ('Transferee Company' or 'Second Demerged Company') and UBJ Broadcasting Private Limited ('Third Demerged Company') and HHP Broadcasting Services Private Limited ('Fourth Demerged Company') and MPCR Broadcasting Service Private Limited ('Fifth Demerged Company') and TV Vision Limited ('First Resulting Company') and SAB Events & Governance Now Media Private Limited (Formerly known as 'Marvick Entertainment Private Limited') ('Second Resulting Company') and their Respective Shareholders.

## Called for hearing

Mr. Hemant Sethi, i/b M/s Hemant Sethi & Co. Advocate for the Petitioner Company

Mr. M.S Chunwalla i/b Mr. A.A Ansari in all the Petitions.

Mr. S. Ramakantha, Official Liquidator in Company Scheme Petition No. 592 of 2015.

CORAM: K.R. SHRIRAM, J

DATE: 21<sup>ST</sup> NOVEMBER 2015

PC:

1. Heard counsel for the parties. No objector has come before the court to oppose the Composite Scheme of Amalgamation and Arrangement and nor any party has controverted any averments made in the Petition.
2. The sanction of the Court is sought under Sections 391 to 394 read with section 78 and 100 to 103 and section 52 of Companies Act for the

Page 3 of 12

# HIGH COURT, BOMBAY

500338

Composite Scheme of Amalgamation and Arrangement between Malboli Broadcasting Private Limited ('Transferor Company') and Sri Adhikari Brothers Assets Holding Private Limited ('First Demerged Company') and Sri Adhikari Brothers Television Network Limited ('Transferee Company' or 'Second Demerged Company') and UBJ Broadcasting Private Limited ('Third Demerged Company') and HHP Broadcasting Services Private Limited ('Fourth Demerged Company') and MPCR Broadcasting Service Private Limited ('Fifth Demerged Company') and TV Vision Limited ('First Resulting Company') and SAB Events & Governance Now Media Private Limited (Formerly known as 'Marvick Entertainment Private Limited') ('Second Resulting Company') and their Respective Shareholders.

3. The Learned Counsel for the Petitioners states that Petitioner Companies in Company Scheme Petition No. 592, 595, 596, 597 and 598 is presently engaged in the business of broadcasting, the Petitioner Company in Company Scheme Petition No. 593 is presently engaged in the business of publication and event management, the Petitioner Company in Company Scheme Petition No. 594 is presently engaged in the business of content production and syndication and the Petitioner Company in Company Scheme Petition No. 599 is incorporated to carry on the business of publication and event management.
4. Learned Counsel for the Petitioners states that the Scheme will result into following benefits:

# HIGH COURT, BOMBAY

509339

- (i) Unlocking Shareholder Value in Broadcasting Business through listing of growing Broadcasting Business,
  - (ii) Focusing on core business of content to facilitate a level playing field for the Company in new age media and to focus on creating and developing infrastructure related to the new age Media & Entertainment field of the Group and
  - (iii) Creating a new vertical and rewarding the shareholders through listing of the niche and growth oriented Publication Business of the Group ('Publication Business').
5. Learned Counsel for the Petitioners further states that the Board of Directors of the Petitioner Companies have approved the said Composite Scheme of Amalgamation and Arrangement by passing Board Resolutions which are annexed to the respective Company Scheme Petitions.
6. The Learned Counsel for the Petitioners further states that the Petitioner Companies have complied with all the directions passed in the respective Company Summons for Direction and that the Company Scheme Petitions have been filed in consonance with the orders passed in respective Company Summons for Direction.
7. The learned Advocate for the Petitioners state that Petitioner Companies have complied with all directions passed in Company Summons for Directions and that the Petitions have been filed in consonance with the orders passed in respective Company Summons for Directions.

8. The learned Advocate appearing on behalf of the Petitioner Companies has stated that they have complied with all requirements as per directions of this Court and they have filed necessary affidavits of compliance in the Court. Moreover, Petitioner Companies undertake to comply with all statutory requirements if any, as required under the Companies Act, 1956 / the Companies Act, 2013 and the Rules made there under. The said undertakings given by the Petitioner Companies are accepted.

9. The Regional Director has filed an Affidavit on 29<sup>th</sup> October 2015 stating therein, save and except as stated in paragraph 6(a) to 6(g), it appears that the scheme is not prejudicial to the interest of shareholders and public. In paragraph 6(a) to 6(g) of the said affidavit, it is stated that:

"6 That the Deponent further submits that:-

(a) Clause 11(a) of the Scheme states that the Transferee company shall record the assets and liabilities of the Transferor Company transferred to the Transferee Company pursuant to this Scheme at their respective fair values as determined by the Board of Directors of the Transferee Company. In this regard, it is submitted that as the Transferor Company is 100% subsidiary of Transferee Company, the Accounting Standard prescribed in AS-14 viz 'Amalgamation in the nature of merger' following pooling of interest method shall be applied and accordingly the assets and liabilities of the Transferor Company have to be transferred on book value basis only instead of fair value basis.

(b) Part V of the Scheme provides for demerging Publication Business Undertaking of Second Demerged Company into Second Resulting Company. The Second Demerged Company is presently a listed company whose shares are listed on Bombay Stock Exchange and National Stock Exchange whereas the Second Resulting Company is a private limited company. Upon coming into effect of this Scheme and post issue of shares by the Second Resulting Company to the shareholders of Second Demerged Company, they would become the

## HIGH COURT, BOMBAY

shareholders of Second Resulting Company. Further, Clause No. 32.7 of the Scheme provides that the new equity shares to be issued to the Shareholders of the Second Demerged Company will be listed and/or admitted to trading in all Stock Exchanges on which shares of the Second Demerged Company is listed on the Effective Date. To get the shares listed by a Company, the condition precedent is that the subject company has to be a Public Limited Company. In this regard, it is submitted that the Second Resulting Company may be directed to convert itself into a Public Limited Company before giving effect to the Scheme.

(c) Clause 26.1(e) of the Scheme provides for recording the Surplus value, if any, arising out of demerger of Broadcasting Business of Second, Third, Fourth and Fifth Demerged Company into First Resulting Company, to the General Reserve Account of the First Resulting Company. The surplus/ reserve is arising only to transfer of capital assets from Demerged Companies to Resulting Company and no revenue is generated by the Resulting company. In this regard, it is submitted that the Surplus, if any arising out of the scheme shall be credited to Capital Reserve Account of First Resulting Company.

(d) Clause no. 24.1 and 32.1 of the Scheme provides for issue of shares upon coming into effect of this Scheme. The authorized share capital of First Resulting Company and Second Resulting Company may not be sufficient to issue shares as provided in aforesaid clauses of the Scheme. The First and Second Resulting Company shall, if and to the extent required, increase their Authorized Share Capital to facilitate issue of New Equity Shares under this Scheme. In this connection, the First and Second Resulting Company may be directed to comply with provisions of section 61/64 of Companies Act, 2013 corresponding to section 94/97 of Companies Act, 1956, in respect of filing of necessary forms with the Registrar of Companies after payment of necessary filing fee and stamp duty as applicable on the said forms.

(e) Clause 11(e), 18.1(e), 26.1(f) and 34.1(f) of the Scheme provides for adjustment differences in Accounting Policies between Transferor/Demerged Company and Transferee/Resulting Company. In this regard, it is submitted that in addition to compliance of Accounting Standard-14, the Transferee/Resulting Company shall pass such accounting entries which are necessary in connection with the Scheme to comply with other applicable Accounting Standard such as AS-5, etc.

# HIGH COURT, BOMBAY

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(f) It is respectfully submitted that the tax implication, if any, arising out of the Scheme is subject to final decision of Income Tax Authorities. The approval of the Scheme by this Hon'ble Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the Petitioner Companies after giving effect to the Scheme. The decision of the Income Tax Authority is binding on the Petitioner Companies.

(g) Clause 41 of the Scheme provides for Modification and Amendments to Scheme wherein the Board of Directors of Transferor/Demerged Company and Transferee/Resulting Company have been authorized to make any amendments to Scheme, if necessary, after the Scheme is approved by the Hon'ble High Court. Such liberty shall not be exercised by Board of Directors without obtaining prior approval from the Hon'ble High Court. The Petitioner Companies may be directed to undertake to this effect.

10. As far as observations made in paragraph 6(a) of Affidavit of the Regional Director is concerned, the Transferee Company through their Counsel undertakes that the assets and liabilities of the Transferor Company shall be transferred at their book value basis only instead of fair value basis.

11. In so far as observations made in paragraph 6(b) of Affidavit of the Regional Director is concerned, the Second Resulting Company through their Counsel undertakes to convert Second Resulting Company into a Public Limited Company before giving effect to the Scheme.

12. As far as observations made in paragraph 6(c) of Affidavit of the Regional Director is concerned, the First Resulting Company through their Counsel undertakes that the Surplus, if any arising out of the scheme will be credited to Capital Reserve Account of First Resulting Company.

13. As far as observations made in paragraph 6(d) of Affidavit of the Regional Director is concerned, the First Resulting Company and Second Resulting Company through their Counsel undertakes to increase its authorized share capital to the extent required and also to comply with the provisions of Companies Act,1956 and Companies Act,2013 in respect of filing of necessary forms with the Registrar of Companies and making payment of necessary filing fee and stamp duty as applicable on the said forms.
14. As far as observations made in paragraph 6(e) of Affidavit of the Regional Director is concerned, the Petitioner Companies through their Counsel undertakes it shall pass such accounting entries which are necessary in connection with the Scheme of Arrangement and to comply with any other applicable accounting standards.
15. In so far as observations made in paragraph 6(f) of the Affidavit of the Regional Director is concerned, the Petitioners clarifies that the approval of the Scheme by this Court will not deter the Income Tax Authority to scrutinize the tax return filed by the Petitioner Companies after giving effect to the Scheme and all issues arising out of the Scheme will be met and answered in accordance with law.
16. In so far as observations made in paragraph 6(g) of the Affidavit of Regional Director is concerned, the Counsel for the Petitioners clarifies that in case if the Petitioners Companies intend to modify the Scheme the same shall be done with the leave of this Court.

17. The Learned Counsel for Regional Director on instructions of Mr. M. Chandanamuthu, Joint Director, Legal in the Office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai, states that they are satisfied with the undertakings given by the Petitioner Companies. The said undertakings given by the Petitioner Companies are accepted.
18. The Official Liquidator has filed his report on 23<sup>rd</sup> September, 2015 in the Company Scheme Petition No. 592 of 2015 stating therein that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its members or to the public interest and it would be in order for you to same and the Petition, it is noticed that the affairs of the transferor Company have been conducted in a proper manner. Therefore, the transferor Company may kindly be ordered to be dissolved by this Court.
19. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
20. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition No. 592 to 599 of 2015 are made absolute in terms of the prayer clause (a) of the respective Company Scheme Petitions.

# HIGH COURT, BOMBAY

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21. The Petitioner Companies are directed to lodge a copy of this order, the Scheme and form of Minutes duly authenticated by the Company, Registrar, High Court, Bombay, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the order.
22. Petitioner is directed to file a copy of this order along with a copy of the Scheme and form of Minutes with the concerned Registrar of Companies, electronically, along with E-Form INC-28, in addition to physical copy, as per the relevant provisions of the Companies Act 1956 / 2013, whichever is applicable.
23. The Petitioners in all the Company Scheme Petitions to pay costs of Rs. 10,000/- each to the Regional Director, Western Region, Mumbai and Petitioner Company in Company Scheme Petition No. 592 of 2015 to pay cost of Rs. 10,000/- to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from today.
24. Filing and issuance of the drawn up order is dispensed with.
25. All concerned regulatory authorities to act on a copy of this order along with the Scheme and form of minutes duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

(K.R. SHRIRAM. J)

# HIGH COURT, BOMBAY

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## CERTIFICATE

I certify that this Order uploaded is a true and correct copy of original signed order.

Uploaded by: Shankar Gawde, Stenographer.

TRUE COPY

for <sup>SA</sup> 03/12/15  
Section Officer  
High Court, Appellate Side  
Bombay

TRUE-COPY

*[Signature]* 12/16  
(K. K. TRIVEDI)  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY

COMPOSITE SCHEME OF AMALGAMATION AND ARRANGEMENT

BETWEEN

MAIBOLI BROADCASTING PRIVATE LIMITED ('Transferor Company')

AND

SRI ADHIKARI BROTHERS ASSETS HOLDING PRIVATE LIMITED ('First Demerged Company')

AND

SRI ADHIKARI BROTHERS TELEVISION NETWORK LIMITED ('Transferee Company' or 'Second Demerged Company')

AND

UBJ BROADCASTING PRIVATE LIMITED ('Third Demerged Company')

AND

HHP BROADCASTING SERVICES PRIVATE LIMITED ('Fourth Demerged Company')

AND

MPCR BROADCASTING SERVICE PRIVATE LIMITED ('Fifth Demerged Company')

AND

TV VISION LIMITED ('First Resulting Company')

AND

SAB EVENTS & GOVERNANCE NOW MEDIA PRIVATE LIMITED  
(Formerly known as "MARVICK ENTERTAINMENT PRIVATE LIMITED") ('Second Resulting Company')

AND

THEIR RESPECTIVE SHAREHOLDERS

(Under Sections 391 to 394 read with Section 78 AND Sections 100 to 103 and Section 52 and other applicable provisions of the Companies Act, 1956 and Companies Act, 2013 as the case may be)

A. PREAMBLE:

This Composite Scheme of Amalgamation and Arrangement ('the Scheme') is presented pursuant to the provisions of Sections 391 to 394 read with Section 78 and Sections 100 to 103 and Section 52 and other applicable provisions of the Companies Act, 1956 and provisions of the Companies Act, 2013, to the extent applicable for:

1. Merger of Maiboli Broadcasting Private Limited ('Transferor Company' or 'MBPL') with Sri Adhikari Brothers Television Network Limited ('Transferee Company' or 'SABTNL');
2. Demerger of Publication business of Sri Adhikari Brothers Assets Holding Private Limited ('First Demerged Company' or 'SAB Assets') into SABTNL;
3. Demerger of Broadcasting business of SABTNL/Second Demerged Company into TV Vision Limited ('First Resulting Company' or 'TVL');
4. Demerger of Broadcasting business of UBJ Broadcasting Private Limited ('Third Demerged Company' or 'UBJ'), HHP Broadcasting Services Private Limited ('Fourth Demerged Company' or 'HHP') and MPCR Broadcasting Service Private Limited ('Fifth Demerged Company' or 'MPCR') into TV Vision Limited ('First Resulting Company' or 'TVL'); and
5. Demerger of Publication business of SABTNL ('Second Demerged Company') into SAB Events & Governance Now Media Private Limited (Formerly known as Marvick Entertainment Private Limited) ('Second Resulting Company' or 'SAB Events');

B. INTRODUCTION

- (i) Sri Adhikari Brothers Television Network Limited ("SABTNL" / "Transferee Company" / "Second Demerged Company") is a company incorporated under the provisions of the Companies Act, 1956 having its registered office at: 6<sup>th</sup> Floor, Adhikari Chambers, Oberoi complex, New Link Road, Andheri (West), Mumbai - 400053. SABTNL is listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). SABTNL is engaged in the business of content production and syndication and is the flagship company of the group.

- (ii) Sri Adhikari Brothers Assets Holding Private Limited ("SAB Assets" or "First Demerged Company") is a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Adhikari Chambers, Oberoi complex, New Link Road, Andheri (West), Mumbai - 400053. SAB Assets is engaged in publication business. SAB Assets is a promoter group company.
- (iii) Maiboli Broadcasting Private Limited ("Transferor Company" or "MBPL") is a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Adhikari Chambers, Oberoi complex, New Link Road, Andheri (West), Mumbai - 400053. MBPL is engaged in the business of broadcasting. MBPL is a wholly owned subsidiary of SABTNL.
- (iv) UBJ Broadcasting Private Limited ("Third Demerged Company" or "UBJ") is a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Adhikari Chambers, Oberoi Complex, New Link Road, Andheri (West), Mumbai - 400053. UBJ is engaged in the business of broadcasting. UBJ is a wholly owned subsidiary of TVL and step down wholly owned subsidiary of SABTNL.
- (v) HHP Broadcasting Services Private Limited ("Fourth Demerged Company" or "HHP") is a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Adhikari Chambers, Oberoi Complex, New Link Road, Andheri (West), Mumbai - 400053. HHP is engaged in the business of broadcasting. HHP is a wholly owned subsidiary of TVL and step down wholly owned subsidiary of SABTNL.
- (vi) MPCR Broadcasting Service Private Limited ("Fifth Demerged Company" or "MPCR") is a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Adhikari Chambers, Oberoi Complex, New Link Road, Andheri (West), Mumbai - 400053. MPCR is engaged in the business of broadcasting. MPCR is a wholly owned subsidiary of TVL and step down wholly owned subsidiary of SABTNL.
- (vii) TV Vision Limited ("First Resulting Company" or "TVL") is a company incorporated under the provisions of the Companies Act, 1956 having its registered office at 4<sup>th</sup> Floor, Adhikari Chambers, Oberoi complex, New Link Road, Andheri (West), Mumbai - 400053. TVL is engaged in the business of broadcasting. TVL is a wholly owned subsidiary of SABTNL.
- (viii) SAB Events & Governance Now Media Private Limited (Formerly known as Marvick Entertainment Private Limited) ("Second Resulting Company" or 'SAB Events') is a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Unit No. 3/65, Sukh Shanti, Nutan Laxmi Society, Cooper Hospital Lane, Opp. PNB, Juhu, Mumbai - 400049. SAB Events is incorporated to carry on publication business and is part of the promoter group entity.

#### C. OBJECTIVES OF THE SCHEME

The Group believes that the proposed amalgamation and arrangement, inter alia, will result into following benefits:

- (i) Unlocking Shareholder Value in Broadcasting Business through listing of growing Broadcasting Business of the Group
- (ii) Focusing on core business of content to facilitate a level playing field for the Company in new age media and to focus on creating and developing infrastructure related to the new age Media & Entertainment field; and
- (iii) Creating a new vertical and rewarding the shareholders through listing of the niche and growth oriented Publication Business of the Group ('Publication Business').

#### D. PARTS OF THE SCHEME

The scheme is divided into the following parts:

1. Part I – deals with Definitions, Interpretations and Share Capital
2. Part II – deals with merger of Maiboli Broadcasting Private Limited ('Transferor Company' or 'MBPL') with Sri Adhikari Brothers Television Network Limited ('Transferee Company' or 'SABTNL');
3. Part III – deals with the demerger of publication business of Sri Adhikari Brothers Assets Holding Private Limited ('First Demerged Company' or 'SAB Assets') into SABTNL;
4. Part IV – deals with demerger of broadcasting business of the Demerged Companies, as hereinafter defined to TV Vision Limited ('First Resulting Company' or 'TVL');
5. Part V – deals with the demerger of publication business of SABTNL ('Second Demerged Company') into SAB Events & Governance Now Media Private Limited (Formerly known as Marvick Entertainment Private Limited) ('Second Resulting Company' or 'SAB Events'); and
6. Part VI – deals with General Terms and Conditions

PART I

1. DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL

1.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meanings as mentioned herein below:

- 1.1.1 "Act" or "the Act" means the Companies Act, 1956 or the Companies Act, 2013, as the case may be and rules made there under and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force;
- 1.1.2 "Appointed Date" means 1<sup>st</sup> April, 2015 or such other date as may be fixed by the High Court;
- 1.1.3 "Board of Directors" or "Board" means the Board of Directors of MBPL, SAB Assets, SABTNL, UBJ, HHP, MPCR, TVL and SAB Events, as the case may be or any committee thereof duly constituted or any other person duly authorised by the Board for the purpose of this Scheme;
- 1.1.4 "Broadcasting Business Undertaking of the Demerged Companies" shall mean the entire undertaking, business, activities and operations pertaining to the broadcasting business of each of the Demerged Companies, including the broadcasting business of the Transferor Company as transferred to and vested in the Transferee Company under this Scheme, as a going concern carried anywhere in India or outside India and shall include in particular the following:
- (a) All assets and properties (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent, tangible or intangible), including all rights, title and interest in connection with the land and buildings thereon, leasehold or otherwise, plant and machinery, fixed or movable, and whether leased or otherwise, capital work in progress, other fixed assets, trademarks, brands, copyrights, literatures, investments, including investment in the equity capital of the First Resulting Company held by the Second Demerged Company, advances paid to any parties, loans, advances, inventory and work in progress relating to the broadcasting business of the Demerged Companies;
  - (b) All the debts, borrowings and liabilities, cash credit facilities, including contingent liabilities, present or future, whether secured or unsecured, raised or incurred, provision, duties and obligations of every kind, nature and description whatsoever and howsoever arising or accruing in relation to the business activities and/or operations relating solely to the broadcasting business. For the purpose of this Scheme, it is clarified that liabilities pertaining to the broadcasting business include:
    - (i) The liabilities, which arise out of the activities or operations of the broadcasting business;
    - (ii) Specific loans and / or borrowings raised, incurred and / or utilized solely for the activities or operation of the broadcasting business;
    - (iii) Liabilities other than those referred to in Sub-Clauses (i) and (ii) above and not directly relatable to the broadcasting business, being the amounts of any general or multipurpose borrowings of the Demerged Companies shall be allocated to the broadcasting business in the same proportion which the value of the assets transferred under this Clause bears to the total value of the assets of each of the Demerged Companies immediately before giving effect to the demerger of the Broadcasting Business Undertaking under this Scheme.
  - (c) All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, copyrights, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), relating to the broadcasting business of the Demerged Companies;
  - (d) All employees engaged in the broadcasting business of the Demerged Companies as on the Effective Date;
  - (e) All earnest monies and/or security deposits in connection with or relating to the broadcasting business of the Demerged Companies;
  - (f) All records, files, papers, engineering and process information, computer programs, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit information, customers pricing information and other records, whether in physical form or electronic form in connection with or relating to broadcasting business of the Demerged Companies; and
  - (g) All pending litigations or proceedings filed by or against the Demerged Companies pertaining to the Broadcasting Business Undertaking.
  - (h) Whether any particular asset, liability or reserve should be included as asset, liability or reserve of the Broadcasting Business Undertaking or otherwise shall be decided mutually by the Directors or any committee thereof of the Demerged Companies and the First Resulting Company.

- 1.1.5 "Court" or "High Court" means the Hon'ble High Court of Judicature at Bombay or the National Company Law Tribunal, as applicable;
- 1.1.6 "Demerger Appointed Date" means Effective Date or such other date as may be fixed by the High Court;
- 1.1.7 "Demerged Companies" means SABTNL, UBJ, HHP and MPCR and the term Demerged Company means any of the Demerged Company as the context may require;
- 1.1.8 "Demerger Record Date" means the date, after the date of issue of shares pursuant to this Scheme to the shareholders of the First Demerged Company ("Record Date"), to be fixed by the Board of Directors of the Second Demerged Company and the First Resulting Company and the Second Demerged Company and the Second Resulting Company, as the case may be for determining names of the equity shareholders of Second Demerged Company, who shall be entitled to shares of the First Resulting Company and the Second Resulting Company, respectively as specified under Clause 24 and Clause 32 of this Scheme;
- 1.1.9 "Effective Date" means the last of the dates on which all the conditions and matters referred to in Clause 42 of the Scheme occur or have been fulfilled or waived in accordance with this Scheme;
- 1.1.10 "HHP" or "Fourth Demerged Company" means HHP Broadcasting Services Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Adhikari Chambers, Oberoi complex, New Link Road, Andheri (West), Mumbai - 400053;.
- 1.1.11 "MBPL" or "Transferor Company" means Maiboli Broadcasting Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Adhikari Chambers, Oberoi complex, New Link Road, Andheri (West), Mumbai - 400053;
- 1.1.12 "SAB Events" or "Second Resulting Company" means SAB Events & Governance Now Media Private Limited (Formerly known as Marvick Entertainment Private Limited), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Unit no. 3/65, Sukh Shanti, Nutan Laxmi Society, Cooper Hospital Lane, Opp PNB, Juhu, Mumbai - 400049;
- 1.1.13 "MPCR" or "Fifth Demerged Company" means MPCR Broadcasting Services Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Adhikari Chambers, Oberoi complex, New Link Road, Andheri (West), Mumbai - 400053;
- 1.1.14 "Publication Business Undertaking / Publication Business" shall mean the First Demerged Company's entire undertaking, business, activities and operations pertaining to the publication and event management business carried anywhere in India or outside India and shall include in particular the following:
- (a) All assets and properties (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent, tangible or intangible), including all rights, title and interest in connection with the land and buildings thereon, leasehold or otherwise, plant and machinery, fixed or movable, and whether leased or otherwise, capital work in progress, other fixed assets, trademarks, brands, investments in shares (specifically relating to publication business), copyrights, literatures, advances paid to any parties, loans, advances, inventory and work in progress relating to the publication business of the First Demerged Company;
  - (b) All the debts, borrowings and liabilities, cash credit facilities, including contingent liabilities, present or future, whether secured or unsecured, raised or incurred, provision, duties and obligations of every kind, nature and description whatsoever and howsoever arising or accruing in relation to the business activities and/or operations relating solely to the publication business. For the purpose of this Scheme, it is clarified that liabilities pertaining to the publication business include:
    - (i) The liabilities, which arise out of the activities or operations of the publication business;
    - (ii) Specific loans and / or borrowings raised, incurred and / or utilized solely for the activities or operation of the publication business;
    - (iii) Liabilities other than those referred to in Sub-Clauses (i) and (ii) above and not directly relatable to the publication business, being the amounts of any general or multipurpose borrowings of the First Demerged Company shall be allocated to the Publication Business in the same proportion which the value of the assets transferred under this Clause bears to the total value of the assets of the First Demerged Company immediately before giving effect to the demerger of the Publication Business Undertaking under this Scheme.
  - (c) All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, copyrights, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), relating to the publication business of the First Demerged Company;
  - (d) All employees engaged in the publication business of the First Demerged Company as on the Effective Date;



- (e) All earnest monies and/or security deposits in connection with or relating to the publication business of the First Demerged Company;
  - (f) All records, files, papers, engineering and process information, computer programs, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit information, customers pricing information and other records, whether in physical form or electronic form in connection with or relating to publication business of the First Demerged Company; and
  - (g) All pending litigations or proceedings filed by or against the First Demerged Company pertaining to the Publication Business Undertaking;
  - (h) Whether any particular asset, liability or reserve should be included as asset, liability or reserve of the Publication Business Undertaking or otherwise shall be decided mutually by the Directors or any committee thereof of the First Demerged Company and the First Resulting Company;
- 1.1.15 "Record Date" means the date to be fixed by the Board of Directors of the First Demerged Company and the Transferee Company for determining names of the equity shareholders of the First Demerged Company, who shall be entitled to Preference Shares of the Transferee Company as specified under Clause 16.1 of this Scheme;
- 1.1.16 "Remaining Business of the First Demerged Company" shall mean and include the whole of assets, properties, liabilities and the business(s) and entire business(s) of First Demerged Company excluding the Publication Business as defined in Clause 1.1.14 and specifically include the following (without limitation):
- (a) All the assets / properties of the First Demerged Company, whether movable or immovable, whether tangible or intangible including all rights, title, interest, covenant, including continuing rights, title and interest in connection with the land and the buildings thereon whether, corporeal or incorporeal, leasehold or freehold, and includes all rights, titles, interest and covenant, business, liability relating thereto, capital work in progress, other fixed assets, inventory and work in progress, investments in shares, advances paid to any parties for acquisition of development rights, all the loans and includes all rights, titles, interest and advances of the First Demerged Company as on the Appointed Date.
  - (b) All the debts and liabilities, present or future, whether secured or unsecured of the First Demerged Company as on the Appointed Date.
  - (c) All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), of the First Demerged Company as on the Appointed Date.
  - (d) All staff, workmen, and employees engaged in the First Demerged Company;
  - (e) All records, files, papers, information, computer programs, manuals, data, catalogues, quotations, sales 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 of First Demerged Company.
- 1.1.17 "Remaining Business of the Demerged Companies" shall mean and include the whole of assets, properties, liabilities and the business(s) and entire business(s) of Demerged Companies (other than the Second Demerged Company) excluding the Broadcasting Business as defined in Clause 1.1.4 and specifically include the following (without limitation):
- (a) All the assets / properties of the Demerged Companies (other than Second Demerged Company), whether movable or immovable, whether tangible or intangible including all rights, title, interest, covenant, including continuing rights, title and interest in connection with the land and the buildings thereon whether, corporeal or incorporeal, leasehold or freehold, and includes all rights, titles, interest and covenant, business, liability relating thereto, capital work in progress, other fixed assets, inventory and work in progress, investments in shares, advances paid to any parties, all the loans and includes all rights, titles, interest and advances of the Demerged Companies (other than Second Demerged Company) as on the Demerged Appointed Date.
  - (b) All the debts and liabilities, present or future, whether secured or unsecured of the Demerged Companies (other than Second Demerged Company) as on the Demerged Appointed Date.
  - (c) All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), of the Demerged Companies (other than Second Demerged Company) as on the Demerged Appointed Date.
  - (d) All staff, workmen, and employees engaged in the Demerged Companies (other than Second Demerged Company),

- (e) All records, files, papers, information, computer programs, manuals, data, catalogues, quotations, sales 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 of the Demerged Companies (other than Second Demerged Company).

1.1.18 "Remaining Business of the Second Demerged Company" shall mean and include the whole of assets, properties, liabilities and the business(s) and entire business(s) of the Second Demerged Company excluding the Publication Business Undertaking as defined in Clause 1.1.20 and the Broadcasting Business Undertaking as defined in Clause 1.1.4 and specifically include the following (without limitation):

- (a) All the assets / properties of the Second Demerged Company, whether movable or immovable, whether tangible or intangible including all rights, title, interest, covenant, including continuing rights, title and interest in connection with the land and the buildings thereon whether, corporeal or incorporeal, leasehold or freehold, and includes all rights, titles, interest and covenant, business, liability relating thereto, capital work in progress, other fixed assets, inventory and work in progress, investments in shares, advances paid to any parties for acquisition of development rights, all the loans and includes all rights, titles, interest and advances of the Second Demerged Company as on the Effective Date.
- (b) All the debts and liabilities, present or future, whether secured or unsecured of the Second Demerged Company as on the Effective Date.
- (c) All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), of the Second Demerged Company as on the Effective Date.
- (d) All staff, workmen, and employees engaged in the Second Demerged Company;
- (e) All records, files, papers, information, computer programs, manuals, data, catalogues, quotations, sales 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 of the Second Demerged Company.

1.1.19 "SABTNL"/ "Transferee Company"/ "Second Demerged Company" means Sri Adhikari Brothers Television Network Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 6<sup>th</sup> Floor, Adhikari Chambers, Oberoi complex, New Link Road, Andheri (West), Mumbai - 400053;

1.1.20 "SABTNL's Publication Business Undertaking" shall mean the entire undertaking, business, activities and operations pertaining to the publication business of the First Demerged Company, transferred to and vested in SABTNL under this Scheme on a going concern basis and carried anywhere in India or outside India and shall include in particular the following:

- (a) All assets and properties (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent, tangible or intangible), including all rights, title and interest in connection with the land and buildings thereon, leasehold or otherwise, plant and machinery, fixed or movable, and whether leased or otherwise, capital work in progress, other fixed assets, trademarks, brands, investments in shares (specifically relating to publication business), copyrights, literatures, advances paid to any parties, loans, advances, inventory and work in progress relating to the publication business of SABTNL;
- (b) All the debts, borrowings and liabilities, cash credit facilities, including contingent liabilities, present or future, whether secured or unsecured, raised or incurred, provision, duties and obligations of every kind, nature and description whatsoever and howsoever arising or accruing in relation to the business activities and/or operations relating solely to the publication business. For the purpose of this Scheme, it is clarified that liabilities pertaining to the publication business include:
- (i) The liabilities, which arise out of the activities or operations of the publication business;
- (ii) Specific loans and / or borrowings raised, incurred and / or utilized solely for the activities or operation of the publication business;
- (iii) Liabilities other than those referred to in Sub-Clauses (i) and (ii) above and not directly relatable to the publication business, being the amounts of any general or multipurpose borrowings of SABTNL shall be allocated to SABTNL's Publication Business in the same proportion which the value of the assets transferred under this Clause bears to the total value of the assets of SABTNL immediately before giving effect to the demerger of the SABTNL's Publication Business Undertaking under this Scheme.
- (c) All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, copyrights, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), relating to the publication business of SABTNL;



- (d) All employees engaged in the publication business of SABTNL as on the Effective Date;
- (e) All earnest monies and/or security deposits in connection with or relating to the publication business of SABTNL;
- (f) All records, files, papers, engineering and process information, computer programs, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit information, customers pricing information and other records, whether in physical form or electronic form in connection with or relating to publication business of SABTNL; and
- (g) All pending litigations or proceedings filed by or against SABTNL pertaining to SABTNL's Publication Business Undertaking.
- (h) Whether any particular asset, liability or reserve should be included as asset, liability or reserve of SABTNL's Publication Business Undertaking or otherwise shall be decided mutually by the Directors or any committee thereof of SABTNL and the Second Resulting Company.

1.1.21 "SAB Assets"/ "First Demerged Company" means Sri Adhikari Brothers Assets Holding Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Adhikari Chambers, Oberoi complex, New Link Road, Andheri (West), Mumbai - 400053;

1.1.22 "Scheme" or "this Scheme" or "the Scheme" or "Composite Scheme of Amalgamation and Arrangement" means this Composite Scheme of Amalgamation and Arrangement in its present form as submitted to the High Court, with such modification(s), if any, as may be approved or imposed or directed by the High Court;

1.1.23 "TVL" or "First Resulting Company" means TV Vision Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 4<sup>th</sup> Floor, Adhikari Chambers, Oberoi complex, New Link Road, Andheri (West), Mumbai - 400053;

1.1.24 "Transferee Entities" or "Resulting Companies" means unlisted transferee entities i.e. TVL and SAB Events.

1.1.25 "UBJ" or "Third Demerged Company" means UBJ Broadcasting Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Adhikari Chambers, Oberoi complex, New Link Road, Andheri (West), Mumbai - 400053;

1.2 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 mean the Effective Date.

The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning described to them under the Act and / or other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Honorable High Court(s) in this Scheme, the reference would include, if appropriate, reference to the National Company Law Tribunal or such other forum or authority, as may be vested with any of the powers of a High Court under the Act.

#### 1.4 DATE OF TAKING EFFECT AND OPERATIVE DATE

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

#### 1.5 SHARE CAPITAL

1.5.1 The authorised, issued, subscribed and paid-up capital of SABTNL as on 28<sup>th</sup> August, 2014 i.e. on the date of Board meeting sanctioning the Scheme is as under:

Particulars	Amount in Rs.
Authorised Share Capital 40,000,000 equity shares of Rs. 10 each	400,000,000
Issued, subscribed and paid-up 34,944,500 equity shares of Rs. 10 each, fully paid up	349,445,000

1.5.2 The authorised, issued, subscribed and paid-up capital of MBPL as on 28<sup>th</sup> August, 2014 i.e. on the date of Board meeting sanctioning the Scheme is as under:

Particulars	Amount in Rs.
Authorised Share Capital 8,500,000 equity shares of Rs. 10 each	85,000,000
Issued, subscribed and paid-up Share Capital 8,500,000 equity shares of Rs. 10 each, fully paid up	85,000,000

1.5.3 The authorised, issued, subscribed and paid-up capital of SAB Assets as on 28<sup>th</sup> August, 2014 i.e. on the date of Board meeting sanctioning the Scheme is as under:

Particulars	Amount in Rs.
Authorised Share Capital 17,000,000 equity shares of Rs. 10 each	170,000,000
Issued, subscribed and paid-up Share Capital 16,350,000 equity shares of Rs. 10 each, fully paid up	163,500,000

1.5.4 The authorised, issued, subscribed and paid-up capital of UBJ as on 28<sup>th</sup> August, 2014 i.e. on the date of Board meeting sanctioning the Scheme is as under:

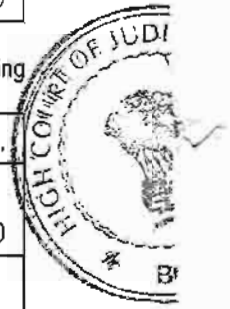
Particulars	Amount in Rs.
Authorised Share Capital 8,500,000 equity shares of Rs. 10 each	85,000,000
Issued, subscribed and paid-up Share Capital 8,500,000 equity shares of Rs. 10 each, fully paid up	85,000,000

1.5.5 The authorised, issued, subscribed and paid-up capital of HHP as on 28<sup>th</sup> August 2014 i.e. on the date of Board meeting sanctioning the Scheme is as under:

Particulars	Amount in Rs.
Authorised Share Capital 13,500,000 equity shares of Rs. 10 each	135,000,000
Issued, subscribed and paid-up Share Capital 13,500,000 equity shares of Rs. 10 each, fully paid up	135,000,000

1.5.6 The authorised, issued, subscribed and paid-up capital of MPCR as on 28<sup>th</sup> August, 2014 i.e. on the date of Board meeting sanctioning the Scheme is as under:

Particulars	Amount in Rs.
Authorised Share Capital 8,500,000 equity shares of Rs.10 each	85,000,000
Issued, subscribed and paid-up Share Capital 8,500,000 equity shares of Rs. 10 each, fully paid up	85,000,000



1.5.7 The authorised, issued, subscribed and paid-up capital of TVL as on 28<sup>th</sup> August, 2014 i.e. on the date of Board meeting sanctioning the Scheme is as under:

Particulars	Amount in Rs.
Authorised Share Capital 55,000,000 equity shares of Rs.10 each	550,000,000
Issued, subscribed and paid-up Share Capital 26,375,000 equity shares of Rs.10 each, fully paid up	263,750,000

1.5.8 The authorised, issued, subscribed and paid-up capital of SAB Events as on 28<sup>th</sup> August, 2014 i.e. on the date of Board meeting sanctioning the Scheme is as under:

Particulars	Amount in Rs.
Authorised Share Capital 10,000 equity shares of Rs.10 each	1,00,000
Issued, subscribed and paid-up Share Capital 10,000 equity shares of Rs.10 each, fully paid up	1,00,000

PART II

MERGER OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

2. TRANSFER AND VESTING OF THE TRANSFEROR COMPANY

2.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the whole of the undertaking of the Transferor Company, including all properties, whether movable or immovable, freehold or leasehold (including the freehold and leasehold lands of the Transferor Company wherever situated), real or personal, corporal or incorporeal, material or intellectual, present, future or contingent, including but without being limited to all assets, lands, buildings, plant and machinery, furniture and fittings, other fixed assets, current assets, receivables (whether in Indian Rupee or foreign currency), credits, investments, reserves, provisions, funds, and all utilities including electricity, telephones, facsimile connections, installations and utilities, benefits or agreements and arrangements, powers, authorities, allotments, approvals, authorizations, tenancies in relation to the offices and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, trade and service names and marks, patents, copyrights and other intellectual property rights of any nature whatsoever, registrations, consents, privileges, liberties, and all the rights, title, interest, benefits, licenses (Industrial or otherwise), municipal permissions, incentives and registrations to which the Transferor Company is entitled to in terms of the various statutes and/or schemes of the Union and State Governments, including Income-tax Act, Excise Act, Sales Tax Act and Wealth Tax Act and benefit of carry forward and set off of accumulated loss, allowance of unabsorbed depreciation, minimum alternate tax credit entitlement, concessions and other benefits and credits to which the Transferor Company is entitled under Income-tax Act and advantages of whatsoever nature and where so ever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company (hereinafter referred to as "Assets") and all secured and unsecured debts (whether undertaken in Indian Rupee or foreign currency) outstanding, liabilities (including contingent liabilities), duties and obligations shall be transferred to and vest in the Transferee Company so as to become on and from the Appointed Date the undertaking of the Transferee Company without any further act, instrument or deed.

2.2 Without prejudice to the generality of clause 2.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) Assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Section 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of section 391 to 394 of the Act.
- (ii) Upon the Scheme becoming effective and with effect from the Appointed Date, all the Assets of the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash on hand, CDs, contents whether stored in any form or media, the same shall stand vested in the Transferee Company, and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested, and the title to such property shall be deemed to have transferred and vested accordingly.
- (iii) In respect of movables other than those dealt with in clause (ii) above including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, property development rights, advances paid to any parties for acquisition of development rights, investments, earnest money and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may, without being obliged, and if it so deems appropriate, at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).

2.3 Upon the coming into effect of this Scheme and with effect from the Appointed Date all liabilities relating to the Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and businesses of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (the "Liabilities"), shall, stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, along with any charge, lien, encumbrance or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company under the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing.

It is clarified that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities; duties and obligations have arisen, in order to give effect to the provisions of this clause. Further, all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.

- 2.4 Where any of the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 2.5 All loans raised or used and all liabilities and obligations incurred by the Transferor Company for the operations of the Transferor Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which the undertaking of the Transferor Company would vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Transferee Company and shall become the debts, liabilities, duties and obligations of the Transferee Company which shall meet discharge and satisfy the same.
- 2.6 The transfer and vesting of the assets to and in the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same. All encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to the Liabilities shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any of the assets of the Transferor Company have not been encumbered in respect of the Liabilities, such assets shall remain unencumbered and the existing encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such encumbrances shall not relate or attach to any of the other assets of the Transferor Company. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.
- 2.7 Provided that any reference in any security documents or arrangements (to which the Transferor Company is a party) to any Assets of the Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security. Similarly, the Transferee Company shall not be required to create any additional security over Assets of the Transferor Company vested in the Transferee Company under this Scheme for any loans, debentures, deposits or other financial assistance already availed by the Transferee Company and/or committed to be availed by the Transferee Company prior to the Effective Date and the charges, mortgages, and/or encumbrances in respect thereof shall not extend or be deemed to extend or apply to the Assets of the Transferor Company, as the case may be, vested in the Transferee Company under this Scheme.
- 2.8 Without prejudice to the provisions of the foregoing clauses and upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall execute any instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and / or modification(s) of charge, with the Registrar of Companies having jurisdiction to give formal effect to the above provisions, if required.
- 2.9 Pursuant to the Scheme becoming effective, the Transferee Company shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company.
- 2.10 Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all existing and future incentives, MAT credits, unavailed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax, excise, customs, VAT, sales tax, service tax etc. to which the Transferor Company are entitled to shall be available to and vest in the Transferee Company.
- 2.11 All taxes, duties, cess payable by the Transferor Company including all or any refunds / credit / claims pertaining to the period prior to the Appointed Date shall be treated as the liability or refunds / credit / claims, as the case may be, of the Transferee Company.
- 2.12 Without prejudice to the above provisions, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.
- 2.13 All the licenses, permits, quotas, approvals (including, but not limited to, environmental, statutory and regulatory approvals and consents), permissions, registrations, incentives, tax deferrals, brought forward business losses, unabsorbed depreciation and benefits, subsidies, concessions, grants, rights, including for the operations of bank accounts, power of attorneys, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- 2.14 With effect from the Appointed Date, all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the



Transferor Company to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, shall remain in full force and effect against or in favour of the Transferee Company 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 thereto. Upon coming into effect of the Scheme, the past track record of the Transferor Company including without limitation, the turnover, the profitability, performance and market share shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes.

- 2.15 The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

### 3. LEGAL PROCEEDINGS

- 3.1 Upon the coming into effect of this Scheme, all suits, appeal or other proceedings of whatever nature by or against the Transferor Company is pending on or before the Effective Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of this amalgamation or by anything contained in this Scheme, but the said suits, appeals or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.

- 3.2 On and from the Effective Date, the Transferee Company shall have all legal proceedings initiated by or against the Transferor Company as referred herein above transferred to and have continued, prosecuted and enforced by or against the Transferee Company.

### 4. CONTRACTS, DEEDS OTHER INSTRUMENTS

- 4.1 Upon coming into effect of this Scheme and subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, or the benefit to which the Transferor Company may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favor of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations or enter into any tripartite arrangements, on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company, to give effect to the provisions of this Scheme.

- 4.2 As a consequence of the amalgamation of the Transferor Company with the Transferee Company in accordance with or pursuant to this Scheme, the recording of change in name in the records of the statutory or regulatory authorities from the Transferor Company to the Transferee Company, whether pertaining to any license, permit, approval or any other matter, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority.

- 4.3 The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as "Insured" in the policies as if the Transferee Company was initially a party.

- 4.4 For removal of doubts, it is expressly made clear that the dissolution of the Transferor Company without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any other instrument or beneficial interest to which the Transferor Company is a party thereto and shall not affect any right, privilege, obligations or liability, acquired, or deemed to be acquired prior to Appointed Date and all such references in such agreements, contracts and instruments to the Transferor Company shall be construed as reference only to the Transferee Company with effect from the Appointed Date.

### 5. STAFF, WORKMEN AND EMPLOYEES

- 5.1 Upon the Scheme becoming effective, all permanent staff, workmen and employees on the payrolls of the Transferor Company, in service on the Effective Date shall be deemed to have become staff, workmen, and employees of the Transferee Company on such date without any break or interruption in their service and on the terms and conditions of their employment not less favorable than those subsisting with reference to the Transferor Company as on the said date.

- 5.2 As of the date of filing of this Scheme, the Transferor Company shall make contributions to the provident fund account whether maintained through government or through trust and / or other funds in relation to all its staff, workmen and employees. The Transferee Company shall subsequent to the Effective Date make appropriate contributions towards such provident fund and / or other funds in respect of the staff, workmen and employees taken over by it pursuant to this Scheme through the existing trusts/fund of the Transferor Company or consolidate the trusts/funds with that of the existing trusts/funds of the Transferee Company or the trust/fund of the Transferor Company shall become the trust/fund of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such funds or trusts or in relation to the obligation to make contributions to the said funds or trusts in accordance with the provisions thereof as per the terms provided in the respective trust deeds or other documents, if any.



5.3 It is clarified that the services of all transferred staff, workmen and employees of the Transferor Company, to the Transferee Company will be treated as having been continuous for the purpose of the aforesaid employee benefits and / or liabilities. For the purpose of payment of any retrenchment compensation, gratuity, and / or other terminal benefits, and / or any other liability pertaining to staff, workmen and employees, the past services of such staff, workmen and employees with the Transferor Company shall also be taken into account by the Transferee Company, who shall pay the same if and when payable.

## 6. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

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

- (a) The Transferor Company shall carry on, and be deemed to have carried on its business, operations or activities, and shall be deemed to have held and stood possessed of the entire business and undertaking of the Transferor Company, including but not limited to the assets, properties, liabilities of the undertaking of the Transferor Company on behalf of and / or in trust for the Transferee Company;
- (b) All profits or income accruing or arising to the Transferor Company, or losses arising or expenditure incurred by the Transferor Company, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure, as the case may be, of the Transferee Company;
- (c) It is clarified that all taxes (including income tax, sales tax, excise duty, customs duty, service tax, VAT, entertainment duty, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, VAT, entertainment duty, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company, in respect of the profits or activities or operation of its business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly;
- (d) With effect from the date of the Board meeting of the Transferee Company approving the Scheme and upto and including the Effective Date, the Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not, without the prior consent in writing of any of the persons authorities by the Board of Directors of the Transferee Company, undertake any additional financial commitment of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments or sell, transfer, alienate, charge, mortgage, encumber or otherwise deal with its assets (including intangible rights) or any part thereof, except in the ordinary course of business, or pursuant to any pre-existing obligation(s) undertaken by the Transferor Company;
- (e) Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the undertaking of the Transferor Company, that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company;
- (f) The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not venture into any new business, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business, or vary the terms and conditions of employment of any of their employees and shall not undertake any additional commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letter of comfort or commitments either for itself or any third part, except if the same is in ordinary course of business or if written consent of the Transferee Company as obtained;
- (g) With effect from the date of the Board meeting of the Transferee Company approving the Scheme and upto and including the Effective Date, the Transferor Company shall not, except in the ordinary course of business, without the prior consent of the Board of Directors of the Transferee Company, undertake (i) any material decision in relation to their business and affairs and operations (ii) any agreement or transaction; (iii) any new business, or discontinue any existing business or enter into any contract or arrangement which would significantly impact the business;
- (h) With effect from the date of Board meeting of the Transferee Company approving the Scheme and upto and including the Record Date, the Transferor Company shall not, except by way of any obligation already subsisting as on the date of approval of this Scheme by the Board of Directors of the Transferee Company, without the prior written consent of the Board of Directors of the Transferor Company and the Transferee Company, make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise) decrease, reduction, reclassification, sub-division or consolidation, reorganisation, or in any other manner;
- (i) All assets howsoever acquired by the Transferor Company for carrying on its business, operations or activities and the liabilities relating thereto shall be deemed to have been acquired and are also contracted for and on behalf of the Transferee Company.

6.2 The Transferee Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, department and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions,



relieves, etc., as may be required / granted under any law for the time being in force for carrying on business of the Transferor Company.

#### 7. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets, properties, liabilities or Business(s) and the continuance of proceedings by or against the Transferor Company shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds things done and executed by the Transferor Company, in regard thereto as done executed by the Transferee Company on behalf of itself.

#### 8. CONSIDERATION FOR AMALGAMATION

8.1 The entire issued, subscribed and paid up equity share capital of the Transferor Company is held by the Transferee Company and/or its nominee/s accordingly, there shall be no issue by the Transferee Company of equity shares of the Transferee Company to the shareholders of the Transferor Company.

8.2 Further, upon coming into effect of this Scheme, the entire paid up share capital in the Transferor Company fully held by the Transferee Company (either in its own name or held in the name of its nominee(s)) on the Effective Date shall be extinguished and all such equity shares of the Transferor Company held by the Transferee Company (either in its own name or held in the name of its nominee(s)), whether held in physical form or in electronic form shall automatically stand cancelled and extinguished without any further act, deed, instrument, matter or thing by the Transferor Company or the Transferee Company.

#### 9. DISSOLUTION WITHOUT WINDING UP

Upon this Scheme becoming effective, the Transferor Company shall be dissolved without winding up pursuant to the provisions of Section 394 of the Act.

#### 10. 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.

#### ACCOUNTING TREATMENT

- (a) Upon the Scheme becoming effective, the Transferee Company shall record the assets and liabilities of the Transferor Company transferred to the Transferee Company pursuant to this Scheme at their respective fair values, as determined by the Board of Directors of the Transferee Company, and account for the amalgamation of the Transferor Company pursuant to the Scheme in accordance with Accounting Standard - 14 as notified by the Companies (Accounting Standards) Rules, 2006, as amended from time to time, under "Purchase method of Accounting";
- (b) If and to the extent there are inter-corporate loans, deposits or balances as between the Transferor Company inter-se and the Transferee Company, the obligations in respect thereof shall, on and from the Appointed Date, come to an end and corresponding suitable effect shall be given in the books of account and records of the Transferee Company;
- (c) The difference between the net asset (i.e. aggregate of the value of assets over liabilities) vested upon the Transferee Company pursuant to this Scheme and recorded in the books of account of the Transferee Company in case of positive be recorded as Capital Reserve in the books of the Transferee Company and in case of negative would be adjusted against the amount standing to the credit of Capital Reserve in the books of the Transferee Company;
- (d) Upon coming into effect of this Scheme, the value of investment held by the Transferee Company in the Transferor Company, shall stand cancelled and would get expensed out and debited to the Profit and Loss account of the Transferee Company;
- (e) In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and recorded in accordance with applicable Accounting Standards notified under applicable section(s) 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 III

#### DEMERGER OF PUBLICATION BUSINESS UNDERTAKING OF THE FIRST DEMERGED COMPANY TO THE TRANSFEE COMPANY

#### 12. TRANSFER AND VESTING OF THE PUBLICATION BUSINESS UNDERTAKING

12.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the Publication Business Undertaking (including all assets, estates, properties, investments, rights, claim, title, interest and authorities including accretions and



appurtenances thereto of the Publication Business Undertaking) shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company under the provisions of Sections 391 to 394 of the Act and in accordance with Section 2(19AA) of the Income-tax Act, 1961, as a going concern without any further act, deed, matter or thing in the following manner:

Assets:

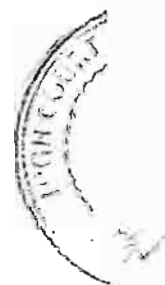
- (i) The whole of the Publication Business Undertaking shall without any further act, deed, matter or thing stand transferred to and vested in and /or be deemed to be transferred to and vested in the Transferee Company so as to vest in the Transferee Company all rights, title and interest pertaining to the Publication Business Undertaking;
- (ii) All assets, investments, rights, title or interest acquired by the First Demerged Company after the Appointed Date but prior to the Effective Date in relation to the Publication Business Undertaking shall also, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon coming into effect of this Scheme pursuant to the provisions of Section 391 to 394 of the Act, provided however that no onerous asset shall have been acquired by the First Demerged Company in relation to the Publication Business Undertaking after the Appointed Date without the prior written consent of the Transferee Company; and
- (iii) all the assets of the Publication Business Undertaking as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, shall stand vested in the Transferee Company, and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested, and the title to such property shall be deemed to have transferred and vested accordingly. In respect of movables other than those otherwise capable of transfer by manual delivery or by endorsement and delivery, including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, development rights, advances paid to any parties for acquisition of development rights, earnest money and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors although the Transferee Company may, without being obliged, and if it so deems appropriate, at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company.

Contracts

- (iv) All contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Publication Business Undertaking to which the First Demerged Company is a party or to the benefit of which the First Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favor of, as the case may be, the Transferee Company in which the Publication Business Undertaking vests by way of demerger hereunder and may be enforced as fully and effectually as if, instead of the First Demerged Company, the Transferee Company had been party or beneficiary or obligee thereto or thereunder; and
- (v) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Publication Business Undertaking occurs by virtue of this Scheme itself, the Transferee Company, may, at any time after the coming into effect of the Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deed of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement relating to Publication Business Undertaking to which the First Demerged Company is a party in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the First Demerged Company in relation to the Publication Business Undertaking and to carry out or perform all such formalities or compliances referred to above on part of the First Demerged Company to be carried out or performed.
- (vi) As a consequence of the vesting and transfer of the Publication Business Undertaking of the First Demerged Company with the Transferee Company in accordance with or pursuant to this Scheme, the recording of change in name in the records of the statutory or regulatory authorities from the First Demerged Company to the Transferee Company, whether pertaining to any license, permit, approval or any other matter, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority.
- (vii) The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued relating to the Publication Business Undertaking of the First Demerged Company and the name of the Transferee Company shall be substituted as "Insured" in the policies as if the Transferee Company was initially a party.

Liabilities

- (viii) all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description relating to the Publication Business Undertaking of the First Demerged Company shall also, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company, so as to become from the Appointed Date the debts, liabilities,



contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause;

- (ix) Where any of the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations relating to the Publication Business Undertaking of the First Demerged Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by the First Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company
- (x) All loans raised and used, all liabilities and obligations incurred by the First Demerged Company for the operations of the Publication Business Undertaking with prior approval of the Transferee Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which the Publication Business Undertaking of the First Demerged Company would vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Transferee Company and shall become the debts, liabilities, duties and obligations of the Transferee Company which shall meet discharge and satisfy the same.

#### Licenses and Permissions

- (xi) Any statutory licenses, permits, quotas, approvals (including, but not limited to, environmental approvals, statutory and regulatory approvals), permissions, registrations, consents held by the First Demerged Company required to carry on the operations of the Publication Business Undertaking shall stand vested in or transferred to the Transferee Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to the Transferee Company as if they were originally obtained by the Transferee Company. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other person, or availed of by the First Demerged Company relating to the Publication Business Undertaking, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as applicable to the First Demerged Company, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Transferee Company.

#### Security

- (xii) All the existing securities, mortgages, charges, encumbrances or liens, if any, over the assets comprised in or relating to the liabilities of the Publication Business Undertaking transferred to the Transferee Company by virtue of this Scheme, shall, after the Appointed Date, continue to relate and attach to only such assets or any part thereof to which they are related or attached prior to the Effective Date and shall not relate to or be available as security in relation to any assets of the Transferee Company as on the Effective Date.
- (xiii) It is clarified that the security or charge created relating to loans or borrowings of the First Demerged Company, in relation to the assets of Publication Business Undertaking, if any shall without any further act or deed stand released as from the Appointed Date and the said assets shall not relate to or be available as security in relation to any other borrowings of the First Demerged Company.
- (xiv) Any existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Publication Business Undertaking transferred to and vested in the Transferee Company by virtue of this Scheme.

- 12.2 This Scheme is in compliance with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961 such that the transfer of Publication Business Undertaking will be on a going concern basis.

If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

### 13. LEGAL PROCEEDINGS

- 13.1 Upon the coming into effect of this Scheme, all suits, appeal or other proceedings of whatever nature pending in any court or before any authority, judicial, quasi judicial or administrative or any adjudicating authority and/or arising after the Appointed Date and relating to the Publication Business Undertaking, or its respective properties, assets, debts, liabilities, duties and obligations shall be continued and/or enforced under the Effective Date by or against the First Demerged Company; and from the Effective Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of this demerger or by anything contained in this Scheme, but the said suits, appeals or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the First Demerged Company as if the Scheme had not

been made. On and from the Effective Date, the Transferee Company shall have the right to initiate, defend, compromise or otherwise deal with any legal proceedings relating to the Publication Business Undertaking, in the same manner and to the same extent as it would or might have been initiated by the First Demerged Company as the case may be, had the Scheme not been made; and

13.2 On and from the Effective Date, the Transferee Company shall have all legal proceedings initiated by or against the First Demerged Company relating to the Publication Business Undertaking as referred herein above transferred to and have continued, prosecuted and enforced by or against and defended by the Transferee Company.

#### 14. STAFF, WORKMEN AND EMPLOYEES

14.1 Upon the Scheme becoming effective, all permanent staff, workmen and employees relating to the Publication Business Undertaking on the payrolls of the First Demerged Company, in service on the Effective Date shall be deemed to have become staff, workmen, and employees of the Transferee Company on such date without any break or interruption in their service and on the terms and conditions of their employment not less favorable than those subsisting with reference to the First Demerged Company as on the said date.

14.2 As of the date of filing of this Scheme, the First Demerged Company shall make contributions to the provident fund account whether maintained through government or through trust and / or other funds in relation to all its staff, workmen and employees related to the Publication Business Undertaking. The Transferee Company shall subsequent to the Effective Date make appropriate contributions towards such provident fund and / or other funds in respect of the staff, workmen and employees taken over by it pursuant to this Scheme through the existing trusts/fund of the First Demerged Company or consolidate the trusts/funds with that of the existing trusts/funds of the Transferee Company or the trust/fund of the First Demerged Company shall become the trust/fund of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such funds or trusts or in relation to the obligation to make contributions to the said funds or trusts in accordance with the provisions thereof as per the terms provided in the respective trust deeds or other documents, if any.

14.3 It is clarified that the services of all transferred staff, workmen and employees of the First Demerged Company, to the Transferee Company will be treated as having been continuous for the purpose of the aforesaid employee benefits and / or liabilities. For the purpose of payment of any retrenchment compensation, gratuity, and / or other terminal benefits, and / or any other liability pertaining to staff, workmen and employees, the past services of such staff, workmen and employees with the First Demerged Company shall also be taken into account by the Transferee Company, who shall pay the same if and when payable.

#### 15. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

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

(a) The First Demerged Company shall carry on, and be deemed to have been carrying on its business, operations or activities relating to the Publication Business Undertaking, and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets, properties, liabilities relating to Publication Business Undertaking on behalf of and / or in trust for the Transferee Company.

(b) All profits or income accruing or arising to the First Demerged Company, or losses arising or expenditure incurred by the First Demerged Company relating to the Publication Business Undertaking, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure, as the case may be, of the Transferee Company.

(c) It is clarified that all taxes (including income tax, sales tax, excise duty, customs duty, service tax, VAT, entertainment duty, etc.) paid or payable by the First Demerged Company in respect of the operations and/or the profits relating to the Publication Business Undertaking before the Appointed Date, shall be on account of the First Demerged Company and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, VAT, entertainment duty, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the First Demerged Company, in respect of the profits or activities or operation of the Publication Business Undertaking after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly;

(d) With effect from the date of the Board meeting of the Transferee Company approving the Scheme and upto and including the Effective Date, the First Demerged Company shall preserve and carry on the business and activities of the Publication Business Undertaking with reasonable diligence and 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, undertake any additional financial commitment of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments or sell, transfer, alienate, charge, mortgage, encumber or otherwise deal with the assets (including intangible rights) or any part thereof of the Publication Business Undertaking, except in the ordinary course of business, or pursuant to any pre-existing obligation(s) undertaken by the First Demerged Company;

(e) Any of the rights, powers, authorities and privileges attached or related or pertaining to the Publication Business Undertaking and exercised by or available to the First Demerged Company shall be deemed to have been exercise by the First Demerged Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Publication Business Undertaking of the First Demerged Company, that have been undertaken or discharged by the First Demerged Company shall be deemed to

have been undertaken or discharged for and on behalf of and as agent for the Transferee Company;

- (f) The Transferor Company shall carry on the Publication Business Undertaking with reasonable diligence and business prudence and shall not venture into any new business, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business, or vary the terms and conditions of employment of any of their employees and shall not undertake any additional commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letter of comfort or commitments either for itself or any third part, except if the same is in ordinary course of business or if written consent of the Transferee Company is obtained;
- (g) With effect from the date of the Board meeting of the Transferee Company approving the Scheme and upto and including the Effective Date, the First Demerged Company shall not, except in the ordinary course of business, without the prior consent of the Board of Directors of the Transferee Company, undertake (i) any material decision in relation to the Publication Business Undertaking (ii) any agreement or transaction; (iii) any new business, or discontinue any existing business or enter into any contract or arrangement which would significantly impact the Publication Business Undertaking;
- (h) With effect from the date of Board meeting of the Transferee Company approving the Scheme and upto and including the Effective Date, the First Demerged Company shall not, except by way of any obligation already subsisting as on the date of approval of this Scheme by the Board of Directors of the Transferee Company, without the prior written consent of the Board of Directors of the First Demerged Company and the Transferee Company, make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise) decrease, reduction, reclassification, sub-division or consolidation, reorganisation, or in any other manner;
- (i) All assets howsoever acquired by the First Demerged Company for carrying on the business, operations or activities of the Publication Business Undertaking and the liabilities relating thereto shall be deemed to have been acquired and are also contracted for and on behalf of the Transferee Company.
- (j) The Transferee Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, department and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, relieves, etc., as may be required / granted under any law for the time being in force for carrying on the Publication Business Undertaking of the First Demerged Company.

#### ISSUE OF SHARES BY THE TRANSFEE COMPANY

Upon coming into effect of the Scheme and in consideration for the transfer and vesting of the Publication Business Undertaking in the Transferee Company, the Transferee Company shall, without any further application or deed, issue and allot shares, credited as fully paid up, to the extent indicated below, to the members of the First Demerged Company whose name appears in the Register of Members of the First Demerged Company as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, in the following manner:

"2,381,068 fully paid up Redeemable Preference Shares of the face value of Rs. 10/- (Rupees Ten only) each in SABTNL shall be issued to the Shareholders SAB Assets on proportionate basis"

In case any member's shareholding in the First Demerged Company is such that on the basis of the allotment on proportionate basis, the member is entitled to a fraction of Preference Share, such fraction shall be ignored.

- 16.2 The Preference shares specified in clause 16.1 of this Scheme shall be issued and allotted on the terms and conditions set out in Schedule I to this Scheme.
- 16.3 The Preference Shares to be issued to the members of the First Demerged Company as above shall be subject to the Memorandum and Articles of Association of the Transferee Company.
- 16.4 The Preference Shares to be issued by the Transferee Company to the shareholders of the First Demerged Company who hold shares in physical form shall have the option to receive the Preference Shares in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to the Transferee Company and / or its Registrar before the Record Date. Otherwise, they would be issued Preference Shares in physical form.
- 16.5 The Board of Directors of the Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of Preference Shares to the members of the Demerged Company pursuant to clause 16.1 of the Scheme.
- 16.6 The Preference Shares to be issued to the members of the First Demerged Company pursuant to clause 16.1 of this Scheme will not be listed and/or admitted to trading on the stock exchanges on which shares of the Transferee Company is listed on the Effective Date.
- 16.7 The approval of this Scheme by the shareholders of the Resulting Company/Transferee Company under Sections 391 and 394 of the Act shall be deemed to have the approval and compliance of the provisions of Section 62 and the other relevant and applicable provisions of the Act for the issue and allotment of Preference Shares by the Resulting Company to the

- shareholders of the Demerged Company, as provided in this Scheme.
- 16.8 The approval of this Scheme by the shareholders of both the companies under Sections 391 and 394 of the Act shall be deemed to have the approval under sections 13, 14 of the Companies Act, 2013 and other applicable provisions of the Act and any other consents and approvals required in this regard.
17. **CANCELLATION OF EQUITY SHARES OF THE FIRST DEMERGED COMPANY HELD BY THE EXISTING SHAREHOLDERS**
- 17.1 On the Scheme becoming effective and with effect from the Appointed Date, the equity shares of the First Demerged Company shall stand cancelled and reduced to the extent of 16,000,000 equity shares of the face value of Rs. 10/- each held by the existing shareholders in First Demerged Company without any further act or deed on a proportionate basis.
- 17.2 Such reduction of Equity Shares of the First Demerged Company, as provided in above shall be effected as an integral part of the Scheme and the Orders of the Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act confirming the reduction and no separate sanction under sections 100-102 of the Act will be necessary. The First Demerged Company shall not be required to add the words "and reduced" as a suffix to its name consequent upon such reduction.
18. **ACCOUNTING TREATMENT**
- 18.1 In the books of the Transferee Company
- (a) Upon coming into effect of this Scheme, the Transferee Company shall record the assets and liabilities of the Publication Business Undertaking at their respective book values appearing in the books of the First Demerged Company at the opening of business on the Appointed Date.
  - (b) The Transferee Company shall credit to its share capital account, the aggregate face value of the Preference Shares issued by it pursuant to Clause 16.1 of this Scheme.
  - (c) Loans and advances and other dues outstanding between the Transferee Company and the Publication Business Undertaking, if any will stand cancelled and there shall be no further obligation / outstanding in that behalf.
  - (d) Surplus, arising out of the excess of net assets of the Publication Business Undertaking transferred from the First Demerged Company and recorded by the Transferee Company in terms of clause 18.1 (a) above, over the amount credited as share capital and after making adjustments referred to in clause 18.1 (c) above, shall be credited to Capital Reserve Account. Deficit, if any shall be debited to amount standing to the credit of Capital Reserve Account of the Transferee Company.
  - (e) If considered appropriate for the purpose of application of uniform accounting methods and policies between the First Demerged Company and the Transferee Company, the Transferee Company may make suitable adjustments and adjust the effect thereof in the General Reserve Account of the Transferee Company.
- 18.2 In the books of the First Demerged Company
- (a) Upon the Scheme becoming effective, the First Demerged Company shall transfer the assets and liabilities pertaining to the Publication Business Undertaking at book value.
  - (b) The excess of the book value of assets over the book value of liabilities of the Publication Business Undertaking transferred pursuant to the Scheme and the amount of accumulated losses standing in the books of the First Demerged Company shall be adjusted against the amount of equity capital cancelled pursuant to clause 17 herein above. Further, where the difference of the book value of assets transferred over the liabilities of the Publication Business Undertaking is lower than, such difference shall be transferred to the Profit & Loss Account of the First Demerged Company.
19. **REMAINING BUSINESS OF THE FIRST DEMERGED COMPANY**
- 19.1 The Remaining Business of the First Demerged Company as defined in Clause 1.1.16 and all other assets, liabilities, incentives, rights and obligation pertaining thereto shall continue to be vested in and managed by the First Demerged Company in the manner as provided below:
- 19.1.1 Any Proceedings by or against the First Demerged Company, whether pending on the Appointed Date or which may be instituted in future whether in respect of any matter arising before or after the Effective Date and relating to the Remaining Business (including those relating to any property, right, security, power, liability, obligation or duties of the First Demerged Company respect of the Remaining Business) shall be continued and enforced by or against the First Demerged Company, which shall keep the Transferee Company fully indemnified in that regard. The Transferee Company shall in no event be responsible or liable in relation to any such proceedings against the First Demerged Company;
- 19.2 With effect from the Appointed Date and including the Effective Date:
- 19.2.1 The First Demerged Company shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Business of the First Demerged Company for and on its own behalf;
- 19.2.2 All profit accruing to the First Demerged Company thereon or losses arising or incurred by it relating to the Remaining



Business of the First Demerged Company shall, for all purpose, be treated as the profit, or losses, as the case may be, of the First Demerged Company;

- 19.2.3 The First Demerged Company may enter into such contracts as the First Demerged Company may deem necessary in respect of the Remaining Business;
- 19.2.4 All assets and properties acquired by the First Demerged Company in relation to the Remaining Business on and after the Appointed Date shall belong to and continue to remain vested in the First Demerged Company; and
- 19.2.5 All liabilities (including contingent liabilities) loans, debts (whether secured or unsecured) raised or incurred, duties and obligations of every kind, nature and description whatsoever and howsoever arising or accruing in relation to the Remaining Business shall belong to and continue to remain vested in the First Demerged Company.  
It is clarified that any liabilities relating to a period prior to the Appointed Date, whether such liabilities become payable or accrue after the Appointed Date in relation to the Publication Business Undertaking shall be to and on account of the First Demerged Company.

#### PART IV

#### DEMERGER OF THE BROADCASTING BUSINESS UNDERTAKINGS OF THE DEMERGED COMPANIES INTO THE FIRST RESULTING COMPANY

#### 20. TRANSFER AND VESTING OF THE BROADCASTING BUSINESS UNDERTAKINGS

- 20.1 Upon this Scheme becoming effective and with effect from the Demerger Appointed Date and after giving effect to "PART II" of this Scheme, the Broadcasting Business Undertakings (including all assets, estates, properties, investments, including investments in the First Resulting Company held by the Second Demerged Company, rights, claim, title, interest and authorities including accretions and appurtenances thereto of the Broadcasting Business Undertakings) of the Demerged Companies, including the Broadcasting Business Undertakings transferred to and vested in the Second Demerged Company pursuant to clause 1.1.4 of this Scheme, shall stand transferred to and vested in or deemed to be transferred to and vested in the First Resulting Company under the provisions of Section 391 to 394 of the Act and in accordance with Section 2(19AA) of the Income-tax Act, 1961, as a going concern without any further act, deed, matter or thing in the following manner:

##### Assets:

- (i) The whole of the Broadcasting Business Undertakings shall without any further act, deed, matter or thing stand transferred to and vested in and /or be deemed to be transferred to and vested in the First Resulting Company so as to vest in the First Resulting Company all rights, title and interest pertaining to the Broadcasting Business Undertaking;
- (ii) All assets, investments, rights, title or interest acquired by the Demerged Companies after the Demerger Appointed Date in relation to the Broadcasting Business Undertakings shall also, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the First Resulting Company upon coming into effect of this Scheme pursuant to the provisions of Section 391 to 394 of the Act, provided however that no onerous asset shall have been acquired by the Demerged Companies in relation to the Broadcasting Business Undertakings after the Demerger Appointed Date without the prior written consent of the First Resulting Company; and
- (iii) all the assets of the Broadcasting Business Undertakings as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, shall stand vested in the First Resulting Company, and shall become the property and an integral part of the First Resulting Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested, and the title to such property shall be deemed to have transferred and vested accordingly. In respect of movables other than those otherwise capable of transfer by manual delivery or by endorsement and delivery, including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, development rights, advances paid to any parties for acquisition of development rights, earnest money and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Demerger Appointed Date stand transferred to and vested in the First Resulting Company without any notice or other intimation to the debtors although the First Resulting Company may, without being obliged, and if it so deems appropriate, at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the First Resulting Company.

##### Contracts

- (iv) All contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Broadcasting Business Undertakings to which the Demerged Companies are parties or to the benefit of which the Demerged Companies may be eligible, and which are subsisting or have effect immediately before the Demerger Appointed Date, shall continue in full force and effect against or in favor of, as the case may be, the First Resulting Company in which the Broadcasting Business Undertakings vests by way of demerger hereunder and may be enforced as fully and effectually as if, instead of the Demerged Companies, the First Resulting Company had been party or beneficiary or obligee thereto or thereunder; and



- (v) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Broadcasting Business Undertakings occurs by virtue of this Scheme itself, the First Resulting Company, may, at any time after the coming into effect of the Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deed of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement relating to Broadcasting Business Undertaking to which the Demerged Companies are parties in order to give formal effect to the provisions of this Scheme. The First Resulting Company shall, be deemed to be authorized to execute any such writings on behalf of the Demerged Companies in relation to the Broadcasting Business Undertaking and to carry out or perform all such formalities or compliances referred to above on part of the Demerged Companies to be carried out or performed.
- (vi) As a consequence of the vesting and transfer of the Broadcasting Business Undertakings with the First Resulting Company in accordance with or pursuant to this Scheme, the recording of change in name in the records of the statutory or regulatory authorities from the Demerged Companies to the First Resulting Company, whether pertaining to any license, permit, approval or any other matter, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority.
- (vii) The First Resulting Company shall be entitled to the benefit of all insurance policies which have been issued relating to the Broadcasting Business Undertakings of the Demerged Companies and the name of the First Resulting Company shall be substituted as "insured" in the policies as if the First Resulting Company was initially a party.

#### Liabilities

- (viii) all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description relating to the Broadcasting Business Undertakings shall also, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the First Resulting Company, so as to become from the Demerger Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the First Resulting Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause;
- (ix) Where any of the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations relating to the Broadcasting Business Undertakings of the Demerged Companies as on the Demerger Appointed Date deemed to be transferred to the First Resulting Company have been discharged by the Demerged Companies after the Demerger Appointed Date, such discharge shall be deemed to have been for and on account of the First Resulting Company
- (x) All loans raised and used, all liabilities and obligations incurred by the Demerged Companies for the operations of the Broadcasting Business Undertakings with prior approval of the First Resulting Company after the Demerger Appointed Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the First Resulting Company in which the Broadcasting Business Undertakings of the Demerged Companies would vest in terms of this Scheme and to the extent they are outstanding on the Demerger Appointed Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the First Resulting Company and shall become the debts, liabilities, duties and obligations of the First Resulting Company which shall meet discharge and satisfy the same.



#### Licenses and Permissions

- (xi) Any statutory licenses, permits, quotas, approvals (including, but not limited to, environmental approvals, statutory and regulatory approvals), permissions, registrations, consents held by the Demerged Companies required to carry on the operations of the Broadcasting Business Undertakings shall stand vested in or transferred to the First Resulting Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the First Resulting Company and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to the First Resulting Company as if they were originally obtained by the First Resulting Company. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other person, or availed of by the Demerged Companies relating to the Broadcasting Business Undertakings, are concerned, the same shall vest with and be available to the First Resulting Company on the same terms and conditions as applicable to the Demerged Companies, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the First Resulting Company.

#### Security

- (xii) All the existing securities, mortgages, charges, encumbrances or liens, if any, over the assets comprised in or relating to the liabilities of the Broadcasting Business Undertakings transferred to the First Resulting Company by virtue of this Scheme, shall, after the Demerger Appointed Date, continue to relate and attach to only such assets or any part thereof to which they are related or attached prior to the Demerger Appointed Date and shall not relate to or be available as security in relation to any assets of the First Resulting Company as on the Demerger Appointed Date.
- (xiii) It is clarified that the security or charge created relating to loans or borrowings of the Demerged Companies, in relation to the assets of Broadcasting Business Undertaking, if any shall without any further act or deed stand released as from the Demerger Appointed Date and the said assets shall not relate to or be available as security in relation to any other

borrowings of the Demerged Companies.

- (xiv) Any existing encumbrances over the assets and properties of the First Resulting Company or any part thereof which relate to the liabilities and obligations of the First Resulting Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Broadcasting Business Undertaking transferred to and vested in the First Resulting Company by virtue of this Scheme.
- (xv) The amount of corporate guarantee given by SABTNL in favor of TVL or vice-a-versa and corporate guarantee given by SABTNL and TVL in favor of the Demerged companies (excluding second demerged company) shall not by reason of the proposed demerger of the Broadcasting Business Undertaking of the Demerged Companies as vested and transferred into TVL shall not stand cancelled or terminated, but the same would be continued and remain effective till such time as the Board of Directors of the Demerged Companies and TVL would decide.

- 20.2 This Scheme is in compliance with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961 such that the transfer of Broadcasting Business Undertaking will be on a going concern basis.

If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

## 21. LEGAL PROCEEDINGS

- 21.1 Upon the coming into effect of this Scheme, all suits, appeal or other proceedings of whatever nature pending in any court or before any authority, judicial, quasi judicial or administrative or any adjudicating authority and/or arising after the Demerger Appointed Date and relating to the Broadcasting Business Undertakings, or its respective properties, assets, debts, liabilities, duties and obligations shall be continued and/or enforced under the Demerger Appointed Date by or against the Demerged Companies; and from the Demerger Appointed Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of this demerger or by anything contained in this Scheme, but the said suits, appeals or other legal proceedings may be continued, prosecuted and enforced by or against the First Resulting Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Demerged Companies as if the Scheme had not been made. On and from the Demerger Appointed Date, the First Resulting Company shall have the right to initiate, defend, compromise or otherwise deal with any legal proceedings relating to the Broadcasting Business Undertakings, in the same manner and to the same extent as it would or might have been initiated by the Demerged Companies as the case may be, had the Scheme not been made; and

- 21.2 On and from the Demerger Appointed Date, the First Resulting Company shall have all legal proceedings initiated by or against the Demerged Companies relating to the Broadcasting Business Undertaking as referred herein above transferred to and have continued, prosecuted and enforced by or against and defended by the First Resulting Company.

## 22. STAFF, WORKMEN AND EMPLOYEES

- 22.1 Upon the Scheme becoming effective, all permanent staff, workmen and employees relating to the Broadcasting Business Undertakings on the payrolls of the Demerged Companies, in service on the Demerger Appointed Date shall be deemed to have become staff, workmen, and employees of the First Resulting Company on such date without any break or interruption in their service and on the terms and conditions of their employment not less favorable than those subsisting with reference to the Demerged Companies as on the said date.

- 22.2 As of the date of filing of this Scheme, the Demerged Companies shall make contributions to the provident fund account whether maintained through government or through trust and / or other funds in relation to all its staff, workmen and employees related to the Broadcasting Business Undertaking. The First Resulting Company shall subsequent to the Demerger Appointed Date make appropriate contributions towards such provident fund and / or other funds in respect of the staff, workmen and employees taken over by it pursuant to this Scheme through the existing trusts/fund of the Demerged Companies or consolidate the trusts/funds with that of the existing trusts/funds of the First Resulting Company or the trust/fund of the Demerged Companies shall become the trust/fund of the First Resulting Company for all purposes whatsoever in relation to the administration or operation of such funds or trusts or in relation to the obligation to make contributions to the said funds or trusts in accordance with the provisions thereof as per the terms provided in the respective trust deeds or other documents, if any.

- 22.3 It is clarified that the services of all transferred staff, workmen and employees of the Demerged Companies, to the First Resulting Company will be treated as having been continuous for the purpose of the aforesaid employee benefits and / or liabilities. For the purpose of payment of any retrenchment compensation, gratuity, and / or other terminal benefits, and / or any other liability pertaining to staff, workmen and employees, the past services of such staff, workmen and employees with the Demerged Companies shall also be taken into account by the First Resulting Company, who shall pay the same if and when payable.

## 23. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

- 23.1 With effect from the Demerger Appointed Date and upto the Effective Date, the Second Demerged Company upon vesting of the Broadcasting Business of the Transferor Company and pending such vesting, the Transferor Company:

- (a) shall carry on, and be deemed to have been carrying on its business, operations or activities relating to the Broadcasting Business Undertaking, and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets, properties, liabilities relating to Broadcasting Business Undertaking on behalf of and / or in trust for the First Resulting Company.
- (b) All profits or income accruing or arising to the Demerged Companies, or losses arising or expenditure incurred by Demerged Companies relating to the Broadcasting Business Undertaking, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure, as the case may be, of the First Resulting Company.
- (c) It is clarified that all taxes (including income tax, sales tax, excise duty, customs duty, service tax, VAT, entertainment duty, etc.) paid or payable by the Demerged Companies in respect of the operations and/or the profits relating to the Broadcasting Business Undertaking before the Demerger Appointed Date, shall be on account of the Demerged Companies and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, VAT, entertainment duty, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Demerged Companies, in respect of the profits or activities or operation of the Broadcasting Business Undertaking after the Demerger Appointed Date, the same shall be deemed to be the corresponding item paid by the First Resulting Company and shall, in all proceedings, be dealt with accordingly;
- (d) With effect from the date of the Board meeting of the First Resulting Company approving the Scheme and upto and including the Effective Date, the Demerged Companies shall preserve and carry on the business and activities of the Broadcasting Business Undertaking including the business that would vest in the Second Demerged Company pursuant to the Scheme with reasonable diligence and business prudence and shall not, without the prior consent in writing of any of the persons authorised by the Board of Directors of the First Resulting Company, undertake any additional financial commitment of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments or sell, transfer, alienate, charge, mortgage, encumber or otherwise deal with the assets (including intangible rights) or any part thereof of the Broadcasting Business Undertaking, except in the ordinary course of business, or pursuant to any pre-existing obligation(s) undertaken by the Demerged Companies;
- (e) Any of the rights, powers, authorities and privileges attached or related or pertaining to the Broadcasting Business Undertaking and exercised by or available to the Demerged Companies and Second Demerged Company vested pursuant to the Scheme shall be deemed to have been exercised by the Demerged Companies for and on behalf of and as agent for the First Resulting Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Broadcasting Business Undertaking of the Demerged Companies, that have been undertaken or discharged by the Demerged Companies shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the First Resulting Company;
- (f) The Transferor Company shall carry on the Broadcasting Business Undertaking with reasonable diligence and business prudence and shall not venture into any new business, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business, or vary the terms and conditions of employment of any of their employees and shall not undertake any additional commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letter of comfort or commitments either for itself or any third part, except if the same is in ordinary course of business or if written consent of the First Resulting Company is obtained;
- (g) With effect from the date of the Board meeting of the First Resulting Company approving the Scheme and upto and including the Effective Date, the Demerged Companies shall not, except in the ordinary course of business, without the prior consent of the Board of Directors of the First Resulting Company, undertake (i) any material decision in relation to the Broadcasting Business Undertaking (ii) any agreement or transaction; (iii) any new business, or discontinue any existing business or enter into any contract or arrangement which would significantly impact the Broadcasting Business Undertaking;
- (h) With effect from the date of Board meeting of the First Resulting Company approving the Scheme and upto and including the Effective Date, the Demerged Companies shall not, except by way of any obligation already subsisting as on the date of approval of this Scheme by the Board of Directors of the First Resulting Company, without the prior written consent of the Board of Directors of the Demerged Companies and the First Resulting Company, make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner;
- (i) All assets howsoever acquired by the Demerged Companies for carrying on the business, operations or activities of the Broadcasting Business Undertaking and the liabilities relating thereto shall be deemed to have been acquired and are also contracted for and on behalf of the First Resulting Company.
- (j) The First Resulting Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, department and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the First Resulting Company may require including the registration, approvals, exemptions, relieves, etc., as may be required / granted under any law for the time being in force for carrying on the Broadcasting Business Undertaking of the Demerged Companies.



#### 24. ISSUE OF SHARES BY THE FIRST RESULTING COMPANY

- 24.1 Upon coming into effect of the Scheme and in consideration for the transfer and vesting of the Broadcasting Business Undertakings in the First Resulting Company, the First Resulting Company shall, without any further application or deed, issue and allot shares, credited as fully paid up, to the extent indicated below, to the members of SABTNL/Second Demerged Company whose name appears in the Register of Members of the SABTNL/Second Demerged Company as on the Demerger Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, in the following manner:

*"1 (One) fully paid up Equity Share of the face value of Rs. 10/- (Rupees Ten only) each in TVL for every 1 (One) fully paid up*

equity share of the face value of Rs. 10/- (Rupees Ten only) each held in SABTNL."

"10,000 (Ten Thousand) fully paid Redeemable Preference Shares of Rs. 10 (Rupees Ten only) each of TVL would be issued to the preference shareholders of SABTNL on proportionate basis".

- 24.2 In case any member's shareholding in SABTNL is such that on the basis of the aforesaid entitlement ratio of shares, the member is entitled to a fraction of share, such fraction shall be rounded off to the nearest integer. However, in case of any fraction arising to Preference Shareholder, the same would stand ignored. Further, the Preference shares specified in clause 24.1 of this Scheme shall be issued and allotted on the terms and conditions set out in Schedule I to this Scheme.
- 24.3 In the event of any increase in the issued, subscribed or paid up share capital, including on account of any employee reward scheme of the Second Demerged Company or issuance of any Share Equivalents or any consolidation, stock split, bonus issue, free distribution of shares or other similar action in relation to the Share Capital of the Second Demerged Company that occurs at any time before the Demerger Record Date, the Share Entitlement Ratio would continue as herein above and such additional shareholder would also be entitled to receive Equity Shares in the First Resulting Company in the Share Entitlement Ratio.
- 24.4 The Equity Shares and the Preference Shares to be issued to the members of SABTNL as above shall be subject to the Memorandum and Articles of Association of the First Resulting Company. Further, the Equity Shares issued shall rank *pari passu* with the existing equity shares of the First Resulting Company in all respects including dividends, if any that may be declared by the First Resulting Company on or after the Effective Date, as the case may be.
- 24.5 The Equity Shares shall be issued in dematerialized form to those shareholders who hold shares of SABTNL in dematerialized form, into the account in which SABTNL shares are held or such other account as is intimated by the shareholders to SABTNL and / or its Registrar before the Demerger Record Date. All those shareholders who hold shares of SABTNL in physical form shall also have the option to receive the Equity Shares, as the case may be, in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to SABTNL and / or its Registrar before the Demerger Record Date. Otherwise, they would be issued Equity Shares in physical form.
- 24.6 However, the Preference Shares to be issued by the First Resulting Company to the shareholders of the Second Demerged Company shall be issued in dematerialized form or in Physical Certificate as the case may be.
- 24.7 The Board of Directors of the First Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of Equity Shares and Preference Shares to the members of SABTNL pursuant to clause 24.1 of the Scheme.
- 24.8 The equity shares to be issued to the members of SABTNL pursuant to clause 24.1 of this Scheme will be listed and/or admitted to trading on all the stock exchanges on which shares of the SABTNL is listed on the Effective Date. The First Resulting Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges. On such formalities being fulfilled, the Stock Exchanges shall list and/or admit such equity shares issued pursuant to this Scheme, for the purpose of trading. The Equity shares allotted pursuant to clause 24.1 shall remain frozen in the depositories system for the purpose of trading on the stock exchanges till listing/trading permission is given by the Stock Exchanges, respectively and shall be subject to lock-in as may be prescribed by the Stock Exchange and/or other Governmental Authorities. However, the Preference Shares to be issued to the members of the Second Demerged Company pursuant to clause 24.1 of this Scheme will not be listed and/or admitted to trading on the stock exchanges on which shares of the Second Demerged Company is listed on the Effective Date. The equity shares pledged with the bank by SABTNL of the First Resulting Company shall if and to the extent required would stand modified with and replaced with corresponding new equity shares to be issued by the First Resulting Company to the promoters of SABTNL.
- 24.9 There shall be no change in the shareholding pattern or control in TVL i.e. the First Resulting Company between the Demerger Record Date and the listing which may affect the status of the stock exchange approval.
- 24.10 The equity shares to be issued by the First Resulting Company to the members of SABTNL pursuant to clause 24.1 of this Scheme, in respect of any shares in SABTNL which are held in abeyance under the provisions of Section 126 of the Act or otherwise, pending allotment or settlement of dispute, by order of court or otherwise, be held in abeyance by the First Resulting Company.
- 24.11 The approval of this Scheme by the shareholders of the First Resulting Company under Sections 391 and 394 of the Act shall be deemed to have the approval and compliance of the provisions of Section 62, Section 13 and Section 14 of Companies Act, 2013 and the other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares and Preference Shares by the First Resulting Company to the shareholders of the Second Demerged Company, as provided in this Scheme.
- 24.12 Upon the Scheme becoming effective and pursuant to the transfer and vesting of Broadcasting Business Undertaking of the Demerged Companies, other than the Second Demerged Company/SABTNL no shares shall be issued by the First Resulting Company to the shareholders of the Demerged Companies, other than SABTNL since the entire issued, subscribed and paid-up equity share capital of the Demerged Companies, other than SABTNL is held the First Resulting Company.

25. CANCELLATION OF EQUITY SHARES OF THE FIRST RESULTING COMPANY AND PREFERENCE SHARES OF THE SECOND DEMERGED COMPANY/SABTNL HELD BY THE EXISTING SHAREHOLDERS AND CANCELLATION OF EQUITY SHARES OF DEMERGED COMPANIES OTHER THAN SABTNL

25.1 On the Scheme becoming effective and upon allotment of Equity Shares as per clause 24.1, as a consideration for the demerger, the equity shares of the First Resulting Company held by the Second Demerged Company/SABTNL shall stand cancelled without any further act or deed. Accordingly, the share capital of the First Resulting Company shall stand reduced to the extent of face value of shares held by the Second Demerged Company in First Resulting Company and so cancelled. The cancellation of the pre-demerger share capital shall result in a mirror image of the shareholding pattern in the First Resulting Company as it stands for the Second Demerged Company.

25.2 The equity shares of the Demerged Companies, excluding SABTNL as held by the First Resulting Company in the Demerged Companies, excluding SABTNL shall stand cancelled and reduced without any further act or deed as herein below:

Name of the Demerged Company	No of equity shares cancelled	Face value of shares cancelled
HHP	13,000,000	Rs. 10/- each
UBJ	8,000,000	Rs. 10/- each
MPCR	8,000,000	Rs. 10/- each

25.3 Further, the Preference Shares issued pursuant to clause 16.1 of this Scheme by SABTNL would also stand cancelled to an extent of 10,000 (Ten Thousand) Preference Shares of Rs. 10/- each held by the preference shareholders on a proportionate basis.

25.4 Such reduction of Equity Shares of the First Resulting Company and Demerged Companies excluding SABTNL as provided in Clause 25.1 and 25.2, respectively and reduction of the Preference Shares of SABTNL as provided in Clause 25.3 above shall be effected as an integral part of the Scheme and the Orders of the Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act confirming the reduction and no separate sanction under sections 100-102 of the Act will be necessary. The First Resulting Company and the Demerged Companies shall not be required to add the words "and reduced" as a suffix to its name consequent upon such reduction.

26. ACCOUNTING TREATMENT

26.1 In the books of the First Resulting Company

- Upon coming into effect of this Scheme, the First Resulting Company shall record the assets and liabilities of the Broadcasting Business Undertakings at the respective book values appearing in the books of Demerged Companies at the opening of business hours on the Demerger Appointed Date.
- The First Resulting Company shall credit to its share capital account, the aggregate face value of the Equity Shares issued by it pursuant to Clause 24.1 of this Scheme and Preference Shares issued by it pursuant to Clause 24.1 of this Scheme to the equity shareholders and the preference shareholders of the Second Transferor Company/SABTNL.
- Loans and advances and other dues outstanding between the First Resulting Company and the Broadcasting Business Undertakings of the Demerged Companies, if any would stand cancelled and there shall be no further obligation / outstanding in that behalf.
- The First Resulting Company shall debit to its share capital account, the aggregate face value of the Equity Shares held by SABTNL which stands cancelled pursuant to the transfer and vesting of the Broadcasting Business Undertaking of the Second Demerged Company in accordance with clause 25.1.
- The difference between the excess of net assets of the Broadcasting Business Undertakings transferred from the Demerged Companies over (a) the difference (if any) between the Face value of investment held by the Second Demerged Company in the equity share capital of the First Resulting Company cancelled pursuant to clause 25.1 above and the face value of corresponding equity share capital of the First Resulting Company, issued pursuant to clause 24.1 above; (b) the face value of Preference Shares capital of the First Resulting Company issued pursuant to clause 24.1 above; and (c) the value of investments held by the First Resulting Company in the Demerged Companies, excluding SABTNL as cancelled pursuant to clause 25.2 above would be adjusted against/recorded as General Reserve by the First Resulting Company.
- If considered appropriate for the purpose of application of uniform accounting methods and policies between the Demerged Companies and the First Resulting Company, the First Resulting Company may make suitable adjustments and adjust the effect thereof in the Capital Reserve Account of the First Resulting Company.

26.2 In the books of the Second Demerged Company

- Upon the Scheme becoming effective, the Second Demerged Company shall reduce the book value of assets, including investments in the equity share capital of the First Resulting Company in the books of the Second Demerged Company and liabilities pertaining to the Broadcasting Business Undertaking from its books of account.
- Loans and advances and other dues outstanding between the First Resulting Company and the Broadcasting Business Undertaking of the Second Demerged Company, if any would stand cancelled and there shall be no further obligation / outstanding in that behalf.
- SABTNL shall debit to its share capital account, the aggregate face value of the Preference Shares cancelled pursuant to clause 25.3 of this Scheme.



- (d) The excess of the book value of assets over the book value of liabilities of the Broadcasting Business Undertaking transferred to the First Resulting Company pursuant to this Scheme, would be adjusted as under:
- against the amount of Preference Shares reduced pursuant to clause 25.3;
  - against the amount standing to the credit of Capital Reserve Account;
  - against the amount standing to the credit of Securities Premium Account; and
  - the amount standing to the credit of General Reserves, if required

And where the amount of assets transferred over liabilities is lower, the difference would get credited to the Capital Reserve Account.

- (e) The reduction in the Securities Premium Account of the Second Demerged Company shall be effected as an integral part of the Scheme in accordance with the provisions of Section 78 read with Sections 100 to 104 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and all other applicable provisions of the Act and the Order of the High Court sanctioning this Scheme shall be deemed to be also the Orders under Section 102 of the Act for the purpose of confirming the reduction. Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add "And Reduced" as suffix to its name

26.3 In the books of the Demerged Companies, other than the Second Demerged Company:

- Upon the Scheme becoming effective, the Demerged Companies, other than the Second Demerged Company shall reduce the book value of assets and liabilities pertaining to the Broadcasting Business Undertaking from its books of account.
- The respective Demerged Companies, excluding SABTNL shall debit to its share capital account, the aggregate face value of the Equity Shares held by the First Resulting Company in the Demerged Companies which stands cancelled pursuant to the transfer and vesting of the Broadcasting Business Undertaking of the Demerged Companies, excluding SABTNL into the First Resulting Company in accordance with clause 25.2.
- Loans and advances and other dues outstanding between the First Resulting Company and the Broadcasting Business Undertakings of the Demerged Companies, if any would stand cancelled and there shall be no further obligation / outstanding in that behalf.
- The difference between the book value of assets and the book value of liabilities of the Broadcasting Business Undertaking transferred to the First Resulting Company over the value of equity capital cancelled pursuant to clause 25.2 by the respective Demerged Companies, excluding SABTNL would be accumulated to the amount standing in the profit and loss account of the respective Demerged Companies.



## 27. REMAINING BUSINESS OF THE DEMERGED COMPANIES

27.1 The Remaining Business of the Demerged Companies as defined in Clause 1.1.17 and all other assets, liabilities, incentives, rights and obligation pertaining thereto shall continue to be vested in and managed by the Demerged Companies in the manner as provided below:

27.1.1 Any Proceedings by or against the Demerged Companies, whether pending on the Demerger Appointed Date or which may be instituted in future whether in respect of any matter arising before or after the Demerger Appointed Date and relating to the Remaining Business of the Demerged Companies (including those relating to any property, right, security, power, liability, obligation or duties of the Demerged Companies in respect of the Remaining Business of the Demerged Companies) shall be continued and enforced by or against the Demerged Companies, which shall keep the First Resulting Company fully indemnified in that regard. The First Resulting Company shall in no event be responsible or liable in relation to any such Proceedings against the Demerged Companies

27.2 With effect from and including the Demerger Appointed Date:

27.2.1 The Demerged Companies shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Demerged Companies Remaining Business of the Demerged Companies for and on its own behalf;

27.2.2 All profit accruing to the Demerged Companies thereon or losses arising or incurred by it relating to the Remaining Business of the Demerged Companies shall, for all purposes, be treated as the profit, or losses, as the case may be, of the Demerged Companies;

27.2.3 The Demerged Companies may enter into such contracts as the Demerged Companies may deem necessary in respect of the Remaining Business of the Demerged Companies;

27.2.4 All assets and properties acquired by the Demerged Companies in relation to the Remaining Business of the Demerged Companies on and after the Demerger Appointed Date shall belong to and continue to remain vested in the Demerged Companies; and

27.2.5 All liabilities (including contingent liabilities) loans, debts (whether secured or unsecured) raised or incurred, duties and obligations of every kind, nature and description whatsoever and howsoever arising or accruing in relation to the Remaining Business of the Demerged Companies shall belong to and continue to remain vested in the Demerged Companies.

It is clarified that any liabilities relating to a period prior to the Demerger Appointed Date, whether such liabilities become payable or accrue after the Demerger Appointed Date in relation to the Broadcasting Business Undertaking shall be to and on account of the respective Demerged Companies.

## PART V

### DEMERGER OF THE SABTNL PUBLICATION BUSINESS UNDERTAKING OF SABTNL INTO THE SECOND RESULTING COMPANY

#### 28. TRANSFER AND VESTING OF SABTNL PUBLICATION BUSINESS UNDERTAKING

28.1 Upon this Scheme becoming effective and with effect from the Demerger Appointed Date after giving effect to "PART III" of this Scheme, the SABTNL Publication Business Undertaking (including all assets, estates, properties, investments, rights, claim, title, interest and authorities including accretions and appurtenances thereto of the SABTNL Publication Business Undertaking) shall stand transferred to and vested in or deemed to be transferred to and vested in the Second Resulting Company under the provisions of Section 391 to 394 of the Act and in accordance with Section 2(19AA) of the Income-tax Act, 1961, as a going concern without any further act, deed, matter or thing in the following manner:

#### Assets:

- (i) The whole of the SABTNL Publication Business Undertaking shall without any further act, deed, matter or thing stand transferred to and vested in and /or be deemed to be transferred to and vested in the Second Resulting Company so as to vest in the Second Resulting Company all rights, title and interest pertaining to the SABTNL Publication Business Undertaking;
- (ii) All assets, investments, rights, title or interest acquired by the SABTNL after the Demerger Appointed Date in relation to the SABTNL Publication Business Undertaking shall also, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Second Resulting Company upon coming into effect of this Scheme pursuant to the provisions of Section 391 to 394 of the Act, provided however that no onerous asset shall have been acquired by the SABTNL in relation to the SABTNL Publication Business Undertaking after the Demerger Appointed Date without the prior written consent of the Resulting Company; and
- (iii) all the assets of the SABTNL Publication Business Undertaking as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, shall stand vested in the Second Resulting Company, and shall become the property and an integral part of the Second Resulting Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested, and the title to such property shall be deemed to have transferred and vested accordingly. In respect of movables other than those otherwise capable of transfer by manual delivery or by endorsement and delivery, including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, development rights, advances paid to any parties for acquisition of development rights, earnest money and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Demerger Appointed Date stand transferred to and vested in the Second Resulting Company without any notice or other intimation to the debtors although the Second Resulting Company may, without being obliged, and if it so deems appropriate, at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositee, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Second Resulting Company.

#### Contracts

- (iv) All contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the SABTNL Publication Business Undertaking to which the SABTNL is a party or to the benefit of which the SABTNL may be eligible, and which are subsisting or have effect immediately before the Demerger Appointed Date, shall continue in full force and effect against or in favor of, as the case may be, the Resulting Company in which the SABTNL Publication Business Undertaking vests by way of demerger hereunder and may be enforced as fully and effectually as if, instead of the SABTNL, the Second Resulting Company had been party or beneficiary or obligee thereto or thereunder; and
- (v) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the SABTNL Publication Business Undertaking occurs by virtue of this Scheme itself, the Second Resulting Company, may, at any time after the coming into effect of the Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deed of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement relating to SABTNL Publication Business Undertaking to which the SABTNL is a party in order to give formal effect to the provisions of this Scheme. The Second Resulting Company shall, be deemed to be authorized to execute any such writings on behalf of the SABTNL in relation to the SABTNL Publication Business Undertaking and to carry out or perform all such formalities or compliances referred to above on part of the SABTNL to be carried out or performed.
- (vi) As a consequence of the vesting and transfer of SABTNL Publication Business Undertaking of SABTNL with the Second Resulting Company in accordance with or pursuant to this Scheme, the recording of change in name in the records of the statutory or regulatory authorities from SABTNL to the Second Resulting Company, whether pertaining to any license, permit, approval or any other matter, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority.
- (vii) The Second Resulting Company shall be entitled to the benefit of all insurance policies which have been issued relating to the SABTNL Publication Business Undertaking of SABTNL and the name of the Second Resulting Company shall be substituted as "Insured" in the policies as if the Second Resulting Company was initially a party.

#### Liabilities

- (viii) all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description relating to the

SABTNL Publication Business Undertaking of SABTNL shall also, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Second Resulting Company, so as to become from the Demerger Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Second Resulting Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause;

- (ix) Where any of the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations relating to the SABTNL Publication Business Undertaking of SABTNL as on the Demerger Appointed Date deemed to be transferred to the Second Resulting Company have been discharged by the SABTNL after the Demerger Appointed Date, such discharge shall be deemed to have been for and on account of the Second Resulting Company
- (x) All loans raised and used, all liabilities and obligations incurred by the SABTNL for the operations of the SABTNL Publication Business Undertaking with prior approval of the Second Resulting Company after the Demerger Appointed Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Second Resulting Company in which the SABTNL Publication Business Undertaking of the SABTNL would vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Second Resulting Company and shall become the debts, liabilities, duties and obligations of the Second Resulting Company which shall meet discharge and satisfy the same.

#### Licenses and Permissions

- (xi) Any statutory licenses, permits, quotas, approvals (including, but not limited to, environmental approvals, statutory and regulatory approvals), permissions, registrations, consents held by the SABTNL required to carry on the operations of the SABTNL Publication Business Undertaking shall stand vested in or transferred to the Second Resulting Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Second Resulting Company and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to the Second Resulting Company as if they were originally obtained by the Second Resulting Company. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other person, or availed of by the SABTNL relating to the SABTNL Publication Business Undertaking, are concerned, the same shall vest with and be available to the Second Resulting Company on the same terms and conditions as applicable to the SABTNL, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Second Resulting Company.

#### Security

- (xii) All the existing securities, mortgages, charges, encumbrances or liens, if any, over the assets comprised in or relating to the liabilities of the SABTNL Publication Business Undertaking transferred to the Second Resulting Company by virtue of this Scheme, shall, after the Demerger Appointed Date, continue to relate and attach to only such assets or any part thereof to which they are related or attached prior to the Effective Date and shall not relate to or be available as security in relation to any assets of the Second Resulting Company as on the Effective Date.
- (xiii) It is clarified that the security or charge created relating to loans or borrowings of the SABTNL, in relation to the assets of SABTNL Publication Business Undertaking, if any shall without any further act or deed stand released as from the Demerger Appointed Date and the said assets shall not relate to or be available as security in relation to any other borrowings of the SABTNL.
- (xiv) Any existing encumbrances over the assets and properties of the Second Resulting Company or any part thereof which relate to the liabilities and obligations of the Second Resulting Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the SABTNL Publication Business Undertaking transferred to and vested in the Second Resulting Company by virtue of this Scheme.

28.2 This Scheme is in compliance with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961 such that the transfer of SABTNL Publication Business Undertaking will be on a going concern basis.

If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

#### 29. LEGAL PROCEEDINGS

29.1 Upon the coming into effect of this Scheme, all suits, appeal or other proceedings of whatever nature pending in any court or before any authority, judicial, quasi judicial or administrative or any adjudicating authority and/or arising after the Demerger Appointed Date and relating to the SABTNL Publication Business Undertaking, or its respective properties, assets, debts, liabilities, duties and obligations shall be continued and/or enforced under the Effective Date by or against the SABTNL; and from the Demerger Appointed Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of this demerger or by anything contained in this Scheme, but the said suits, appeals or other legal proceedings may be continued, prosecuted and enforced by or against the Second Resulting Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the SABTNL as if the Scheme had not been made. On and from the Demerger Appointed Date, the Second Resulting Company shall have the right to initiate, defend,



compromise or otherwise deal with any legal proceedings relating to the SABTNL Publication Business Undertaking, in the same manner and to the same extent as it would or might have been initiated by SABTNL as the case may be, had the Scheme not been made; and

29.2 On and from the Demerger Appointed Date, the Second Resulting Company shall have all legal proceedings initiated by or against the SABTNL relating to the SABTNL Publication Business Undertaking as referred herein above transferred to and have continued, prosecuted and enforced by or against and defended by the Second Resulting Company.

### 30. STAFF, WORKMEN AND EMPLOYEES

30.1 Upon the Scheme becoming effective, all permanent staff, workmen and employees relating to the SABTNL Publication Business Undertaking on the payrolls of the SABTNL, in service on the Effective Date shall be deemed to have become staff, workmen, and employees of the Second Resulting Company on such date without any break or interruption in their service and on the terms and conditions of their employment not less favorable than those subsisting with reference to SABTNL as on the said date.

30.2 As of the date of filing of this Scheme, SABTNL shall make contributions to the provident fund account whether maintained through government or through trust and / or other funds in relation to all its staff, workmen and employees related to the SABTNL Publication Business Undertaking. The Second Resulting Company shall subsequent to the Demerger Appointed Date make appropriate contributions towards such provident fund and / or other funds in respect of the staff, workmen and employees taken over by it pursuant to this Scheme through the existing trusts/fund of SABTNL or consolidate the trusts/funds with that of the existing trusts/funds of the Second Resulting Company or the trust/fund of SABTNL shall become the trust/fund of the Second Resulting Company for all purposes whatsoever in relation to the administration or operation of such funds or trusts or in relation to the obligation to make contributions to the said funds or trusts in accordance with the provisions hereof as per the terms provided in the respective trust deeds or other documents, if any.

30.3 It is clarified that the services of all transferred staff, workmen and employees of the SABTNL, to the Second Resulting Company will be treated as having been continuous for the purpose of the aforesaid employee benefits and / or liabilities. For the purpose of payment of any retrenchment compensation, gratuity, and / or other terminal benefits, and / or any other liability pertaining to staff, workmen and employees, the past services of such staff, workmen and employees with the SABTNL shall also be taken into account by the Second Resulting Company, who shall pay the same if and when payable.

### 31. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

31.1 With effect from the Demerger Appointed Date upto the Effective Date, SABTNL shall upon vesting of the Publication Business Undertaking from the Transferor Company and pending such vesting the Transferor Company:

- (a) shall carry on, and be deemed to have been carrying on its business, operations or activities relating to the SABTNL Publication Business Undertaking, and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets, properties, liabilities relating to SABTNL Publication Business Undertaking on behalf of and / or in trust for the Second Resulting Company.
- (b) All profits or income accruing or arising to or losses arising or expenditure incurred and relating to the SABTNL Publication Business Undertaking, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure, as the case may be, of the Second Resulting Company.
- (c) It is clarified that all taxes (including income tax, sales tax, excise duty, customs duty, service tax, VAT, entertainment duty, etc.) paid or payable in respect of the operations and/or the profits relating to the SABTNL Publication Business Undertaking before the Demerger Appointed Date, shall be on account of the SABTNL and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, VAT, entertainment duty, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the SABTNL, in respect of the profits or activities or operation of the SABTNL Publication Business Undertaking after the Demerger Appointed Date, the same shall be deemed to be the corresponding item paid by the Second Resulting Company and shall, in all proceedings, be dealt with accordingly;
- (d) With effect from the date of the Board meeting of the Second Resulting Company approving the Scheme and upto and including the Effective Date, SABTNL or the First Demerged Company, as the case may be shall preserve and carry on the business and activities of the SABTNL Publication Business Undertaking with reasonable diligence and business prudence and shall not, without the prior consent in writing of any of the persons authorised by the Board of Directors of the Second Resulting Company, undertake any additional financial commitment of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments or sell, transfer, alienate, charge, mortgage, encumber or otherwise deal with the assets (including intangible rights) or any part thereof of the SABTNL Publication Business Undertaking, except in the ordinary course of business, or pursuant to any pre-existing obligation(s) undertaken by the SABTNL;
- (e) Any of the rights, powers, authorities and privileges attached or related or pertaining to the SABTNL Publication Business Undertaking and exercised by or available to the SABTNL shall be deemed to have been exercise by the SABTNL for and on behalf of and as agent for the Second Resulting Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the SABTNL Publication Business Undertaking of the SABTNL, that have been undertaken or discharged by the SABTNL shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Second Resulting Company;
- (f) The Transferor Company shall carry on the SABTNL Publication Business Undertaking with reasonable diligence and business prudence and shall not venture into any new business, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business, or vary the terms and conditions of employment of any of their employees and shall not undertake any additional commitments of any nature whatsoever,



borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letter of comfort or commitments either for itself or any third part, except if the same is in ordinary course of business or if written consent of the Second Resulting Company is obtained;

- (g) With effect from the date of the Board meeting of the Second Resulting Company approving the Scheme and upto and including the Effective Date, the SABTNL shall not, except in the ordinary course of business, without the prior consent of the Board of Directors of the Second Resulting Company, undertake (i) any material decision in relation to the SABTNL Publication Business Undertaking (ii) any agreement or transaction; (iii) any new business, or discontinue any existing business or enter into any contract or arrangement which would significantly impact the SABTNL Publication Business Undertaking;
- (h) With effect from the date of Board meeting of the Second Resulting Company approving the Scheme and upto and including the Effective Date, the SABTNL shall not, except by way of any obligation already subsisting as on the date of approval of this Scheme by the Board of Directors of the Second Resulting Company, without the prior written consent of the Board of Directors of the SABTNL and the Second Resulting Company, make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise) decrease, reduction, reclassification, sub-division or consolidation, reorganisation, or in any other manner;
- (i) All assets howsoever acquired by the SABTNL for carrying on the business, operations or activities of the SABTNL Publication Business Undertaking and the liabilities relating thereto shall be deemed to have been acquired and are also contracted for and on behalf of the Second Resulting Company.
- (j) The Second Resulting Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, department and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Second Resulting Company may require including the registration, approvals, exemptions, relieves, etc., as may be required / granted under any law for the time being in force for carrying on the SABTNL Publication Business Undertaking of the SABTNL.

## 32. ISSUE OF SHARES BY THE SECOND RESULTING COMPANY

- 32.1 Upon coming into effect of the Scheme and in consideration for the transfer and vesting of the SABTNL Publication Business Undertaking in the Second Resulting Company, the Second Resulting Company shall, without any further application or deed, issue and allot shares, credited as fully paid up, to the extent indicated below, to the members of the SABTNL whose name appears in the Register of Members of the SABTNL as on the Demerger Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-little, as the case may be, in the following manner:

*"3 (Three) fully paid Equity Shares of face value Rs. 10 (Rupees Ten only) each in SAB Events for every 10 (Ten) fully paid equity shares of face value of Rs. 10/- (Rupees Ten only) held in SABTNL".*

*"10,000 (Ten Thousand) fully paid Redeemable Preference Shares of Rs. 10 (Rupees Ten) each of SAB Events would be issued to the preference shareholders of SABTNL on proportionate basis".*

- 32.2 In case any member's shareholding in the SABTNL is such that on the basis of the aforesaid entitlement ratio of shares, the member is entitled to a fraction of share, such fraction shall be rounded off to the nearest integer. However, in case of any fraction arising to Preference Shareholder, the same would stand ignored. Further, the Preference shares specified in clause 15.1 of this Scheme shall be issued and allotted on the terms and conditions set out in Schedule I to this Scheme.
- 32.3 In the event of any increase in the issued, subscribed or paid up share capital, including on account of any employee reward scheme of the Second Demerged Company or issuance of any Share Equivalents or any consolidation, stock split, bonus issue, free distribution of shares or other similar action in relation to the Share Capital of the Second Demerged Company that occurs at any time before the Demerger Record Date, the Share Entitlement Ratio would continue as hereinabove and such additional shareholder would also be entitled to receive Equity Shares in the Second Resulting Company in the Share Entitlement Ratio.
- 32.4 The Equity Shares and the Preference Shares to be issued to the members of the SABTNL as above shall be subject to the Memorandum and Articles of Association of the Second Resulting Company. Further, the Equity Shares issued shall rank *pari passu* with the existing equity shares of the Second Resulting Company in all respects including dividends, if any that may be declared by the Second Resulting Company on or after the effective Date, as the case may be.
- 32.5 The Equity Shares shall be issued in dematerialized form to those shareholders who hold shares of SABTNL in dematerialized form, in to the account in which SABTNL shares are held or such other account as is intimated by the shareholders to SABTNL and / or its Registrar before the Demerger Record Date. All those shareholders who hold shares of SABTNL in physical form shall also have the option to receive the Equity Shares, as the case may be, in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to SABTNL and / or its Registrar before the Demerger Record Date. Otherwise, they would be issued Equity Shares in physical form. However, the Preference Shares to be issued by the Second Resulting Company to the shareholders of the Second Demerged Company shall be issued in dematerialized form or Physical certificate as the case may be.
- 32.6 The Board of Directors of the Second Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of Equity Shares and Preference Shares to the members of SABTNL pursuant to clause 32.1 of the Scheme.
- 32.7 The equity shares to be issued to the members of SABTNL pursuant to clause 32.1 of this Scheme will be listed and/or admitted to trading on all the stock exchanges on which shares of the SABTNL is listed on the Effective Date. The Second

Resulting Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges. On such formalities being fulfilled, the Stock Exchanges shall list and/or admit such equity shares issued pursuant to this Scheme, for the purpose of trading. The Equity shares allotted pursuant to clause 32.1 shall remain frozen in the depositories system till listing/trading permission is given by the Stock Exchanges, respectively and shall be subject to lock-in as may be prescribed by the Stock Exchange and/or other Governmental Authorities.

However, the Preference Shares to be issued to the members of the Second Demerged Company pursuant to clause 32.1 of this Scheme will not be listed and/or admitted to trading on the stock exchanges on which shares of the Second Demerged Company is listed on the Effective Date.

- 32.8 There shall be no change in the shareholding pattern or control in SAB Events i.e. the Second Resulting Company between the Demerger Record Date and the listing which may affect the status of the stock exchange approval.
- 32.9 The equity shares to be issued by the Second Resulting Company to the members of SABTNL pursuant to clause 32.1 of this Scheme, in respect of any shares in SABTNL which are held in abeyance under the provisions of Section 126 of the Act or otherwise, pending allotment or settlement of dispute, by order of court or otherwise, be held in abeyance by the Second Resulting Company.
- 32.10 The approval of this Scheme by the shareholders of the Second Resulting Company under Sections 391 and 394 of the Act shall be deemed to have the approval and compliance of the provisions of Section 62(1c) and the other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Second Resulting Company to the shareholders of SABTNL, as provided in this Scheme.
- 32.11 The approval of this Scheme by the shareholders of both the companies under Sections 391 and 394 of the Act shall be deemed to have the approval under sections 13, 14, 62 of Companies Act 2013 and other applicable provisions of the Act and any other consents and approvals required in this regard.

### 33. CANCELLATION OF EQUITY SHARES OF THE SECOND RESULTING COMPANY AND PREFERENCE SHARES OF THE SECOND DEMERGED COMPANY/SABTNL

- 33.1 On the Scheme becoming effective and upon allotment of Equity Shares as per clause 32.1, as a consideration for the demerger, the equity shares of the Second Resulting Company held by the existing shareholders of the Second Resulting Company, shall stand cancelled without any further act or deed. Accordingly, the share capital of the existing shareholders of the Second Resulting Company shall stand reduced to the extent of face value of shares held by the existing shareholders in Second Resulting Company on a proportionate basis and so cancelled. The cancellation of the pre-demerger share capital shall result in a mirror image of the shareholding pattern in the Second Resulting Company as it stands for the Second Demerged Company.
- 33.2 Further, the Preference Shares issued pursuant to clause 16.1 of this Scheme by SABTNL would also stand cancelled to an extent of 10,000 (Ten Thousand) Preference Shares of Rs. 10/- each held by the preference shareholders on a proportionate basis.
- 33.3 Such reduction of Equity Shares of the Second Resulting Company as provided in Clause 33.1 and reduction of the Preference Shares of SABTNL as provided in Clause 33.2 above shall be effected as an integral part of the Scheme and the Orders of the Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act confirming the reduction and no separate sanction under sections 100-102 of the Act will be necessary. The Second Resulting Company and the Second Demerged Company shall not be required to add the words "and reduced" as a suffix to its name consequent upon such reduction.

### 34. ACCOUNTING TREATMENT

- 34.1 In the books of the Second Resulting Company
- Upon coming into effect of this Scheme, the Second Resulting Company shall record the assets and liabilities of the SABTNL Publication Business Undertaking at the respective book values appearing in the books of SABTNL at the opening of the Demerger Appointed Date.
  - The Second Resulting Company shall credit to its share capital account, the aggregate face value of the Equity Shares and Preference Shares issued by it pursuant to Clause 32.1 of this Scheme.
  - Loans and advances and other dues outstanding between the Second Resulting Company and the SABTNL Publication Business Undertaking, if any will stand cancelled and there shall be no further obligation / outstanding in that behalf.
  - The Second Resulting Company shall debit to its share capital account, the aggregate face value of the Equity Shares held by its existing shareholders and cancelled pursuant to clause 33.1 of this Scheme.
  - The excess of net assets of the SABTNL Publication Business Undertaking transferred from SABTNL and recorded by the Second Resulting Company in terms of clause 34.1 (a) above, over the difference between the amount of equity capital cancelled pursuant to clause 33.1 and the face value of Equity Shares and Preference Shares issued pursuant to clause 32.1 above would stand credited as capital reserve account and in case of deficit, the same shall be debited as Goodwill in the books of the Second Resulting Company.
  - If considered appropriate for the purpose of application of uniform accounting methods and policies between the SABTNL and the Second Resulting Company, the Second Resulting Company may make suitable adjustments and adjust the effect thereof in the General Reserve Account of the Second Resulting Company.



34.2 In the books of the SABTNL

- (a) Upon the Scheme becoming effective, the SABTNL shall reduce the book value of assets and liabilities pertaining to the SABTNL Publication Business Undertaking from its books of account.
- (b) SABTNL shall debit to its share capital account, the aggregate face value of the Preference Shares cancelled pursuant to clause 33.2 of this Scheme.
- (c) The excess of the book value of assets over the book value of liabilities transferred of the SABTNL Publication Business Undertaking shall be adjusted
  - a. against the amount of Preference Shares reduced pursuant to clause 33.2;
  - b. against the amount standing to the credit of Capital Reserve Account;
  - c. against the amount standing to the credit of Securities Premium Account; and
  - d. the amount standing to the credit of General Reserves, if required.

35. REMAINING BUSINESS OF THE SECOND DEMERGED COMPANY

35.1 The Remaining Business of the SABTNL as defined in Clause 1.1.18 and all other assets, liabilities, incentives, rights and obligation pertaining thereto shall continue to be vested in and managed by the SABTNL in the manner as provided below:

35.2 Any Proceedings by or against the SABTNL, whether pending on the Demerger Appointed Date or which may be instituted in future whether in respect of any matter arising before or after the Effective Date and relating to the Remaining Business (including those relating to any property, right, security, power, liability, obligation or duties of the SABTNL in respect of the Remaining Business) shall be continued and enforced by or against the SABTNL, which shall keep the Second Resulting Company fully indemnified in that regard. The Second Resulting Company shall in no event be responsible or liable in relation to any such Proceedings against the SABTNL with effect from the Demerger Appointed Date and including the Effective Date:

35.2.1 The SABTNL shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Business of the SABTNL for and on its own behalf;

35.2.2 All profit accruing to the SABTNL thereon or losses arising or incurred by it relating to the Remaining Business of the SABTNL shall, for all purpose, be treated as the profit, or losses, as the case may be, of the SABTNL;

35.2.3 The SABTNL may enter into such contracts as the SABTNL may deem necessary in respect of the Remaining Business;

35.2.4 All assets and properties acquired by the SABTNL in relation to the Remaining Business on and after the Demerger Appointed Date shall belong to and continue to remain vested in the SABTNL; and

35.2.5 All liabilities (including contingent liabilities) loans, debts (whether secured or unsecured) raised or incurred, duties and obligations of every kind, nature and description whatsoever and howsoever arising or accruing in relation to the Remaining Business shall belong to and continue to remain vested in the SABTNL.

It is clarified that any liabilities relating to a period prior to the Demerger Appointed Date, whether such liabilities become payable or accrue after the Demerger Appointed Date in relation to the SABTNL Publication Business Undertaking shall be to and on account of SABTNL.

PART VI

GENERAL TERMS AND CONDITIONS

36. CONSOLIDATION OF AUTHORISED CAPITAL AND ALTERATION OF MEMORANDUM AND ARTICLES OF ASSOCIATION

36.1 Increase in Authorised Capital of the Transferee Company

*Upon this Scheme becoming effective, the authorised share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed, by the authorised share capital of the Transferor Company, amounting in aggregate to Rs. 485,000,000 (Rupees Forty Eight Crores Fifty Lacs Only) comprising of Rs. 4,61,000,000 (Rupees Forty Six Crore Ten Lacs Only) divided into 46,100,000 Equity Shares of Rs. 10 each and Rs 24,00,000/- (Rupees Two Crore Forty Lacs Only) divided into 24,00,000 Redeemable Preference Shares of Rs. 10 each and the Memorandum and Articles of Association of Transferee Company (relating to authorised share capital) shall without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purpose of effecting this amendment, and no further resolution(s) under provisions of Section 16 and the other relevant and applicable provisions of the Companies Act, 1956 and/or Section 13, 14, 61 of Companies Act 2013 or any other applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorised capital of the Transferor Company shall be utilised and applied to the increased authorised share capital of Transferee Company and there would be no requirement for any other further payment of stamp duty and / or fee by Transferee for increase in the authorised share capital to that extent. Pursuant to the Scheme becoming effective and consequent upon the merger of the Transferor Company into Transferee Company, the authorised share capital of Transferee Company will be as under:*

Authorised Share Capital	Amount (in Rs.)
461,00,000 Equity shares of Rs. 10 each	461,000,000
24,00,000 Preference Shares of Rs. 10 each	24,000,000

36.2 Upon this Scheme coming into effect, the Clause V of the Memorandum of Association of SABTNL, being the capital clause of the SABTNL shall be without any further act or deed, be amended, restated and replaced as under:

"The Authorised Share Capital of the Transferee Company is amounting in aggregate to Rs. 485,000,000 (Rupees Forty Eight Crores Fifty Lacs only) comprising of Rs. 461,000,000 (Rupees Forty Six Crores Ten Lacs Only)- divided into 46,100,000 Equity Shares of Rs. 10 each and Rs. 24,000,000 (Rupees Two Crore Forty lacs Only) divided into 2,400,000 Redeemable Preference Shares of Rs. 10 each and with a power to increase or reduce the capital of the Company in accordance with the provisions of the Companies Act, 1956 and/or Companies Act, 2013"

37. **AMENDMENT IN CAPITAL CLAUSE**

37.1 Upon this Scheme coming into effect, Clause V of the Memorandum of Association of the First Resulting Company and Second Resulting Company, being the capital clause of the First Resulting Company and Second Resulting Company shall be without any further act or deed, be amended, restated and replaced as under:

*In case of First Resulting Company:*

"The Authorised Share Capital of the First Resulting Company is amounting in aggregate to Rs. 550,000,000 (Rupees Fifty Five Crores Only) comprising of Rs. 549,900,000 (Rupees Fifty Four Crores Ninety Nine Lacs Only)- divided into 54,990,000 Equity Shares of Rs. 10 each and Rs. 1,00,000/- (Rupees One Lacs Only) divided into 10,000 Redeemable Preference Shares of Rs. 10 each and with a power to increase or reduce the capital of the company in accordance with the provisions of the Companies Act, 1956 and/or Companies Act, 2013"

*In case of Second Resulting Company:*

"The Authorised Share Capital of the Second Resulting Company is amounting in aggregate to Rs. 110,000,000 (Rupees Eleven Crores only) comprising of Rs. 109,900,000 (Rupees Ten Crores Ninety Nine Lacs Only)- divided into 10,990,000 Equity Shares of Rs. 10 each and Rs. 1,00,000/- (Rupees One Lacs Only) divided into 10,000 Redeemable Preference Shares of Rs. 10 each and with a power to increase or reduce the capital of the company in accordance with the provisions of the Companies Act, 1956 and/or Companies Act, 2013"

37.2 Approval of this Scheme by the shareholders of the First Resulting Company and Second Resulting Company shall be deemed to be the due compliance of the provisions of Section 16 and the other relevant and applicable provisions of the Companies Act, 1956 and/or Sections 13 and 14 of the Companies Act, 2013, for the alteration of the Memorandum of Association, as provided in this Scheme.

38. **PROFITS, DIVIDEND, BONUS/RIGHT SHARES**

38.1 The Transferor Company, the First Demerged Company, the Demerged Companies excluding SABTNL, the First Resulting Company and the Second Resulting Company shall not utilize profits or income, if any, for any purpose including declaring or paying any dividend in respect of the period falling on and after the respective Appointed Dates.

38.2 From the date of filing of this Scheme with the High Court and up to and including the Effective Date, the Transferor Company the Demerged Companies excluding SABTNL, The First Resulting Company and the Second Resulting Company shall not make any change in their respective capital structure in any manner either by any increase (including by way of issue of equity and/or preference shares on a rights basis or by way of a public issue, bonus shares and/or convertible debentures or otherwise), decrease, reduction, reclassification, sub-division, consolidation, re-organization, or in any other manner which may, in any way, affect the share entitlement ratio (as provided in the Clause 24 and Clause 32).

38.3 In the event that SABTNL/the Transferee Company restructures its equity share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share entitlement ratio (as provided in the Clause 24 and Clause 32) shall be adjusted accordingly to take into account the effect of such corporate actions, except to the extent shares are issued to the shareholders of the Transferor Company.

39. **APPLICATION TO HIGH COURT**

The Transferor Company, the Transferee Company, the Demerged Companies, the First Resulting Company and the Second Resulting Company shall with all reasonable dispatch make all necessary applications under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court for seeking approval of the Scheme.

40. **ADMINISTRATIVE CONVENIENCE**

Notwithstanding any contained in other clauses of this Scheme, the Transferor Company, the Transferee Company, the First Demerged Company and the Demerged Companies, shall enter into such documents, agreements, make applications to various authorities, regulatory bodies to facilitate the uninterrupted transitions of the business from the Transferor Company,



*the First Demerged Company and Demerged Companies to the First Resulting Company or the Second Resulting Company, as the case may be.*

**41. MODIFICATION OR AMENDMENTS TO THE SCHEME**

*The Transferor Company, the Transferee Company, the Demerged Companies, the First Resulting Company and the Second Resulting Company by their respective Boards of Directors ('the Board', which term shall include Committee thereof), may assent to/make and/or consent to any modifications/amendments to the Scheme, including withdrawal of the Scheme or to any conditions or limitations that the Court and/or any other Authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board) with the approval of the High Court. The Transferor Company, the Transferee Company, the Demerged Companies, the First Resulting Company and the Second Resulting Company by their respective Board are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme, 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.*

**42. CONDITIONALITY OF THE SCHEME**

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

42.1 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

42.2 The Scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company, the Transferee Company, the Demerged Companies, the First Resulting Company and the Second Resulting Company as may be directed by the High Court and by way of postal ballot and e-voting in compliance with the guidelines issued by Securities and Exchange Board of India and in particular vide Circular CIR/CFD/DIL/5/2013 dated February 4, 2013 and Circular CIR/CFD/DIL/8/2013 dated May 21, 2013 or any modification to the same and that the Scheme shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957. ;

42.3 The sanction of the High Court under Sections 391 to 394 of the said Act in favour of the Transferor Company, the Transferee Company, the Demerged Companies, the First Resulting Company and the Second Resulting Company under the said provisions and to the necessary Order under Section 394 of the said Act being obtained;

42.4 Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferor Company, the Transferee Company, the Demerged Companies, the First Resulting Company and the Second Resulting Company as may be applicable; and

42.5 The Scheme being approved by the Ministry of Information and Broadcasting or such other ministry as is essential for carrying on the Broadcasting Business;

**43. SEVERABILITY**

43.1 Each Section of the Scheme shall be given effect to as per the chronology in which it has been provided for in the Scheme. Each part in each Section is independent of each Section and is severable. The Scheme shall be effective upon sanction of the High Court of Judicature at Bombay. However, failure of any one part of one Section for lack of necessary approval from the shareholders / creditors / statutory regulatory authorities or for any other reason that the Board of Directors may deem fit than this shall not result in the whole Scheme failing. It shall be open to the concerned Board of Directors to consent to sever such part(s) of the Scheme and implement the rest of the Scheme with such modification.

**44. EFFECT OF NON-RECEIPT OF APPROVALS**

44.1 In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the High Court or such other competent authority and / or the Order not being passed as aforesaid before August 31, 2016 or within such further period or periods as may be agreed upon between the Transferor Company, the Transferee Company, the Demerged Companies, the First Resulting Company and the Second Resulting Company by their respective Board of Directors (and which the Board of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

**45. COSTS, CHARGES & EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company, the Transferee Company, the Demerged Companies, the First Resulting Company and the Second Resulting Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.



SCHEDULE I

TERMS AND CONDITIONS FOR ISSUE OF PREFERENCE SHARES

Dividend Rate	0.01%
Accumulation of Dividend	Non-cumulative
Convertibility	Non-convertible
Payment of dividend	The Preference Shares will qualify for preferential payment of dividend at the rate set out above from the date of allotment upto the date of redemption
Tenure	To be redeemable any time after the 7 <sup>th</sup> Anniversary
Listing	The Preference Shares will not be listed on any Stock Exchanges unless required by any extant regulations
Redemption Terms	Redemption of Preference Shares would be done at par
Redemption option	The redemption would be at the discretion of the Board of Directors of the Company any time after the 7 <sup>th</sup> Anniversary at par but not later than 10 <sup>th</sup> Anniversary

CERTIFIED TRUE COPY  
For HEMANT SETHI & CO

*Hemant Sethi*  
ADVOCATES



TRUE-COPY

*K. K. Trivedi*  
(K. K. TRIVEDI)  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY



IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO 598 OF 2015  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO 503 OF 2015

In the matter of the Companies Act, 1956 (1 of 1956) and other relevant provision of the Companies Act, 2013;

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956 read with Section 78, Sections 100 to 103 of the Companies Act, 1956 and Section 52 and other relevant provision of the Companies Act, 2013;

AND

In the matter of Composite Scheme of Amalgamation and Arrangement between Maiboli Broadcasting Private Limited ('Transferor Company') and Sri Adhikari Brothers Assets Holding Private Limited ('First Demerged Company') and Sri Adhikari Brothers Television Network Limited ('Transferee Company' or 'Second Demerged Company') and UBJ Broadcasting Private Limited ('Third Demerged Company') and HHP Broadcasting Services Private Limited ('Fourth Demerged Company') and MPCR Broadcasting Service Private Limited ('Fifth Demerged Company') and TV Vision Limited ('First Resulting Company') and SAB Events & Governance Now Media Private Limited (Formerly known as 'Marvick Entertainment Private Limited') ('Second Resulting Company') and their Respective Shareholders

TV Vision Limited ..... Petitioner Company

Authenticated copy of the Minutes of Order dated 21<sup>st</sup> November, 2015 along with Composite Scheme of Amalgamation and Arrangement.

Applied for authenticated copies on 26/11/2015

Authenticated copies submitted on 25/12/2015 M/S HEMANT SETHI & CO

Engrossed on 11/01/2016 Advocates for the Petitioner

Examined by [Signature]

Compared with [Signature] 11 2 JAN 2016

Ready on 11 2 JAN 2016

Delivered on 11 2 JAN 2016

