

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

COMPANY SCHEME PETITION NO 261 OF 2017

Zee Media Corporation Limited

.....Petitioner/Demerged Company or Transferee Company 2

AND

COMPANY SCHEME PETITION NO 262 OF 2017

Pri-Media Services Private Limited

.....Petitioner/Transferor Company 2

AND

COMPANY SCHEME PETITION NO 263 OF 2017

Mediavest India Private Limited

.....Petitioner/ Transferor Company 1

AND

COMPANY SCHEME PETITION NO 264 OF 2017

Maurya TV Private Limited

.....Petitioner/ Transferor Company 3

AND

COMPANY SCHEME PETITION NO 265 OF 2017

Diligent Media Corporation Limited

.....Petitioner/ Resulting Company

In the matter of Section 230 to Section 232 read with Section 52 and other applicable provisions of Companies Act, 2013;

AND

In the matter of Scheme of Arrangement and Amalgamation between Zee Media Corporation Limited ("Zee Media" or "Demerged Company" or "Transferee Company 2"); and Diligent Media Corporation Limited ("DMCL" or "Resulting Company" or "Transferee Company 1"); and Mediavest India Private Limited ("Mediavest", or "Transferor Company 1"); and Pri-Media Services Private Limited ("Pri-Media", or "Transferor Company 2"); and Maurya TV Private Limited ("Maurya", or "Transferor Company 3") and their respective Shareholders and Creditors ("Scheme")



Called for Hearing

Mr. Hemant Sethi i/b Hemant Sethi & Co., Advocates for the Petitioner Companies.

Mr. Ramesh Golap, Assistant Director in the office of Regional Director

Coram: B.S.V. Prakash Kumar, Member (Judicial)

V. Nallasenapathy, Member (Technical)

Date: 8th June 2017

MINUTES OF ORDER

1. Heard the learned counsel for the Petitioner Companies. No objector has come before the Tribunal to oppose the Petitions and nor any party has controverted any averments made in the Petitions.
2. The sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013, to the Composite Scheme of Arrangement and Amalgamation between Zee Media Corporation Limited and Diligent Media Corporation Limited and Mediavest India Private Limited and Pri-Media Services Private Limited and Maurya TV Private Limited and their respective Shareholders and Creditors.
3. Zee Media Corporation Limited is one of the foremost and most credible news networks in India is engaged in the business of broadcasting of Eleven National and Regional News & Current Affairs television channels including Two Regional News and Current Affairs Channels either directly or through its subsidiaries apart from being engaged in the Newspaper business through its subsidiaries. Diligent Media Corporation Limited is engaged in the business of publishing and distribution of an English Daily newspaper 'DNA'. Mediavest India Private Limited is engaged in the Media business. Pri-Media Services Private Limited is in business of printing of newspapers, periodicals, financial statements etc. Maurya TV Private Limited engaged in the business of broadcasting of regional news and current affairs channel 'Zee Purvaiya'.



4. The Counsel for the Petitioner Companies submit that the rationale for the scheme are as under –

Rationale for Demerger of "Print Media Undertaking"

- a) Both Television media and Print media business carried on by Petitioner Company have significant potential for growth. The nature of risk and returns involved in both the businesses are distinct from each other and consequently each business or undertaking is capable of attracting a different set of investors, strategic partners, lenders and other stakeholders. There are also differences in the manner in which each of these businesses are required to be managed.
- b) Further, both the businesses have a different set of regulations to comply with, which include restrictions on the extent of foreign investment depending on the business activity carried on by it. As per the current FDI Policy Guidelines, Foreign Direct Investment (FDI) is allowed up to 49% under approval route in companies engaged in the business of broadcasting of news and current affairs channels, whereas, FDI upto only 26% is permitted under approval route in companies engaged in business of publishing of newspapers.
- c) To enable distinct focus of investors to invest in some of the key businesses and to lend greater focus to the operations of both the diverse businesses, it is proposed to segregate and demerge the Print Media Undertaking of Demerged Company into the Resulting Company.
- d) The proposed demerger once completed would achieve the following benefits:
- i. Simplified and efficient business structure;
 - ii. Attribution of appropriate risk and valuation to different businesses based on their respective risk-return profile and cash flows;
 - iii. More focused management and greater visibility on the performance of individual businesses.



The amalgamation of Transferor Company 1 and Transferor Company 2 with Transferee Company 1 would achieve consolidation of print media business under Transferee Company 1. The merger of Transferor Company 3 with Petitioner Company would consolidate "Zee Purvaiya" channel owned by Transferor Company 3 with Petitioner Company

5. The Counsel for the Petitioner Companies submit that the Petitioners in their respective Board meetings have approved the said Scheme of Arrangement and Amalgamation which are annexed to the respective Company Scheme Petitions.
6. The Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all the directions passed in Company Summons for Direction and that the Company Scheme Petition has been filed in consonance with the orders passed in Company Summons for Direction.
7. The Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all requirements as per directions of the Court / Tribunal and they have filed necessary affidavits of compliance in the Court / Tribunal. Moreover, the Petitioner Companies through their Counsel undertakes to comply with all statutory requirements if any, as required under the Companies Act, 1956 / 2013 and the Rules made there under whichever is applicable. The said undertakings given by the Petitioner Companies are accepted.
8. The Official Liquidator has filed his report on 26th April, 2017 stating therein that the affairs of the Transferor Companies have been conducted in a proper manner and the Transferor Companies may be ordered to be dissolved.
9. The Regional Director has filed an Report dated 23rd May, 2017 stating therein, save and except as stated in paragraph IV(1) to (5), it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph IV of the said Report it is stated that:



2 with

- 1) *The tax implication if any arising out of this scheme is subject to final decision of Income Tax Authorities. The approval of the scheme by this Hon'ble Tribunal may not deter the Income Tax Authority to scrutinize the tax return filed by the transferee company after giving effect to the scheme. The decision of the Income Tax Authority is binding on the petitioner company.*
- 2) *It is submitted that the petitioner companies have not submitted the proof of serving notice upon the Income Tax Authorities for comments.*
In this regard petitioner has to submit the proof of serving the notice to Income Tax Authorities as per the provisions of the Section 230 (5) of the Act, 2013
- 3) *Petitioner has not mentioned Accounting Standard that would be adopted for the accounting treatment proposed for demerger and the amalgamation.*
In this regard petitioner companies undertake to comply with all applicable Accounting standards prescribed under the Companies Act, 2013.
- 4) *Petitioner has not furnished minutes of order against summons for directions regarding meeting of the shareholders, secured and unsecured creditors.*
In this regard petitioner companies undertake to provide the same for record of the Regional Director.
- 5) *Petitioner Companies has provided letter of BSE and NSE vide letter dated 16.01.2017 (Exhibit E1 and E2) addressed to ZMCL inter alia mentioned that they have no observation, as the company has commenced in the draft scheme that the company shall duly comply with the various provisions of the circulars. Further stated that upon the sanction of the scheme the listed company to submit to the stock exchange the documents mentioned therein.*
In this regard petitioner companies to undertake to comply with the conditions mentioned in the letter of BSE and NSE.

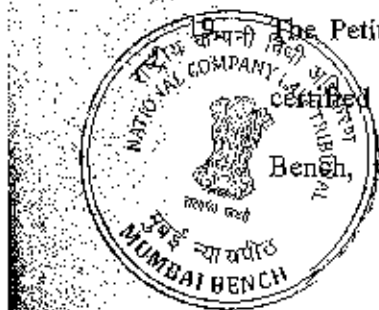
10. In so far as observations made in paragraph IV(1) of the Report of Regional Director are concerned, the Petitioner Companies through its Counsel submits that the Petitioner Companies undertakes to comply with all applicable provisions of the Income Tax Act, 1961 and all tax issues arising out of the Scheme will be met and answered in accordance with law.



In so far as observations made in paragraph IV(2) of the Report of Regional Director are concerned, the counsel for the Petitioners submit that the proof of service of notice upon the Income Tax Authorities has already been filed with the office of Regional Director vide letter dated 5th June, 2017.

12. In so far as observations made in paragraph IV(3) of the Report of Regional Director are concerned, the Petitioner Companies through its Counsel undertakes that all applicable Accounting standards prescribed under the Companies Act, 2013 would be complied and necessary accounting entries in connection with the scheme would also be passed in adherence to the said applicable Accounting standards.
13. In so far as observations made in paragraph IV(4) of the Report of Regional Director are concerned, the Counsel for the Petitioners submit that the copy of minutes of order dated 3rd February 2107 passed in the respective Company Scheme Applications has been filed with the office of Regional Director on 5th June 2017.
14. In so far as observations made in paragraph IV(5) of the Report of Regional Director are concerned, the Petitioner Companies through its Counsel undertakes to comply with the conditions mentioned in the letter of BSE and NSE .
15. The observations made by the Regional Director have been explained by the Petitioners in paragraphs 10 to 13 above. The clarifications and undertakings given by the Petitioner Companies are hereby accepted:
16. 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.
17. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 261 to 265 of 2017 has been made absolute in terms of prayer of the petitions mentioned therein.
18. Petitioner Company is directed to file a copy of this order along with a copy of the Scheme of Arrangement and Amalgamation with the concerned Registrar of Companies, electronically, along with E-Form INC-28, in addition to the physical copy within 30 days from the date of issuance of the order by the Registry.

The Petitioner Company to lodge a copy of this order and the Scheme duly certified by the Deputy Director, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose of



Regional
Director

adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the order.

- 20. The Petitioner Companies to pay costs of Rs. 25,000/- each to the Regional Director, Western Region, Mumbai and the Transferor Companies to pay cost of Rs. 25,000/- to the Official Liquidator, High Court Bombay.
- 21. Costs to be paid within four weeks from the date of receipt of the order.
- 22. All authorities concerned to act on a certified copy of this order along with Scheme duly certified by the Deputy Director, National Company Law Tribunal, Mumbai Bench.
- 23. Any person interested shall be at liberty to apply to the Tribunal in the above matter for any direction that may be necessary.

sdr

V. Nallasenapathy, Member(T)

Sch

B.S.V. Prakash Kumar, Member (J)

Certified True Copy
 Date of Application 15/06/2017
 Number of Pages 7
 Fee Paid Rs. 30
 Applicant called for collection copy on 27/07/2017
 Copy prepared on 27/07/2017
 Copy issued on 27/07/2017

[Signature]

Deputy Director
National Company Law Tribunal, Mumbai Bench



SCHEME OF ARRANGEMENT AND AMALGAMATION BETWEEN
ZEE MEDIA CORPORATION LIMITED
[Demerged Company or Transferee Company 2]
AND
DILIGENT MEDIA CORPORATION LIMITED
[Resulting Company or Transferee Company 1]
AND
MEDIAVEST INDIA PRIVATE LIMITED
[Transferor Company 1]
AND
PRI - MEDIA SERVICES PRIVATE LIMITED
[Transferor Company 2]
AND
MAURYA TV PRIVATE LIMITED
[Transferor Company 3]
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER SECTIONS 391 AND 394 OF THE COMPANIES ACT, 1956 READ WITH
SECTIONS 100 TO 103 OF THE COMPANIES ACT, 1956 AND SECTION 52 OF THE
COMPANIES ACT, 2013

(A) PREAMBLE

The Scheme of Arrangement and Amalgamation is presented under Sections 391 to 394 of the Companies Act, 1956 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 for demerger of Print Media Undertaking of Demerged Company into Resulting Company and amalgamation of the Transferor Company 1 and Transferor Company 2 with the Transferee Company 1 and amalgamation of the Transferor Company 3 with the Transferee Company 2.

(B) DESCRIPTION OF COMPANIES

- I. **ZEE MEDIA CORPORATION LIMITED** ("Zee Media" or "the Demerged Company" or "the Transferee Company 2") is one of the foremost and most credible news networks in India engaged in the broadcasting of Eleven National and Regional News & Current Affairs television channels including Two Regional News and Current Affairs Channels either directly or through its subsidiaries apart from being engaged in the Newspaper business through its subsidiaries. The equity shares of the Demerged Company are listed on BSE Limited and the National Stock Exchange of India Limited.

- II. **DILIGENT MEDIA CORPORATION LIMITED** ("DMCL" or "the Resulting



Company" or "the Transferee Company 1") is engaged in the business of publishing and distribution of an English Daily newspaper 'DNA'. Mediavest India Private Limited (a wholly owned subsidiary of Zee Media), is the holding Company of DMCL.

III. **MEDIAVEST INDIA PRIVATE LIMITED** ("Mediavest" or "the Transferor Company 1") a wholly owned subsidiary of Zee Media, is holding company of DMCL.

IV. **PRI-MEDIA SERVICES PRIVATE LIMITED** ("Pri Media" or "the Transferor Company 2") is in business of printing of newspapers, periodicals, financial statements etc. Pri Media is a wholly owned subsidiary of Zee Media.

V. **MAURYA TV PRIVATE LIMITED** ("Maurya" or "the Transferor Company 3") is engaged in the business of broadcasting of regional news and current affairs channel 'Zee Purvaiya'. Maurya is a wholly owned subsidiary of Zee Media.

(C) RATIONALE

Rationale for Demerger of "Print Media Undertaking"

- (a) Both Television media and Print media business carried on by Zee Media have significant potential for growth. The nature of risk and returns involved in both the businesses are distinct from each other and consequently each business or undertaking is capable of attracting a different set of investors, strategic partners, lenders and other stakeholders. There are also differences in the manner in which each of these businesses are required to be managed.
- (b) Further, both the businesses have a different set of regulations to comply with, which include restrictions on the extent of foreign investment depending on the business activity carried on by it. As per the current FDI Policy Guidelines, Foreign Direct Investment (FDI) is allowed up to 49% under approval route in companies engaged in the business of broadcasting of news and current affairs channels, whereas, FDI upto only 26% is permitted under approval route in companies engaged in business of publishing of newspapers.
- (c) To enable distinct focus of investors to invest in some of the key businesses and to lend greater focus to the operations of both the diverse businesses, it is proposed to segregate and demerge the Print Media Undertaking into DMCL.
- (d) The proposed demerger once completed would achieve the following benefits:
 - (i) Simplified and efficient business structure;
 - (ii) Attribution of appropriate risk and valuation to different businesses based on their respective risk-return profile and cash flows;
 - (iii) More focused management and greater visibility on the performance of individual businesses.



Rationale for Amalgamation of Subsidiaries

The amalgamation of Mediavest and Pri Media with DMCL would achieve consolidation of print media business under DMCL. The merger of Maurya with Zee Media would consolidate "Zee Purviya" channel owned by Maurya with Zee Media.

The proposed amalgamations would accomplish the following:

- i) Reducing administrative cost; and
- ii) Removing multiple layer inefficiencies; and
- iii) Achieving operational and management efficiency.

The proposed Scheme would be beneficial to the shareholders of the companies involved in the restructuring as it envisages unlocking value for the shareholders, attract investors and provide better flexibility in accessing capital by respective entities. It is believed that the proposed Scheme will allow a more focused growth strategy which would be in the best interests of all the stakeholders.

In view of the aforesaid, the Board of Directors of all the Companies which are parties to this Scheme have considered and proposed the Scheme of Arrangement and Amalgamation under the provisions of Section 391 to 394 read with Section 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act 2013 and other applicable provisions of the Companies Act, 1956 / Companies Act 2013.

(D) PARTS OF THE SCHEME:

This Scheme of Arrangement and Amalgamation is divided into the following parts:

- Part I of the Scheme deals with definitions and interpretations, and sets out the share capital of all entities forming part of the Scheme
- Part II of the Scheme deals with demerger of the Print Media Undertaking from the Demerged Company as a going concern and transfer to and vesting with the Resulting Company;
- Part III of the Scheme deals with amalgamation of Mediavest and Pri Media with DMCL;
- Part IV of the Scheme deals with amalgamation of the Maurya with Zee Media; and
- Part V deals with general terms and conditions applicable to this Scheme

- (E) The Demerged Company and Resulting Company propose that in light of the rationale specified above, the Print Media Undertaking be demerged from Demerged Company and transferred to and vested in the Resulting Company by way of demerger undertaken through this Scheme under the provisions of Sections 391 to 394 read with Section 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act 2013 and other provisions of the Companies Act, 1956 / Companies Act 2013 and simultaneously achieve listing of the equity shares of the Resulting Company subject to receive the regulatory approvals including that of Securities and Exchange Board of India for the purpose and compliance with the minimum public shareholding requirement under



- (F) The arrangement under this Scheme will be effected under the provisions of Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 and /or the Companies Act, 2013 (to the extent notified and applicable). The demerger of the Print Media Undertaking of Demerged Company to Resulting Company and amalgamation of the Transferor Companies with the Transferee Company (ies) shall be in compliance with the provisions of Section 2(19AA) and Section 2(1B) of the Income Tax Act, 1961, respectively.



PART I

DEFINITIONS AND INTERPRETATIONS

1 Definitions

- 1.1 In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:
- 1.2 "Act" or "the Act" means the Companies Act, 1956 and any corresponding provisions of the Companies Act, 2013 (to the extent notified) (including any statutory modifications(s) or re-enactment(s) thereof) and rules and regulations made thereunder, for the time being in force, and which may relate to or are applicable to the Scheme.
- 1.3 "Applicable Law" means any applicable statute, notification, bye laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority, including any statutory modification or re-enactment thereof for the time being in force.
- 1.4 "Appointed Date" means 1st day of April, 2017 or such other date as may be fixed or approved by the High Court of Judicature at Bombay.
- 1.5 "Appropriate Authority" means any applicable central, state or local government, legislative body, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, including, but not limited, to Securities and Exchange Board of India, Stock Exchanges, Foreign Investment Promotion Board, Ministry of Information & Broadcasting, Registrar of Companies, Competition Commission of India, National Company Law Tribunal, Reserve Bank of India and the High Courts.
- 1.6 "Board" in relation to the Demerged Company, Resulting Company, Transferor Company 1, Transferor Company 2 and Transferor Company 3, as the case may be, means the Board of Directors of such company, and shall include a Committee of Directors or any person authorized by the Board or such Committee of Directors duly constituted and authorized for the purposes of matters pertaining to the arrangement as contemplated under this Scheme and/or any other matter relating thereto.
- 1.7 "BSE" means the BSE Limited.
- 1.8 "Court" or "High Court" means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if and when applicable.
- 1.9 "Demerged Company" means Zee Media Corporation Limited ("Zee Media" or "Transferee Company 2") a public company, limited by shares, incorporated under the provisions of the Companies Act, 1956, under Corporate Identity No. L92100MH1999PLC121506 and having its Registered Office at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai - 400 018.
- 1.10 "Effective Date" means the last of the dates on which all the conditions and matters referred to in Clause 36 of this Scheme occur or have been fulfilled or waived in accordance with this Scheme. Any references in the Scheme to the words "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the "Effective Date".



1.11 "Employees" means all the employees of the Demerged Company, Resulting Company, Transferor Company 1, Transferor Company 2 and Transferor Company 3, as the case may be respectively as on the Effective Date, in relation to Part II and/ or Part III and/or Part IV of this Scheme.

1.12 "NSE" National Stock Exchange of India Limited.

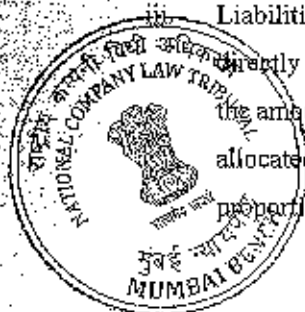
1.13 "Print Media Undertaking" includes "I am in dna of India" project of Zee Media and the newspaper printing business carried out through Pri Media and Mediavest, being transferred to Resulting Company under this Scheme on a going concern basis with all its assets, properties and liabilities of whatsoever nature and kind, and wheresoever situated, of the Demerged Company, in relation to and pertaining to the Print Media Undertaking, as on the Appointed Date and shall without any limitation include the following:

- (a) all assets wherever situated, whether movable or immovable, tangible or intangible, including plant and machinery, furniture, office equipments, inventories, receivables, cash and bank balance, loans and advances, accessories together with all present and future liabilities (including contingent liabilities) appertaining or relating thereto.
- (b) without prejudice to the provisions of clause (a) above, the Print Media Undertaking shall include all the debts, liabilities, duties and obligations and also include, without limitation, all properties and assets in connection with or pertaining or relating to the Print Media Undertaking such as licenses, permits, quotas, approvals, registrations, lease or tenancy rights in relation to office and / or residential properties, permissions, buildings, plant and machinery, office equipments, vehicles, incentives, if any, and all other rights, title, interests, copyrights, patents, trademarks, trade names and other industrial or intellectual property rights of any nature whatsoever, consent, approvals or powers of every kind, nature and description whatsoever in connection with or pertaining or relating to the Print Media Undertaking and all loans, advances or deposits and/or moneys paid by Demerged Company in connection with or pertaining or relating to the Print Media Undertaking and all statutory licenses, permissions, approvals or consents to carry on the operations of the Print Media Undertaking.

For the purpose of this Scheme, it is clarified that liabilities pertaining to the Print Media Undertaking as at the Appointed Date include:

- i. The liabilities, which arise out of the activities or operations of the Print Media Undertaking.
- ii. Specific loans and / or borrowings raised, incurred and / or utilized solely for the activities or operation of the Print Media Undertaking.

iii. Liabilities other than those referred to in Sub-Clauses (i) and (ii) above, and not directly relating to the Remaining Business of the Demerged Company, being the amounts of general or multipurpose borrowings of the Demerged Company, allocated to Print Media Undertaking of the Demerged Company in the same proportion which the value of the assets transferred under this Clause 1.13 bears



to the total value of the assets of the Demerged Company immediately before giving effect to this Scheme.

- (c) all books, records, files, papers, records of standard operating procedures, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or relating to the Print Media Undertaking of the Demerged Company.
- (d) all permanent employees of Demerged Company employed in and / or relating to the Print Media Undertaking as on the Effective Date; and
- (e) any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Print Media Undertaking of Demerged Company or whether it arises out of the activities or operations of the Print Media undertaking of Demerged Company or otherwise shall be decided by mutual agreement between the Board of Directors of Demerged Company and Resulting Company.

1.14 "Record Date" shall be the date to be fixed by the Board of the Demerged Company for the purpose of determining the entitlement of equity shareholders of the Demerged Company who would be eligible for issue of New Equity Shares of Resulting Company (as defined in Clause 5), pursuant to this Scheme.

1.15 "Remaining Undertaking" means all the undertakings, businesses, activities and operations of the Demerged Company including broadcasting business other than those comprised in the Print Media Undertaking.

1.16 "Resulting Company" means Diligent Media Corporation Limited ("DMCL" or "Transferee Company 1") a public company, limited by shares, incorporated under the provisions of the Companies Act, 1956, under Corporate Identity No. U22120MH2005PLC151377 and having its Registered Office at 11th Floor, Tower-3, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013.

1.17 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Arrangement and Amalgamation in its present form submitted to the Hon'ble High Court of Judicature at Bombay or any other Appropriate Authority with any modification(s) as directed by the High Court or any other Appropriate Authority and accepted by the Parties.

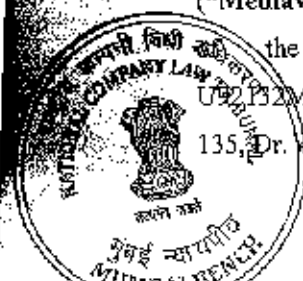
1.18 "SEBI" means the Securities and Exchange Board of India.

1.19 "SEBI Circular" shall mean the circular issued by the SEBI, being Circular CIR/CFD/CMD/16/2015 dated November 30, 2015, and any amendments thereof.

1.20 "Stock Exchanges" means BSE and NSE, as may be applicable.

1.21 "The Transferor Company 1" means Mediavest India Private Limited ("Mediavest") a private company, limited by shares, incorporated under the provisions

the Companies Act, 1956, under Corporate Identity No. U22120MH2001PTC130426 and having its Registered Office at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai - 400018.



- 1.22 "The Transferor Company 2" means Pri Media Services Private Limited ("Pri Media") a private company, limited by shares, incorporated under the provisions of the Companies Act, 1956, under Corporate Identity No. U22222MH2012PTC232006 and having its Registered Office at 11th Floor, Tower-3, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013.
- 1.23 "The Transferor Company 3" means Maurya TV Private Limited ("Maurya") a private company, limited by shares, incorporated under the provisions of the Companies Act, 1956, under Corporate Identity No. U92130MH2007PTC170952 and having its Registered Office at 11th Floor, Tower-3, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, Income-tax Act, 1961 and other Applicable Laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2 SHARE CAPITAL

- 2.1 The authorized, issued, subscribed and paid-up share capital of Demerged Company/Transferee Company 2 as on September 30, 2016 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
1,700,000,000 Equity Shares of Re. 1 each	1,700,000,000
TOTAL	1,700,000,000
Issued, Subscribed and Paid-up Share Capital	
470,789,505 Equity Shares of Re. 1 each fully paid up	470,789,505
TOTAL	470,789,505

Subsequent to the above date and till date of filing the Scheme with the High Court, there has been no change in the issued, subscribed and paid up capital of Demerged Company/Transferee Company 2.

- 2.2 The authorized, issued, subscribed and paid-up share capital of Resulting Company/Transferee Company 1 as on September 30, 2016 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
153,500,000 Equity Shares of Rs. 10-each	1,535,000,000
TOTAL	1,535,000,000
Issued, Subscribed and Paid-up Share Capital	



Share Capital	Amount in Rs.
89,09,542 Equity Shares of Rs. 10 each fully paid up	890,955,420
TOTAL	890,955,420

Subsequent to the above date, based on certain corporate actions being approved by the Shareholders, the share capital of the Resulting Company/Transferee Company 1 as on the date of filing of the Scheme with the High Court, would be as follows:

- Authorised Capital of Rs. 590,50,00,000 (Rupees Five Hundred Ninety Crores Fifty Lacs) comprising of 153,50,00,000 (One Hundred Fifty Three Crores and Fifty Lacs) Equity Shares of Re. 1 each and 437,00,00,000 (Four Hundred and Thirty Seven Crores) Preference Shares of Re. 1 each.
- The issued, subscribed and paid up capital of Rs. 525,36,11,685 (Rupees Five Hundred and Twenty Five Crores Thirty Six Lacs Eleven Thousand Six Hundred and Eighty Five only) comprising of 89,09,55,420 Equity Shares of Re. 1 each and 436,26,56,265 (Four Hundred and Thirty Six Crores Twenty Six Lacs Fifty Six Thousand Two Hundred and Sixty Five only) 6% Non-Cumulative Redeemable Preference Shares of Re. 1 each.

As on date of filing the Scheme with the High Court, the entire issued equity share capital of Resulting Company would be held by the Transferor Company 1 and its nominees and the entire issued preference share capital would be held by the Demerged Company

- 2.3 The authorized, issued, subscribed and paid-up share capital of The Transferor Company 1 as on September 30, 2016 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
10,000,000 Equity Shares of Rs. 10 each	100,000,000
TOTAL	100,000,000
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 10 each fully paid up	1,00,000
TOTAL	1,00,000

Subsequent to the above date and till date of filing the Scheme with the High Court, there has been no change in the issued, subscribed and paid up capital of Transferor Company

1. The entire share capital of Transferor Company 1 is held by the Transferee Company and its nominees.

2.4 The authorized, issued, subscribed and paid-up share capital of The Transferor Company 2 as on September 30, 2016 is as under:



Share Capital	Amount in Rs.
Authorized Share Capital	
50,000 Equity Shares of Rs. 10 each	500,000
TOTAL	500,000
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 10 each fully paid up	1,00,000
TOTAL	1,00,000

Subsequent to the above date and till date of filing the Scheme with the High Court, there has been no change in the issued, subscribed and paid up capital of Transferor Company

2. The entire share capital of Transferor Company 2 is held by the Transferee Company 2 and its nominees.

2.5 The authorized, issued, subscribed and paid-up share capital of Transferor Company 3 as on September 30, 2016 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
23,000,000 Equity Shares of Rs. 10 each	230,000,000
TOTAL	230,000,000
Issued, Subscribed and Paid-up Share Capital	
22,131,648 Equity Shares of Rs. 10 each fully paid up	221,316,480
TOTAL	221,316,480

Subsequent to the above date and till date of filing the Scheme with the High Court, there has been no change in the issued, subscribed and paid up capital of Transferor Company

3. The entire share capital of Transferor Company 3 is held by the Transferee Company 2 and its nominees.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme shall be operative from the Appointed Date but shall be effective from the Effective Date.



Part II

MERGER OF THE PRINT MEDIA UNDERTAKING FROM ZEE MEDIA INTO

10/11/11

TRANSFER OF PRINT MEDIA UNDERTAKING OF THE DEMERGED COMPANY AND VESTING WITH RESULTING COMPANY

Upon this Scheme coming into effect and with effect from the Appointed Date, and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, Print Media Undertaking of Demerged Company shall, without any further act, instrument or deed, be transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company, as a going concern, so as to vest in the Resulting Company, all the rights, properties, assets, benefits, titles and interests relating or pertaining to Print Media Undertaking, pursuant to Sections 391 to 394 of the Act and any other relevant provisions of the Act and the order of the Hon'ble High Court sanctioning the Scheme, subject however, to subsisting charges, if any.

Without prejudice to the provisions of Clause 4.3, in respect of such of the assets and properties of Print Media Undertaking of the Demerged Company, as are moveable in nature, including cash in hand, capable of transfer by physical delivery or novation or endorsement and delivery, shall be so transferred or delivered or endorsed, as the case may be and shall, upon such transfer or delivery or endorsement, become the assets and properties of the Resulting Company, without requiring any further deed or instrument or conveyance.

4.3 In respect of movable assets other than those specified in Clause 4.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, the following modus operandi shall, to the extent possible, be followed:

- (a) The Demerged Company may give notice in such form as it may deem fit and proper, to each person, party, debtor, loanee or depositee as the case may be, pertaining to or related to Print Media Undertaking, that pursuant to the High Court having sanctioned the Scheme, the said debt, loan, advances, bank balances or deposits be paid or made good or held on account of the Resulting Company as the person entitled thereto and that the right of the Demerged Company to recover or realise the same stands extinguished and that appropriate entry be passed in its books to record the aforesaid change.

4.4 Upon coming into effect of this Scheme, all the rights, title, interest and claims of the Demerged Company in relation to any properties pertaining to Print Media Undertaking of Demerged Company, if any, shall, pursuant to Section 394(2) of the Act, be transferred to and vested in or deemed to have been transferred to and vested in the Resulting Company automatically without requirement of any further act or deed.



- 4.5 All debts, liabilities, duties and obligations of the Demerged Company relating to Print Media Undertaking as on the Appointed Date shall be dealt with in accordance with Section 2(19AA) of the Income Tax Act, 1961, and all other debts, liabilities, duties and obligations of the Demerged Company relating to Print Media Undertaking which may accrue or arise after the Appointed Date but which relate to the period up to the day immediately preceding the Appointed Date shall also be transferred to the Resulting Company, without any further act or deed, pursuant to the provisions of Section 394(2) of the Act, so as to become the debts, liabilities, duties and obligations of the Resulting Company with effect from the Appointed Date. It is clarified that it shall not be necessary to obtain the consent of any third party or other person, who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause.
- 4.6 Existing Corporate Guarantees issued by the Demerged Company to secure obligations arising out of current borrowings of Resulting Company and Non-Convertible Debentures of the Transferor Company 2 shall continue to be effective post Scheme till the due date for complete repayment of the said borrowings. For this purpose and to the extent of obligations guaranteed and continued under the Scheme, approval of the Scheme by the members of the Demerged Company at meeting held as per direction of Hon'ble Court shall be deemed to be approval of shareholders for the purpose of section 186 of the Companies Act 2013 and other applicable provisions of the Companies Act 2013.
- 4.7 All permits, no objection certificates, contracts, permissions, approvals, consents, rights, entitlements, statutory licenses, including those relating to tenancies, copyrights, intellectual property rights, agreements, contracts, privileges, powers, facilities of every kind and description of whatsoever nature in relation to Print Media Undertaking of Demerged Company to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible and which are subsisting or having effect on the Effective Date, shall stand transferred to and vested in the Resulting Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Resulting Company upon the vesting and transfer of Print Media Undertaking pursuant to this Scheme, and shall be and remain in full force, operative and effectual for the benefit of the Resulting Company, and may be enforced by the Resulting Company as fully and effectually on the same terms and conditions as if, instead of the Demerged Company, the Resulting Company had been the original party or beneficiary or obligee thereto.
- 4.8 Upon coming into effect of this Scheme and with effect from the Appointed Date, all existing and future incentives, unavailed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including and not limited to advance income tax and taxes deducted at source), excise (including Modvat / Cenvat), customs, VAT, sales tax, service tax etc., relating to the Print Media Undertaking to which the Demerged Company is entitled shall be available to and vest in the Resulting Company. The Demerged Company and the



Resulting Company shall be entitled, wherever necessary, to revise their returns filed under various laws, as may be applicable, including returns filed under the Income Tax, Wealth Tax, Commercial Tax/ Trade Tax/ Sales Tax/ VAT, Service Tax, Central Excise laws, and also, without limitation, the TDS/TCS certificates.

- 4.9 It is clarified that the taxes, if any, paid by the Demerged Company relating to the period on or after the Appointed Date until the Effective Date including by way of deduction at source, which pertain to the Print Media Undertaking, will be deemed to be the taxes paid by the Resulting Company and the Resulting Company shall be entitled to claim credit for such taxes deducted / paid against its tax liabilities notwithstanding that the certificates / challans or other documents for payment of such taxes are in the name of the Demerged Company.

5 CONSIDERATION

- 5.1 Upon effectiveness of this Scheme and in consideration of the demerger, transfer and vesting of the Print Media Undertaking into the Resulting Company pursuant to provisions of this Scheme, the Resulting Company shall, without any further act or deed, issue and allot to the equity shareholders of the Demerged Company, whose name is recorded in the Register of Members and records of the depository as members of the Demerged Company, on the Record Date,

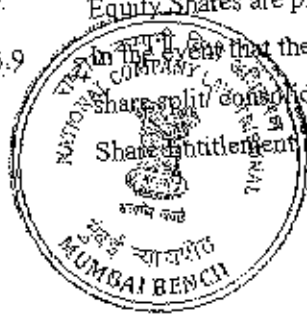
"1(one) fully paid up Equity Share of Face Value of Re. 1 each of Resulting Company for every 4 (four) fully paid up Equity Shares of Face Value of Re. 1 each held in Demerged Company"

Such Equity Shares to be issued by Resulting Company to the Shareholders of Demerged Company is referred to as "Resulting Company New Equity Shares" and the ratio in which equity shares of the Resulting Company are to be issued and allotted to the shareholders of the Demerged Company is referred to as the "Share Entitlement Ratio (Demerger)".

- 5.2 The Resulting Company New Equity Shares to be issued and allotted as provided in Clause 5.1 above, shall be issued and allotted simultaneous with cancellation of existing Equity Shares of the Resulting Company as provided in Clause 15 below.
- 5.3 No coupons shall be issued in respect of fractional entitlements, if any, by the Resulting Company, to the equity shareholders of the Demerged Company at the time of issue and allotment of New Equity Shares under Clause 5.1. In case any equity shareholder's holding in the Demerged Company is such that the shareholder becomes entitled, pursuant to Clause 5.1 above, to a fraction of New Equity Shares of the Resulting Company, the Resulting Company shall round off the said entitlement to the nearest integer and allot New Equity Shares accordingly.



- 5.4 The Resulting Company's New Equity Shares to be issued pursuant to Clause 5.1 above shall be issued in dematerialized form by the Resulting Company, unless otherwise notified in writing by any non-promoter shareholders of the Demerged Company to the Resulting Company on or before such date as may be determined and communicated by the Board of the Demerged Company. In the event that such notice has not been received by the Resulting Company in respect of any of the shareholders of the Demerged Company, the Resulting Company New Equity Shares shall be issued to such shareholders in dematerialized form provided that the shareholders of the Resulting Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event that the Resulting Company has received notice from any shareholder that Resulting Company New Equity Shares are to be issued in physical form or if any shareholder has not provided the requisite details relating to his/her/its account with a depository participant or other confirmations as may be required or if the details furnished by any shareholder do not permit electronic credit of the shares of the Resulting Company, then the Resulting Company shall issue Resulting Company New Equity Shares in physical form to such non-promoter shareholder or shareholders.
- 5.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Demerged Company, the Board of the Demerged Company shall be empowered to effectuate such transfers in the Demerged Company as if such changes in registered holders were operative as on the Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the shares issued by the Resulting Company. The Board of the Demerged Company shall be empowered to remove such difficulties that may arise in the course of implementation of this Scheme and registration of new shareholders in the Resulting Company on account of difficulties faced in the transition period.
- 5.6 The issue and allotment of the Resulting Company New Equity Shares in terms of this Scheme shall be deemed to have been carried out as if the procedure laid down under section 62 of the Companies Act, 2013 and any other applicable provisions of the Act have been complied with.
- 5.7 The Resulting Company shall apply for listing of the Resulting Company New Equity Shares issued in terms of Clause 5.1 above on BSE and NSE in terms of and in compliance of the SEBI Circular.
- 5.8 The Resulting Company New Equity Shares allotted by the Resulting Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the stock exchanges where the Resulting Company's New Equity Shares are proposed to be listed.
- 5.9 In the event that the Demerged Company restructure its equity share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, Share Entitlement Ratio (Demerger) shall be adjusted accordingly to take into account



the effect of any such corporate actions.

5.10 There shall be no change in the shareholding pattern of the Resulting Company between the Record Date and the listing which may affect the basis on which approval is received from the Stock Exchanges.

5.11 The Resulting Company New Equity Shares to be issued against holding in the shares of the Demerged Company held in the unclaimed suspense account shall be issued to a new unclaimed suspense account created for shareholders of the Resulting Company.

5.12 Approval of this Scheme by the Equity Shareholders of the Resulting Company shall be deemed to be in due compliance of the provisions of Section 62 and other relevant and applicable provisions of the Act relating to the issuance and allotment of New Equity Shares by the Resulting Company to the Equity Shareholders of the Demerged Company, as provided in this Scheme.

6 ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY AND THE RESULTING COMPANY

On the effectiveness of the Scheme and with effect from the Appointed Date, the Demerged Company and the Resulting Company shall account for the demerger in their respective books of accounts as under:

6.1 Accounting treatment in the books of the Demerged Company

6.1.1 The value of all assets and liabilities pertaining to the Print Media Undertaking which cease to be assets and liabilities of the Demerged Company shall be reduced by the Demerged Company at their carrying values; and

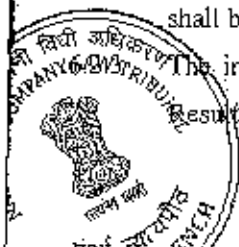
6.1.2 The difference i.e. the excess or shortfall, as the case may be, of the net book value assets over the transferred liabilities pertaining to or attributable to the Print Media Undertaking and demerged from the Demerged Company pursuant to the Scheme shall be adjusted to the Capital Reserve of the Demerged Company and shall be subject to compliance as stated in Clause 27.5.

6.2 Accounting treatment in the books of the Resulting Company

6.2.1 The Resulting Company shall record transferred assets and liabilities pertaining to the Print Media Undertaking at the respective carrying values as appearing in the books of Demerged Company.

6.2.2 The Resulting Company shall issue new equity shares to the shareholders of the Demerged Company as per Clause 5 of this Scheme. These shares shall be issued and recorded at face value and accordingly the aggregate face value of the shares to be issued shall be credited to the Resulting Company's share capital account; and

The intercompany balances, excluding investment of the Demerged Company in the Resulting Company by way of Redeemable Preference Shares, if any, appearing in the



books of accounts of the Resulting Company and the Demerged Company with respect to the Print Media Undertaking, shall stand cancelled.

- 6.2.4 The difference being the excess of the net assets value of Print Media Undertaking transferred to the Resulting Company, over the face value of equity shares allotted as per Clause 5 and after considering the adjustment mentioned in Clause 6.2.3 above would be recorded as Capital Reserve.

7 REMAINING UNDERTAKING OF DEMERGED COMPANY

- 7.1 The Remaining Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and remain vested in and be managed by the Demerged Company.
- 7.2 All proceedings by or against the Demerged Company under any statute, whether pending on the Effective Date or which may be instituted at any time thereafter, and relating to the Remaining Undertaking of the Demerged Company (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the remaining business) shall be continued and enforced against the Demerged Company.
- 7.3 If proceedings are taken against the Resulting Company in respect of matters referred to in Clause 7.2 above relating to the Remaining Undertaking, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company, against all liabilities and obligations incurred by the Resulting Company in respect thereof.

8 EMPLOYEES

- 8.1 On the Scheme becoming operative, all staff and employees of the Demerged Company pertaining to the Print Media Undertaking in service on the Effective Date shall be deemed to have become staff and employees of the Resulting Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Resulting Company shall not be less favourable than those applicable to them with reference to their employment in the Demerged Company.
- 8.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts, if any, created or existing for the benefit of the staff and employees of the Demerged Company pertaining to the Print Media Undertaking or all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Demerged Company in relation to the



Print Media Undertaking in relation to such Fund or Funds shall become those of the Resulting Company. It is clarified that the services of the staff and employees of the Demerged Company pertaining to the Print Media Undertaking will be treated as having been continuous for the purpose of the said Fund or Funds.

With effect from the date of filing of the Scheme with the High Court and up to and including the effective date, the Demerged Company shall not vary the terms and conditions of employment of any of the employees of the Demerged Company pertaining to the Print Media Undertaking except in the ordinary course of business or without the prior consent of Board of Directors of the Resulting Company or pursuant to any pre-existing obligation undertaken by the Demerged Company.

9 CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

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

- 9.1 The Demerged Company shall carry on and be deemed to have carried on business and activities relating to Print Media Undertaking and shall stand possessed of all its assets and properties referred to above, in trust for the Resulting Company and shall account for the same to the Resulting Company. The Demerged Company shall hold the said assets with utmost prudence until the Effective Date.
- 9.2 All profits or income arising or accruing in favour of the Demerged Company in relation to Print Media Undertaking and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax credit, Service tax; taxes withheld/paid in foreign country VAT credit, CENVAT credit etc.) or losses / expenses arising or incurred by the Demerged Company in relation to Print Media Undertaking shall, for all purpose, be treated as and deemed to be the profits or income, taxes or losses or expenses, as the case may be, of the Resulting Company.
- 9.3 The Resulting Company shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Resulting Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required / granted under any law for time being in force for carrying on business by the Resulting Company.

10 LEGAL PROCEEDINGS

- 10.1 If any suit, appeal or other proceedings of whatever nature by or against the Demerged Company relating to the Print Media Undertaking is pending, 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 suit, appeal or other legal proceedings shall be continued, prosecuted and enforced by or against the 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 Company as if the Scheme had not been made.

- 10.2 On and from the Effective Date, the Resulting Company shall be entitled to initiate or continue any legal proceedings in relation to the Print Media Undertaking.

11 CONTRACTS, DEEDS AND OTHER INSTRUMENTS

11.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements, commitments, understandings, binding arrangements, licences, purchase orders and all other forms of engagements, arrangements and agreements in relation to the Print Media Undertaking of the Demerged Company and any offers, tenders or the like and other instruments of whatsoever nature relating to Print Media Undertaking to which the Demerged Company is a party, or the benefit to which the Demerged Company may be eligible, subsisting or operative immediately on or before the Effective Date and those which are not listed therein but entered into by the Demerged Company for the Print Media Undertaking on or before the Effective Date shall continue to be in full force and effect against or in favour of the Resulting Company and may be enforced as fully and effectively as if instead of the Demerged Company, the Resulting Company had been a party or beneficiary thereto.

11.2 Further, without prejudice to the transfer and vesting of the Print Media Undertaking to and with the Resulting Company, the Resulting Company shall be deemed to be authorised to execute any such deeds, writings, assignment and /or novations or enter into any tripartite arrangements, confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company, to give effect to the provisions of this Scheme or at any time after this Scheme becomes effective, if so required or becomes necessary. The contracts entered into by the Demerged Company till the Effective Date shall be vested in the Resulting Company and unless required under such contract, the Resulting Company would not be required to carry out assignment of such contracts with any party whatsoever. The Demerged Company undertakes that, to the extent required under any contracts executed by the Demerged Company, it shall obtain all consents required from any counterparties for transfer, assignment or novation of the contracts relevant for the Print Media Undertaking. The Demerged Company and the Resulting Company also undertake to intimate the counterparties to all the contracts executed by the Demerged Company in relation to the Print Media Undertaking about the demerger and vesting of the Print Media Undertaking with the Resulting Company.



It is hereby clarified that if any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Print Media

Undertaking to which the Demerged Company is a party, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company. To the extent permitted under the terms of such contracts, the Demerged Company shall subcontract the same to the Resulting Company. Further, the Demerged Company shall, at its cost and expense, provide such reasonable assistance as is requested by the Resulting Company to enable it, so far as possible, to make independent arrangements with the other party to such contract including introducing the Resulting Company to the relevant third party.

11.4 As a consequence of the demerger of the Print Media Undertaking vesting with the 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 Company to the Resulting Company, whether relating to any licence, 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.

12. SAVING OF CONCLUDED TRANSACTIONS

The demerger, transfer and vesting of the Print Media Undertaking and the continuance of proceedings by or against the Demerged Company, to the extent it relates to the Print Media Undertaking above shall not affect any transaction or proceedings already concluded by the Demerged Company on or before the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of itself.

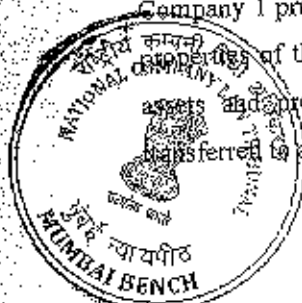


Part III

AMALGAMATION OF MEDIAVEST AND PRI MEDIA WITH DMCL

13 TRANSFER OF ASSETS AND LIABILITIES OF THE TRANSFEROR COMPANY 1 AND TRANSFEROR COMPANY 2 TO THE TRANSFEREE COMPANY 1

- 13.1 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date and immediately after demerger envisaged in Part II, upon the coming into effect of this Scheme the entire business and whole of the undertaking of the Transferor Company 1 and Transferor Company 2 as a going concern including all assets (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent, tangible or intangible) and liabilities, including contingent liabilities, of the Transferor Company 1 and Transferor Company 2 shall pursuant to the provisions contained in Sections 391 to 394 and all other applicable provisions, if any, of the Act and without any further act or deed shall stand transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company 1 so as to vest in the Transferee Company 1 all rights, title and interests pertaining to Transferor Company 1 and Transferor Company 2.
- 13.2 With effect from the Appointed Date, all debts, duties and obligations of every kind, nature and description of the Transferor Company 1 and Transferor Company 2 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 vested with / transferred to or be deemed to be transferred to the Transferee Company 1, so as to become from the Appointed Date the debts, duties and obligations of the Transferee Company 1 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, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.
- 13.3 All the securities, mortgages, charges, encumbrances or liens, if any created by the Transferor Company 1 and Transferor Company 2 as on the Effective Date, over their assets transferred to the Transferee Company 1 shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend to any of the other assets of the Transferee Company 1.
- 13.4 Any existing encumbrances over the assets and properties of the Transferee Company 1 or any part thereof which relate to the liabilities and obligations of the Transferee Company 1 prior to the Effective Date shall continue to relate only to such assets and properties of the Transferee Company 1 and shall not extend or attach to any of the assets and properties of the Transferor Company 1 and Transferor Company 2 transferred to and vested in the Transferee Company 1 by virtue of this Scheme.



13.5 Upon the effectiveness of this Scheme, the Transferee Company 1 shall be entitled to file/ revise Income Tax returns, TDS Certificates, TDS returns and other statutory returns to the extent required for itself and on and/ or behalf of Transferor Company 1 and/or Transferor Company 2, as the case may be. The Transferee Company 1 shall be entitled to get credit/claim refunds, advance tax credits, credit of tax including minimum alternate tax, credit of tax deducted at source, credit of foreign tax paid/ withheld, etc., if any, for and / or on behalf of Transferor Company 1 and Transferor Company 2, as may be required consequent to the implementation of the Scheme.

13.6 The provisions of this Scheme as they relate to the amalgamation of the Transferor Company 1 and Transferor Company 2, has been drawn up to comply with the conditions relating to "Amalgamation" as specified under 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 other parts of the Scheme.

14 **CONSIDERATION**

14.1 Upon coming of the effect of the Demerger of Print Media Undertaking of the Demerged Company into Resulting Company, the entire issued, subscribed and paid-up equity share capital of the Transferor Company 1 and Transferor Company 2 would be vested with the Transferee Company 1. Hence, no shares of the Transferee Company 1 shall be allotted in lieu or exchange of its holding in the Transferor Company 1 and the Transferor Company 2 as consideration for the amalgamation.

14.2 Upon the coming into effect of this Scheme, the entire investment of the Transferee Company 1 held in the Transferor Company 1 and the Transferor Company 2 shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company 1.

15 **Reduction of existing Share Capital of the Transferee Company 1**

15.1 Upon the Scheme becoming effective and post the Amalgamation of Transferor Company 1 into Transferee Company 1 since the entire Paid-up Equity Share capital of the Transferee Company 1 is held by Transferor Company 1 along with its nominees, entire paid-up Equity Share capital of the Transferee Company 1 so held by the Transferor Company 1 along with its nominees as on the Effective Date shall, without application or deed, stand cancelled.

The cancellation of paid-up Equity share capital of the Transferee Company 1 shall be

effected as an integral part of the Scheme in accordance with the provisions of Sections 100 to 103 of the Act and the Order of the High Court sanctioning the Scheme shall be deemed to be also the Order under Section 102 of the Act for the purpose of confirming the reduction of capital. The reduction would not involve either a diminution of liability in respect of unpaid Equity share capital or payment of paid-up equity share capital and the provisions of Section 101 of the Act will not be applicable.

16 COMBINATION OF AUTHORISED SHARE CAPITAL

16.1 Upon sanction of this Scheme and consequent to Amalgamation of Transferor Company 1 and Transferor Company 2 with Transferee Company 1, the Authorised Share Capital of the Transferee Company 1 shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company 1 including filing of statutory forms with the Registrar of Companies and payment of stamp duty and fees payable to the Registrar of Companies, by the Authorised Share Capital of the Transferor Company 1 and Transferor Company 2 as on the Effective Date, as such fees and duties in respect of such Authorized Share Capital of Transferor Company 1 and Transferor Company 2 have already been paid by Transferor Company 1 and Transferor Company 2, the benefit of which stands vested in Transferee Company 1 pursuant to the Scheme becoming effective.

16.2 The Memorandum of Association of the Transferee Company 1 (clause relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Sections 391 to 394 of the Companies Act, 1956, Sections 13 and 61 of the Companies Act, 2013 and other applicable provisions of the Act as the case may be and for this purpose the stamp duties and fees paid on the Authorized Capital of the Transferor Company 1 and Transferor Company 2 shall be utilized and applied to the increased Authorized Share Capital of the Transferee Company 1 and no payment of any extra stamp duty and/or fee shall be made by the Transferee Company 1 for increase in the Authorised Share Capital to that extent.

16.3 Upon sanction of this Scheme and upon such combination of the Authorised Share Capital of the Transferor Company 1 and Transferor Company 2 with the Authorised Share Capital of Transferee Company 1, the Authorised Share Capital of the Transferee Company 1 shall stand altered and increased as follows:-

Share Capital	Existing Amount (Rs.)	Revised Amount (Rs.)
<u>Authorised Share Capital</u>		
The Transferor Company 1 10,000,000 Equity Shares of Rs. 10 each	100,000,000	
The Transferor Company 2		



50,000 Equity Shares of Rs. 10 each	500,000	
Transferee Company 1		
1,535,000,000 Equity Shares of Re. 1 each	1,535,000,000	
4,370,000,000 Preference Shares of Re. 1 each	4,370,000,000	
Combined Authorised Share Capital of Transferee Company 1		
1635,500,000 Equity Shares of Re. 1 each		1,635,500,000
4370,000,000 Preference Shares of Re. 1 each		4,370,000,000

16.4 Clause V (Capital Clause) of the Memorandum of Association of the Transferee Company 1 shall stand altered as under:

- a) *The Authorised Share Capital of the Company is Rs. 600,55,00,000/- (Rupees Six Hundred Crores Fifty Five Lakhs only) divided into 163,55,00,000 (One Hundred and Sixty Three Crores Fifty Five Lakhs) Equity Shares of Re. 1 (Rupee One) each and 437,00,00,000 (Four Hundred and Thirty Seven Crores) Preference Shares of Re. 1 (Rupee One) each.*

17 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY 1

On the Scheme becoming effective, the Transferee Company 1 shall account for amalgamation of the Transferor Company 1 and the Transferor Company 2 with Transferee Company 1 in its books of accounts with effect from the Appointed Date as under:

- 17.1 With effect from the Appointed Date, all the assets and liabilities recorded in the books of the Transferor Company 1 and Transferor Company 2 shall stand transferred to and vested in the Transferee Company 1 pursuant to the Scheme and shall be recorded by the Transferee Company 1 at their respective carrying values.
- 17.2 All reserves of the Transferor Company 1 and Transferor Company 2 shall be recorded in the books of accounts of the Transferee Company 1 in the same form in which they appeared in the books of accounts of the Transferor Company 1 and Transferor Company 2.
- 17.3 The intercompany balances, loans and advances / investments in shares and debentures outstanding between the Transferee Company 1 and the Transferor Company 1 and the Transferor Company 2 will stand cancelled.



- 17.4 The difference between the carrying value of investments in equity shares of the Transferor Company 1 and the Transferor Company 2 in the books of accounts of the Transferee Company 1 and the amount of share capital of the Transferor Company 1 and the Transferor Company 2, after considering the adjustments as mentioned in clause 17.3 shall, subject to the other provisions contained herein, be adjusted against and reflected in the capital reserves of the Transferee Company 1.
- 17.5 In case of any differences in accounting policy between the Transferor Company 1 and Transferor Company 2 and the Transferee Company 1, the accounting policies, as may be directed by the Board of Directors of the Transferee Company 1 in compliance with Accounting Standards will prevail and the difference till the Appointed Date will be quantified and adjusted in the capital reserves to ensure that the financial statements of the Transferee Company 1 reflect the financial position on the basis of consistent accounting policy.
- 17.6 The existing debit balance as per Surplus / (Deficit) in Statement of Profit and loss, as shown in the Schedule 2 "Reserves and Surplus" of the Balance Sheet of the Transferee Company 1 as on the Appointed Date shall be adjusted first against the Securities Premium Account and Capital Reserve balance of the Transferee Company 1 and then against the net Capital Reserve created in the Transferee Company 1 upon the Scheme as per clause 6.2.4 and 17.3.
- 17.7 Application and reduction of Securities Premium Account and Capital Reserve pursuant to the above adjustment shall be as per the provisions of Section 52 of Companies Act, 2013 read with Sections 100 to 103 of the Act. The reduction of Securities Premium Account and Capital Reserve in the books of the Transferee Company 1 shall be effected as an integral part of this Scheme without having to follow the process under Section 100 to 103 of the Act separately and the Order of the High Court sanctioning the Scheme shall be deemed to be the Order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid Equity share capital, if any, or payment of paid-up Equity share capital and the provisions of Section 101 of the Act will not be applicable to the Transferee Company 1 and it shall not be required to add the words "And Reduced" as a suffix to its name consequent upon such reduction.

18

DISSOLUTION WITHOUT WINDING UP

On the coming into effect of the Scheme and upon transfer of assets and liabilities to Transferee Company 1, the Transferor Company 1 and Transferor Company 2 shall stand dissolved, without being wound up.



All the permanent employees of the Transferor Company 1 and Transferor Company 2,

if any, who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the employees of the Transferee Company 1, without any break or interruption in service as a result of the transfer and on terms and conditions not less favourable than those on which they are engaged by the Transferor Company 1 and Transferor Company 2 immediately preceding the Effective Date. Services of the employees of Transferor Company 1 and Transferor Company 2 shall be taken into account from the date of their respective appointment with the Transferor Company 1 and Transferor Company 2 for the purposes of all retirement benefits and all other entitlements for which they may be eligible. The Transferee Company 1 further agrees that for the purpose of payment of any retrenchment compensation, if any, such past services with the Transferor Company 1 and Transferor Company 2 shall also be taken into account.

19.2 The services of such employees shall not be treated as being broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Company 1 and Transferor Company 2.

19.3 With effect from the first of the dates of filing of this Scheme with the High Court and up to and including the Effective Date, the Transferor Company 1 and Transferor Company 2 shall not vary or modify the terms and conditions of employment of any of its employees, if any, except with the written consent of the Transferee Company 1.

19.4 The Transferor Company 1 and Transferor Company 2 shall not vary the terms and conditions of employment of any of the employees except in the ordinary course of business or without the prior consent of the Transferee Company 1 or pursuant to any pre-existing obligation undertaken by the Transferor Company 1 and Transferor Company 2 as the case may be, prior to the Effective Date.

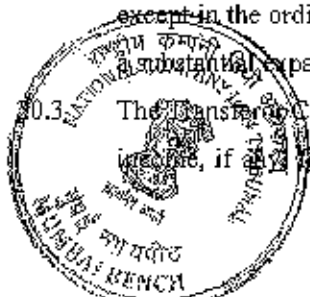
20 CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

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

20.1 The Transferor Company 1 and Transferor Company 2 shall carry on and be deemed to have been carrying on its business and activities in the ordinary course of business and shall stand possessed of and hold all of its properties and assets for and on account of and in trust for the Transferee Company 1. The Transferor Company 1 and Transferor Company 2 shall hold the said assets with utmost prudence until the Effective Date.

20.2 The Transferor Company 1 and/or Transferor Company 2 shall carry on its business and activities with reasonable diligence, business prudence and shall not without the prior written consent of the Transferee Company 1, alienate, charge, mortgage, encumber or otherwise deal with or dispose of its undertakings or any part thereof except in the ordinary course of business nor shall it undertake any new businesses or a substantial expansion of its existing businesses.

20.3 The Transferor Company 1 and/or Transferor Company 2 shall not utilize its profits or income, if any, for the purpose of declaring or paying any dividend or for any other



- purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of the Transferee Company 1.
- 20.4 All the profits or income accruing or arising to the Transferor Company 1 and Transferor Company 2 or expenditure or losses arising to or incurred by the Transferor Company 1 and/or Transferor Company 2, with effect from the said Appointed Date shall for all purposes and intents be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of the Transferee Company 1.
- 20.5 All the transactions of the Transferor Company 1 and/or Transferor Company 2 with the Transferee Company 1 shall get cancelled.

21 LEGAL PROCEEDINGS

- 21.1 All legal proceedings, including arbitration proceedings, of whatsoever nature by or against the Transferor Company 1 and Transferor Company 2 pending and / or arising at or after the Appointed Date, as and from the Effective Date shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company 1 in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company 1 and Transferor Company 2.
- 21.2 After the Appointed Date, if any proceedings are taken against the Transferor Company 1 and Transferor Company 2 in respect of the matters referred to in Clause 21.1 above, the Transferor Company 1 and Transferor Company 2 shall defend the same at the cost of the Transferee Company 1 and the Transferor Company 1 and Transferor Company 2 shall be reimbursed and indemnified against all liabilities and obligations incurred by it.
- 21.3 The Transferee Company 1 shall ensure to have all legal or other proceedings initiated by or against the Transferor Company 1 and Transferor Company 2 referred to in Clause 21.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company 1 after the Effective Date.

22 CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 22.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the business of the Transferor Company 1 and Transferor Company 2, to which the Transferor Company 1 and Transferor Company 2 are a party, or the benefit to which the Transferor Company 1 and Transferor Company 2 may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company 1 and may be enforced as fully and effectively as if instead of the Transferor Company 1 and Transferor Company 2, the Transferee Company 1 had been a party or beneficiary thereto. Further, the Transferee Company 1 shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the



Transferor Company 1 and Transferor Company 2 and to implement or carry out all formalities required on the part of the Transferor Company 1 and Transferor Company 2, to give effect to the provisions of this Scheme.

As a consequence of the Amalgamation of the Transferor Company 1 and Transferor Company 2 into the Transferee Company 1 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 1 and Transferor Company 2 to the Transferee Company 1, whether relating to any licence, 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.

SAVING OF CONCLUDED TRANSACTIONS

- 23.1 The transfer and vesting of business under Clause 13 and the continuance of proceedings by or against the Transferor Company 1 and Transferor Company 2 above shall not affect any transaction or proceedings already concluded by the Transferor Company 1 and Transferor Company 2 on or before Effective Date, to the end and intent that the Transferee Company 1 accepts and adopts all acts, deeds and things done and executed by the Transferor Company 1 and Transferor Company 2 in respect thereto as done and executed on behalf of itself.

PART IV

AMALGAMATION OF MAURYA WITH ZEE MEDIA

TRANSFER OF ASSETS AND LIABILITIES OF THE TRANSFEROR COMPANY 3 TO THE TRANSFEE COMPANY 2

- 24.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Company 3 as a going concern including all assets (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent, tangible or intangible) and liabilities of the Transferor Company 3 shall pursuant to the provisions contained in Sections 391 to 394 and all other applicable provisions, if any, of the Act and without any further act or deed shall stand transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company 2 so as to vest in the Transferee Company 2 all rights, title and interest pertaining to Transferor Company 3.

- 24.2 With effect from the Appointed Date, all debts, duties and obligations of every kind, nature and description of the Transferor Company 3 shall also, under the provisions of



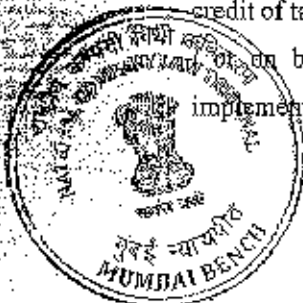
Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be vested with / transferred to or be deemed to be transferred to the Transferee Company 2, so as to become from the Appointed Date the debts, duties and obligations of the Transferee Company 2 and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.

24.3 In so far as the immovable properties held by the Transferor Company 3 is concerned parties shall register the true copy of the order of the High Court approving the Scheme with the offices of the relevant Sub-Registrar of Assurance or similar registering authority. All the rights of the Transferor Company 3 in the immovable properties shall stand transferred to the Transferee Company 2 automatically without requirement of execution of any further documents for registering the name of the Transferee Company 2 as owner thereof and the regulatory authorities, including Sub-registrar of Assurances, Talati, Tehsildar etc. may rely on this Scheme along with the copy of the Order passed by the High Court, to make necessary mutation entries and changes in the land or revenue records to reflect the name of the Transferee Company 2 as owner of the immovable properties.

24.4 All the securities, mortgages, charges, encumbrances or liens, if any created by the Transferor Company 3 on the Effective Date, over its assets transferred to the Transferee Company 2 shall, after the Effective Date, shall continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend to any of the other assets of the Transferee Company 2.

24.5 Any existing encumbrances over the assets and properties of the Transferee Company 2 or any part thereof which relate to the liabilities and obligations of the Transferee Company 2 prior to the Effective Date shall continue to relate only to such assets and properties of the Transferee Company 2 and shall not extend or attach to any of the assets and properties of the Transferor Company 3 transferred to and vested in the Transferee Company 2 by virtue of this Scheme.

24.6 Upon the effectiveness of this Scheme, the Transferee Company 2 shall be entitled to file/ revise Income Tax returns, TDS Certificates, TDS returns and other statutory returns to the extent required for itself and on and/ or behalf of Transferor Company 3, as the case may be. The Transferee Company 2 shall be entitled to get credit/claim refunds, advance tax credits, credit of tax including minimum alternate tax, service tax, credit of tax deducted at source, credit of foreign tax paid/ withheld, etc., if any, for and on behalf of Transferor Company 3, as may be required consequent to the implementation of the Scheme.



The provisions of this Scheme as they relate to the amalgamation of the Transferor Company 3, has been drawn up to comply with the conditions relating to "Amalgamation" as specified under 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.

25. CONSIDERATION

25.1 The entire issued, subscribed and paid-up share capital of the Transferor Company 3 is held by the Transferee Company 2. Upon the Scheme becoming effective, no shares of the Transferee Company 2 shall be allotted in lieu or exchange of its holding in the Transferor Company 3 and the share capital of the Transferor Company 3 shall stand cancelled.

25.2 Upon the coming into effect of this Scheme, the investments of the Transferee Company 2 in the Transferor Company 3 shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company 2.

26. COMBINATION OF AUTHORISED SHARE CAPITAL

26.1 Upon sanction of this Scheme, the authorised share capital of the Transferee Company 2 shall automatically stand increased without any further act, instrument or deed, on the part of the Transferee Company 2 including filing of statutory forms with the Registrar of Companies and payment of stamp duty and fees payable to the Registrar of Companies, by the authorised share capital of the Transferor Company 3 as on the Effective Date, as such fees and duties in respect of such authorized share capital of Transferor Company 3 have already been paid by Transferor Company 3, the benefit of which stands vested in Transferee Company 2 pursuant to the Scheme becoming effective.

26.2 The Memorandum of Association of the Transferee Company 2 (clause relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Sections 391 to 394 of the Companies Act, 1956, Sections 13 and 61 of the Companies Act, 2013 and other applicable provisions of the Act as the case may be and for this purpose the stamp duties and fees paid on the authorized capital of the Transferor Company 3 shall be utilized and applied to the increased authorized share capital of the Transferee Company 2 and no payment of any stamp duty and/or fee shall be made by the Transferee Company 2 for increase in the authorised share capital to that extent.

Upon sanction of this Scheme and upon such combination of Authorised Share Capital



of Transferor Company 3 with the Authorised Share Capital of Transferee Company the Authorised Share Capital of the Transferee Company 2 shall stand increased follows:-

Share Capital	Existing Amount (Rs.)	Revised Amount (Rs.)
<u>Authorised Share Capital</u>		
The Transferor Company 3 23,000,000 Equity Shares of Rs. 10 each	230,000,000	
Transferee Company 2 1,700,000,000 Equity Shares of Re. 1 each	1,700,000,000	
<u>Authorised Share Capital</u>		
Transferee Company 2 1,930,000,000 Equity Shares of Re. 1 each		1,930,000,000

26.4 Clause V (Capital Clause) of the Memorandum of Association of the Transferee Company 2 shall stand altered as under:

"The Authorized Capital of the Company is Rs. 1,93,00,00,000/- (Rupees One Hundred Ninety Three Crores only) divided into 1,93,00,00,000 (One Hundred Ninety Three Crores) Equity Shares of Re. 1 (Rupee One) each with the power to increase or decrease, consolidate or sub-divide the shares under the powers of the Act."

27 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY 2

On the Scheme taking effect, the Transferee Company 2 shall account for amalgamation of the Transferor Company 3 with Transferee Company 2 in its books of account with effect from the Appointed Date as under:

27.1 With effect from the Appointed Date, all the assets and liabilities recorded in the books of the Transferor Company 3 shall stand transferred to and vested in the Transferee Company 2 pursuant to the Scheme and shall be recorded by the Transferee Company 2 at their respective carrying values.

27.2 All reserves of the Transferor Company 3 shall be recorded in the books of accounts of the Transferee Company 2 in the same form in which they appeared in the books of accounts of the Transferor Company 3.

27.3 The intercompany balances, loans and advances / investments in shares and debentures existing between the Transferee Company 2 and the Transferor Company 3 will



The difference between the carrying value of investments in equity shares of the Transferor Company 3 in the books of accounts of the Transferee Company 2 and the amount of share capital of the Transferor Company 3, after considering the adjustments as mentioned in clause 27.3 shall, subject to the other provisions contained herein, be adjusted against and reflected in the capital reserves of the Transferee Company 2.

In case of any differences in accounting policy between the Transferor Company 3 and the Transferee Company 2, the accounting policies, as may be directed by the Board of Directors of the Transferee Company 2 in compliance with applicable accounting standards will prevail and the difference till the Appointed Date will be quantified and adjusted in the capital reserve to ensure that the financial statements of the Transferee Company 2 reflect the financial position on the basis of consistent accounting policy.

27.6 The application and reduction of Capital Reserve pursuant to adjustment in the books of accounts of Transferee Company 2 as per clause 6.1.2 and clause 27.3 and clause 27.4 shall be as per the provisions of Sections 100 to 103 of the Act. The reduction of Capital Reserve in the books of the Transferee Company 2 shall be effected as an integral part of this Scheme without having to follow the process under Section 100 to 103 of the Act separately and the Order of the High Court sanctioning the Scheme shall be deemed to be also the Order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital, if any, or payment of paid-up share capital and the provisions of Section 101 of the Act will not be applicable to the Transferee Company 2 and it shall not be required to add the words "And Reduced" as a suffix to its name consequent upon such reduction.

28 DISSOLUTION WITHOUT WINDING UP

On the coming into effect of the Scheme and upon amalgamation of and transfer of assets and liabilities of Transferor Company 3 to Transferee Company 2, the Transferor Company 3 shall stand dissolved, without being wound up.

29 EMPLOYEES

29.1 All the permanent employees of the Transferor Company 3 if any, who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the employees of the Transferee Company 2, without any break or interruption in service as a result of the transfer and on terms and conditions not less favourable than those on which they are engaged by the Transferor Company 3 immediately preceding the Effective Date. Services of the employees of Transferor Company 3 shall be taken into account from the date of their appointment with the Transferor Company 3 for the purposes of all retirement benefits and all other entitlements for which they may be eligible. The Transferee Company 2 further agrees



All legal proceedings, including arbitration proceedings, of whatsoever nature by or against the Transferor Company 3 pending and / or arising at or after the Appointed Date, as and from the Effective Date shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company 2 in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company 3.

31.2 After the Appointed Date, if any proceedings are taken against the Transferor Company 3 in respect of the matters referred to in Clause 31.1 above, the Transferor Company 3 shall defend the same at the cost of the Transferee Company 2 and the Transferor Company 3 shall be reimbursed and indemnified against all liabilities and obligations incurred by it.

31.3 The Transferee Company 2 shall ensure to have all legal or other proceedings initiated by or against the Transferor Company 3 referred to in Clause 31.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company 2 after the Effective Date.

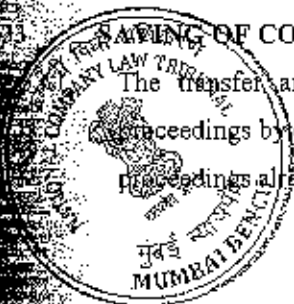
CONTRACTS, DEEDS AND OTHER INSTRUMENTS

32.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the business of the Transferor Company 3, to which the Transferor Company 3 are a party, or the benefit to which the Transferor Company 3 may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company 3, the Transferee Company 2 had been a party or beneficiary thereto. Further, the Transferee Company 2 shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company 3 and to implement or carry out all formalities required on the part of the Transferor Company 3, to give effect to the provisions of this Scheme.

32.2 As a consequence of the Amalgamation of the Transferor Company 3 into the Transferee Company 2 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 3 to the Transferee Company 2, whether relating to any licence, 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.

33 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of business under Clause 24 and the continuance of proceedings by or against the Transferor Company 3 shall not affect any transaction or proceedings already concluded by the Transferor Company 3 on or before the Effective



that for the purpose of payment of any retrenchment compensation, if any, such past services with the Transferor Company 3 shall also be taken into account.

29.2 The services of such employees shall not be treated as being broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointment with the Transferor Company 3.

29.3 With effect from the first of the dates of filing of this Scheme with the High Court and up to and including the Effective Date, the Transferor Company 3 shall not vary or modify the terms and conditions of employment of any of its employees, if any, except with the written consent of the Transferee Company.

29.4 The Transferor Company 3 shall not vary the terms and conditions of employment of any of the employees except in the ordinary course of business or without the prior consent of the Transferee Company 2 or pursuant to any pre-existing obligation undertaken by the Transferor Company 2 as the case may be, prior to the Effective Date.

30 CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

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

30.1 The Transferor Company 3 shall carry on and be deemed to have been carrying on its business and activities in the ordinary course of business and shall stand possessed of and hold all of its properties and assets for and on account of and in trust for the Transferee Company 2. The Transferor Company 3 shall hold the said assets with utmost prudence until the Effective Date.

30.2 The Transferor Company 3 shall carry on its business and activities with reasonable diligence, business prudence and shall not without the prior written consent of the Transferee Company 2, alienate, charge, mortgage, encumber or otherwise deal with or dispose of its undertakings or any part thereof except in the ordinary course of business nor shall it undertake any new businesses or a substantial expansion of its existing businesses.

30.3 The Transferor Company 3 shall not utilize its profits or income, if any, for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of the Transferee Company 2.

30.4 All the profits or income accruing or arising to the Transferor Company 3 or expenditure or losses arising to or incurred by the Transferor Company 3, with effect from the said Appointed Date shall for all purposes and intents be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of the Transferee Company 2.

30.5 All the transactions of the Transferor Company 3 with the Transferee Company 2 shall get cancelled.



Date, to the end and intent that the Transferee Company 2 accepts and adopts all acts, deeds and things done and executed by the Transferor Company 3 in respect thereto as done and executed on behalf of itself.



PART V
GENERAL TERMS AND CONDITIONS

APPLICATION TO HIGH COURT

The Demerged Company, Resulting Company, Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall make all necessary applications / petitions under Sections 391 to 394 of the Companies Act, 1956 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions of the said Act to the High Court of Bombay for sanction of this Scheme under the provisions of the law.

MODIFICATION OR AMENDMENTS TO THE SCHEME

Subject to approval of High Court, the Demerged Company, Resulting Company, Transferor Company 1, Transferor Company 2 and Transferor Company 3 by their respective Board of Directors or any duly authorized committee may make or consent to, on behalf of all persons concerned, any modifications or amendments to the Scheme, or to any conditions or limitations that the Court or any other authority may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate by the respective Board of Directors or committees, including withdrawal of this Scheme and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect. No modification or amendment to the Scheme will be carried out or effected by the Board without approaching the High Court.

The Demerged Company, Resulting Company, Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall be at liberty to withdraw from this Scheme, in case any condition or alteration is / are imposed by the Honourable High Court or any other authority or any bank or financial institution, is unacceptable to them or otherwise if so mutually agreed.

For the purpose of giving effect to this Scheme or to any modification thereof, the Board of Directors of the Demerged Company, Resulting Company, Transferor Company 1, Transferor Company 2 and Transferor Company 3 or any other duly authorized committee thereof are authorized severally to give such directions including directions for settling any question of doubt or difficulty that may arise under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including in case of issue and allotment of shares), and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.

CONDITIONALITY OF THE SCHEME

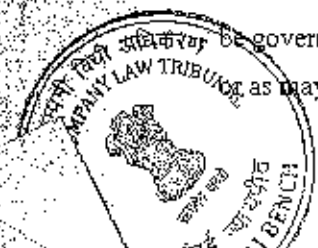


This Scheme is and shall be conditional upon and subject to:

- 36.1 The Scheme being approved by the respective requisite majorities of the members and creditors of the Demerged Company, Resulting Company, Transferor Company 1, Transferor Company 2 and Transferor Company 3 as required under the Act and as may be directed by the Honorable High Court and / or any other competent authority and being sanctioned by the Honorable High Court and/or any other competent authority as may be applicable.
- 36.2 The requisite sanctions, approvals, no-objections or consents of any governmental or regulatory authority, as may be required by law, in respect of this Scheme having been obtained.
- 36.3 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 Demerged Company, Resulting Company, Transferor Company 1, Transferor Company 2 and Transferor Company 3 as may be applicable.
- 36.4 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.
- 36.5 The Scheme would be given effect chronologically i.e., Part II (pertaining to demerger of Print Media Undertaking of the Demerged Company into the Resulting Company) would be given effect to before Part III and Part IV.

EFFECT OF NON-RECEIPT OF APPROVALS

- 37.1 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 December 31, 2017 or within such further period or periods as may be agreed upon between Demerged Company, Resulting Company, Transferor Company 1, Transferor Company 2 and Transferor Company 3 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 as may otherwise arise in law.



REPEALS AND SAVINGS

Any matter filed with Registrar, Regional Director or the Central Government under the Companies Act, 1956, before the notification of the corresponding provisions under the Companies Act, 2013 and not fully addressed at that time shall be concluded by the Registrar, Regional Director or the Central Government, as the case may be, in terms of the Companies Act, 1956. Any direction or order given by the Hon'ble High Court under the provisions of the Companies Act, 1956 and any act done by the Company based on such directions or order shall be, insofar as it is not inconsistent with the provisions of the Companies Act, 2013 shall be deemed to have been done to taken under the corresponding provisions of the Companies Act, 2013.

39 COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of Demerged Company, Resulting Company, Transferor Company 1, Transferor Company 2 and Transferor Company 3 arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Demerged Company and Resulting Company respectively.

Certified True Copy

Date of Application 15/06/2017

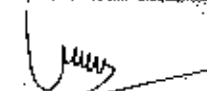
Number of Pages 37

Fee Paid Rs. 185

Applicant called for collection copy on 28/07/2017

Copy prepared on 27/07/2017

Copy Issued on 27/07/2017


Deputy Director

National Company Law Tribunal, Mumbai Bench



BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

COMPANY SCHEME PETITION NO. 265 OF 2017

In the matter of the Companies Act, 2013

And

In the matter of Section 230 to Section 232 read with Section 52 and other applicable provisions of Companies Act, 2013

And

In the matter of Scheme of Arrangement and Amalgamation between Zee Media Corporation Limited; and Diligent Media Corporation Limited and Mediavest India Private Limited; and Pri-Media Services Private Limited and Maurya TV Private Limited and their respective Shareholders and Creditors

Diligent Media Corporation Limited ... Petitioner Company

FOR HEMANT SETHI & CO.

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